

**MEETING MINUTES**

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)  
OF JAMES CITY COUNTY (JCC)  
101-D MOUNTS BAY ROAD  
WILLIAMSBURG, VA 23185  
8:00 AM, THURSDAY, APRIL 9, 2015**

**1. CALL TO ORDER**

The meeting was called to order by Vice Chair Carson at 8:03 AM.

**2. ROLL CALL**

A roll call identified the following members present:

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

Also Present:

Ms. Cheryl Cochet, Former EDA Fiscal Agent  
Ms. Amy Greene, McGuire Woods, EDA Bond Counsel  
Mr. Max Hlavin, EDA Counsel  
Dr. John McGlennon, Board of Supervisors, EDA Liaison  
Ms. Laura Messer, EDA Recording Secretary  
Mr. Russell Seymour, EDA Secretary  
Mr. Ken Spirito, Executive Director, Newport News-Williamsburg International Airport  
Mr. Kevin White, Esquire, Kaufman & Canoles, Bond Counsel for Williamsburg Landing  
Ms. Lisa Williams, McGuire Woods, EDA Bond Counsel

Absent

Mr. Tim Harris, Director  
Mr. Marshall Warner, Chair

**3. MINUTES**

a. March 12, 2015 Meeting Minutes

Ms. Carson asked if there were any changes to the March 12 meeting minutes other than the transposition submitted by Mr. Tingle. There being no other changes, Ms. Carson asked for a motion to approve the minutes as amended. 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. March Financial Statements**

Ms. Carson asked Ms. Cochet for an update of financials. She discussed the revenues in Period 9 (March 2015). She said that interest was collected on the Certificates of Deposit as well as Triangle Business & Innovation Center client revenue and lease revenue from Breathe Healthy. There was also bond revenue and a transfer from James City County to support the payment of FY2015 Enterprise Zone payments.

She noted the expenditures for the month of March including a payment to AES Consulting Engineers for the land study at the Williamsburg Pottery. Other expenditures included the quarterly fee to the Hampton Roads Economic Development Alliance, James River Commerce Center dues, bank fees and legal services fees in the amount of \$500.

Ms. Cochet asked if the EDA had any questions and there being no questions on March financials, Mr. Montgomery made a motion to approve the March financial report, which was seconded by Ms. DuBois and passed unanimously by voice vote.

Ms. Carson thanked Ms. Cochet for the financial report. Ms. Cochet stated that she wanted to let the EDA know that it was her last EDA meeting as their fiscal agent. She stated that she had accepted a promotion as Assistant Treasurer for the County. The EDA congratulated her and Ms. Carson noted that she wanted the minutes to acknowledge Ms. Cochet's hard work as EDA fiscal agent over the last several years. Ms. Cochet thanked the EDA for letting her assist in their financial needs.

#### **5. PUBLIC HEARING AND ACTION ITEM**

##### **a. Resolution to Concur and Approve of the Issuance of Revenue and Refunding Bonds for the Benefit of Williamsburg Landing**

Ms. Carson stated she would open the public hearing regarding the resolution to concur and approve of the issuance of revenue and refunding bonds for the benefit of Williamsburg Landing.

Mr. Gerhardt acknowledged the presence of Mr. Kevin White, attorney, from Kaufman & Canoles, who is acting as Williamsburg Landing's bond counsel.

Prior to any discussion, Mr. Gerhardt stated that that he would be abstaining from participating in any discussion or vote on the forthcoming issue and would be departing the meeting because, in addition to Mr. White serving as Williamsburg Landing's bond counsel and being in his same law firm, he served as Secretary to the Board of Williamsburg Landing and as its General Counsel.

Mr. Montgomery stated that he would be abstaining from participating in any discussion or vote on the forthcoming issue because he serves as CEO for the party seeking the bond

financing, Williamsburg Landing.

Messrs. Gerhardt and Montgomery excused themselves from the room.

Ms. Carson opened the public hearing at 8:09 a.m. She asked if anyone wanted to speak on behalf of the item at hand.

Mr. White of Kaufman & Canoles, Bond Counsel for the Company, appeared at the public hearing explained to the EDA the nature of the transaction being that two small issues, Joint Industrial Authority of Northampton County and its Incorporated Towns and the Industrial Development Authority (IDA) of Mathews County were each being asked for bond financing not to exceed \$10 million. He stated that the funds would assist Williamsburg Landing in the in the (i) current refunding of a portion of the Authority's Residential Care Facility First Mortgage Revenue and Refunding Bonds (Williamsburg Landing, Inc.), Series 2005, and/or a portion of the Economic Development Authority of the City of Williamsburg, Virginia, Revenue Bond (Williamsburg Landing Project), Series 2007, (ii) financing of certain preliminary and pre-development expenditures relating to an expansion of the Company's retirement community facilities, and (iii) financing of certain costs of issuance of the Bonds.

Mr. White continued and explained the legal requirements pertaining to the governmental approval process, and the limitation of the Authority's liability with respect to the same, and invited questions from the directors of the Authority.

No members of the public spoke at the public hearing in support of or opposition to the Bonds and the Vice Chair closed the public hearing at 8:12 a.m.

Mr. Tingle asked if both Northampton and Mathews had been contact regarding the issuance. Mr. White said that each Authority had voted on the action in late February and early March pending the approval of JCC EDA.

Mr. Tingle inquired about the revenue stream being lost by JCC EDA. Mr. White stated that James City County had been first contacted if they were able to assist in the financing, but it was not an option at this time. It was noted that Williamsburg Landing is seeking bank-qualified financing. JCC EDA can authorize financing outside of bank-qualified financing, but each EDA or IDA has a cap of \$10 million in bank-qualified financing per year.

There being no other comments, Ms. Carson asked for a motion. Mr. Tingle made a motion to approve the resolution as presented to concur and approve the issuance of revenue and refunding bonds through the Northampton and Mathews IDAs.

Ms. Carson asked Mr. Seymour to take a roll call vote:

Ms. Carson	AYE
Ms. DuBois	AYE

Mr. Tingle                      AYE

Messrs. Gerhardt and Montgomery abstained from the vote. Messrs. Harris and Warner were not present to vote.

**6. ACTION ITEMS**

a. Resolution of the Modification of Revenue Bond from January 2013 for Williamsburg Landing

Ms. Carson asked Mr. White to continue with the next action item. Messrs. Gerhardt and Montgomery remained excused from the room.

Mr. White stated that Williamsburg Landing was requesting a modification of the revenue bond from January 2013 that had been issued through JCC. He stated that the bond indicated that the tender date was 2021 and that Williamsburg Landing was requesting it be extended to 2025.

Mr. Tingle noted that an extension of the maturity would continue bond financing revenue.

Mr. Tingle asked Ms. Williams if the EDA had any obligation if the resolution of modification was approved. Ms. Williams, EDA Bond Counsel, stated that the Resolution for Modification appeared to be in order. She stated there was no liability for the EDA members.

Ms. DuBois made a motion to approve the resolution of the modification of the revenue bond and authorize execution of the modification agreement, which was seconded by Mr. Tingle.

Ms. Carson asked Mr. Seymour to take a roll call vote:

Ms. Carson	AYE
Ms. DuBois	AYE
Mr. Tingle	AYE

Messrs. Gerhardt and Montgomery abstained from the vote. Messrs. Harris and Warner were not present to vote.

The EDA thanked Mr. White, Ms. Williams and Ms. Greene for their attendance.

Ms. Messer let Messrs. Gerhardt and Montgomery back into the room.

Mr. Montgomery thanked the EDA on behalf of Williamsburg Landing.

b. Regional Economic Development Initiatives

Mr. Seymour briefed the EDA on the regional economic development initiatives. He stated that the EDA had a resolution before them that would cease payments for participation and membership to the Hampton Roads Economic Development Alliance (HREDA) as of June 30, 2015. He stated pending approval from the EDA that a resolution would be sent to the Board of Supervisors (BOS) that would end participation and membership. In FY 2010, the BOS asked the EDA to pay fees associated with participation in HREDA.

Ms. DuBois asked about the process to get to this point since she had missed the March joint EDA meeting of the EDAs of the City of Williamsburg, York County and JCC. Mr. Seymour gave a brief summary of that meeting. Mr. Montgomery noted that it was a great meeting.

Mr. Tingle noted that the decision to leave HREDA was not one that the EDA had taken lightly and was not a negative reflection on the work of HREDA. He stated that there was no reason that the EDA could not opt to one day return to HREDA.

Ms. Carson said that she agreed with Mr. Tingle's statement and that leaving HREDA was merely a product of the region's strong collaborative efforts over the last several years. The EDA agreed that the three localities have increased their cooperation.

Ms. DuBois questioned whether there would ever be alignment on regional initiatives with other localities such as New Kent or Charles City. Mr. Seymour said that it was not currently being discussed; however he would not eliminate that as a possibility for the future.

Ms. Carson questioned whether or not the Virginia Economic Development Partnership (VEDP) was aware of the potential changes. Mr. Seymour stated that he and his fellow directors, Mr. James Noel of York County and Ms. Michele Mixner DeWitt of Williamsburg, had met with VEDP at the Virginia Economic Developers Association spring meeting. He stated that VEDP has said they will support all three localities as a unit or separately depending on what the situation warrants.

Mr. Tingle asked Dr. McGlennon if the Board of Supervisors was aware of the decision to leave HREDA. Dr. McGlennon noted he had attended the joint regional EDA meeting and that he felt that it was a very well thought out plan and that the BOS would support the decision at the forthcoming BOS meeting.

Mr. Montgomery made a motion to approve the resolution as presented, which was seconded by Ms. DuBois.

Ms. Carson asked Mr. Seymour to take a roll call vote:

Ms. Carson	AYE
Ms. DuBois	AYE
Mr. Gerhardt	AYE
Mr. Harris	Absent

Mr. Montgomery	AYE
Mr. Tingle	AYE
Mr. Warner	Absent

Mr. Seymour thanked the EDA.

c. Provide Space for the Operation of the Triangle Business & Innovation Center

Mr. Seymour noted that a lease agreement had been drafted for leasing space for TBIC at 4345 New Town Avenue and that a build out of the space would need to occur. Mr. Seymour thanked Mr. Hlavin for his assistance in the last week and a half regarding the lease and the resolution.

Mr. Montgomery questioned whether or not there would be room for growth at the potential space. Mr. Seymour said that there was room for growth.

Ms. Carson questioned whether or not the building was Americans with Disabilities Act compliant. She said she was most familiar with the stairwell entrance. Mr. Tingle said that he would be abstaining from the vote because of an existing relationship with the building owner, but that he did know the answer to Ms. Carson's question. Mr. Tingle said that the building did have an elevator on the side closest to the parking lot.

There being no further questions, Mr. Gerhardt made a motion to motion to approve the resolution, which was seconded by Mr. Montgomery.

Ms. Carson asked Mr. Seymour to take a roll call vote:

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

Mr. Seymour thanked the EDA.

d. EDA Minutes

Ms. Messer explained to the EDA that Records Management had been going through archived EDA minutes and had come up with a number of EDA meeting minutes that did not have approval dates or had typographical errors. She stated that she and Ms. Audrey Page of Records Management had reviewed the archived minutes and come up with a list of memorandums that would rectify the errors.

Ms. Messer stated she was asking for the EDA to approve the memorandums correcting the errors.

The EDA asked if Mr. Hlavin had reviewed the approvals. Mr. Hlavin stated he had not, but would work with Ms. Messer to do so.

Mr. Montgomery noted cleaning up historical records was important to move forward.

Mr. Tingle made a motion to approve the authorized representative of the EDA to sign the memorandums pending Mr. Hlavin's review. The motion was seconded by Mr. Gerhardt and passed unanimously by voice vote.

Ms. Messer thanked the EDA.

e. Amending the EDA Meeting Calendar

Mr. Seymour asked the EDA to officially amend the EDA meeting calendar to cancel the May 14 EDA meeting due to the Ladies' Pro Golf Association event at Kingsmill. He asked the EDA to amend their calendar to include May 21 as a meeting date. He said this would be the EDA bus tour of sites and buildings in JCC.

Mr. Montgomery made a motion to amend the EDA calendar as explained, which was seconded by Mr. Gerhardt and approved unanimously by voice vote.

The EDA had a brief discussion about the tour and confirmed that they would be done prior to noon because several had other meetings at that time. Mr. Seymour said that the EDA would be done by noon and that maps and information would be provided before the tour.

There was a brief discussion about press notification and Ms. Messer stated that was part of the reason that the EDA had to vote to amend the calendar.

7. **PRESENTATION**

a. Newport News-Williamsburg International Airport Update

Mr. Seymour introduced Mr. Ken Spirito, Executive Director of the Newport News-Williamsburg International Airport (PHF). Mr. Spirito thanked the EDA for the invitation to speak. He noted that over the last several years that the airline industry has faced many challenges. He said that 87% of the industry was controlled by the big four airline companies. He said that there had been changes both structurally and strategically within the industry. He said many low cost carriers look for major hubs, which PHF is not.

Mr. Spirito stated that Virginia was the 8<sup>th</sup> largest economic impact within the airline industry. He noted the competitive environment within major airports in Virginia.

Mr. Spirito stated that \$150M was lost with Airtran leaving PHF. He said that there was a 43% decrease in visitors to PHF. He did note that each tourist spends an average of \$703.

per trip.

Mr. Spirito said that there were four to five active projects currently. He could not state any further details due to the confidential nature of the industry.

Mr. Spirito asked if the EDA had any questions.

Ms. Carson inquired about the competition for PHF. Mr. Spirito said that the Norfolk International Airport and Richmond International Airport were both competitors as well as individual airline websites.

Ms. DuBois inquired about the loss of Frontier Airlines and questioned how online travel agencies affect PHF. Mr. Spirito noted that Frontier Airlines pulled out of numerous markets as they realigned their own strategies. Mr. Spirito said that the cost of participating in online travel agencies was expensive and that many low-cost carriers tend to market their flights directly to consumers instead of through online travel agencies.

The EDA had a brief discussion about PHF's tactics on recruiting new firms. Mr. Spirito explained that the airport continues to try to recruit new low-cost carriers, but that many other similar airports continue to pursue the same low-cost carriers. Mr. Spirito noted the issue of sequestration in the area and its impact on travel from local residents to other areas.

Mr. Spirito emphasized that PHF would continue to try to reinvigorate the variety of flights offered to travelers, but would do so carefully as to not let competition become aware of PHF's tactics.

The EDA thanked Mr. Spirito. Mr. Spirito said he was happy to present to the EDA.

Mr. Gerhardt excused himself from the meeting stating that he had another meeting.

## 8. DISCUSSION ITEMS

### a. EDA Budget Update

Mr. Seymour stated that the EDA would vote on its annual budget at the June 2015 meeting. He said that he would send out a draft budget beforehand so the EDA would have time to review it.

### b. LPGA Schedule

Mr. Seymour passed around the Ladies Pro Golf Association Skybox host schedule. He reminded the EDA that the dates were May 14 through May 17 and that staff and the EDA would host the Skybox.

He said that to date there had been 34 confirmed reservations to attend the Skybox and responses were still steadily arriving. The due date for responses is April 17. Staff will



follow up as needed to fill the Skybox to capacity.

c. JRCC Site Work

Mr. Tingle said that site work continues at the EDA parcel in James River Commerce Center. He said that stormwater repairs had been completed and that he and Mr. Seymour had a discussion about payment of the bill. Mr. Tingle stated he felt the EDA should pay it because JCC General Services was working on mowing the parcel and completing some other work to beautify the property for prospects. Mr. Seymour said Ms. Sipes was working on these efforts.

The EDA agreed with Mr. Tingle to pay the bill for the repairs using money from the promotion line item.

**9. OED STAFF REPORT**

Mr. Seymour began his monthly staff report. He said that he would send the EDA report for calendar year 2014 to the EDA and noted that 9 announcements had been made.

He noted that Atlas Advertising, who was completing the regional website, would be visiting in April.

He said that the three directors of economic development would be participating in a marketing trip to Philadelphia to meet with consultants at the end of May.

Mr. Seymour said that portions of JCC were poised for redevelopment in his opinion. He noted some different locations that he felt would be good for redevelopment.

He noted the upcoming bus tour and that the County had a limited amount of remaining of industrial M1 and M2 land.

**10. REPORTS**

a. BOS Liaison

Dr. McGlennon noted that he had held his community forum on April 2, 2015 and that 80 people had attended. He noted the need for more revenue for JCC to maintain its quality services.

He also noted that land use applications were being reviewed as a part of the Comprehensive Plan.

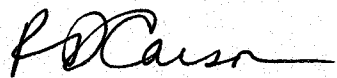
b. Sports Grant Committee

Mr. Montgomery noted that the Williamsburg Area Chamber and Tourism Alliance was working on a new application for sports grants. He also noted that the economic impact


analysis for sports tourism was in progress. The EDA had a brief discussion about tourism.

11. **ADJOURNMENT**

There being no other reports or business, Mr. Seymour thanked everyone for their time. Mr. Montgomery made a motion to adjourn, which was seconded by Mr. Tingle. The meeting was adjourned at 9:53 a.m.



Robin D. Carson, Vice Chair

  
Russell C. Seymour, Secretary

RESOLUTION REGARDING A LEASE AGREEMENT FOR THE TRIANGLE BUSINESS AND INNOVATION CENTER AND A REQUEST FOR PROPOSALS FOR ALL NECESSARY IMPROVEMENTS

WHEREAS, the Economic Development Authorities (EDAs) of James City County, the City of Williamsburg, and York County, Virginia have entered into a Memorandum of Understanding (the "MOU") for the operation of a regional business incubator – the Triangle Business and Innovation Center (TBIC); and,

WHEREAS, in furtherance of that MOU, the three EDAs have entered into an agreement with the Small Business Development Center for the management of TBIC (the "Agreement"); and,

WHEREAS, under the Agreement the three EDAs have the obligation to provide a space for the operation of TBIC, including any necessary improvements; and

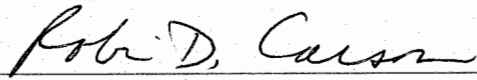
WHEREAS, a space for the operation of TBIC has been identified, which will require certain improvements prior to occupancy, and a Lease Agreement proposed; and,

WHEREAS, the EDAs of the City of Williamsburg and York County are both pursuing appropriate action to authorize their ratification of the proposed Lease Agreement and request for proposals for the construction of any necessary improvements.


NOW, THEREFORE, BE IT RESOLVED that the Economic Development Authority of James City County, Virginia, hereby authorizes the Chairman to enter into a Lease Agreement for the space located at 4345 New Town Avenue, Williamsburg, Virginia 23188.

BE IT FURTHER RESOLVED that the Economic Development Authority of James City County, Virginia hereby directs the Secretary to the EDA to invite proposals for all improvements necessary for occupation of the leased space at 4345 New Town Avenue.

The undersigned hereby certifies that the above Resolution was duly adopted by the directors of the Economic Development Authority of James City County, Virginia at a meeting duly called and held on April 9, 2015 and that such resolution is in full force and effect on the date hereof.

  
 \_\_\_\_\_  
 Robin D. Carson  
 Vice Chair, Economic Development Authority  
 James City County, Virginia

Attest:

  
 \_\_\_\_\_  
 Russell C. Seymour  
 Secretary to the EDA

	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
WARNER		<u>Absent</u>	_____
CARSON	<u>X</u>	_____	_____
DUBOIS	<u>X</u>	_____	_____
GERHARDT	<u>X</u>	_____	_____
HARRIS		<u>Absent</u>	_____
MONTGOMERY	<u>X</u>	_____	_____
TINGLE		<u>Abstain</u>	<u>X</u>

Adopted by the Economic Development Authority of James City County, Virginia, this 9<sup>th</sup> day of April, 2015.

RESOLUTION AUTHORIZING THE CESSATION OF FUNDING FOR PARTICIPATION IN THE  
HAMPTON ROADS ECONOMIC DEVELOPMENT ALLIANCE

- WHEREAS, on January 11, 2005 the James City County Board of Supervisors, by resolution, approved the merger of the Peninsula Alliance for Economic Development and the Hampton Roads Economic Development Alliance (HREDA); and,
- WHEREAS, James City County is currently a member of HREDA; and,
- WHEREAS, in 2009, County Administration requested that the James City County Economic Development Authority (JCC EDA) provide funding for certain activities, including HREDA, beginning in Fiscal Year 2010; and,
- WHEREAS, the JCC EDA has budgeted funding for James City County's participation in HREDA for each Fiscal Year since 2010, most recently at a level of \$0.95 per capita; and,
- WHEREAS, the JCC EDA and the Economic Development Authorities (EDAs) of York County and the City of Williamsburg recognize the value in continuing to strengthen and expand their joint efforts and have each resolved to contribute \$0.95 per capita to support a joint, regional effort by the three EDAs; and
- WHEREAS, the JCC EDA believes that the purposes of Code of Virginia §§ 15.2-4900 *et seq.* and the economic welfare of James City County, Virginia are better furthered by refocusing regional efforts.

NOW, THEREFORE, BE IT RESOLVED that, as of July 1, 2015, the Economic Development Authority of James City County, Virginia will no longer fund James City County's participation in HREDA, and will use the \$0.95 per capita previously identified for regional initiatives to support the joint economic development efforts of the three EDAs.

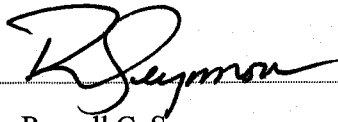
BE IT FURTHER RESOLVED that the Economic Development Authority of James City County, Virginia recommends that the James City County Board of Supervisors cease its membership and participation in HREDA effective July 1, 2015.

The undersigned hereby certifies that the above Resolution was duly adopted by the directors of the Economic Development Authority of James City County, Virginia at a meeting duly called and held on April 9, 2015 and that such resolution is in full force and effect on the date hereof.



Robin D. Carson  
Vice Chair, Economic Development Authority  
James City County, Virginia

Attest:



Russell C. Seymour  
Secretary to the EDA

	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
WARNER		<u>Absent</u>	___
CARSON	<u>X</u>	___	___
DUBOIS	<u>X</u>	___	___
GERHARDT	<u>X</u>	___	___
HARRIS		<u>Absent</u>	___
MONTGOMERY	<u>X</u>	___	___
TINGLE	<u>X</u>	___	___

Adopted by the Economic Development Authority of James City County, Virginia, this 9<sup>th</sup> day of April, 2015.