

WORK SESSION MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
5308 DISCOVERY PARK BLVD. SUITE 203 CONFERENCE ROOM
WILLIAMSBURG, VA 23188
8:00 AM, TUESDAY, APRIL 14, 2009**

1. CALL TO ORDER

The work session was called to order by Chairman Tingle at 8:05 AM.

2. ROLL CALL

A roll call identified the following members present:

Ms. Leanne DuBois
Mr. Douglas M. Gebhardt
Mr. Paul W. Gerhardt
Mr. Mark G. Rinaldi
Mr. Thomas Tingle
Mr. Marshall Warner

Also Present:

Ms. Carla Brittle, Business Facilitator, JCC
Ms. Ann Davis, EDA Treasurer
Mr. Jeremy Keeler, EDA Fiscal Agent
Ms. Laura A. Messer, EDA Recording Secretary
Mr. Leo Rogers, EDA General Counsel
Mr. Ken Spirito, Newport News Williamsburg International Airport Executive Director
Mr. Keith A. Taylor, EDA Secretary
Mr. Steven Yavorsky, Assistant EDA Secretary

Absent:

Mr. Brien Craft

3. PRESENTATION

Mr. Tingle provided an introduction to Mr. Spirito, who has been at the Newport News Williamsburg International Airport (NNWIA) as the executive director for 3 months.

Mr. Spirito presented information and analysis of the activities at the NNWIA, highlighting the airport's close proximity to Interstate 64 and the land near the airport available for expansion.

Mr. Spirito presented trends at the other regional airports including ticket pricing and passengers. He stated that NNWIA experienced tremendous growth after 2001 and more than doubled the number of passengers since then.

Mr. Spirito discussed the areas of potential growth for NNWIA and highlighted the importance of attracting fly-in tourists in addition to the drive-in tourists. He stated that virtually all of the airport's flight routes were presently along the East Coast and that it was vital to attract service to destinations in the western United States.

The EDA asked several questions about the airport and growth including the expansion to international flights and also regarding military use and demographics of the airport's service area of more than 100,000 people. Mr. Spirito answered all questions and stated that military discounts would be implemented.

4. DISCUSSION ITEMS

a. Alternative Investment Scenarios re: EDA monies

Mr. Tingle introduced the EDA treasurer, Ms. Davis. Ms. Davis was to discuss different investment scenarios for income generation because of an interest by the EDA.

Ms. Davis reviewed her role as the EDA Treasurer and provided a brief review of the James City County Investment Policy and Procedure. She stated that currently there was only 0.89% interest rate on their earnings.

A brief discussion occurred about the use of local and regional banks and how they may offer a penalty-free ladder CD (Certificate of Deposit) that would allow the EDA's funds to earn more and also maintain the need for liquidity.

Mr. Rinaldi stated that an issue with EDA funds is that the income is unpredictable. He led a brief discussion concerning the possibility of the Board of Supervisors dedicating a percentage of the tax rate return to economic development funding as they have to preserve open space. Mr. Tingle stated that he felt it was best if the EDA showed some successes prior to this request.

Ms. Davis noted that credit unions could not be used as options for investment scenarios because they do not pay taxes.

Mr. Rinaldi asked if the EDA could take out a loan if a situation occurred where funds were necessary, but money was inaccessible due to an investment strategy and Mr. Rogers responded that was legally possible.

The EDA agreed that it would be best for Ms. Davis and Mr. Warner to communicate with each other on a telephone survey of the local banking community regarding different

rates and options for the EDA's funds. Ms. Davis asked the EDA for a deadline for rate quotes and the EDA decided that it would be best to provide the information at the next meeting on May 21.

5. ACTION ITEM

Mr. Gebhardt suggested that the action item should be moved ahead on the agenda to align with the discussion on investments and funding. Mr. Tingle and the rest of the EDA agreed.

A brief discussion about the budget took place including that additional funding may need to be appropriated at a later date to support EDA initiatives including the Rural Economic Development Committee and pending Incentives Guidelines recommendations by Director Gebhardt.

Mr. Rinaldi noted that the actual FY 08 figures were missing from the budget worksheet. Ms. Messer and Mr. Keeler will rectify that issue.

Mr. Gebhardt made a motion to accept the budget, which was seconded by Ms. DuBois and passed unanimously.

6. DISCUSSION ITEMS

Mr. Tingle stated that the EDA could now continue with discussion items.

b. Preparation for May 26 Joint EDA/BOS Work Session

Mr. Tingle reviewed a list of potential items for the joint EDA/BOS work session citing that OED staff had developed an overview of topics that were prevalent in the past year of EDA meetings. He stated that the list of topics included the Business Climate Task Force (BCTF), Comprehensive Plan, Incentives Guidelines, James City County Technology Incubator (JCCTI), Planning Commission, Regional Air Service Enhancement Fund, and Rural Economic Development Committee (REDC.) He concluded that many of the topics were related to the future in the County.

Mr. Tingle stated that each topic would receive a five minute overview and the BOS would have a period of time for questions at the end. Mr. Tingle stated he would like everyone's involvement in the discussion even though some people fit with specific topics such as Mr. Craft and JCCTI and Ms. DuBois and REDC.

Mr. Gerhardt inquired about what outcomes were expected with the BOS. Mr. Tingle responded that the EDA wanted feedback on the progress of ongoing activities for their support such as the Incentive Guidelines.

Mr. Tingle asked when information needed to be submitted for the BOS packet and Mr. Rogers responded that it would be the Thursday, May 14.

Mr. Tingle stated e-mail discussions would assist in preparation before the work session.

c. Incentive Guidelines Discussion

Mr. Gebhardt discussed the continued work he has done on incentive guidelines and discussed the York County policy.

Mr. Rogers stated that the EDA would need to be careful about their information request for incentive guidelines due to Freedom of Information Act regulations. The EDA could request a prospect company's financial information, but would need to return it to applicants to ensure confidentiality.

Mr. Tingle stated that other members of the EDA should assist Mr. Gebhardt in continuing to draft the incentive guidelines.

Additionally, Mr. Gebhardt stated that he would prepare a memorandum to accompany the incentive application.

d. Williamsburg-James City County Airport Study

Mr. Tingle discussed the Williamsburg-James City County Airport Study's Executive Summary. He posed the question of what action the EDA should take prior to the May 26 BOS work session, which is when the results of the airport study will be discussed.

Mr. Gebhardt suggested that the EDA issue a general resolution in support of the airport. Mr. Rinaldi agreed with this statement saying that it would be best to show support than to be silent.

Mr. Tingle stated that the EDA would work on a resolution in the coming weeks.

7. **OTHER**

a. Michelob ULTRA Open

Mr. Taylor stated that there were a few pairs of Michelob ULTRA Open tickets remaining for Thursday and Saturday and that the EDA was welcome to offer names of prospects to invite.

Mr. Rinaldi stated he would like to see the list of invitees. Ms. Messer responded that she would send a consolidated list within the next few days.

Ms. Messer then handed out sponsor shirts, hats, and instructional letters to the EDA participants. Mr. Rinaldi asked if the EDA had 100% host participation, to which Ms. Messer responded yes.

Ms. Messer thanked the EDA for volunteering.

8. ADJOURNMENT

There being no further business, Mr. Gebhardt made a motion to adjourn, and Mr. Rinaldi seconded it. The work session was adjourned at 10:30 AM.



Tom Tingle, Chairman



Keith A. Taylor, Secretary