

MEETING MINUTES**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
101-D MOUNTS BAY ROAD
WILLIAMSBURG, VA 23185
8:00 AM, THURSDAY, MARCH 13, 2014****1. CALL TO ORDER**

The meeting was called to order by Chair Warner at 8:06 AM.

2. ROLL CALL

A roll call identified the following members present:

Ms. Robin Carson, Vice Chair
Ms. Leanne DuBois
Mr. Paul Gerhardt
Mr. Tim Harris
Mr. Stephen Montgomery
Mr. Thomas Tingle
Mr. Marshall Warner, Chair

Also Present:

Ms. Cheryl Cochet, EDA Fiscal Agent
Mr. Darryl Gosnell, President, Hampton Roads Economic Development Alliance
Mr. Chris Henderson, CB Richard Ellis on behalf of BASF
Ms. Laura Messer, EDA Recording Secretary
Mr. Jason Purse, Zoning Administrator
Ms. Tammy Rosario, Principal Planner, JCC
Mr. Leo Rogers, EDA Counsel
Mr. Russell Seymour, EDA Secretary
Ms. Kathryn Sipes, Business Development and Retention Coordinator, JCC
Mr. Telly Tucker, EDA Assistant Secretary

3. MINUTES**a. January 9, 2014 Meeting Minutes**

Mr. Warner asked if there were any changes to the January 9 regular meeting minutes. There being no changes, he asked for a motion to approve the minutes. Mr. Tingle made a motion to approve the minutes, which was seconded by Mr. Montgomery. The minutes were approved unanimously by voice vote.

4. FOLLOW-UP

a. Dominion Virginia Power Update

Mr. Rogers began to update the EDA on the most recent Dominion Virginia Power information. He stated that the State Corporation Commission (SCC) had issued their decision in the last week and stated it was proposed variation 1, which bisected the BASF property. He said that an appeal to the Supreme Court was being prepared.

Mr. Rogers said that the transmission line was contingent upon the permit being approved by the U.S. Army Corps of Engineers.

Mr. Tingle inquired as to how long a decision from the Army Corps would take. Mr. Rogers indicated that the review process from the Army Corps could be done and a decision could be made quickly.

Mr. Tingle asked if any action was required from the EDA. Mr. Rogers responded that no action was required although the EDA could adopt the utility easement agreement to give DVP the right-of-way, if they wanted too.

Mr. Gerhardt noted he has represented Williamsburg Developments Inc. and Colonial Williamsburg Foundation and for that reason determined he would be abstaining from discussion and any potential vote on the matter. Mr. Rogers told him he did not need to leave the room yet.

Mr. Hipple asked what option for the transmission line would be best for all land owners? Mr. Rogers explained that the northern route was ideal because it would not bisect the BASF property.

The EDA asked if BASF was requesting a rehearing. Mr. Rogers stated if a retrial was requested that it must be filed by March 21.

Mr. Tingle stated that while there was financial benefit for the EDA to sign the utility easement because of compensation for the EDA land in the amount of approximately \$120,000 to \$130,000 that it was not simply about financial benefit. He stated that the easement would hurt an existing relationship with Williamsburg Development Inc., a subsidiary of Colonial Williamsburg.

Mr. Rogers stated that the economic development potential of BASF would be harmed if the transmission line does bisect BASF.

The EDA had a brief discussion about the location of towers near both Carter's Grove and the James River.

Mr. Warner asked if the EDA desired to have Mr. Henderson speak. Mr. Henderson gave a brief introduction to his history with BASF stating he has represented BASF for the last 12

years during the remediation process. He discussed how the approved transmission line will prohibit the potential for development of the largest block of acreage at BASF. He noted that two miles of the site fronts the James River.

Mr. Henderson noted that the key issue was the environmental impact. He stated that BASF had a \$90 million liability if the remediation of the BASF site was disturbed and in addition existing agreements with the Environmental Protection Agency and Department of Environmental Quality would become null and void. Currently, one of the blocks lands directly in the remediation area. If the remediation is disturbed, there will be another 10 years required.

Mr. Harris asked what was most important to the Army Corps? Mr. Rogers stated environmental impacts were largely the most important item, but stated that DVP does have a permit that was issued by the SCC.

Mr. Gerhardt noted he would now recuse himself for reasons previously stated and left the room.

The EDA asked about the execution of the utility easement. Mr. Rogers said that his office had reviewed it and made necessary changes. He stated that the agreement remained contingent upon DVP receiving all the necessary approvals.

Mr. Tingle said he was not prepared to make a decision and that he had not seen DVP update on the agenda. He suggested that the EDA have a closed session on the agenda in April, which Ms. Carson seconded it.

Mr. Henderson noted that BASF had made an appeal to the Board of Supervisors to intervene and discuss the DVP transmission line with the EDA. Mr. Seymour noted that staff had not been notified of such an appeal and therefore, did not pass any information along to the EDA.

Mr. Rogers said that a closed session would need to be held by March 20, 2014 to make any decision about the utility easement.

The EDA discussed their availability and decided to schedule a special meeting for Wednesday, March 19, 2014 at 5 p.m. The EDA asked for materials from both Mr. Rogers and Mr. Seymour. Ms. Carson asked for a chart to be included depicting the positives and negatives of issuing a utility easement. Mr. Montgomery noted that it was important to quantify any information.

Mr. Harris asked Mr. Henderson why BASF was not trying to appeal the SCC decision if there was that much money on the line. Mr. Henderson explained he was still not sure what would be the final decision by BASF.

Mr. Hipple noted that he was most concerned about the economic lost specifically if BASF would not be available for another 10 years.

Mr. Harris made a motion to hold a special EDA meeting on Wednesday, March 19, 2014 at 5 p.m. in the Conference Room of Building D, 101 Mounts Bay Road. Mr. Tingle seconded the motion, which was approved unanimously by voice vote. Ms. Messer stated she would publicize the public meeting, but would note that the EDA is authorized to go into closed session pending the acquisition/disposition of real property.

5. **FINANCIAL STATEMENTS**

a. January Financial Statements

Mr. Warner asked Ms. Cochet for a financial update. She stated she would review both January and February financials due to the snow-canceled March meeting. She first discussed revenue received from both interest and from the incubator as well as the Mainland Farm contract in the amount of \$14,725.

She discussed the expenditures in Period 7 (January 2014). She noted bank fees first, which Mr. Warner inquired about. Mr. Tingle said he had assessed that based on the cash on hand in the EDA accounts that they were being charged 1% per month. Ms. Cochet noted that the final audit payment in the amount of \$2,200 had been processed as well as the annual dues for the James River Commerce Center in the amount of \$4,189. Legal fees had been paid as well.

Ms. Cochet discussed Triangle Business & Innovation Center spending including payments in the amount of \$259 in utilities as well as the management fee to William & Mary's Mason School of Business.

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

b. February Financial Statements

Ms. Cochet stated that revenue was received from both interest and the incubator. Additionally, the EDA received a transfer from James City County for Enterprise Zone grants.

She said that expenditures included advertisement of the EDA financials in the *Virginia Gazette*, which was \$386. She said \$37 in bank fees had been paid as well as approximately \$55,000 in Enterprise Zone payments.

Ms. Cochet discussed Triangle Business & Innovation Center spending including payments in the amount of \$311 in utilities as well as the management fee to William & Mary's Mason School of Business.

There being no questions on February financials, Mr. Harris made a motion to approve the

February financial report, which was seconded by Mr. Montgomery and passed unanimously by voice vote.

Ms. Cochet noted that she would discuss bank fees with Ms. Ann Davis, EDA Treasurer.

6. DISCUSSION ITEMS

a. Hampton Roads Economic Development Alliance (HREDA)

Mr. Seymour introduced Mr. Darryl Gosnell, President and CEO of HREDA. Mr. Gosnell thanked the EDA for inviting him and said that as they knew HREDA was the regional economic development alliance that included 10 cities and five counties. He said that funding for HREDA was received on a per capita basis as well as \$1 million in funding from private investors.

Mr. Gosnell said that HREDA acts as a single point of contact for site selectors and companies in that all 15 cities and counties that are members are able to receive prospect information from HREDA. He said that HREDA staff coordinates visits and acts as a liaison to the Virginia Economic Development Partnership (VEDP).

He briefed the EDA on HREDA's marketing tactics including face-to-face meetings as well as special events. He said HREDA also uses direct mail and social media to contact companies and build relationships. Lastly, he noted established relationships with consultants as well as international seminars in partnership with VEDP and the Greater-Richmond Partnership.

Mr. Gosnell discussed statistics on what HREDA accomplished in 2013 as well as a brief sector discussion. He noted that HREDA recently identified new areas of interest including utilizing the Inc 500 fastest growing companies listing. Mr. Gosnell stated that both aerospace, advanced manufacturing and food processing were large sectors in the region.

Mr. Gosnell provided information on the kinds of prospects that HREDA received and noted that projects were 54% domestic and 41% international with 5% not disclosed. He said that there have been 118 new projects in the last several years and that rail use was declining.

Mr. Gosnell discussed the results from projects including direct jobs, indirect jobs, and induced jobs. Mr. Tingle inquired about the return on investment and Mr. Gosnell stated that of the 36 visits that had been hosted in the last two years, nine of those (visits) had visited James City County.

Mr. Gosnell noted that while no direct jobs had been earned for JCC through HREDA that jobs in other localities were just as vital since 58% of JCC residents are commuters.

Mr. Gerhardt asked about the payment structure for HREDA and Mr. Gosnell stated that HREDA had voluntarily reduced the per capita payment several years ago from \$1/resident

to \$0.95 per resident in an effort to alleviate financial strain. He said there has been no discussion on once again raising it.

The EDA briefly discussed not having existing buildings to market and Mr. Seymour noted that OED staff works to backfill old spaces.

The EDA having no further questions thanked Mr. Gosnell for the report on activities from HREDA.

b. Comprehensive Plan Updates

Mr. Seymour stated that Mr. Purse and Ms. Rosario were in attendance to brief the EDA on the plan for the Comprehensive Plan update. Mr. Purse stated their presentation would be brief due to the time, but he said Development Management wanted to make sure the EDA was aware of the process.

Mr. Purse said that the Comprehensive Plan was the long-range plan for JCC. The BOS decided that targeted review was the best for this update because many of the concepts in the 2009 Comprehensive Plan were still ideal. He said that economic development, land-use and transportation were all part of the targeted review and stream lined process.

Ms. Rosario noted the timeline for the Comprehensive Plan. She said it would be presented to the BOS for approval by the summer of 2015.

Mr. Purse said it was important to have the EDA's input and said that he would like for the EDA to review the 2009 Comprehensive Plan and look at what they would like updated including the goals, strategies and actions. Mr. Purse noted that the statistical data would be updated by Development Management staff.

Mr. Tingle suggested that the EDA carve out time at their April work session to work on their updates. The EDA agreed.

Mr. Harris noted that it was important to include lands that may become available such as Eastern State Hospital's property. Mr. Harris asked who from JCC staff was included on those discussions. Mr. Seymour stated that Mr. Rogers was the staff member involved in that discussion.

The EDA thanked Mr. Purse and Ms. Rosario for their time.

7. OED STAFF REPORT


Mr. Seymour told the EDA that staff had drafted LPGA Skybox invitee lists and also grounds ticket lists. He stated feedback was needed by March 21, 2014.

He noted that the BOS was having a work session with tourism partners on March 25, 2014.


Mr. Seymour stated he had given EDA directors a flyer on the 2014 REV3 Glow Run. He noted that REV3 would start and end in JCC this year.

8. **ADJOURNMENT**

Mr. Warner noted the time and that there was no time for reports. Mr. Seymour thanked everyone for their time. Ms. Carson made a motion to adjourn, which was seconded by Mr. Gerhardt. The meeting was adjourned at 10:15 AM.



Marshall Warner, Chair



Russell C. Seymour, Secretary