

MEETING MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
101-D MOUNTS BAY ROAD
WILLIAMSBURG, VA 23185
8:00 AM, THURSDAY, JANUARY 10, 2013**

1. CALL TO ORDER

The meeting was called to order by Chairman Gerhardt at 8:05 AM.

2. ROLL CALL

A roll call identified the following members present:

Ms. Robin Carson
Ms. Leanne DuBois
Mr. Paul W. Gerhardt, Chairman
Mr. Tim Harris
Mr. Stephen Montgomery
Mr. Thomas Tingle

Also Present:

Ms. Cheryl Cochet, EDA Fiscal Agent
Mr. Dick Couch, Chair, Mathews County Industrial Development Authority (IDA)
Mr. Adam Kinsman, EDA Legal Counsel
Mr. John McDonald, Director, Financial Management Services, JCC
Ms. Laura Messer, Recording Secretary, JCC
Ms. Kathryn Sipes, Business Development and Retention Coordinator, JCC
Mr. Telly Tucker, EDA Assistant Secretary

Absent:

Mr. Marshall Warner, Vice Chair

3. MINUTES

a. December 13, 2012 Minutes

Mr. Gerhardt asked if there were any changes to the December 13, 2012 EDA meeting minutes. There being none, he asked for a motion to approve the minutes. Mr. Tingle made a motion to approve the minutes, which was seconded by Mr. Montgomery. It was approved unanimously by voice vote.

4. FINANCIAL STATEMENTS

a. December Financial Statements

Mr. Gerhardt asked Ms. Cochet for a financial update and she discussed the expenditures in Period 6 (December 2012) stating that incubator and interest revenue had been collected. She also stated that payment for the Build America Bond had been transferred from the Internal Revenue Service, but that it would be coded to the County General Fund.

Ms. Cochet discussed the expenditures and said these expenses included the EDA's final payment to Williamsburg Environmental Group as well as the final payment for the annual audit. She stated that Start! Peninsula had been paid for the EDA's sponsorship and also the monthly expenses of JCCBTI management contract and legal fees. Lastly, she stated that the first half of the Hampton Roads Economic Development Alliance (HREDA) dues had been paid.

Mr. Tingle noted a question about bank fees and Ms. Cochet said that the Treasurer's Office was still working to alleviate the problem.

There being no more questions, Mr. Harris made a motion to approve the December financial report, which was seconded by Ms. Carson and passed unanimously by voice vote.

5. ACTION ITEM

a. Approval of Resolution for Mainland Farms Contract

Mr. Gerhardt reviewed the Mainland Farms contract that had been approved by the review committee. He stated the resolution would approve the signing of the contract. The contract length is three years with the option to extend for two more.

There being no changes, Mr. Montgomery made a motion to approve the resolution, which was seconded by Mr. Tingle and approved unanimously by voice vote.

A copy of the resolution is attached.

6. DISCUSSION ITEMS

a. EDA Finances

The EDA reviewed the five-year report that Ms. Cochet, EDA Fiscal Agent, had put together. They asked questions and looked at the top expenses: Promotion, HREDA, Regional Air Service Enhancement Fund, and JCCBTI.

The EDA stated that the report may not be the best way of looking at the finances. Mr. Montgomery and Mr. Harris both said they would like to see a trajectory using the five-year report as a foundation. Mr. Gerhardt agreed and instructed OED staff to work towards putting this together with Mr. Warner and Ms. Cochet.

Mr. Harris asked what the plan was when the EDA is out of funding. He asked how other EDA's are funded.

The EDA discussed how funding had come from property sales such as the first virtual shell building, which was purchased by AVID Medical in the late 1990s.

Ms. Carson noted the importance of knowing what County Administration and the Board of Supervisors have as a vision for the EDA as the EDA is moving forward.

The EDA had a brief discussion on continued strategic planning including the possibility of having County Administrator Middaugh attend the meeting.

Mr. Gerhardt noted he would talk to the BOS Liaison to the EDA as well.

Mr. Dick Couch, Chair, Mathews County IDA, said that many of the issues facing the JCC EDA are consistent with the Mathews IDA.

b. Return on Investment

Mr. Tucker introduced Mr. John McDonald, who is the Director of Financial Management Services for JCC. Mr. McDonald discussed tourism and how JCC views return on investment. He discussed the different segments of the market. He stated that JCC has 2,000 timeshare units and approximately 1500 hotel and motel rooms.

He stated that of revenue from the room tax that \$2.5 million must be reinvested into tourism.

Mr. McDonald stated that sports tourism is beneficial to retail in JCC, but the County loses money due to the lack of lodging. The majority of lodging in the Historic Triangle is in York County.

The EDA questioned why tax revenue does not help and Mr. McDonald explained that overall tax revenues have declined in recent years. Mr. McDonald referenced "The State of the Region," a report by Old Dominion University.

The EDA discussed different product issues in the Historic Triangle including transportation and nightlife. It was noted that retail traffic specifically from the Greater Richmond area may be affected with the opening of a new outlet mall in the Ashland-Hanover area.

Ms. Carson noted that a Tourism Commission had been put together and would have a meeting in the next several weeks and a new survey was being put together that should provide information on why visitors don't return to the Historic Triangle.

A continued discussion on timeshares and transient fees occurred including a discussion on

the self-reporting that takes place.

The EDA thanked Mr. McDonald for attending the meeting and suggested he also participate in the upcoming strategic planning session for the EDA.

7. **STAFF REPORT**

Mr. Tucker stated that OED monthly snapshots of activities would begin next month.

He stated that there was a forthcoming Enterprise Zone workshop on January 23, 2013 at Legacy Hall and invited the EDA to join if they were interested.

Ms. Sipes updated the EDA on the work with Williamsburg Environmental Group and stated that she had scheduled both banker forum meeting and a Grant Committee meeting for the upcoming weeks.

Ms. Sipes stated that there would be updates on the Business Accelerator Program at the next EDA meeting.

Mr. Tingle noted the importance of having a Skybox Committee meeting before the next EDA meeting.

The EDA thanked OED staff for the update.

8. **REPORTS**

a. Grants Committee

Ms. Sipes noted an upcoming meeting for the Business Accelerator Program.

b. James City County Business and Technology Incubator

Mr. Gerhardt noted that there would be a regional incubator at the end of the month with all EDA chairs and OED directors.

c. Miscellaneous Business

Mr. Tingle noted that there had been a meeting of the Regional Air Service Enhancement Fund (RAISE) and that Mr. Seymour had represented JCC at the meeting. He said that \$500,000 of RAISE funds were placed in escrow for PEOPLExpress, to assist with start-up costs for the airline.

d. Rural Economic Development Committee

Ms. DuBois stated that there would be forthcoming marketing expenses for REDC to help promote Mainland Farms. She stated that the farmer, Mr. David Hula, had a very

successful season. She stated she was looking at working with a writer to publish a story on Mainland Farms and potentially erecting a kiosk at the farm regarding its historic relevance. Ms. DuBois asked if the EDA was comfortable with this, to which they agreed assuming that JCC was unable to compose such work. Ms. Dubois will bring a more detailed proposal to next month's meeting.

A brief discussion about the "Shaping Our Shores" initiative took place including noting the importance of Jamestown Beach property.

e. Sports Marketing

Mr. Montgomery stated that the spring meeting of the Sports Marketing Committee was upcoming.

f. Miscellaneous Business

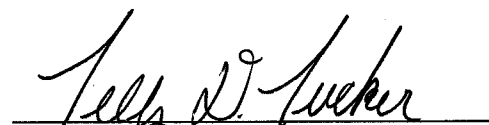
The EDA noted the passing of County Administrator Robert Middaugh's son, Brian, and asked that the minutes reflect their condolences and sympathies for his family's loss. The service would be later in the day at New Town Methodist Church with a reception following in the James River Ballroom at Kingsmill Resort.

Mr. Gerhardt asked Mr. Tucker to discuss continuing the EDA agenda with Mr. Seymour, who was out at a Leadership Historical Triangle event. For the retreat, Mr. Gerhardt noted having a longer time frame and Mr. Harris noted having a tighter agenda would be beneficial.

8. ADJOURNMENT

There being no more further business, Mr. Montgomery made a motion to adjourn. The meeting was adjourned at 9:55 AM.


Paul W. Gerhardt, Chairman


Telly D. Tucker, Assistant Secretary