

## 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, FEBRUARY 17, 2011**

### **1. CALL TO ORDER**

The work session was called to order by Chairman Tingle at 8:03 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. Bill Bean, James City County Business and Technology Incubator, Manager  
Ms. Laura A. Messer, EDA Recording Secretary  
Mr. Russell Seymour, EDA Secretary  
Mr. Leonard Sledge, Director, Office of Economic Development, College of William &  
Mary  
Mr. Steven Yavorsky, EDA Assistant Secretary

### **3. PRESENTATION/ACTION ITEMS**

#### **a. James City County Business and Technology Incubator (JCCBTI) Report**

Mr. Bill Bean presented an update on the activity at the JCCBTI. He stated that within the last year, there were eight clients and one graduated. The clients were a mix of academic and business clients.

The current clients are American Eagle Flag and Flagpole, Beanbank Coffee, Breathe Healthy, Colonial Coffee, Court Record Solutions, Innovative Stress Management Systems (Campus Massage), and Phenom. The graduate, MODU System, is enrolled in the newly created incubator graduate program, which allows graduates to participate in incubator programs and events.

Mr. Bean highlighted the current work of some of the clients. MODU System is staying in

JCC and locating into multi-tenant building in Stonehouse Commerce Park. MODU is working on a contract to be a supplier for a prominent, global company that provides consumer products in the areas of pharmaceuticals, cleaning supplies, personal care, and pet supplies. Another client, Campus Massage is looking to potentially alter their business to incorporate Digital Advertisement Placement.

Mr. Bean reviewed the revenue portion of JCCBTI and provided approximate estimates for 2011. He stated that the current contract would expire on April 1, 2011 and proposed the EDA extend it.

An issue that Mr. Bean requested the EDA address immediately was high volume of noise in the open space of JCCBTI; as each cubicle area has a gap between the partition and ceiling. When clients conduct meetings or are on phones in their offices, the incubator can become quite loud.

The EDA thanked Mr. Bean for his presentation.

b. James City County Business & Technology Incubator Contract

Mr. Seymour asked if the action item regarding JCCBTI could be moved upward on the agenda to correlate with discussion.

Mr. Tingle agreed and Mr. Seymour briefed the EDA on the logistics of the contract with the College of William & Mary. The original contract had totaled \$70,000 for a span of fifteen months with the operation costs being reimbursed to JCC using revenue from JCCBTI clients.

Mr. Seymour suggested the EDA extend the contract for two years with monthly reports becoming a part of the new contract. He also suggested the EDA assume responsibility for operating costs of the Incubator, rather than the current arrangement of the County paying the expenses. The contract would be further amended so that the EDA would then receive the reimbursements that were currently diverted to the County, making a simpler process.

A brief discussion about the investment and revenues of the Incubator took place.

The EDA agreed with this and Mr. Yavorsky suggested that the new contract aim to target fiscal years instead of calendar ones to further simplify the partnership.

Mr. Seymour would request continued use of the space from the Board of Supervisors.

The EDA agreed to allow Mr. Seymour to negotiate a new contract with the College of William & Mary on their behalf. Mr. Seymour stated that he and Mr. Gerhardt would discuss a new contract with W&M.

Mr. Montgomery made a motion to allow Mr. Seymour to negotiate a contract, which was seconded by Mr. Warner and passed unanimously by voice vote.

c. JCCBTI Sound Issue

Mr. Tingle stated that he wanted to discuss the sound and noise disturbances in the offices of JCCBTI. The interior designer from Guernsey Tingle Architects examined the space and determined the easiest solution for the space was a product from Tactical Office Solutions. Mr. Tingle presented the proposal from Tactical Office Solutions to the EDA. The estimated cost of the project would be \$5,118.75. After a brief discussion, the EDA decided that it would be the best option to remedy the situation.

Ms. DuBois noted that the noise issue was a good one to have, as that means the incubator is full of clients.

Mr. Warner made a motion to accept the proposal and remedy the noise issues, which was seconded by Ms. DuBois.

4. **ACTION ITEMS**

a. Business Brand Strategy Development

Mr. Leonard Sledge presented the Mason School of Business at William & Mary's Field Consultancy program. The program teams of second-year MBA students work as consultants for major companies throughout the Mid-Atlantic. The teams are charged with identifying, researching and proposing a solution for a real business problem faced by their client organization. Each project focuses on specific issues of their clients. Mr. Sledge proposed that the Field Consultancy Program facilitate a study for a business brand strategy for the Historic Triangle from November 2011 through April 2012. As the area stresses the importance of tourism research, he recommended the same effort be placed into the business brand.

Mr. Sledge cited the efforts of the Historic Triangle Economic Diversification Task Force and noted the high-return on investment. The cost of a Field Consultancy study, \$15,000 plus nominal expenses, would be split between the three Historic Triangle Economic Development Authorities (James City County, York County, and the City of Williamsburg.) He acknowledged other sponsors would reduce the cost.

The EDA discussed the importance of this type of research and agreed that it was worth the expense of up to \$5,000 plus nominal fees.

Mr. Warner was enthusiastic about such a study and it assisting the Greater Williamsburg Chamber and Tourism Alliance in its regional goals.

Mr. Gebhardt motioned to support moving forward with the field consultancy program, which was seconded Mr. Warner and approved unanimously by voice vote.

Mr. Sledge thanked the EDA.

b. Business Assistance Program/Application

Mr. Gebhardt reported the EDA Subcommittee for the Business Assistance Program recommends that the EDA award Beanbank Coffee a \$5,000 grant tied to a performance agreement (similar to the performance agreements used for Breathe Healthy and Biome-in-a-Box given in August 2010 and October 2010 respectively).

Beanbank Coffee is a start-up business and JCCBTI Client focused on selling private label coffee through charitable organizations, private schools, and university alumni associations for their fundraising purposes. The coffee is purchased through a branded online-store set up for each participating organization. Beanbank has already secured contracts with several collegiate alumni groups and other organizations. The potential revenue return source for JCC at this point is through the capture of the local portion of sales tax. Additionally, within three years, Beanbank anticipates creating several full time employment opportunities.

Because all of Beanbank's sales occur online, local sales tax is only lawfully collected on those orders with a Virginia "ship to" address. Further, coffee is a qualified food and beverage product, which means the sales tax rate is 2-1/2% rather than 5%. The Commissioner of Revenue has confirmed that localities still realize their full 1% portion of the tax.

Mr. Seymour noted that Beanbank still needed to receive a business license in James City County, however approval for the Business Assistance Program could occur pending receipt of a business license.

Mr. Montgomery made a motion to approve business assistance to Beanbank Coffee, which was seconded by Mr. Gebhardt and approved unanimously by voice vote.

Mr. Gebhardt noted the mark-up of the Business Assistance Program Guidelines in accordance with the changes of the program over the past year. The edited document provided a clarified version of guidelines for applicants. The EDA approved the changes by voice vote.

**5. DISCUSSION ITEMS**

a. Enterprise Zone

Mr. Seymour updated the EDA on the Enterprise Zone amendment: a plan had been constructed and OED was preparing to notify the owners of property in the zone, including right-of-ways. Mr. Seymour would present the matter at the March 22 Board of Supervisors (BOS) meeting. Mr. Seymour requested EDA support at the BOS meeting. The EDA directors confirmed their attendance based on their availability.

Mr. Seymour thanked the EDA for their support.

b. Business Retention Expansion and Industry (BREI) Update

Mr. Yavorsky presented a review of the May BREI Conference, which the EDA was co-hosting. He reviewed the schedule of events including the Lt. Governor's Office Welcome reception, event at Busch Gardens Williamsburg, and a tour of the Virginia Port.

Mr. Yavorsky noted that BREI Conference would occur the week following Virginia's Business Appreciation Week. Williamsburg and York Economic Development proposed a regional business appreciation event in Yorktown on Riverwalk, which was coinciding with a BREI reception.

Mr. Seymour noted that this would yield cost reductions and be a good opportunity to support regionalism. Mr. Seymour noted that during Business Appreciation Week that OED would publish several ads thanking businesses for their work.

The EDA agreed that it may be good to substitute the Spring Event for the BREI winery event. It was noted that they would want more information on the event and projected number of attendees.

Mr. Tingle inquired about the investment that had been made by sponsors into BREI. Mr. Yavorsky informed Mr. Tingle that he would discuss those details with the other two localities.

c. Sports Marketing/Economic Progress Update

Mr. Montgomery reported that the Sports Marketing Grant Committee had made several investments in local sports events ranging from \$2,000 to \$3,000. The grants had received good press coverage about these investments and the benefits for local tourism.

He further reported on a continued discussion on the Economic Progress Committee about the Zoning Ordinance Amendments and that there had been a variety of discussion about economic opportunity zones.

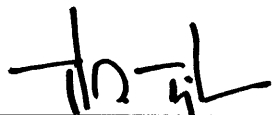
Mr. Seymour stated that there had been good dialogue about the matters with Mr. Steven Hicks and Mr. Dick Schrieber.

6. **ADJOURNMENT**

Mr. Seymour offered an invitation for one member of the EDA to join a lecture on economic development and engineering at NASA Langley. Several of the EDA directors had scheduling conflicts, but Mr. Gebhardt tentatively accepted. Mr. Tingle noted that Mr. Jim Kennedy, Board of Supervisors Liaison wanted to remind the EDA about the forthcoming forums on Zoning Ordinance Amendments.

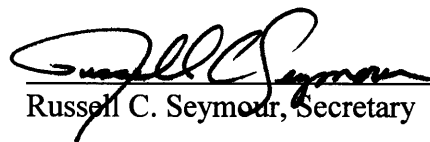
There being no further business, Mr. Warner made a motion to adjourn. The work session

was adjourned at 10:08 AM.

Handwritten signature of Thomas G. Tingle in black ink, consisting of stylized initials and a surname.

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Thomas G. Tingle, Chairman

Handwritten signature of Russell C. Seymour in black ink, featuring a large, flowing initial 'R' and a cursive surname.

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Russell C. Seymour, Secretary