

MEETING MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
101-D MOUNTS BAY ROAD
WILLIAMSBURG, VA 23185
8:00 AM, THURSDAY, JANUARY 8, 2015**

1. CALL TO ORDER

The meeting was called to order by Chair Warner at 8:08 AM.

2. ROLL CALL

A roll call identified the following members present:

Mr. Paul Gerhardt
Mr. Tim Harris
Mr. Stephen Montgomery
Mr. Thomas Tingle
Mr. Marshall Warner, Chair

Also Present:

Ms. Cheryl Cochet, EDA Fiscal Agent
Ms. Allie Kotula, EDA Counsel
Dr. John McGlennon, Board of Supervisors, EDA Liaison
Ms. Laura Messer, EDA Recording Secretary
Mr. Russell Seymour, EDA Secretary
Ms. Kathryn Sipes, Business Development and Retention Coordinator, JCC

Absent
Ms. Robin Carson, Director
Ms. Leanne DuBois, Director

3. MINUTES

a. December 11, 2014 Meeting Minutes

Mr. Warner asked if there were any changes to the December 11 meeting minutes. There being no changes, Mr. Warner asked for a motion to approve the minutes. Mr. Montgomery made a motion to approve the minutes, which was seconded by Mr. Gerhardt. The minutes were approved unanimously by voice vote.

4. FINANCIAL STATEMENTS

a. December Financial Statements

Mr. Warner asked Ms. Cochet for an update of financials. She discussed the revenues in Period 6 (December 2014). She said that interest was collected on the Certificates of Deposit as well as the lease revenue from Mainland Farm in the amount of \$14,725. She said that Breathe Healthy had paid lease income as well. Ms. Cochet continued and said that a payment had been received from Beanbank Coffee from their business assistance grant. She noted legal fees had been paid as well as Arts Month, a START! Peninsula sponsorship and Celebration of Business expenditures. She said the final audit payment had been made as well as a quarterly payment to the Hampton Roads Economic Development Alliance in the amount of \$16,315. She discussed that TBIC costs occurred including utilities and their own sponsorship of START! Peninsula.

Dr. McGlennon inquired about the allotment for small business assistance and what it was used for. Mr. Seymour stated that previously it had been utilized for business assistance grants, but that the business assistance grant had been suspended. Mr. Seymour said that he believed the program would be redeveloped and that the funding would continue to be utilized for small business assistance.

Ms. Cochet asked if the EDA had any questions.

Mr. Tingle inquired about the Regional Air Service Enhancement Fund payment and Ms. Messer said she would follow up regarding an invoice.

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

5. PRESENTATION

a. Available Locations

Mr. Seymour began a presentation on available locations including the types of projects, the sizes of the projects and available locations. He noted that all information presented was current as of November 30, 2014. He said that CoStar had been utilized for information.

He first reviewed information about the three sources for projects: the Virginia Economic Development Partnership, the Hampton Roads Economic Development Alliance (HREDA), and direct (to the Office of Economic Development). He said that it was visible that 2014 was a year of growth and that more projects had been received. He reviewed the sizes of projects and noted that the direct project requests tended to be smaller in size as compared to VEDP or HREDA.

Mr. Montgomery inquired about HREDA and the volume of projects they produce. The EDA had a brief discussion about regional economic development initiatives.

Mr. Gerhardt noted that OED's definition of project was a request from a business that involved a response with a building or land.

The EDA had a discussion about HREDA including that the BOS was not willing to provide a representative to HREDA because Mr. Seymour serves on the committee and they felt that was sufficient. It was noted that the EDA and BOS could potentially split the cost of membership to HREDA to regional organizations in the future.

A brief discussion about regional initiatives took place including noting the Triangle Business & Innovation Center.

Mr. Seymour continued the discussion on available locations and reviewed projects by business type noting the emphasis on manufacturing and production. The EDA noted that manufacturing and production seemed to be a good niche for JCC. It was stated that these types of companies were not based on the Department of Defense nor were tied to the Port of Virginia.

Mr. Seymour noted that there remains a large amount of office inventory available. He said that there is far more inventory than current demand and noted that the majority of the available space was smaller.

Mr. Seymour reviewed the inventory of industrial space including identifying only one building that is larger than 100,000 square feet. The EDA had a brief discussion on the lack of industrial and flex space available. Mr. Tingle and Mr. Gerhardt inquired what buildings were listed as industrial space and Mr. Seymour gave an example of the Trusswood Building off Blow Flats Rd. as well as the former Williamsburg Candle Factory and a building on Endeavor Drive that still has a current tenant, but is on the market as available. The EDA noted that some of the space available was not ideal as the quality was run-down with some of the spaces having been built several decades ago.

Mr. Seymour reviewed the raw data summary attached to the graphs and noted the importance of looking at both Hankins and Jacobs Industrial Parks and addressing accessibility issues as economic development moves forward in JCC.

Mr. Montgomery noted that it may be beneficial for the EDA to take a tour of industrial parks in the County noting that he himself was not as familiar with the properties at the upper and lower ends of the County as he should be. He suggested viewing Stonehouse Commerce Park as well as Hankins and Jacobs. Mr. Montgomery offered assistance in providing transportation for such an excursion in the form of a short bus or a large bus depending on the size of the group.

Mr. Seymour suggested that the Board of Supervisors could attend as well as staff from Development Management if necessary. Dr. McGlennon suggested that the EDA review their strategy prior to such a trip because he thought it may be best to prioritize what is best for economic development.

Ms. Messer reminded the EDA that anything that was more than 2 directors would require public notification as a meeting. Dr. McGlennon suggested the trip be conducted after an EDA meeting or in lieu of a meeting.

Mr. Gerhardt noted that the projects received and the available inventory seemed to be a mismatch because the inventory was not sufficient. Mr. Seymour stated that this was true because if a business was not interested in a specific property that there were no other properties available.

Mr. Seymour thanked Ms. Sipes and Ms. Messer for their work on the graphs. The EDA thanked Ms. Sipes and Ms. Messer for their work.

6. DISCUSSION ITEM

a. Strategies continued

The EDA continued their strategic initiatives discussion from November and December. Mr. Tingle said that he had volunteered to put together a white paper on the process for updating the Business Climate Task Force (BCTF) and said that it was per the suggestion of the former BOS Liaison, Mr. Michael Hipple.

Mr. Tingle said that the BCTF was six years old and that it was appropriate to update the document. He reviewed the history of the BCTF and said that it began in 2005 and was a small, but diverse group of 13 individuals. He said the BCTF report had been widely accepted and was mentioned in both the 2009 Comprehensive Plan and the current 2035 Comprehensive Plan update.

Mr. Tingle said that OED staff had taken the time to create a dense document of updates of the BCTF recommendations. He said that this was useful as a part of reviewing the prior report.

Mr. Tingle said as a part of the new BCTF work that he intended to not duplicate work from other regional groups, but to focus on the following specifics as part of the potential agenda:

- Sectors – healthcare, ecotourism and agribusiness, and food processing all seemed to continue to come up in conversation. He suggested that a study review the sectors even if that meant paying a consultant,
- New sites and what property will be the economic development of the future,
- Review of the development management and planning process. He said that this had improved some since the 2008 BCTF report, but noted that it may need even further examination and
- Opportunity analysis.

Mr. Tingle said it would be important to look for gaps in information and analysis as a part of the new BCTF.

The EDA had a brief discussion about how such an endeavor would fit with the Board of Supervisors' goals as well as County administration.

Mr. Montgomery said that he felt as if everything was beginning to add up in terms of economic development. He said many of the discussions that have taken place during his tenure on the EDA have led to this point.

Dr. McGlennon noted that it was important to have a plan for strategic economic development and that while he supported the BCTF update that it was important for that piece of the puzzle to be a part of a larger strategic plan. He stated it was important to grow economic opportunity and also to use limited resources wisely. He continued and said that if the EDA were to provide a strategic plan to the BOS it would assist in letting the BOS know what was important and what they can do as an entity to help whether it is land acquisition or a shell building. He noted it was important for effective strategies.

Dr. McGlennon continued and noted that he felt the EDA discussion was interesting and that it was important to return to the roots of JCC economic development. He noted that retail operations will follow population density and that it was important for economic development to encourage employment through good compensation and a strong tax base. He reviewed the investment of industrial companies in the County and told the EDA it was important to look to position the County for the future whether it be encouraging the renovation of old properties or looking to energy as a sector. He emphasized the importance that the County has a large skilled employment base and that JCC can export services for business growth.

Dr. McGlennon continued and said it was also important to continue existing business growth.

Mr. Seymour inquired as to the role of the EDA in the forthcoming BOS strategic plan. Dr. McGlennon said that he felt it will be important for input from the various appointed boards and commissions to have a voice in the process. He suggested that through reviewing strategy that the EDA would be able to have an impact in the BOS strategy.

Mr. Gerhardt noted that there had been some work put into updating the goals, strategies and actions of the 2035 Comprehensive Plan update and that it would make sense to review those as a foundation for the strategic plan.

Mr. Montgomery noted the importance of strategies versus activities. Dr. McGlennon agreed and said that the world had changed and that he felt it would be fruitful for the EDA to offer suggestions and receive reactions from the BOS.

Mr. Harris questioned the EDA's mission and asked how it compared to OED's mission. Mr. Harris said that he felt like the goal was to drive tax dollars and that it would be important to review the top sectors of tax dollars whether they be retail, tourism, construction or industrial businesses. Mr. Gerhardt echoed this statement and said that by conducting such an initiative it would be beneficial to everyone.

The EDA briefly discussed the next steps and Mr. Tingle said that he, Mr. Gerhardt and Mr. Seymour would meet with County Administrator Bryan Hill in the next few weeks to get some feedback and suggestions regarding their plan.

Mr. Warner stated that it would be interesting to look at sales tax numbers from the Greater Williamsburg Chamber and Tourism Alliance as a part of the discussion.

7. OED STAFF REPORT

Mr. Seymour stated that the Requests for Proposal (RFP) for new space for TBIC had been issued and that he felt that it was moving forward rapidly and in a positive direction. He would update the EDA once there was more to report.

He noted that in his participation with the Economic Diversification Task Force that a new regional website was being conceived. He said that an RFP had been sent out and proposals were received, reviewed and interviews were being conducted.

Mr. Gerhardt questioned the content of a regional economic development website. Mr. Seymour said that it would be branding and include available property inventory. He said the regional site would link to each individual locality's economic development site.

Mr. Harris questioned about active content and noted the associated cost of marketing. He said that in this day and age that search engine optimization was not enough. He stated that it was necessary to market and pay for advertisement of any website. Mr. Harris continued and talked about the necessity of marketing studies and marketing content. He noted that it may be wise to think about what is useful information.

Mr. Seymour stated that interviews had been conducted with site selectors and that information had been gathered about what is good information.

Mr. Harris said that it was necessary to have appropriate funding for such an endeavor. Mr. Montgomery agreed with Mr. Harris and said it was necessary to utilize websites to their fullest capability. Mr. Seymour said that representatives from both the College of William & Mary and the Greater Williamsburg Chamber and Tourism Alliance were participating in addition to the three economic development directors.

Mr. Harris again emphasized the importance of long-term costs associated with maintenance of websites and said that another template-based website was not needed. He said that it was important to look at all funding needed for such a project. Mr. Harris complimented the primary JCC website stating that it was easy to navigate and designed well.

Mr. Montgomery said that he agreed based on his own professional experiences.

Mr. Seymour updated the EDA on the Virginia Department of Transportation extension of

Interstate 64. He stated that it would be widened to three lanes in three phases with the first being exit 255 (Jefferson Avenue) to exit 247 (Lee Hall) and that it would begin at the end of 2015. He continued and said two more phases would follow and the estimated completion would be 2019.

Mr. Seymour noted the continued work on the Economic Diversification Task Force update and that they were working on redeploying funds from the Historic Triangle Collaborative.

Mr. Seymour noted he would like for Ms. Kotula to speak about the proceedings in Richmond about the Dominion Virginia Power case. Ms. Kotula stated that Mr. Max Hlavin was unable to attend due to a scheduling conflict, but in his absence he had provided her a report on the proceedings from the trial. She stated that the arguments for both sides had lasted a full 25 minutes and that all questions had been pointed and direct. She stated that a decision was expected by the end of February.

The EDA had a brief discussion about the various issues including the procedural issue, zoning issue, and switching station issue.

Mr. Tingle inquired if any determination on the transmission line had been made by the Army Corp of Engineers. Mr. Seymour said that no approval had come and that it was not anticipated for some time.

The EDA thanked Mr. Seymour for his report.

8. REPORTS

a. Planning Commission Liaison


Mr. Harris noted that he would have an update for the EDA next month.


b. Triangle Business & Innovation Center (TBIC)

Mr. Gerhardt asked Mr. Seymour if there would be an upcoming management team meeting and Mr. Seymour said that Mr. Tim Ryan, who was now managing TBIC, was very involved in several things and would plan a meeting with recommendations for the group.

9. ADJOURNMENT

There being no other reports or business, Mr. Seymour thanked everyone for their time. Mr. Gerhardt made a motion to adjourn, which was seconded by Mr. Harris. The meeting was adjourned at 10:00 a.m.


Marshall N. Warner, Chairman


Russell C. Seymour, Secretary