

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, NOVEMBER 18, 2010**

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. Stephen H. Montgomery
Mr. Thomas G. Tingle
Mr. Marshall Warner

Also Present:

Ms. Mary Jones, Board of Supervisors Liaison
Mr. Jeremy Keeler, *former* EDA Fiscal Agent
Ms. Laura A. Messer, EDA Recording Secretary
Ms. Leslie Roberts, Partner, Goodman & Company
Mr. Russell Seymour, EDA Secretary
Ms. Jenni Tomes, EDA Fiscal Agent
Ms. Barbara Watson, Local Enterprise Zone Administrator
Ms. Tara Woodruff, Director, Accounting, James City County

Absent:

Mr. Lawrence B. Pulley, EDA Director

3. PERSONNEL MATTERS

a. New Office of Economic Development (OED) Director

Mr. Tingle welcomed Mr. Russell Seymour to James City County. He gave a brief background on Mr. Seymour stating that he grew up in Yorktown and had graduated from Tabb High School followed by an undergraduate degree from Christopher Newport University. Mr. Seymour then earned a graduate degree from the University of Akron.

Mr. Tingle continued and said that Mr. Seymour had worked as a comprehensive planner in

Stafford County and also worked with the Fredericksburg Regional Alliance before becoming the Director of Economic Development for Spotsylvania County.

Mr. Seymour thanked Mr. Tingle for the welcome and introduction and stated that he is in the process of meeting with local business executives and key County personnel.

Mr. Seymour continued and stated that existing industry visits would resume in January with County Administration and members of the EDA.

The EDA, as a whole, welcomed Mr. Seymour and said they were looking forward to working with him.

b. Thank You from Keith Taylor

Mr. Tingle stated that he had received an e-mail requesting a note be read from Mr. Keith Taylor, the former EDA Secretary and OED Director. The note conveyed Mr. Taylor's sincere thanks for the retirement reception sponsored by corporate sponsors and the EDA. The note continued and said that it was a truly memorable evening for Mr. Taylor and he was thankful for all the support from the EDA over his career with JCC.

Mr. Tingle thanked Ms. Messer for planning the retirement function.

4. FINANCIAL REPORTS

a. September – October Financial Reports

Mr. Jeremy Keeler, former EDA Fiscal Agent, announced to the EDA that he would no longer represent the EDA as their Fiscal Agent. There had been realignment within JCC's Accounting Department and the new EDA Fiscal Agent would be Ms. Jenni Tomes. Ms. Tomes has been with JCC for some time and will have access to Mr. Keeler for any questions she may have.

Mr. Keeler then reviewed the financial reports for September and October. He stated that the only activities were the two loans for the Business Assistance Program, the EDA's portion of the Celebration of Business, and the Business Retention Expansion and Industry funding.

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

5. PRESENTATION/ ACTION ITEM

a. Presentation of FY 2010 EDA Auditor's Report

Mr. Keeler introduced Ms. Leslie Roberts from Goodman & Company's Chester office. Ms. Roberts had completed the EDA's FY 2010 Audit and provided the EDA with a summary of the document.

Ms. Roberts stated that the EDA had had a smooth audit and that there were no problems

encountered during the audit process. She stated that it had been a flat year, which was reflective of the current economic environment, and that the only major transaction was the payoff of Mainland Farms.

Ms. Roberts stated that she had expanded upon the obligations of the EDA on pages 16 and 17 of the audit to be more comprehensive for the future.

Ms. Roberts briefly reviewed the disclosure letter and stated that some dated Enterprise Zone funds had been written off of the books due to the length of time that they had remained.

b. Approval of FY 2010 EDA Audit

Mr. Tingle thanked Ms. Roberts for the summary of the FY 2010 EDA Audit.

He asked if there was a motion to approve the FY 2010 EDA Audit as presented. Mr. Montgomery made a motion, which was seconded by Mr. Warner and approved unanimously by voice vote.

6. APPROVAL OF MINUTES

a. September 16, 2010

Mr. Tingle asked if there were any changes to the September 16 meeting minutes. Mr. Gebhardt noted changes to item 7, Reports, in the last paragraph under item b., to replace the last sentence with, "There is some concern with the expansion occurring in the right-of-way of a potential future Mooretown Road Expansion; however, those plans are too conceptual at this time to place any land use restrictions on the expansion."

Mr. Gebhardt also noted modifications under Item 7, Reports, under the Business Assistance Program Update. He stated that "Biome-in-a-Box is a product that is primarily marketed to educational organizations, some of which, Mr. Gebhardt speculated, could be non-profit and tax exempt."

Ms. Messer stated that she had completed Mr. Gebhardt's amendments to the minutes.

Mr. Gerhardt made a motion to accept the minutes as amended, which was seconded by Mr. Montgomery and was approved unanimously by voice vote.

b. October 21, 2010

Mr. Tingle asked if there were any changes to the October 21 work session minutes. Mr. Tingle noted changes under Discussion Items to the Sports Grant Review Committee. Ms. Messer stated that she will make the changes as discussed. Mr. Gerhardt made a motion to accept the minutes as amended, which was seconded by Mr. Warner and approved unanimously by voice vote.

7. PRESENTATION/ACTION ITEM

a. Local Enterprise Zone

Mr. Tingle introduced Ms. Barbara Watson, Local Enterprise Zone Administrator. Ms. Watson presented information on the applications received from four companies that qualified for Economic Development Authority (EDA) Enterprise Zone Grants. She stated that companies that make a capital investment of \$1 million or more qualify for the EDA Grant. The EDA Grant Program is a five year series of declining grants based on the assessed value of improvements.

Ms. Watson listed the companies that should receive 2009 EDA grants as follows:

- Coresix Precision Glass in the amount of \$5,581 for year 4
- Volvo Rents in the amount of \$3,622 for year 2
- Walmart III in the amount of \$62,688 for year 4
- Haynes Distribution in the amount of \$44,024 for year 2
- DCB Group, in the amount of \$8,955 for year 2
- Richie Building in the amount of \$11,270 for year 2

In addition, the following five businesses are eligible for EDA Machinery and Tools Grants:

- Coresix \$2,387
- Volvo Rents \$9
- Walmart III \$16,928
- Haynes Distribution \$40,040
- DCB Group \$23.

The total amount of the incentives equal \$195,527. Ms. Watson stated that the County allocates funds for these incentives during the annual budget process, and therefore sufficient funds are available. Ms. Watson requested that the EDA authorize the payment of these grant requests.

The EDA inquired what business DCB Group was and it was stated by Ms. Watson that it was the Climate Control Storage. Ms. Messer stated it was at the front of Green Mount Industrial Park.

The EDA inquired about state incentives and Ms. Watson stated that the dispersal of funds was for local incentives and that the state application was separate. She continued and said that not everyone actively pursues the state funding.

Ms. Watson asked the EDA for a motion. A motion was made to accept the Enterprise Zone grants as presented by Mr. Montgomery and was seconded by Ms. DuBois, and approved unanimously by the EDA as there are no conflicts of interest.

b. Discussion of Enterprise Zone Expansion

The EDA discussed the expansion of the Enterprise Zone as was discussed at the August Work Session by Mr. Reese Peck. Ms. Jones reminded the EDA of the issue of time on the redistribution of land for the Enterprise Zone.

A discussion talked about the possibility of redistributing Enterprise Zone land and continued meetings of the Enterprise Zone Expansion Task Force, which includes Mr. Steven Yavorsky, Mr. Warner, and Ms. Watson.

The EDA noted the importance of having cooperation in Enterprise Zones between owners, tenants, and the EDA.

8. REPORTS

a. Board of Supervisors (BOS) Liaison

Ms. Jones discussed the Comprehensive Plan results and also noted the addition of 15 beds to the Williamsburg Place at the Farley Center, part of Diamond Healthcare. She noted the process improvements in Development Management that have allowed for such matters to run through the development process more effectively.

She also noted a new tenant for an existing facility in JCC.

Mr. Tingle thanked her for the update.

b. Planning Commission Liaison

Mr. Gebhardt updated the EDA on the Zoning Ordinance Update. He stated that economic opportunity zones would be discussed at an upcoming meeting and that considerations on verbiage would be discussed.

The EDA noted that it was important to not disqualify any potential tourism attractions for the Lightfoot area near the existing Pottery. Any economic opportunity zone (EO Zone) designations could disqualify a business that JCC wants to attract to the area.

The EDA discussed looking at similar EO Zones from other localities including York County, which already has an EO Zone in place.

Also, the EDA discussed how any EO Zone documents would need to be flexible for future development.

c. James City County Business and Technology Incubator (JCCBTI)

Mr. Gerhardt stated that he attended the Virginia Business Incubation Association Annual Conference in late October. Mr. William E. Bean, JCCBTI Manager was also in attendance.

Mr. Gerhardt reported that there will be another company joining the JCCBTI as another gets ready to graduate.

Mr. Gerhardt continued and stated that discussion regarding a regional incubator is continuing to grow and that there will need to be discussions on location and management of such a facility. Mr. Seymour added that he will be discussing regional incubators with the economic development directors of the College of William & Mary, Williamsburg and York County.

d. Business Assistance Program (BAP)

Mr. Gebhardt stated that the BAP granted its second recipient, Biome-in-a-Box, assistance. Biome-in-a-Box had been awarded and received \$5,000 in funding to assist with their product production.

Mr. Gebhardt stated that another application had been received and reviewed with the BAP Committee citing that due to the limited information given and what appeared to be a working capital request, the company would not be offered participation in the BAP.

A discussion occurred about the measurable programs other than financial assistance that could be offered to BAP applicants.

It was noted that many BAP applicants are strictly interested in financial assistance, and a discussion about offering only loans to companies occurred. The EDA discussed the viability of offering loans by working with local banks and acting as guarantors for part of the loans offered.

The EDA discussed that not only are BPOL taxes important, but also the use of local businesses for personal services for employees such as motor fuel and dining. It was stated that these types of items can also benefit JCC.

Mr. Seymour stated that he would discuss these matters with EDA Counsel.

9. OED STAFF REPORT

Mr. Seymour stated that since he had started on November 1, he had met with a variety of local businesses, both small and large to begin establishing relationships. He stated that he had met with Ball Metal, Howell Creative Group, and several other businesses. He continued and explained that following the holidays, County Administration and the EDA would both be invited to participate in existing industry visits.

Mr. Seymour explained that he had also met with Mr. William E. Bean, Incubator Management, and had met with some of the incubator clients.

He stated that staff had been very helpful thus far and that he was quickly learning about JCC.

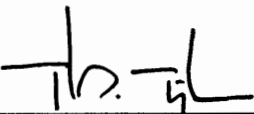
Ms. Messer reminded the EDA that there were two bond issues that Mr. Steven T.

Yavorsky had e-mailed the EDA about prior to his scheduled leave. Mr. Montgomery stated that one of the bonds had been deferred. Ms. Messer stated she would follow-up with Mr. Yavorsky upon his return.

10. **ADJOURNMENT**

Mr. Montgomery asked that the EDA invite Mr. Dick Schreiber from the Greater Williamsburg Chamber and Tourism Alliance to speak about the study completed on lodging in the Historic Triangle at the December work session. The EDA agreed and Mr. Seymour stated he would extend an invitation to Mr. Schreiber.

There being no further business, Mr. Gebhardt made a motion to adjourn. The work session was adjourned at 10:08 AM.



Thomas G. Tingle, Chairman



Russell C. Seymour, Secretary