

MINUTES
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING

March 19, 2024

4:00 PM

A. CALL TO ORDER

Ms. Gajda called the meeting to order at 4:07 p.m.

B. ROLL CALL

Ellen Smith Gajda, Chair
Lynn Meredith, Vice Chair
Vince Campana
William Turner (arrived at 4:10 p.m.)

ADOPTED

APR 16 2024

Absent:

Rebecca Mulvain
Brandon Nice
Joe Stanko

Also Attending:

Christopher Johnson, Economic Development Authority (EDA) Secretary
Beth Cook, Assistant Director, Economic Development
Barbara Null, Board of Supervisors' Liaison to the EDA
Graham Henshaw, Assistant Provost, Entrepreneurship, William & Mary
Brandon Hennessey, Director, Entrepreneurship Hub, William & Mary

Ms. Gajda proposed moving New Business to the first item on the Agenda to allow additional time for Directors to arrive and establish a quorum. Hearing no objections, Ms. Gajda amended the Agenda.

C. NEW BUSINESS

1. Launchpad Opportunity

A motion to Approve the exclusive use of residential tier membership office space in Tribe Square by a single entrepreneurial venture was made by William Turner; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Turner

Absent: Mulvain, Nice, Stanko

Mr. Johnson introduced Mr. Henshaw and Mr. Hennessey, to provide an update on the activities of the Entrepreneurship Hub at William & Mary and discuss an opportunity that has been presented for a single entrepreneurial venture to utilize the 10 residential tier member spaces in Tribe Square.

Mr. Henshaw highlighted the programmatic transition of the Launchpad from an incubator model to an accelerator model. He noted that the Entrepreneurship Hub at William & Mary is housed in the Provost's Office, not housed in the Raymond A. Mason School of

Business. The current Memorandum of Understanding (MOU) between William & Mary and the three sponsoring localities, James City County, York County, and the City of Williamsburg, signed in 2019, would be revised to reflect programmatic changes at the Entrepreneurship Hub when it is presented to the three localities for renewal later this year.

Mr. Hennessey stated that the industry trend is for entrepreneurs to place a higher value on having access to the programs and resources that are available in the Entrepreneurship Hub as opposed to the need for physical office space. The Launchpad currently has 20 entrepreneurs enrolled in its community membership tier, a growth rate of 185% from last year. The two firms which had been residential members have both vacated their office space and all 10 offices are currently empty.

Mr. Henshaw stated that a William & Mary graduate, Mr. Glenn Ballard, owner of The Dragonfli Group, a cybersecurity firm currently based in Washington, D.C., has expressed interest in relocating the firm to the Launchpad residential tier office space adjacent to the Entrepreneurship Hub in Tribe Square. Mr. Ballard identified a number of ways that his firm could support the workforce development efforts of the locality partners, providing some of its cybersecurity services to the partners, and supporting region-wide recruiting efforts. As this proposal differs from the membership tier model in the current Launchpad MOU between William & Mary and James City County, York County, and the City of Williamsburg, the opportunity is being presented to the three locality partners for their approval before moving forward in further discussions with Mr. Ballard.

Mr. Turner arrived during the Launchpad Opportunity presentation by Mr. Henshaw.

Mr. Campana asked how many companies are currently utilizing the Entrepreneurship Hub co-working space on the community membership tier.

Mr. Hennessey stated that 20 companies are currently in the community tier.

Mr. Henshaw noted that the Entrepreneurship Hub had previously considered the possibility of having an anchor tenant in the residential tier office space that could provide jobs, workforce development, and job training to the locality partners. He added that the City of Williamsburg Economic Development Authority unanimously voted to support allowing the exclusive use of residential tier office space in Tribe Square to a single entrepreneurial venture at its meeting the previous week.

Mr. Turner asked what the terms of the lease would be for Dragonfli.

Mr. Henshaw stated that Dragonfli would not be tenants subject to a lease agreement but rather negotiate a new residential tier membership that aimed to keep the venture long-term, versus the previous model that included an escalating rent to move entrepreneurs out into the community.

Mr. Turner asked about the impact on parking behind Tribe Square, noting that the existing lot has a small number of parking spaces.

Mr. Henshaw stated that William & Mary would help find additional parking spaces if the need arises. He added that William & Mary has several parking spots allocated on the adjacent church property and numerous other community partners could be asked to help support the Hub in the future.

Mr. Campana asked about the status of negotiations with Dragonfli on terms.

Mr. Henshaw stated that there have been no discussions with Dragonfli to date and the Hub is seeking the support from their locality partners first before developing revised terms to present to Mr. Ballard.

Ms. Meredith asked what the value would be for Dragonfli being located within the residential space in Tribe Square versus elsewhere in the community.

Mr. Henshaw stated that the proximity to students in the Data School is the primary draw.

Mr. Campana asked why the Hub viewed having a stagnant rent versus a standard escalator in its agreement.

Mr. Henshaw noted that one of the leading reasons why companies utilizing incubator space fail is that they never grow and leave. The current residential tier model at the Hub seeks to move those companies out of the nest, so to speak, whereas the agreement with a single anchor tenant could be structured to encourage them to remain and could include a modest escalator in the agreement.

Ms. Meredith stated that the terms of the agreement with Dragonfli would need to be structured to give William & Mary control over its space with standard covenants because the venture would be a tenant, regardless of membership level.

Mr. Turner asked whether the EDA would have the opportunity to see the agreement once it has been drafted.

Mr. Johnson stated that a vote to support moving forward with a single entrepreneurial venture is just an authorization to proceed and terms would be included in a revised MOU later this calendar year.

Mr. Henshaw stated that the revised MOU would allow flexibility to allow for a single entrepreneurial venture but retain the residential membership tier if negotiations do not work out with Dragonfli. He added that the Hub would like to have an anchor tenant, even if one does not occupy the entire residential tier office space.

2. Home-Based Business Network

A motion to Amend the Adopted Fiscal Year (FY) 2024 Budget to authorize the transfer and appropriate \$3,000 from Promotions to Business Assistance to support the Hampton Roads Small Business Development Center's Home-Based Business Network efforts for calendar year 2024 was made by William Turner; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Turner

Absent: Mulvain, Nice, Stanko

Mr. Johnson presented an update on the activities of the Peninsula Home-Based Business Network, which is comprised of representatives from seven Hampton Roads Peninsula localities plus Gloucester County. For many years, the seven localities' EDAs supported the Network by hosting an in-person, three-day weekend conference, most recently in 2019. Since the pandemic in 2020, the localities have shifted efforts to some combination of online programming and in-person lunch and learn meetings with a variety of topic areas aimed at assisting home-based entrepreneurs establish and grow their businesses. At an end-of-year meeting to review the financial position and assess the success of the past year's meetings, the collective opinion of the localities was that the effort was not generating the sort of participation that was desired and was a drain on the limited resources of many

localities to each locate speakers, develop an agenda, and market the meetings. The Hampton Roads Small Business Development Center (SBDC) Executive Director Jolie Spiers has been approached and asked to consider taking the SBDC assume management of the home-based business effort. She was enthusiastically in stating her support for leading the effort this year and proposed including Hampton Roads localities on the south side to create a broader approach to targeting the intended business population. Ms. Spiers proposed creating a tiered funding model based on population where localities above 50,000 would pay \$3,000 annually and those below 50,000 would pay \$1,500 annually. The possibility of conducting an in-person conference again in the future appears dependent on whether the SBDC is successful in soliciting financial support from south side localities and amending the SBDC MOU to extend beyond the seven participating localities.

D. APPROVAL OF MINUTES

1. Minutes Adoption - February 20, 2024

A motion to Approve was made by Vince Campana; motion Passed.
AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3
Ayes: Campana, Gajda, Meredith, Turner
Absent: Mulvain, Nice, Stanko

E. FINANCIAL REPORTS

1. February Financial Reports

A motion to Approve was made by Vince Campana; motion Passed.
AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3
Ayes: Campana, Gajda, Meredith, Turner
Absent: Mulvain, Nice, Stanko

Mr. Johnson presented the revenue and expense reports and informed the EDA the cash balance was \$1,735,962 including receipt of Billsburg Brewery rent and Local Government Investment Pool interest. The FY2023 audit fee of \$13,200 was the only expense during the month of February.

F. CLOSED SESSION

There was no Closed Session.

G. OLD BUSINESS

There was no old business.

H. LIAISON REPORTS

There were no liaison reports.

I. DIRECTOR'S REPORT

Mr. Johnson referred to the report in the Agenda Packet and stated that the closing date for the sale of 8915 and 8925 Columbia Drive in the James River Commerce Center is expected by the end of April.

Ms. Cook provided an update on staff efforts to manage the Business Appreciation event this spring. A date and location have been selected and the three localities are reviewing their invitation lists. Staff expects to send out invitations in mid-April.

J. UPCOMING DATES OF INTEREST

Mr. Johnson mentioned that the Annual Business Appreciation Event would be hosted by James City County and held at Billsburg Brewery on Thursday, May 30 from 4-6 p.m.

K. ADJOURNMENT

A motion to Adjourn was made by Ellen Smith Gajda; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Turner

Absent: Mulvain, Nice, Stanko

1. Adjourn until April 16, 2024

At approximately 5:07 p.m., Ms. Gajda adjourned the Authority.



Christopher Johnson, Secretary
Economic Development Authority



Ellen Smith Gajda, Chair
Economic Development Authority