

MEETING MINUTES**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
101-D MOUNTS BAY ROAD
WILLIAMSBURG, VA 23185
8:00 AM, THURSDAY, JULY 11, 2013****1. CALL TO ORDER**

The meeting was called to order by Chairman Gerhardt at 8:01 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. Thomas Tingle
Mr. Marshall Warner, Vice Chair

Also Present:

Mr. Jared Arango, The Peninsula Pentecostals
Mr. M. Anderson Bradshaw, Powhatan District Supervisor, Board of Supervisors
Ms. Cheryl Cochet, EDA Fiscal Agent
Mr. Paul Holt, Planning Director, JCC
Mr. Christopher Johnson, Principal Planner, JCC
Ms. Laura Messer, EDA Recording Secretary
Mr. Robert Middaugh, County Administrator, JCC
Mr. Allen Murphy, Director of Development Management, JCC
Mr. Donald Patten, Green Mount Associates LLC
Mr. Leo Rogers, EDA Counsel
Mr. Russell Seymour, EDA Secretary
Ms. Kathryn Sipes, Business Development and Retention Coordinator, JCC
Mr. Tim Trant, Kaufman & Canoles
Mr. Telly Tucker, EDA Assistant Secretary

Absent:

Mr. Stephen Montgomery, Director

3. MINUTES

a. June 13, 2013 Meeting Minutes

Mr. Gerhardt asked if there were any changes to the June 13 regular meeting minutes. There being no changes, he asked for a motion to approve both sets of minutes. Ms. Carson made a motion to approve the minutes, which was seconded by Mr. Harris. The minutes were approved unanimously by voice vote.

4. FINANCIAL STATEMENTS

a. June Financial Statements

Mr. Gerhardt asked Ms. Cochet for a financial update. She discussed the expenditures in Period 12 (June 2013) stating that incubator client revenue and interest revenue had been collected.

Mr. Warner noted the increase in bond revenue year-to-date.

Ms. Cochet discussed the expenditures and said that they included monthly expenses of legal fees. She stated both York County and the City of Williamsburg had paid their portions of the Business Appreciation event in the amount of \$6,000.

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

5. DISCUSSION ITEMS

a. County Administrator Update

Mr. Middaugh discussed the issue of Mainland Farms and placing a conservation easement on the property. He stated that an easement on the property could not be placed by the County while still owned by the EDA. Mr. Gerhardt asked whether the County had looked at the possibility of selling conservation tax credits. Mr. Rogers said there were different options.

Mr. Rogers said there are different potential candidates for the easement. Mr. Middaugh stated that it seemed as if the Williamsburg Land Conservancy may be an ideal candidate for the conservation easement. Mr. Middaugh stated the title would need to be transferred back to the County.

Mr. Rogers said he would investigate and see if the EDA can receive tax credits. Mr. Bradshaw stated that this type of easement may not qualify for tax credits and that a government, which is a non-taxable entity may not be eligible.

Mr. Tingle posited that there should still be creative opportunities for agriculture on the property. The EDA discussed the matter including an outreach and public awareness campaign. Ms. DuBois stated that it was important for the land to continue to be maintained for rural uses such as the lease agreement to Mr. David Hula that is currently in

place.

Mr. Rogers gave a brief history of Mainland Farms and the County acquiring the farm. The EDA noted the issue of being the operator of the property and asked who would receive revenues.

Mr. Middaugh stated it is likely that the conservation easement would occur at the September BOS Meeting.

Mr. Gerhardt thanked Mr. Middaugh for the update and stated the EDA would look forward to reviewing the easement.

b. County Attorney Update

Mr. Rogers briefly discussed the status of the case against Dominion Power stating a proposal had been offered and accepted by Dominion Power. He asked if the EDA still supported this option.

Mr. Gerhardt stated he would need to abstain from any discussion or vote, because he did legal work for Williamsburg Development, Inc. and others in his law firm may be involved in the case.

Mr. Tingle noted that as long as Williamsburg Development Inc. had no conflicts with the proposal that the EDA should maintain support.

Mr. Harris made a motion to maintain support, which was seconded by Ms. Carson. Mr. Seymour took a roll call vote:

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

c. Meeting Schedule

Mr. Gerhardt noted there may be interest in cancelling the EDA's August meeting scheduled for August 8, 2013. Everyone agreed. Mr. Warner made a motion to cancel the August meeting, which was seconded by Ms. Carson and passed unanimously by voice vote.

6. ACTION ITEM

a. M-2 General Industrial District

Mr. Seymour began a discussion of proposed changes to the M-2 General Industrial District. He noted the importance of M-2 General Industrial to economic development and noted that there is not an abundance of acreage left in the County with this zoning. He reviewed a map of the remaining M-2 acreage and noted that there were a variety of companies located in M-2 including the Walmart Import Distribution Center, Haynes Distribution Center, Ball Metal, Anheuser-Busch InBev, Owens-Illinois, Christmas Mouse, and Creative Cabinet Works.

Mr. Seymour said that much of employment for the County is located at these and other companies and that each of the aforementioned businesses provide significant tax revenue to the County.

Mr. Seymour stated that a majority of the remaining M-2 zoned land is located on the former BASF site, which is 620 acres near Green Mount Industrial Park.

Mr. Seymour asked the EDA if they had any questions about the proposed changes to the Zoning Ordinance that was provided prior to the meeting.

Prior to any discussion by the EDA, Mr. Gerhardt informed the EDA that his firm represented a client that has an interest in property that would be directly affected by the proposed changes, and that he would not be participating in any discussion or votes pertaining to the issue, whereupon Mr. Gerhardt participated Vice Chairman Warner to conduct the meeting and he excused himself from the meeting.

Mr. Rogers noted that the changes to the Zoning Ordinance had been made following a mistake made by the Planning Division. He stated the goal of amending the Zoning Ordinance was to look at the County as a whole and not look at any specific areas involved. He noted that it was imperative to be objective and not subjective.

Mr. Paul Holt, Planning Director, gave a brief synopsis of why the Zoning Ordinance needed to be amended and that it was not an abnormal situation. He stated that there was a formatting error because of utilizing the copy and paste function within Microsoft Word that caused 22 industrial uses to be deleted from M-2 General Industrial and 40 business and non-industrial uses were mistakenly included in M-2.

Mr. Harris said he understood that an error occurred and provided an example of breweries currently not being permissible in M-2 General Industrial. He stated that this needed to be corrected.

Ms. Carson questioned whether it would be negative to have a school such as a technical or trade school in M-2 General Industrial. She stated she could see some positive in a school of that nature in such a district.

Mr. Tingle asked about use and the issue of special use permits. Mr. Holt noted that there had been two meetings of the policy committee where a cumulative review had been

conducted with a page-by-page discussion of all changes.

Mr. Tingle asked why there was not more M-2 General Industrial land available to which Mr. Seymour responded that much of the M-2 General Industrial land is land locked and does not have current accessibility specifically near Skiffes Creek.

Mr. Harris reminded the EDA that it was an error and there was no reason to not support the amendments.

Mr. Tingle asked about recent project announcements and Mr. Seymour noted that all of the expansions and buildings within the last year were located in M-2 General Industrial.

Mr. Seymour stated that the Policy Committee had supported all of the amendments. He stated that the Planning Commission had decided to include places of assembly as allowed uses in M-2 General Industrial against the recommendation of the Policy Committee.

Mr. Tingle asked what the situation was that occurred surrounding the places of assembly and the group had a brief discussion about the issue of places of assembly in M-2 General Industrial.

Mr. Rogers stated that there were two routes of action: the EDA could support the M-2 General Industrial Zoning Ordinance amendments or they could state they disapprove the amendments with clarifications.

Ms. DuBois asked when the issue of the mistake came forth about the zoning ordinance. Mr. Holt stated it first surfaced in April when a prospective user had submitted a conceptual plan for a piece of property zoned M-2 General Industrial.

Mr. Tingle said he wanted to support the use that makes most sense for the County.

Mr. Rogers said that it was important to be objective and not subjective. He stated that regardless of specific development proposals, that the County was being taken advantage of for a mistake. He said that the prospective land owner was using guilt to make their case. He stated that at the July 3 Planning Commission, they had voted 4-2 in favor of keeping places of public assembly in the proposed amendments to the M-2 Zoning District.

Ms. Carson stated it was important for the EDA to have a voice.

Mr. Rogers stated that when the Board of Supervisors considers the Zoning Ordinance amendments that they would not consider existing uses but would look at what was best for the County.

Mr. Donald Patten asked if he could speak. He stated that he had been a land owner in James City County since 1986 and that he was a partner in Green Mount Industrial Park. He said that in 2011 no one had informed him of changes to the Zoning Ordinance. He stated again that no one had told him this time about the potential changes to zoning of

property he owned in the County.

Mr. Rogers said that the County is simply correcting an error.

Mr. Tim Trant, attorney for the Peninsula Pentecostals stated that his client was being unfairly punished for the County's mistake. He stated that prior to a meeting on April 2 that there was no issue with the 2012 Zoning Ordinance and that his client had spent tens of thousands of dollars in procuring the property including the conceptual plan. He stated that there had been meetings on April 26, April 29, and June 5 with County officials.

Mr. Rogers stated that the contract was originally put in place prior to any submissions to the County in March.

Mr. Rogers reminded the EDA that the issue before them was not about any specific property owner or any development proposal, but rather about what uses are appropriate in M-2 as a policy matter that is County-wide.

Mr. Tingle proposed that the EDA be given more information with a longer timeframe to process what they deem best for the County. He suggested that it be discussed at the August 8 EDA meeting, which will be before the August 13 BOS meeting.

Ms. Messer stated materials were due for the BOS meeting on July 26. Mr. Middaugh stated that the EDA could submit their recommendation following that date. Mr. Rogers agreed with Mr. Middaugh.

The EDA decided that in lieu of the Planning Commission Chairman, who is out on medical leave, that the Vice Chair, Rich Krapf be invited to discuss the Planning Commission's decision in support of maintaining places of public assembly in the M-2 General Industrial zoning. The EDA also asked that comparative zoning be provided with similar localities to see what is included in their most heavy industrial zoning.

Mr. Bradshaw said he hoped the EDA would be able to come to an opinion because the BOS relies on their expertise in terms of development. He also emphasized the EDA purview.

Additionally, the EDA asked that Planning Commission meeting minutes from June 5 and July 3 as well as the Policy Committee minutes from May 31 and June 15 be sent to them. Mr. Seymour also stated that the EDA would receive a summary of currently usable acres in M-2.

Mr. Warner made a motion to continue discussion at the August 8 meeting, which was seconded by Ms. Carson.

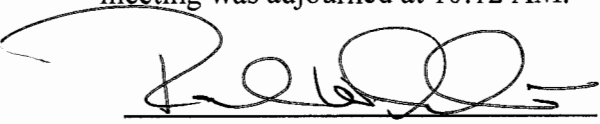
Mr. Gerhardt rejoined the meeting.

7. STAFF REPORT

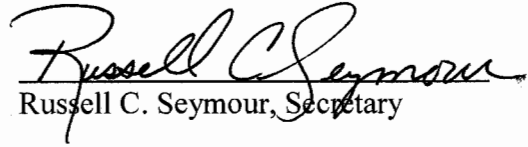
Mr. Seymour provided a brief update on the marketing material RFP. He stated that Mr. Tucker had submitted the joint Enterprise Zone application. Mr. Seymour noted that the regional incubator management contract had been signed. Lastly, Mr. Seymour noted that REV3 had occurred and that there were 600 participants in the Glow Run in New Town. He stated it was a positive event for tourism. Ms. Carson noted that Kingsmill Resort was sold out the weekend of REV3 because of the compression that occurs in the region. She stated it was great for the region.

8. ADJOURNMENT

There being no more time for further business, Ms. Carson made a motion to adjourn. The meeting was adjourned at 10:12 AM.



Paul W. Gerhardt, Chairman



Russell C. Seymour, Secretary