

MINUTES
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
101 D Mounts Bay Road, Williamsburg, VA 23185
May 10, 2018
8:00 AM

A. CALL TO ORDER

ADOPTED

B. ROLL CALL

JUN 14 2018

Robin D. Carson
Rick Shippey
Christopher J. Odle
Thomas G. Tingle
Robin Bledsoe, Vice Chair Marshall
N. Warner, Chairman

Amy B. Jordan, Economic Development Authority (EDA) Secretary
Teresa J. Fellows, EDA Recording Secretary
Maxwell Hlavin, EDA Legal Counsel
Jenni Tomes, EDA Treasurer
Stephanie Lahr, EDA Fiscal Agent
Kate Sipes, Assistant Director, Economic Development
Suzanne R. Mellen, Director, Financial and Management Services
P. Sue Sadler, Board of Supervisors Liaison to the Economic Development Authority

C. APPROVAL OF MINUTES

1. Minutes Adoption - April 12, 2018, Meeting

A motion to Approve was made by Robin Bledsoe, the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 1
Ayes: Odle, Tingle, Shippey, Bledsoe, Warner
Absent: Carson

Ms. Carson joined the meeting at 8:03 a.m.

D. FINANCIAL REPORTS

1. April Financial Reports

A motion to Approve was made by Thomas Tingle, the motion result was Passed.
AYES: 6 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Carson, Odle, Tingle, Shippey, Bledsoe, Warner

Ms. Lahr gave an overview of the financial reports included in the Agenda Packet.

Ms. Mellen gave a brief update on Senate Bill 942 and its impact on the County. She stated that the County was required, under the Bill, to continue funding the Chamber and Tourism Alliance at the same level that they had previously. However, the County wished to move projects forward at the Marina, so the language in the budget

document stated that the County was going to use the EDA as a conduit for those projects and have the Chamber reimburse the EDA for those projects.

E. CLOSED SESSION

None

F. NEW BUSINESS

None

G. OLD BUSINESS

1. Update of Bond Policy Documents

Mr. Hlavin gave a brief overview of the information included in the Agenda Packet. He stated that he would conference call Mr. Kulp for the discussion.

Mr. Chris Kulp, of Hunton Andrews Kurth LLP, who serve as Bond Counsel for the County and EDA, stated that he retained most of the edits and questions that Paul Gerhardt had previously offered, as well as incorporation of their own comments and suggestions. He attached both the clean and redlined versions (showing changes to the original versions that Mr. Hlavin sent) for ease of review. The main questions for discussion centered on the Bond Policy Statement, specifically sections C, D and E.

Mr. Kulp recommended deleting section C since it was not a usual requirement and not typically seen in other localities' policies. He noted if it was not a County requirement, then believed it was unnecessary.

Mr. Tingle stated that he thought the best practice was to align County policies with what surrounding localities were doing.

Mr. Kulp stated that section D was more restrictive than the statute and questioned if there was a policy guideline for this current language.

Mr. Odle questioned supporting working capital because it cannot be recaptured. If the bond financing was for an asset, that data can be recaptured if the business failed.

Ms. Mellen stated that the EDA acted as a conduit for the bond financing under the statute and Internal Revenue Service (IRS) guidelines, so there was no liability on the EDA if the business defaulted.

Mr. Warner stated that certainly the lender and the underwriter of the debt would do their due diligence from a financial risk point of view.

Ms. Bledsoe stated that she believed the language should be changed to align with what other localities were doing and with the IRS guidelines. She did not believe that it was necessary to be so restrictive.

Mr. Kulp questioned the inclusion of section E, noting this was generally covered by the bond counsel and the lender. He was not sure that the Authority needed to intervene on those decisions when they were already covered.

Mr. Tingle stated if it was not needed then remove it.

Mr. Kulp reviewed his comments on the Application Statement and the Operating Procedures that were included in the Agenda Packet. He stated that he could provide information from neighboring localities on the fees that were charged to business.

Mr. Hlavin agreed that would be helpful for consistency with the County's regional partners.

Mr. Kulp stated that he was happy to answer any further questions that the Directors might have.

Mr. Hlavin stated that he would work with Mr. Kulp to make those revisions and bring it back to the next meeting.

2. FY 2019 EDA Budget Adoption

A motion to Approve the FY 2019 Budget as Amended was made by Christopher Odle, the motion result was Passed. AYES: 6 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Carson, Odle, Tingle, Shippey, Bledsoe, Warner

Ms. Jordan reviewed the budget document that was discussed at the last meeting noting no changes had been made. She noted that the amount for Regional Economic Support was reduced because the Board of Supervisors had covered the cost of the Greater Williamsburg Partnership in their approved FY 2019 Budget. She also noted that the Travel and Training line item had been increased to allow the opportunity for an EDA Director to attend a training conference each year.

Mr. Tingle stated his disappointment regarding funding for the Virginians for High Speed Rail (VHSR). He stated that this item was passed down to the EDA from the County years ago. He stated that he could see where VHSR might not necessarily fit into the EDA's strategic initiatives, but he was still disappointed. He also voiced his concern over the amount the EDA was paying in audit and legal fees.

Mr. Warner voiced his concern over the dwindling bank balance and that the EDA would be out of money within the next year or so.

Ms. Mellen stated that the EDA had always paid their own audit fees because they published their own financial statements. She stated that the County did not charge the EDA for all of the accounting services provided on a monthly basis; instead, the County asked that the EDA utilize the same auditor the County used. She stated that the EDA might be paying a slightly higher audit fees because the County was hiring an auditor with the experience to handle several different entities.

Ms. Bledsoe asked about the difference between the legal services to the Planning Commission and the legal services provided to the EDA.

Ms. Mellen stated that the EDA was its own legal entity with its own tax identification number, while the Planning Commission was part of the County.

General discussion ensued about regional efforts and VHSR.

Mr. Tingle requested that the EDA fund the VHSR at \$1,000 for FY 2019 with the hope and intention that the VHSR would make a formal request for continued funding by the Board of Supervisors.

A motion to Amend the Proposed FY 2019 Budget, to add a \$1,000 contribution to Virginians for High Speed Rail, was made by Marshall Warner, the motion result was Passed. AYES: 5 NAYS: 1 ABSTAIN: 0 ABSENT: 0
Ayes: Carson, Odle, Tingle, Shippey, Warner
Nays: Bledsoe

H. LIAISON REPORTS

1. BOS Liaison

Ms. Sadler stated that the Board would be holding the appointment, to fill the vacancy left by Mr. Gerhardt, until the June meeting.

2. Greater Williamsburg Chamber & Tourism Alliance

No update.

3. Planning Commission

Ms. Bledsoe stated that Chairman Richardson had contacted her and they were setting up a meeting.

4. Greater Williamsburg Partnership (GWP)

Mr. Tingle stated that the GWP is in the process of searching for a new full-time executive director. He stated that the official job post and requirements should be posted sometime next week. The hope is that interviews will be conducted in July and have someone in place by October 1.

5. JRCC Architectural Review Board

No discussion necessary.

Mr. Tingle left the meeting at 9:05 a.m. due to a Go Virginia Meeting in Richmond.

6. Real Estate Holdings Committee

The question was raised if the current committee members would like to continue to serve since the shift of focus had moved from the Marina to James River.

Ms. Carson, Ms. Bledsoe, and Mr. Odle stated that they would like to continue serving on the committee.

7. Finance

No further discussion necessary.

I. DIRECTOR'S REPORT

1. May Director's Report

Ms. Jordan gave an overview of the report included in the Agenda Packet.

Discussion ensued regarding the development of the properties in James River. The Board wanted to see regular updates on the progress that the EDA was making on moving those forward. Ms. Jordan noted that staff was meeting with a consultant to determine the environmental constraints of the three parcels and the developable acreage.

Mr. Odle briefly discussed sports tourism; he noted that due to his travels to different areas, he saw numerous places actively building fields or fieldhouses to appeal to sports tourism. He believed that our community was missing out by not focusing more on attracting more sports tourism.

Ms. Jordan stated that she, Ms. Sipes, and Mr. Shippey met with Rick Hibbitt from MEB Contractors who was involved in the sports arena project in Virginia Beach. She stated that it was discussed how any potential building would need to be dual purpose. She stated that the meeting was an opportunity for staff to gather information.

J. ADJOURNMENT

1. Adjourn until 8 a.m. on June 12, 2018, for the Regular Meeting

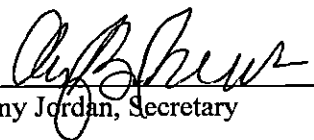
A motion to Adjourn was made by Robin Carson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 1

Ayes: Carson, Odle, Shippey, Bledsoe, Warner

Absent: Tingle

At 9:30 a.m., Mr. Warner adjourned the Authority.



Amy Jordan, Secretary



Marshall Warner, Chair