

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, SEPTEMBER 15, 2011**

1. CALL TO ORDER

The meeting was called to order by Chairman Tingle at 8:07 AM.

2. ROLL CALL

A roll call identified the following members present:

Mr. Tim Harris, Director
Mr. Paul W. Gerhardt
Mr. Stephen Montgomery
Mr. Thomas G. Tingle, Chairman

And Mr. Tingle noted that Mr. Marshall Warner would arrive following a United Way event.

Also Present:

Mr. Jim Kennedy, Board of Supervisors Liaison
Mr. Adam Kinsman, EDA Counsel
Mr. Stephen Johnson, EDA Bond Counsel
Mr. John McDonald, Manager, Financial Management Services, James City County
Ms. Laura A. Messer, Recording Secretary, James City County
Mr. Danny Plaucher, Executive Director, Virginians for High Speed Rail
Mr. Courtney Rogers, Senior Vice President, Davenport & Co.
Mr. Russell Seymour, EDA Secretary
Ms. Kathryn Sipes, Business Development and Retention Coordinator
Mr. Telly Tucker, EDA Assistant Secretary

Absent:

Ms. Leanne DuBois, Director

3. APPROVAL OF MINUTES

a. July 21, 2011

Ms. Messer noted some minor changes submitted by Mr. Gerhardt and stated that she had amended the minutes. Mr. Tingle asked if there were any other changes. There being none, Mr. Montgomery made a motion to adopt the minutes as amended, which was seconded by Mr. Harris.

b. August 18, 2011

Ms. Messer noted a minor change submitted by Mr. Gerhardt. Mr. Tingle asked if there were any other changes. There being none, Mr. Montgomery made a motion to adopt the minutes as amended, which was seconded by Mr. Gerhardt.

4. FINANCIAL REPORTS

a. July and August Financial Reports

Ms. Messer stated that Ms. Tomes was unable to be present due to health issues. She continued and said the normal expenditures had occurred in July and August.

Mr. Tingle inquired about a \$2,500 expenditure and Ms. Messer stated that was the annual support of Virginians for High Speed Rail.

Mr. Tingle asked about the year ending numbers for FY 2011 and Ms. Messer said she would get that information from Ms. Tomes. He also asked about the County's transfer of funds for the Enterprise Zone and how that was affecting the EDA's cash flow. Ms. Messer stated that Ms. Tome was verifying amounts of payment and that it would be completed in the next few weeks.

Mr. Montgomery made a motion to accept the financial reports as presented, which was seconded by Mr. Gerhardt.

5. REPORT

Mr. Tingle stated that due to Mr. Kennedy having an obligation, he would present his Board of Supervisors Liaison report at this time.

Mr. Kennedy noted that the Economic Opportunity District had been approved at the September 15 Board of Supervisors meeting by a vote of 3-2.

Mr. Kennedy discussed the aftermath of Hurricane Irene and discussed the storm outages and the need to coordinate a meeting with Dominion Virginia Power and Cox Communications (regarding internet outages).

Mr. Harris and Mr. Montgomery both noted the importance of limiting the days of power outages following storms such as Hurricane Irene and discussed the expense of generated power and loss of revenue.

Mr. Harris stated that Stonehouse Commerce Park frequently has outages and that he relied on generators in these situations especially as a business that relies on refrigeration.

Mr. Seymour said he would work to help coordinate a discussion of issues within existing industrial parks and business locations.

6. PRESENTATION

Mr. Tingle introduced Mr. Danny Plaughner, Executive Director of Virginians for High Speed Rail (VHSR).

Mr. Plaughner provided an update on VHSR, a nonprofit coalition for fast, frequent high speed rail. The EDA supports VHSR in their endeavors.

He stated their newsletter has a readership of 50,000. He said that state train ridership was up six percent and continued to see growth especially as stations near universities continued to rise.

Mr. Plaughner discussed the 10 year vision of ridership and high speed rail in Virginia and briefly discussed a variety of rail-related legislation.

The EDA had a brief discussion about transportation in the Economic Opportunity District and discussed the density needs for high speed rail.

The EDA thanked Mr. Plaughner for taking the time to come speak to the EDA and Mr. Plaughner thanked the EDA for their support.

Mr. Warner arrived during Mr. Plaughner's presentation.

7. **AUTHORIZING THE ISSUEANCE OF A LEASE REVENUE BOND (COUNTY GOVERNMENT PROJECTS), SERIES 2011**

a. Presentation

Prior to discussion, Mr. Gerhardt noted that, although he had no direct relationship to the issue, he would be abstaining from participating in any discussion or vote on the forthcoming issue because the prospective bond purchaser was a client of his law firm and was represented by others in his law firm in an office other than his.

Mr. Tingle introduced Mr. Stephen Johnson, EDA Bond Counsel. Mr. Johnson briefed the EDA on the bond documents, which total \$6.9 million and would fund several JCC Government projects including the remodeling of Building D, the former Williamsburg-James City County School Board building, capital improvements of Mid-County Park and capital improvements at Fire Station 4 on Olde Town Road.

Mr. John McDonald, Financial Management Services Manager noted that the project had been approved by the Board of Supervisors at their September 13 meeting for the three capital projects as mentioned.

Mr. Johnson stated that Fire Station 4 was being used as collateral and that it was similar to the 2009 bond issue for the County's new police station.

Mr. Johnson noted that the EDA had no obligations tied to the deal and that there were no personal ties for EDA directors.

Mr. Warner asked about the rate and Mr. Johnson stated it was a 10 year fixed bond, which Mr. Warner noted was very attractive.

Mr. Montgomery asked if the EDA received any fees, but Mr. Tingle noted the EDA has

waived administrative fees for JCC in the past.

Mr. Johnson stated that after his review, all the documents seemed to be in order and it was ready for action.

b. Action on Lease Revenue Bond

There being no more questions about the lease revenue bond, Mr. Warner made a motion to approve the lease revenue bond as discussed and to sign the documents to assist the County in the three capital improvement projects. Mr. Warner's motion was seconded by Mr. Montgomery.

Chairman Tingle asked Mr. Seymour to take a roll call vote:

Ms. DuBois	Absent
Mr. Gerhardt	Abstain
Mr. Harris	AYE
Mr. Montgomery	AYE
Mr. Tingle	AYE
Mr. Warner	AYE

Mr. McDonald thanked the EDA.

Mr. Johnson said he would deliver the documents for signature in the following weeks.

c. Upcoming Bond Issues

The EDA had a brief discussion about a forthcoming bond issue and discussed whether or not there should be a nominal fee for public hearings, amendments, and bond-related issues.

Mr. Montgomery and Mr. Gerhardt both agreed that fees seemed like a regular practice on any type of bond action. The EDA as a whole agreed that fees should apply to amendments and actions tied to bond issues.

Mr. Tingle asked Mr. Johnson to research to see what other EDAs charged in such fees in place. Mr. Johnson agreed and stated they would discuss the issue in the coming weeks.

The EDA thanked Mr. Johnson for his time.

8. ACTION ITEMS

a. Business Assistance Program

Mr. Seymour stated that there had been one business assistance application for World of Wine located in New Town.

Mr. Gerhardt stated he would need to abstain from conversation because his firm represents World of Wine.

Mr. Seymour stated they had requested \$7,500 to increase their inventory and improve their cash flow as well as add some additional website functions and delivery. He stated they intended to add one additional full-time position and two part-time positions.

Mr. Harris noted the difficulties in shipping alcohol across state lines and said it would have to be local delivery.

The EDA briefly discussed the goals of the BAP and noted that the EDA should not be treated as a small capital lender. The EDA asked Mr. Seymour what the Grants Committee’s recommendation was for the application.

Mr. Seymour stated that the Grants Committee suggested the application be denied as a BAP, but be considered for an e-commerce application in the amount of \$1,500.

Mr. Montgomery made a motion to accept this recommendation, which was seconded by Mr. Harris.

Chairman Tingle asked Mr. Seymour to take a roll call vote:

Ms. DuBois	Absent
Mr. Gerhardt	Abstain
Mr. Harris	AYE
Mr. Montgomery	AYE
Mr. Tingle	AYE
Mr. Warner	AYE

b. E-Commerce Grant Program

Ms. Sipes stated that there had been four applications for e-commerce grants. She listed the companies as:

- Moon Asian Bistro in Monticello Marketplace
- Olde Town Pizza and Pasta
- Welcome Home Realty
- London Underground.

She stated that both Moon Asian Bistro and Olde Town Pizza and Pasta wished to incorporate online ordering into their existing websites. Welcome Home Realty and London Underground both wished to create websites advertising their services.

The EDA had a brief discussion about website improvements versus creation of websites.

Ms. Sipes stated that based on the funding that had already been granted there was no money left in the allocation of funding for e-commerce grants. She stated that due to no previous timeline being upheld when grants were issued that there were still some outstanding grants and with the changing of the fiscal year, the funds had already been committed.

The EDA had a discussion on funds and the goals of the e-commerce grant program. They agreed that it was important to uphold their commitments to the grants that were already

issued and noted in the future this would not occur.

The EDA briefly discussed the applications at hand and noted that they would like to offer Olde Town Pizza a \$500 grant because of their business history in JCC. Mr. Warner made a motion, which was seconded by Mr. Harris.

The EDA decided to put the e-commerce grant program on hiatus until further notice.

9. DISCUSSION ITEMS

a. Chairs and Committees Updates and Appointments

Mr. Tingle stated that with Mr. Gebhardt's departure from the EDA he had asked Mr. Harris to act as the Planning Commission Liaison.

Mr. Tucker would replace Mr. Yavorsky as the secondary HREDA Liaison.

The Business Assistance and E-Commerce Grant Programs would be combined into the Grants Committee. Mr. Gerhardt stated that Mr. Montgomery and Mr. Warner would participate with him as Committee Liaisons. Mr. Seymour inquired if it would be acceptable for EDA Counsel to partake in these discussions. Mr. Tingle stated this would be fine since they construct the agreements at hand. Mr. Seymour stated that Mr. Adam Kinsman would participate in the Grants Committee.

Lastly, Mr. Tingle asked Ms. Messer to add the Regional Air Service Enhancement Fund Liaison with his name listed. Ms. Messer stated she would update the document to note all the changes.

b. James River Commerce Center

Mr. Seymour stated that a scope of work and vendor would be selected for engineering and site plan work for the EDA's shell building site.

10. REPORTS

a. Sports Committee

Mr. Montgomery told the EDA that the Sports Committee had many of the same issues as the e-commerce grants program citing that there were too many applicants and that the mission and intentions of the program weren't clear.

11. OED STAFF REPORT

Mr. Seymour provided a brief staff report due to time constraints. He stated that the annual Celebration of Business was forthcoming and reminded the EDA to save the date of November 3, 2011. He told them they should be on the lookout for invitations and the Captain John Smith award ballot.

He noted that OED was continuing to work on Project HOG and that it looked as if it would be a successful event.

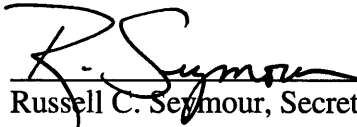
Mr. Seymour briefly discussed the green building initiative and CEO Roundtable.

12. ADJOURNMENT

There being no further business, Chairman Tingle made a motion to adjourn. The meeting was adjourned at 10:23 AM.



Thomas G. Tingle, Chairman



Russell C. Seymour, Secretary