

MEETING MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
101-D MOUNTS BAY ROAD
WILLIAMSBURG, VA 23185
8:00 AM, THURSDAY, FEBRUARY 12, 2015**

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. Leanne DuBois
Mr. Paul Gerhardt
Mr. Stephen Montgomery
Mr. Thomas Tingle
Mr. Marshall Warner, Chair

Also Present:

Ms. Terry Buntrock, Arts Coordinator
Ms. Cheryl Cochet, EDA Fiscal Agent
Ms. Ellen Cook, Planner, JCC
Mr. Bob Harris, Sr. Vice President, Tourism – Greater Williamsburg Chamber & Tourism Alliance

Mr. Max Hlavin, EDA Counsel
Dr. John McGlennon, Board of Supervisors, EDA Liaison
Ms. Laura Messer, EDA Recording Secretary
Ms. Leanne Pollock, Planner, JCC
Mr. Russell Seymour, EDA Secretary
Ms. Kathryn Sipes, Business Development and Retention Coordinator, JCC

Absent

Ms. Robin Carson, Director
Mr. Tim Harris, Director

3. MINUTES

a. January 8, 2015 Meeting Minutes

Mr. Warner asked if there were any changes to the January 8 meeting minutes. There being no changes, Mr. Warner asked for a motion to approve the minutes. Mr. Gerhardt made a motion to approve the minutes, which was seconded by Mr. Montgomery. The minutes

were approved unanimously by voice vote.

4. **FINANCIAL STATEMENTS**

a. January Financial Statements

Mr. Warner asked Ms. Cochet for an update of financials. She discussed the revenues in Period 7 (January 2015). She said that interest was collected on the Certificates of Deposit as well as the lease revenue from Breathe Healthy. Ms. Cochet continued and said that JCC had issued reimbursement for the Enterprise Zone grants approved at the December meeting. She continued and said that revenue from TBIC had been collected as well as the City of Williamsburg's EDA's contribution to TBIC. Lastly, she stated that a Build America Bond payment in the amount of \$90,000 was transferred from the EDA to JCC.

She noted the annual publishing of the EDA audit in the *Daily Press* had been paid. She stated legal fees had been paid as well as Enterprise Zone grants and the annual payment of \$26,804 Regional Air Service Enhancement fund had been paid. She discussed that TBIC costs occurred including utilities.

Mr. Montgomery asked if the Newport News-Williamsburg Regional Airport Executive Director, Ken Spirito could attend an upcoming EDA meeting to provide an update of the status of the airport. Mr. Seymour said that he would ask Mr. Spirito to attend and Ms. Messer suggested the April EDA meeting.

Ms. Cochet asked if the EDA had any questions.

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

5. **PRESENTATIONS**

a. Rural Economic Development Committee (REDC)

Ms. DuBois introduced Ms. Leanne Pollock, JCC Planner, and said that Ms. Pollock would provide a report about the REDC's Agriculture and Forestry Industries Development Fund (AFID) project. Ms. DuBois stated that in many ways, JCC had become a great example of the AFID project potential and that JCC had received valuable information about the rural economy during the process.

Ms. Pollock stated that the AFID project had been a joint effort by the Planning Department and the Office of Economic Development that had been supported by both the BOS and EDA. She provided a brief overview of the rural characteristics of JCC and stated that there were a variety of hobby farms as well as agritourism and ecotourism attractions. She stated that there was a growth of farms in JCC of 30% based on the Census of Agriculture. She said that there were 83 farms on about 5,500 acres in the County. Ms.

Pollock noted that this was not the most accurate number because it does not include the acreage of farmers who lease land in the County, but are residents of other localities.

Mr. Gerhardt asked how many acres were needed to qualify as a farmer and Ms. Pollock stated she would look into it.

Ms. Pollock continued and discussed the AFID team and noted the different aspects of rural economy including the heritage and character as well as quality of life and tax diversification. She noted some of the assets that JCC already had including community supported agriculture (CSA). The EDA had a brief discussion about CSAs.

She reviewed the process and provided a summary of some of the collected information such as that there is a large interest in local dining options and that the region has both affluent residents and affluent tourists. She stated that many times, location is the first area of interest for new residents followed by employment. She stated that this had been included in a variety of information including Mr. Ed McMahon's May presentation.

Mr. Montgomery asked for clarification on this piece of information and Ms. Pollock said that location is a key factor in the decision making process. Dr. McGlennon echoed Ms. Pollock's sentiment about location being important.

Ms. Pollock discussed the thriving equine industry in JCC and noted that the equine industry provides a tourism attraction in the County particularly along Forge Road.

Ms. Pollock discussed the three different categories of potential projects that stemmed from the AFID research. She stated the categories were marketing/public relations, business development, and facility/capital projects. The EDA inquired about the potential for a food hub as a reality. There was discussion on the practicality of a food hub and it was noted that Charlottesville had a very successful food hub and met the volume needs. The EDA noted the larger institutions in the region that would support a food hub if it was available.

Ms. DuBois noted wholesale operations and foodbanks as potential clients for a food hub. She said there has been a growing interest in food hubs. The EDA briefly discussed cold storage issues and Ms. Sipes noted that there was a successful food hub in Culpeper that had no cold storage because the products arrived at 5 a.m. and were on to their next location no later than 9 a.m.

Mr. Gerhardt inquired about the costs of quick freeze facilities and Ms. Sipes stated she had some facility costs from another locality that was building a quick freeze facility. A brief discussion about cold storage solutions occurred.

Dr. McGlennon discussed the accessibility of information of farm stands and CSAs for citizens. He stated that he didn't think this information was readily available. Ms. Pollock noted that REDC has a page on the OED website and that it could be added there. Ms. DuBois noted that she manages the Virginia Grown program and that farmers are encouraged to list themselves on the Virginia Grown website as a resource. Ms. Sipes said

a link to that resource could be added.

Dr. McGlennon also suggested the potential for chef demonstrations as an event to help educate on how to cook squash and root vegetables. He said this may be helpful in encouraging the use of local produce.

Lastly, Dr. McGlennon asked about the connectivity of these activities to the First Lady of Virginia's healthy food initiatives. Ms. DuBois said that all of these initiatives were intertwined and that the Virginia Department of Agriculture and Consumer Services was very involved.

Ms. Pollock continued and provided a brief update of the current status of implementation and asset mapping. She stated that many of the projects were being woven into both the land use and economic development sections of the 2035 Comprehensive Plan. She discussed soil mapping that had been completed to identify prime farming soil. She said that parcels had been reviewed based on small and large farming potential. She also stated that JCC had a new potential land use designation: rural economy support. She said that Ms. Cook was available to answer any land use questions.

The EDA had a brief discussion about different properties and the new zoning designation. Ms. Cook stated that while some land owners had been identified for the new rural economy support designation that much of the work had been put on hold until current water issues were resolved. She noted that extending the primary service area (PSA) was on hold because of potential changes in the Department of Environmental Quality permitting process of water withdrawal.

Dr. McGlennon noted the importance of utilizing County resources wisely and efficient economic development.

Ms. Sipes noted that there were many agriculture-related entrepreneurs in the region and many products that could exist in the rural economy support designation. She stated that there were lots of ongoing conversations and that the Planning and Zoning departments are being included to see what makes the most sense for JCC.

The EDA thanked the members of the REDC team for their information.

b. Williamsburg Fall Arts (WFA) and Williamsburg Spring Arts (WSA)

Mr. Warner introduced Ms. Buntrock and Mr. Harris. Ms. Buntrock stated she would provide the annual update about WFA and WSA. She stated that it was a well-run collaboration and that it had become a tourism attraction over the last several years.

She stated that this past fall, WFA had been rebranded from Arts Month and that advertising was conducted to targeted audiences and that ads had been run on National Public Radio. She stated that many existing efforts had been branded together with the addition of some new events. She stated existing museum offerings, cultural museum

offerings and historic trades were vital aspects of the arts. She noted that music was a key element to continue to add to the initiatives.

Ms. Buntrock stated that there are 40 art galleries in the Historic Triangle. She noted the importance of storytelling as a part of both WFA and WSA.

Ms. Buntrock noted the creation of WSA this year. She said that having both WFA and WSA strengthened the position of the initiatives. She said that the New Town Business Association had moved their Chalk Art Fest to April and combined it with one of their already existing efforts.

Ms. Buntrock talked about American Craft Week and how 49 of 50 states participate in it. She noted there is metal craft, glass craft, leather craft and pottery craft. She reviewed some of the events of WFA including Plein Air artists, culinary arts, Virginia Fashion Week (Oct. 9-11) and the Gallery Crawl. She noted the historic aspect of An Occasion for the Arts helping revolutionize the arts initiative.

Ms. Buntrock noted the creation of Williamsburg Jazz & Wine as well as the Winter Blues Jazz Festival.

She discussed the Virginian Artisan Trails.

She noted Art in Bloom and fine art and flowers being combined for WSA.

Mr. Harris briefly added some additional information including that both the Williamsburg Area Destination Marketing Committee and WFA and WSA were now being marketed by a new advertising agency. He stated that Ms. Buntrock had done an exceptional job including both tourists and local residents as audiences for WFA and WSA.

Mr. Harris reviewed the growth of WFA and WSA and the increase in tax revenues over the years.

Mr. Tingle inquired as to how long WFA had existed and Ms. Buntrock stated it was five years this year. Mr. Tingle noted that the continual growth is great even considering the anomaly year that included the Ladies Pro Golf Association event at Kingsmill in September 2012.

Mr. Harris noted that Williamsburg was not the only area with a thriving arts scene noting that Williamsburg, New York also has a very active arts scene.

Mr. Harris said that the WFA and WSA website had been simplified to fine tune the accessibility of events. He said that instead of one long list of events that it was now broken into weekly segments. He did note that it was difficult to include long-term exhibits as part of the weekly breakouts.

Mr. Harris said that JCC had a very balanced increase of taxes in the three categories –

lodging, meals and sales. He said that other jurisdictions were not as balanced as JCC.

Mr. Tingle complimented the new logos saying that he liked the same logo being used for both WFA and WSA just in different colors.

Ms. Buntrock said that there would always be room for continued improvement in WFA and WSA. She stated she would eventually like one larger event per weekend.

The EDA thanked Mr. Harris and Ms. Buntrock for their presentation.

6. ACTION ITEM

a. Enterprise Zone

Ms. Sipes stated that a recent review of County budgeting and accounting procedures for Enterprise Zone incentives revealed the opportunity to make changes allowing incentive payments to be available to qualifying companies sooner. She stated that currently the incentives affect two consecutive fiscal years in terms of budgeting and financial reporting; the change would reduce that to one year, allowing incentive payments to be made in the fiscal year for which they are budgeted, provided all requirements regarding the investment have been met. She stated that three companies qualified for this push forward for this year and that the three businesses who had already received a payment would receive a second payment. She noted that moving forward, there would only be one cycle of payments.

Ms. Cochet stated that this removed the delay in the process and that it was cleaner from an accounting standpoint and also for the audit.

Mr. Gerhardt asked about the budget for these incentives and Ms. Cochet stated that there was funding available.

There being no other questions, Mr. Gerhardt made a motion to approve the payments as stated in the memorandum from Ms. Sipes as follows:

New payments

Bryant Contracting – Year 1

- Real Estate \$ 3,132.90

Leebcor Properties at McLaws, LLC (432 McLaws, Suites 100 & 200)

– Year 1

- Real Estate \$ 9,353.25

Leebcor Properties at McLaws, LLC (434 McLaws) – Year 1

- Real Estate \$9,278.10

Second Payments

Mid-Eastern Company, LLC / Carter Cat Facility –Real Estate

- Year 5--\$4,335.30 Scheduled for January 2016; Eligible February 2015

Leebcor Properties at McLaws, LLC—Real Estate

- Year 3 -- \$4,596.75 Scheduled for January 2016; Eligible February 2015

Leebcor Properties at McLaws, LLC (Suite 102) – Real Estate

- Year 2 -- \$2,193.84 Scheduled for January 2016; Eligible February 2015

The motion by Mr. Gerhardt was seconded by Mr. Montgomery and approved unanimously by voice vote.

The EDA thanked Ms. Sipes for her efforts with the Enterprise Zone.

7. OED STAFF REPORT

Mr. Seymour stated that the EDA would need to discuss at the March meeting whether or not they would have a May meeting. He stated that there was a conflict with the LPGA on the same day as the meeting.

Mr. Seymour noted that OED was working on their strategy for applying for a new Enterprise Zone designation for 2016. The application places high value on high distress scores as part of the scoring criteria and JCC has a low distress score. He stated that JCC may apply for a joint zone with the City of Williamsburg and that he and Ms. Sipes would be having discussions with the Virginia Department of Housing and Community Development.

Mr. Montgomery inquired as to how OED would justify the value of the Enterprise Zone in JCC. He suggested asking those who utilized the program about their experience and the benefits of the Enterprise Zone and noted that OED would have to build its case. Mr. Seymour agreed with Mr. Montgomery and thanked him for the suggestion.

Mr. Seymour said that if JCC did not receive another designation for the Enterprise Zone that it would be vital that OED have another incentive in place. Mr. Gerhardt inquired as to who would fund such an incentive and Mr. Seymour stated he envisioned it being structured similarly to the Enterprise Zone.

Mr. Seymour said the EDA would also need to decide when they wanted to conduct the bus tour of JCC industrial sites. He said that they could do it after a meeting or that they could have a separate date. Mr. Gerhardt noted concern with having the meeting and tour on the same day. Ms. Messer suggested that perhaps the EDA cancel May's meeting and conduct a tour instead. Mr. Gerhardt asked that Mr. Seymour e-mail the EDA with the suggestion for discussion at the March meeting.

Mr. Seymour noted that the bus tour was important in connection with the land use applications that were being discussed as part of the 2035 Comprehensive Plan.

Mr. Seymour stated that the EDA needed to continue working on their priorities for the Board of Supervisors including the Business Climate Task Force and business ready and shovel ready sites. He said that the bus tour was also important for these items.

He noted that the Economic Diversification Task Force report would soon be released and that final changes were being made. Mr. Gerhardt asked if this included the discussions of rebranding the Historic Triangle.


Mr. Seymour stated that VEDA & VEDP jointly host monthly webinars on various topics related to economic development. The topic for February's webinar is Manufacturing Day, and features Glenn Marshall from AME, Heather Cordasco from the WJCC School Board, and Kate Sipes as the speakers. Mr. Seymour continued and said that the three were instrumental in coordinating Manufacturing Day tours in James City County in 2014 and 2013. This webinar should put the spotlight on the manufacturing sector here in the County. February's webinar is scheduled for February 18 at 2:00. Mr. Seymour stated that Ms. Messer would send out the advertisement about the webinar to the EDA.

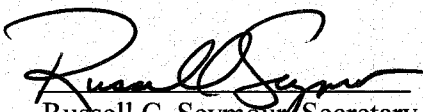
Mr. Seymour said that the relocation of the Triangle Business & Innovation Center continues to move forward and that the current focus had been narrowed to one primary site.

Mr. Seymour said that AES Consulting Engineers would be in attendance at the March meeting to review the Williamsburg Pottery land study that they conducted that was paid for in part by the EDA.

8. 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. Montgomery. The meeting was adjourned at 10:04 a.m.


Marshall N. Warner, Chairman


Russell C. Seymour, Secretary