

MEETING MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
5308 DISCOVERY PARK BLVD. SUITE 203 CONFERENCE ROOM
WILLIAMSBURG, VA 23188
8:00 AM, THURSDAY, JANUARY 21, 2010**

1. CALL TO ORDER

The meeting was called to order by Chairman Tingle at 8:04 AM.

2. ROLL CALL

A roll call identified the following members present:

Mr. Douglas M. Gebhardt
Mr. Paul W. Gerhardt
Mr. Larry Pulley
Mr. Thomas Tingle
Mr. Marshall Warner

Also Present:

Mr. Bill Bean, William & Mary's Technology and Business Center Director
Ms. Ann Davis, EDA Treasurer
Mr. Jim Golden, William & Mary, VP of Strategic Initiatives
Ms. Mary Jones, Board of Supervisors (BOS) Liaison to EDA
Ms. Laura A. Messer, EDA Recording Secretary
Mr. Leo Rogers, EDA Counsel
Mr. Leonard Sledge, William & Mary Economic Development Director
Mr. Keith A. Taylor, EDA Secretary
Mr. Steven T. Yavorsky, Assistant EDA Secretary

Not Present:

Ms. Leanne DuBois, EDA Director
Mr. Brien Craft, EDA Director

3. PERSONNEL MATTERS

Mr. Tingle stated that Ms. DuBois was attending a conference and was unable to attend the meeting. He continued and said Mr. Craft had a work-related emergency and had to leave prior to the beginning of the meeting.

He introduced Ms. Jones, the new BOS Liaison to the EDA. He noted that he and Mr. Taylor had an orientation meeting debriefing with Ms. Jones last week to discuss the Board Liaison's role.

Mr. Tingle handed out the list of EDA Committee Chairs and members and Liaisons he has made for CY2010.

4. MINUTES

a. November 19, 2009 Meeting Minutes

Mr. Tingle noted he had e-mailed Ms. Messer one change to this set of minutes regarding the timbering portion. The change is reflected in the minutes as "The last issue that Mr. Yavorsky discussed was the timbering of the EDA's property. It is hoped that the EDA could garner some income from the timber sale. Forestry regulations need to be researched. Ms. DuBois stated that Mr. Billy Apperson, JCC Forester, would be a good contact regarding timbering regulations," during the OED Staff report.

Mr. Warner made a motion to accept the minutes as corrected, which was seconded by Mr. Gebhardt and approved unanimously by voice vote.

b. December 17, 2009 Work Session Minutes

Mr. Tingle asked if there were any changes for the December 17 work session minutes. There being none, Mr. Gebhardt made a motion to accept the minutes as presented, which was seconded by Mr. Gerhardt, and the motion was unanimously approved by voice vote.

5. FINANCIAL REPORTS

a. November - December 2009 Financial Reports

Mr. Warner read an e-mail from Mr. Jeremy Keeler, EDA Fiscal Agent, and said, "Nothing significant to discuss other than the normal interest collection. This was a quiet period for the EDA with no significant spending and no special projects."

Mr. Warner reviewed the reports including operating expenses, the funding to Hampton Roads Economic Development Alliance (HREDA), the audit, and legal fees.

Mr. Tingle asked how the HREDA funding was broken down. Ms. Messer stated it was broken into two semi-annual payments.

Mr. Warner discussed the alternative investment of EDA funds and stated that more than \$15,000 in interest had accumulated.

Mr. Warner then stated that money was broken down at the bottom of the treasurer's report into cash balance and Certificates of Deposit.

Mr. Gerhardt made a motion to accept the financial reports. Mr. Gebhardt seconded the motion, which passed unanimously by voice vote.

b. Continued Alternative Investment of EDA Funds Update

Mr. Gebhardt stated that Ms. Davis had collected rates and terms for Certificates of Deposit (CD) due to the expiration of the first set of CD's. As dictated at the December work session, Mr. Gebhardt selected the Chesapeake Bank 30-month CD at 2.5% interest. The EDA can withdraw the funds once if needed. Mr. Gebhardt made the decision with the assistance of Ms. DuBois, Mr. Craft, and Mr. Pulley; Mr. Gerhardt, Mr. Tingle, and Mr. Warner abstained from the discussion and selection process to avoid any potential conflicts of interest.

The EDA thanked Ms. Davis for her time and work.

6. **ACTION ITEM**

a. 2010 Business and Technology Incubator Management Agreement

Mr. Tingle stated that in Mr. Craft's absence that Mr. Rogers would debrief the EDA on the status of the incubator.

Mr. Rogers explained that the EDA and County officials had extended conversations with the College of William & Mary's Technology and Business Center (TBC). He stated that the management agreement detailed the types of management that the TBC would offer.

Mr. Rogers said that the goal of the reconstituted incubator mission was to attract and grow other Level I and 2 clients in addition to just technology-driven firms.

In the management agreement, it stated that both quarterly and final reports would be given to the EDA by TBC.

Mr. Gerhardt inquired as to the time frame of the agreement. Mr. Rogers responded that it would run from January 19, 2010, to April 1, 2011.

Mr. Yavorsky asked about Page 5 of the contract, stating that it seemed there were some parentheses issues as well as a misnumbering error. Mr. Rogers stated this could be corrected with a revised page insert.

Mr. Jim Golden stated that the College of William & Mary was excited and enthusiastic about this partnership. He highlighted some of the positive aspects of the new agreement including that the partnership made the incubator a responsibility for all parties involved, unlike the previous management agreement, which outsourced the incubator. He continued and said that the partnership fit into a variety of arenas including the Historic Triangle Collaboration's Economic Development Taskforce and the Greater Williamsburg Chamber and Tourism Alliance.

Mr. Gerhardt asked to see a copy of Exhibit A, a letter indicating some additional items from regarding the management of the incubator. Ms. Messer stated she would forward the letter to the EDA following the meeting.

Mr. Gebhardt made a motion to ratify the agreement and Mr. Warner seconded the motion, which passed unanimously with an abstention by Mr. Pulley to avoid any potential conflict of interest due to his position with the College of William & Mary.

Mr. Tingle thanked Mr. Rogers and OED staff for their work on the new management agreement. He stated everyone stepped up to process the agreement and create the best possible scenario for the future of the incubator.

7. DISCUSSION ITEM

a. Technology Business Incubator

Mr. Bean stated that he and Mr. Taylor had inspected incubator prior to the meeting and made a list of tasks that needed to be completed and supplies that need to be purchased. He briefly mentioned that he was working with County staff to secure IT infrastructure.

Mr. Bean stated that he was working on a client agreement for the incubator as well as a client committee that would approve incubator clients and be part of the acceptance procedure. The client agreement will detail the steps necessary to graduate from the incubator.

He continued and stated sponsoring some "Lunch and Learn" programs may be in the best interest of marketing the incubator.

Mr. Bean stated he was working with Mr. John Douglas, of MODU-Systems, a Malaysian-based company, and the most recent incubator client. Mr. Bean said that he had helped Mr. Douglas find a CPA and an attorney and that these areas were areas with which or similar to areas where most incubator clients need assistance.

Mr. Bean also discussed the construction of an incubator website.

Lastly, Mr. Bean discussed his history with the Virginia Business Incubation Association and his experience with helping clients.

Mr. Taylor announced that a series of press releases were in the planning stages starting with an announcement on the new partnership. A brief discussion about the first press release took place and it was concluded that a joint EDA and William & Mary issued press release would have the most impact.

Mr. Warner inquired about the job creation for MODU-Systems, and Mr. Bean replied that there were two people currently running the North American operation in the incubator.

Mr. Taylor stated that Procurement Technical Assistance Center (PTAC) was still residing in the incubator. PTAC works with companies who want to gain government contracts. Joe Moore is the head of PTAC in the incubator and works for George Mason University.

He continued and said that Titan Athletic Group was no longer in the incubator and were focusing on seeking funding for the initial manufacturing run of their product.

Mr. Gerhardt asked about the organizational position of the College of William and Mary's Technology Business Center. Mr. Bean responded that TBC was in the College's Economic Development Office which falls under Strategic Initiatives.

Ms. Jones stated that it was important to look at the types of businesses that reside in the incubator because those that would remain in JCC would be a better fit for the incubator. She referenced the Business Climate Task Force report as a good source for identifying those types of businesses.

Ms. Jones asked about having an event to commemorate the re-launch of the incubator and it was decided that a reception might be the best method.

8. REPORTS

a. Board of Supervisors Liaison

Ms. Jones stated that, as the EDA already knew, the Comprehensive Plan had been approved by the BOS and zoning amendments concerning the Special Use Permit categories that had already recommended in the Planning Commission would be reviewed by the BOS at the upcoming Tuesday work session..

She stated that the annual BOS budget retreat was occurring the coming Saturday and that it would be televised starting at 8am. She continued and said there would be economic presenters to help bring a perspective to the coming economic forecast.

The BOS would have to identify up to 5 million dollars in addition to the budgetary reductions that had already been made.

Ms. Jones stated that the challenging budget years looked as if they would continue through FY 2012.

b. Business Assistance Application

Mr. Gebhardt led a discussion on the progress of the business assistance program. He stated that two applicants had applied, but after scoring, did not meet the standards for the business assistance requested. He asked the EDA what they thought should be the process in notifying applicants about the status of their applications. It was suggested that a personal phone call be made with a letter following.

Mr. Gebhardt stated that the business assistance program (BAP) was a work in progress and that as the EDA learns more about the new program that changes will be necessary. Mr. Pulley stated that the guidelines can be tightened up at any time to help narrow the types of businesses who apply.

Mr. Gebhardt and Mr. Pulley will prepare a new statement for the guidelines, which the EDA will review.

It was decided that someone who had not reviewed the application would place the personal call to the BAP applicant. Mr. Taylor and Mr. Yavorsky were asked to perform this task.

Ms. Jones commended the EDA on being proactive with the program and stated that it was a promising program.

c. Planning Commission Liaison

Mr. Gebhardt reported that the Planning Commission had passed zoning amendments and they were now going to the BOS. He continued and said that American Heritage RV Park was working on an expansion. He stated they were applying for a special-use permit, but there was some conflict because the area in question was in an economic opportunity zone in the new Comprehensive Plan as a part of the Mooretown Road extension.

Mr. Tingle stated due to the time that a Rural Economic Development Committee report would take place at the upcoming work session.

9. OED STAFF REPORT

Mr. Taylor discussed the fact that OED has continued to service new prospect inquiries during the past two months. He stated that there was a "steady stream" and was hopeful that this increased flow would ultimately lead to an announcement.

Mr. Taylor stated that he and Mr. Tingle had met and discussed the upcoming schedule for the EDA including future presenters at meetings as well as the issue of some strategic planning for moving forward with the EDA's projects and goals.

In April, Ms. Rona Vrooman from the County's Human Resources department would assist the EDA with some strategic planning, similar to how she assisted the Business Climate Task Force in 2006.

Mr. Taylor stated that the County Administrator, Sandy Wanner, had stated that County staff other than OED would only be present for meetings when they have an agenda item. This would lead to needing to anticipate the needs of County staff.

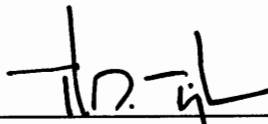
Mr. Tingle asked if Ms. Carla Brittle would be able to provide a quarterly report on her work as Business Facilitator. Mr. Taylor said that she would be asked to do so.

Mr. Gerhardt asked if Mr. Tingle or someone he knows could provide an update on the potential of rail in the Richmond-Hampton Roads corridor and the environmental effects. He stated that it had become a prominent issue recently in the local media and that he felt it may be good for the EDA to receive an update. Mr. Tingle agreed and said he would bring in a presenter for the February meeting.

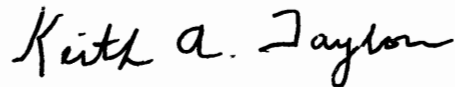
Mr. Taylor stated that Mr. Tingle had suggested other future presenters from Northrop Grumman, Jefferson Lab, and Virginia Institute of Marine Sciences.

10. **ADJOURNMENT**

There being no further business, Mr. Gebhardt made a motion to adjourn the meeting at 10:08 AM.



Thomas G. Tingle, Chairman



Keith A. Taylor Secretary