

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 20, 2011**

1. CALL TO ORDER

The work session was called to order by Chairman Tingle at 8:04 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:

Mr. James Kennedy, Board of Supervisors Liaison
Mr. Adam Kinsman, EDA Counsel
Ms. Laura A. Messer, EDA Recording Secretary
Mr. Russell Seymour, EDA Secretary
Ms. Tara Woodruff, Director, Accounting, James City County
Mr. Steven Yavorsky, EDA Assistant Secretary

3. PERSONNEL MATTERS

a. New Board of Supervisors Liaison

Mr. Tingle introduced Mr. James Kennedy as the Board of Supervisors Liaison. Mr. Kennedy previously served as the BOS Liaison from Nov. 2008 to Dec 2009. The EDA, as a whole, welcomed Mr. Kennedy and said they were looking forward to once again working with him.

4. APPROVAL OF MINUTES

a. November 17, 2010

Mr. Tingle asked if there were any changes to the November 17 meeting minutes. Mr. Gebhardt noted a change to *Reports item d, Business Assistance Program*, midway through the 2nd paragraph to read, "and what appeared to be a working capital request." 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. December 16, 2010

Mr. Tingle asked if there were any changes to the December 16 work session minutes. There being none, Mr. Gebhardt made a motion to accept the minutes as amended, which was seconded by Mr. Montgomery and approved unanimously by voice vote.

5. FINANCIAL REPORTS

a. November – December Financial Reports

Ms. Woodruff stated that Ms. Jenni Tomes was sick and unable to attend the meeting to present the financial reports. She then reviewed the financial reports for November and December. She stated that several expenditures had been processed including the 2010 Enterprise Zone payouts, which the EDA had approved at their November meeting. Additional charges included the semi-annual payment to HREDA and payment of the reception held for former OED Director, Keith Taylor.

Interest and James City County Business and Technology Incubator revenue had been received.

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

The EDA thanked Ms. Woodruff for her report.

Mr. Warner noted that the EDA had accrued approximately \$20,000 in interest since their investment in Certificate of Deposits.

6. DISCUSSION ITEMS

a. Enterprise Zone

Mr. Seymour began a presentation on proposed amendments to the Enterprise Zone. He stated that JCC is eligible to have an Enterprise Zone until 2015. There are a permissible 3,840 acres for the Enterprise Zone and JCC currently only utilizes 3,400 acres. Mr. Seymour provided an overview of regulations for the Enterprise Zone and stated that each locality may have three non-contiguous zones. He also explained that a locality is permitted one amendment per year; the amendment can include changes to both the

incentives offered and up to 15% of the land in the Enterprise Zone.

Mr. Seymour stated that currently the Enterprise Zone is located in the lower end of JCC in the Grove area; it includes public lands, wetlands, and other land that provides no taxable or job creation opportunities.

Mr. Seymour had spoken to Ms. Barbara Watson, Local Enterprise Zone Administrator, about removing the residential properties from the Enterprise Zone. She had stated that removing these areas would have no effect on the current Enterprise Zone.

Mr. Seymour continued and said that with the proposed plan, it would go to the Board of Supervisors no later than March, but that the proposal, if passed, would be retroactive for the entire calendar year of 2011.

Mr. Seymour proposed that for the next five years the following changes occur to the Enterprise Zone:

- **Year 1:** Incorporate 862 acres that will encompass Anheuser-Busch InBev, Busch Corporate Center, a southern portion of Stonehouse Commerce Park (includes) and the northern Toano corridor which includes both Jacobs and Hankins Industrial Parks and smaller businesses
- **Year 2:** Incorporate 610 acres that will encompass the northern portion of Stonehouse Commerce Park and the southern Toano corridor
- **Year 3-5:** Look at incorporating areas of opportunity in retail centers to encourage revitalization. This will change yearly to include different areas.

Mr. Seymour stated that these strategies were in line with the Comprehensive Plan and included all major industrial areas of JCC. He stated that it would also be imperative to review the criteria for meeting Enterprise Zone benefits. Currently, it requires a minimum million dollar capital investment, and he stated that this may hinder small business applicants in Enterprise Zone.

Lastly, Mr. Seymour stated that using the Enterprise Zone to its full potential could be a significant marketing tool for JCC.

Mr. Yavorsky then discussed the potential amendment of local incentives in the Enterprise Zone.

The local incentive changes were as follows:

- Remove criteria that half the new jobs must be filled by JCC residents, however, only jobs that are full-time permanent and filled by JCC residents are eligible for Enterprise Zone grants
- “The average annual wage plus benefits is at least 90% of the County’s per capita income”. The amendment will take into account benefit packages that many part-time & seasonal positions lack (90% = \$26,325 or \$13.10/hour)
- Amend to “\$400 per full-time permanent employee who is a JCC resident that has been displaced for at least 12 months.”

- Either remove incentive for childcare grants in Enterprise Zone, or limit the grant to establishing/enhancing facilities in only the Grove section of the Enterprise Zone as a means to limit growth
- Removing current incentives that offer training/education services for local citizens; these services are already provided by Virginia Employment Commission and County Library system.
- Change the restriction that states “if the State at any time stops funding its incentives, James City County *will* also cease funding its incentives” to “if the State stops funding incentives, JCC *may* also cease funding its incentives”

The EDA discussed the issues that had been proposed. Mr. Tingle stated that decisions would need to be made for the acreage and local incentives. As a whole, the EDA agreed that the acreage amendments were sound and would provide good benefits to business and industry.

Mr. Gerhardt asked why the areas had been identified for the amendments to the enterprise zone. Mr. Seymour stated that an enterprise zone committee had discussed different areas of JCC. Mr. Tingle noted that it was important to keep the industrial base and retail centers.

A discussion about childcare facilities in JCC occurred. The EDA questioned whether or not it was right to limit the local incentive to the Grove area of the County.

It was suggested by the EDA to look at the Rt. 60 corridor for revitalization at some point during the five year plan. A brief discussion about how the corridor encompasses areas owned by all three jurisdictions in the Historic Triangle occurred.

Mr. Montgomery made a motion to accept the acreage amendments for year one and two as proposed with the additional areas pending for years three through five, which was seconded by Ms. DuBois.

The EDA tabled the motion to amend local incentives, as more discussion within County departments needed to occur.

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

A brief discussion about the JCCBTI took place. Mr. Seymour stated that JCCBTI had its first graduate since new management had been put into place. MODU System LLC will be moving to the ESG building in Stonehouse Commerce Park.

Mr. Seymour stated that the current management contract expires on April 1, 2011 and will need to be reevaluated and assessed. He stated that a regional incubator could occur in the future, but not within the next six months. A proposal would need to occur for FY 2012.

Mr. Seymour noted the success of JCCBTI in the past year citing that it has a variety of clients at the present time.

Mr. Montgomery stated that Mr. Bill Bean, JCCBTI Manager had presented at the Rotary Club within the last month.

Mr. Kennedy stated that it was important to look at marketing resources for the incubator including the local County cable television station, JCC 48.

Mr. Tingle asked that Mr. Bean present an update at the February EDA work session. Mr. Seymour stated he would contact Mr. Bean regarding this matter.

c. E-Commerce Grant Program

Mr. Yavorsky updated the EDA on the e-commerce grant program that had been initiated in FY 2009 by the County with \$5,000. He stated that in the fall of 2010, the grant funds were exhausted, as three grants were awarded to Breathe Healthy (\$2,000), MODU Systems (\$2,000) and American Eagle Flag & Flagpole (\$1,000).

Mr. Yavorsky stated that other grant programs across Virginia award between \$500 and \$5,000 per grant. As each of the projects that JCC funded totaled between \$5,000 and \$10,500, Mr. Yavorsky stated that OED recommends the EDA award 1 to 1 matching grants up to \$1,500 for all applicants (currently Incubator clients may receive a grant up to \$2,000 on a 2 to 1 matching basis), and fund the program by \$7,500 for FY11.

Mr. Yavorsky stated that there were several applicants interested in the e-commerce grant program and that it may be in the EDA's best interest to consider continuing to work with Vectec, as they are knowledgeable in the process and structure of e-commerce and that applicants were not required to use the services of Vectec for their projects.

The EDA had a brief discussion about the e-commerce grant program and recommended that they support the e-commerce grant program, but did not think it should be encompassed into the current Business Assistance Program.

Mr. Tingle noted that funds could be assessed and an appropriate line item would be charged for the funding.

Mr. Montgomery made a motion to accept the recommendation to continue to fund the e-commerce grant program, which was seconded by Mr. Gerhardt and passed unanimously by the EDA.

d. Industrial Revenue Bond Issue

Mr. Seymour noted that there was state legislation to restrict the Virginia Small Business Financing Authority ability issue tax-exempt bonds to non-profit organizations. The legislation will allow VSBFA to offer IRBs only if the locality in which the non-profit is located refuses or otherwise unable to issue the bonds. This current law could hinder the EDA from potential revenue through fees associated with revenue bonds, particularly as the

VSBFAs offers a fee equal to 1/10 of one percent compared to JCC's fee of 1/8 of one percent.

The EDA agreed that correspondence should be made with Senator Norment and Delegate Barlow to suggest that the legislation not be passed.

A draft letter was reviewed by the EDA and Mr. Montgomery noted it was important to not use a broad brush and to clarify portions of the letter. Mr. Kinsman stated he would review the letter for qualifiers.

The EDA approved communication regarding the matter and cited the urgency.

7. REPORTS

a. Board of Supervisors (BOS) Liaison

Mr. Kennedy began by reading a letter regarding a joint meeting of leadership from the three jurisdictions. He stated he had been interested in having a meeting when was Chair of the Board of Supervisors because a joint meeting with York County and the City of Williamsburg had not occurred in nearly 25 years. He noted the importance due to the discussions of regional growth.

Mr. Kennedy talked about the Economic Opportunity Zone discussions that had been occurring and also noted that the ordinance amendment was ongoing. He stated the high involvement of the Planning Commission may cause extended discussions.

Mr. Kennedy noted that the Virginia Department of Transportation had met with the Williamsburg Pottery regarding the Pottery's redevelopment project. The parties discussed access to the Pottery from Route 60/Richmond Road and traffic signals.

Mr. Kennedy noted that he was pleased with the changes that are occurring within OED and was excited about the expansion of programs. He noted the importance of nurturing the "tourism shoulder season" and said that a Wine and Food Festival may be a good potential event.

He also stated that it was vital to look at sports marketing to include the facilities available. He stated that there were plenty of rooms available in the area and that while there were lots of soccer fields, it may be important to inventory softball fields.

Lastly, Mr. Kennedy discussed the Virginia Gazette article that referenced the potential relocation of the OED offices to the County Complex. He stated that with Williamsburg-JCC Public Schools moving out of the Complex that there may be potential space.

The EDA had a brief discussion about the positive image that OED's current location portrays for marketing and business. Mr. Warner noted that New Town is thriving with activity and it is vital for incoming businesses to see that image. Ms. DuBois noted that the

interconnectivity with both the College of William & Mary, Thomas Nelson Community College, and the JCCBTI was important.

Mr. Tingle noted that it was important to portray energy and not a rural image of JCC. He encouraged the EDA to send the BOS letters and e-mails in favor of OED staying in New Town.

Mr. Tingle thanked Mr. Kennedy 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 also commercial districts would be discussed. He will attend both meetings.

c. Rural Economic Development Committee (REDC)

Ms. DuBois updated the EDA on REDC. She stated that two new members will be joining – both Brian Noyse and Evi Oakley.

Mr. Noyse is the District Manager of the Colonial Soil and Water Conservation District. He brings a wealth of expertise working with the agricultural community in James City County and the region.

Ms. Oakley is the Farm Manager at the Williamsburg Winery overseeing production of the 3 acre garden that includes the production of Padron Peppers for La Tienda and growing food for the restaurants at the Winery. She worked with the students who participated in the William and Mary Farm Internship program this past summer.

Ms. DuBois stated that the Williamsburg Winery is putting in high tunnels to encourage year-round farming. She stated that Mrs. Bryant's Specialty Foods and Sauces is opening a retail store in Busch Corporate Center. The facility will include a community kitchen.

She stated that she had been discussing a food incubator with a local cattle raiser as well.

Ms. DuBois noted that the *Right to Farm* policy was still in draft form but that a variety of individuals were interested in reviewing the draft. She stated that the draft was the first of its kind in Virginia.

Ms. DuBois noted the success of the Williamsburg Farmer's Market and stated that she would be attending the North American Farmers Conference and that it would be a good opportunity to see what other areas were doing.

Lastly, Ms. DuBois noted the revival of *Virginia's Finest* program paired with *Virginia Grown*. Mr. Kennedy stated it may be vital to have a roundtable discussion with restaurants

to see what produce they were interested in prior to the creation of their spring menus. He noted Dudley's Farmhouse Grill, Blue Talon, Fat Canary, and The Trellis.

Ms. DuBois noted that this was a great idea.

d. Sports Grant Committee Update

Mr. Montgomery updated the EDA on the Sports Grant Committee that was a branch of the Greater Williamsburg Chamber and Tourism Alliance. He stated that efforts were being put together to host a large little league series and that also contract with a soccer league was in the works. He also stated that a mountain bike challenge may occur and that the Sports Grant Committee was doing good work.

Mr. Tingle asked about marketing the sports grant program.

8. **OED STAFF REPORT**

Mr. Seymour noted that OED was looking to combine the spring business event with the annual fall Celebration of Business to reduce cost. Mr. Seymour extended an invitation to the EDA for any ideas or thoughts they had for both the event and about the concept.

Mr. Montgomery noted that at the event he had attended in the fall that it seemed like business attendance was low.


Ms. Messer thanked the EDA for turning in their Conflict of Interest forms on time, which allowed the County to avoid any issues from auditors.

9. **ADJOURNMENT**

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



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M E M O R A N D U M

To: Records Management
From: Economic Development Authority
Date: April 9, 2015
Re: IDA-EDA Minutes – November 18, 2010

Please accept this memorandum in acknowledgement that approval date for the Economic Development Authority minutes for the November 18, 2010 contained a typographical error. The date is listed as November 17, 2010 in the January 20, 2011 minutes – this date was actually November 18, 2010.

These minutes, to the best of my knowledge, are the official minutes for the November 18, 2010 Economic Development Authority meeting.

Please accept these minutes as the official record for November 18, 2010.



Robin D. Carson, Vice Chair



Russell C. Seymour, Secretary