

**SPECIAL MEETING MINUTES**

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)  
OF JAMES CITY COUNTY (JCC)  
101-D MOUNTS BAY ROAD  
WILLIAMSBURG, VA 23185  
8:00 AM, FRIDAY MARCH 29, 2013**

**1. CALL TO ORDER**

The meeting was called to order by Chairman Gerhardt at 8:03 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 (tardy)  
Mr. Stephen Montgomery  
Mr. Thomas Tingle

Also Present:

Mr. M. Anderson Bradshaw, Powhatan District Supervisor, Board of Supervisors  
Ms. Cheryl Cochet, EDA Fiscal Agent  
Ms. Laura Messer, EDA Recording Secretary  
Mr. Ron Monark, Meeting Facilitator  
Ms. Kathryn Sipes, Business Development and Retention Coordinator, JCC  
Mr. Russell Seymour, EDA Secretary  
Mr. Telly Tucker, EDA Assistant Secretary

Absent:

Mr. Marshall Warner, Vice Chair

**3. BACKGROUND DISCUSSION**

Mr. Monark began facilitating the discussion by asking how the presentation by the Hampton Roads Economic Development Alliance (HREDA) at last month's EDA meeting went. Ms. DuBois stated that she thought it was beneficial because it showed accountability of HREDA. Mr. Monark asked if the EDA felt it was appropriate for Mr. Darryl Gosnell, President and CEO of HREDA, to attend more meetings to provide updates. The EDA agreed that given HREDA staff's other obligations, it was unfair to ask for more frequent presentations, but that staff could provide information from HREDA at meetings.

Mr. Tingle noted that HREDA was the only marketing tool for new prospects and that it would not be wise to cut the JCC funding as there was no alternative. He stated that JCC was in a unique situation as they are the only EDA that wholly funds HREDA.

Ms. DuBois mentioned that perhaps it was necessary to look at JCC's alignment with the Greater Richmond Partnership instead of Hampton Roads. Mr. Gerhardt requested confirmation that JCC was a part of the Hampton Roads Metropolitan Statistical Area (MSA). Mr. Seymour noted that JCC was a part of the Hampton Roads MSA.

Ms. Carson noted the increasingly different tone following the HREDA presentation that she had missed at last month's meeting.

Mr. Bradshaw said, it is all a matter of which edge JCC wants to be a part of since it is located in the middle.

Mr. Seymour began a breakdown of available buildings in JCC. He stated he used CoStar for the information. He said that JCC has ample space for office users. He continued and said most of the spaces are smaller.

Mr. Seymour reviewed prospect information for 2012 and 2013 thus far.

The EDA had a brief discussion about the EDA tract of land in James River Commerce Center including dividing the tract into three separate parcels. Ms. Carson asked how many acres the EDA's tract was and Mr. Seymour stated it was approximately 70. Ms. Carson asked the average acreage available for purchase in JCC.

Mr. Monark asked if there were specific types of projects that were out of JCC's area of best fit for business and industries. For example, industrial businesses may not be a good fit. He stated it seemed based on workforce that education-based industry is a better fit.

Mr. Harris asked about the lead process and inquired whether or not the model was changing. Mr. Seymour said that there were two primary methods of receiving leads. He stated that there were direct leads that come straight to JCC and also leads that flow through HREDA and the Virginia Economic Development Partnership. Mr. Harris stated this seemed like too much of a funnel.

Mr. Monark asked the group what industries JCC wants to have located in the County as well as if there was a type of business best suited for a location in JCC. Mr. Harris noted that demographically there may be some businesses that would be a good fit for JCC based on workforce.

Mr. Tingle said that JCC should identify sectors that make sense. Mr. Seymour stated that clearly tourism and sports marketing were natural fits for the area. Mr. Tingle highlighted that it may be best to look at industries related to existing businesses.

Mr. Monark said he agreed that direct leads were the best and asked why the EDA felt that direct leads continued to increase. Mr. Harris responded that it was due to the amount of

information available online. He continued and said that JCC had a very comprehensive and thorough Economic Development staff. Ms. DuBois stated that it seemed like there was much more activity being pushed forward in JCC.

Ms. Carson stated that you get what you pay for in terms of marketing. She stated that since HREDA is a regional group that often incentives are not touted properly. She said it was vital to have excellent marketing materials.

Mr. Seymour stated that Economic Development staff was currently working on new marketing materials that will include tourism materials. He stated the current materials were out of date.

Ms. Carson discussed the issue of location and stated it was important to review what types of businesses were a fit for JCC.

Mr. Monark asked the group to reflect on the discussion and what conclusions could be formed from the discussion. The EDA decided that manufacturing was likely not a fit for JCC currently, but that tourism was important. Ms. Carson noted the importance of making sure the “legs” of the JCC business stool were not reliant on tourism only.

Mr. Monark asked the EDA to think about a 5-10 year plan for businesses.

The EDA began a discussion about healthcare and its importance to JCC. Mr. Gerhardt stated that healthcare was the third largest employer in JCC. The EDA noted that JCC was a great retirement community, but questioned whether all the necessary healthcare services were available. The EDA discussed Nashville’s prevalence as a healthcare job market while acknowledging the many differences between Nashville and JCC.

Mr. Montgomery noted the effects of consolidation of healthcare were present and that it may not be possible to have all services available. Ms. Carson noted in her experiences that orthodontic care, dermatology, and optometry care all seemed to be lacking in JCC. Mr. Montgomery added that the major trauma centers were located in Newport News and Richmond.

Mr. Monark asked the EDA if they knew what caused Nashville’s development as a premiere healthcare job location. Mr. Montgomery noted that a lot had to do with the Vanderbilt University Medical Center and Healthcare Corporation of America being located in Nashville.

The EDA had a discussion about how locations become tied to specific sectors such as Silicon Valley for technology and cancer research in Tampa.

Mr. Tingle noted the age demographics of JCC and discussed how the 2008 Business Climate Task Force recognized the age disparities in JCC and how JCC does not retain young graduates from the College of William & Mary. He continued and said we recognize what we are, but need to strategize how to retain young professionals.

Mr. Gerhardt stated the EDA needed to be proactive versus reactive. He said that he felt young people especially young entrepreneurs need access to technology. This led to a discussion of the data infrastructure of JCC and the importance of fiber optic connections to the internet. Mr. Gerhardt said that technology infrastructure was as critical as transportation infrastructure. The EDA discussed the importance of technology infrastructure and Mr. Tingle noted that even his business, which is unrelated to technology, has a high need of storage capacity.

Mr. Seymour asked if technology companies were a target and the EDA responded that technology companies are not a sector target, but that technology infrastructure was critical. Mr. Monark reiterated this and said that every industry is affected by technology needs. He asked if JCC was unable to handle the local needs.

Mr. Gerhardt suggested a guest speaker from the Information Technology industry come to a future EDA meeting.

Ms. Gerhardt noted it was important to know where on the curve JCC was for technology infrastructure.

The EDA continued a discussion on fiber and infrastructure needs noting the importance of technology and data needs for all types of businesses. The EDA recognized that they do not have all the knowledge necessary for this topic, but noted that some businesses in JCC and JCC staff may be able to help. Mr. Tingle stated that he had contacts, who may be beneficial.

The EDA decided that a small task force similar to the Regional Incubator Management Team or the Management Team itself may be best at identifying the technology needs.

Mr. Monark noted that these are all things the EDA does not know enough about at this time.

#### 4. **STRATEGY AND INITIATIVES**

Mr. Monark asked the EDA to compile a list of tasks to complete within the next year and long term. The EDA decided they wanted to focus on the current list of tasks at this meeting.

After discussion, the EDA noted the following items as tasks they wanted to complete:

- Joint meeting between the regional EDAs and Greater Williamsburg Chamber and Tourism Alliance to discuss attracting a younger population
- A regional information technology task force to review data infrastructure and fiber
- Regional discussion about healthcare
- Sector and product analysis
- Lead generation
- Tell the JCC story
- Regional incubator and continued regional cooperation.

To reach the above tasks, the EDA discussed young professionals and recent graduate needs in terms of finding a community with an entrepreneurial spirit and also attractions that meet their recreation and hobby needs. Ms. DuBois noted the push of athletic events and races seemed positive for the community.

The EDA had a brief discussion about the GWCTA and marketing.

## 5. **DISCUSSION ITEMS**

### a. Financial Projections

Ms. Cochet arrived to the meeting and began a discussion of the EDA's financial projections. She reviewed the document given to the EDA that showed the past 5 years and the projections for the next 5 years. Mr. Harris noted a net cash flow presentation of the information would be beneficial to see the impact on reserves.

Ms. Cochet noted that at the end of FY 2012, the EDA had \$1.7 million and she estimated that by the end of FY 2018, she anticipated the EDA having between \$475K and \$525K dependent on any additional income that was not currently projected.

Ms. Cochet explained the regional incubator management agreement to the EDA and how that affected income. She noted the Regional Air Service Enhancement Fund (RAISE) expenditures had been upped and Mr. Tingle explained the original RAISE agreement had 50% of its funding from the BOS, but that was no longer supported.

Ms. Cochet noted the Owens-Illinois performance-based agreements and Ms. Sipes said those should be coming from JCC's General Fund. Ms. Cochet stated she was unaware of this and that that this would help the EDA remain positive on funding for a longer period of time.

The EDA discussed their funding and revenue sources. The EDA noted that they would be receiving payment from Virginia United Methodist Homes for the refinancing of their bonds for WindsorMeade.

Mr. Harris thanked Ms. Cochet for her report and Mr. Gerhardt told Mr. Bradshaw that Ms. Cochet does an excellent job as the EDA Fiscal Agent.

The EDA noted that it would be beneficial to see three different scenarios of the budget – projections that are best-case and worst-case scenarios with one that is the mean of the two scenarios.

The EDA discussed the financial future of the EDA including the potential of selling the EDA tract as well as if JCC would need any bank-qualified financing.

Mr. Montgomery noted the importance of having bank-qualified financing available. He stated he had to utilize other EDAs when his business needed bank-qualified financing. He stated he would have much rather used JCC.

b. Land Acquisition

The EDA discussed potential land acquisition including the available tracts in Toano. The EDA noted it may be best to purchase a site that was prepared for development, in an industrial area with a 3-5 year return on investment unlike similar deals that do not have a return on investment for more than 10 years.

Mr. Tingle noted it may be important to gain another piece of property in James River Commerce Center due to the Enterprise Zone incentives and the visibility.

The EDA noted it would be important to have a discussion with County Administrator Robert Middaugh as well as with the BOS. Mr. Bradshaw said he would relay the information he learned to the BOS.

c. Next Retreat

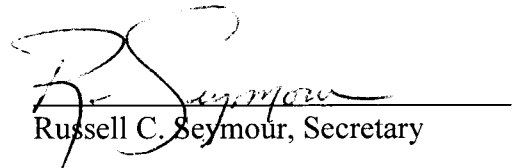
Mr. Seymour asked the EDA to look at their calendars to find the best date for the next retreat. After much discussion, it was decided that April 24, 2013 would be the next retreat date from 8 AM – 10 AM.

6. **ADJOURNMENT**

There being no more further business, Mr. Montgomery made a motion to adjourn. The meeting was adjourned at 12:20 PM.



Paul W. Gerhardt, Chairman



Russell C. Seymour, Secretary