Meeting Minutes
Virtual Meeting
ECONOMIC DEVELOPMENT AUTHORITY
April 27, 2021

At a virtual meeting of the Economic Development Authority of York County, Virginia, held on April 27, 2021, at 2:00 p.m. using the Zoom platform, those present were:

Steven A. Meade, Chairman
Harmon J. Coxton, Vice Chair
Vernard E. Lockwood, II
J. Mark Carter
R. Anderson Moberg
Leslie Henderson Schultz

Others present:

Neil Morgan, County Administrator
Mark Bellamy, Deputy County Administrator
James Barnett, County Attorney
Justin Atkins, Assistant County Attorney
James W. Noel, Jr., Secretary/Treasurer and Director of Economic Development
Melissa M. Davidson, Assistant Director of Economic Development
Amanda R. Ridings, Coordinator of Economic Development

CALL TO ORDER

The meeting was called to order at 2:00 p.m. by Chairman Meade.

ROLL CALL

A quorum was established with six members present.

CITIZENS' COMMENT PERIOD

None.

PRESENTATIONS

GREATER WILLIAMSBURG BUSINESS INCUBATOR (LAUNCHPAD) PRESENTATION

Rachel Frazier, Director of the Greater Williamsburg Business Incubator, provided an update on the organization's progress, from 2019 to 2021.

NEW BUSINESS

PARKWAY PRINTSHOP GRANT MODIFICATION REQUEST

Mr. Noel reported that Jared Chubb, owner of Parkway Printshop, is requesting a grant compliance time extension. Parkway's grant funding is tied to receiving a Certificate of Occupancy for the renovation of his new facility on Merrimac Trail by July 10, 2021. Because there is currently a severe backlog for many building materials, Mr. Chubb would like an extension to September 15, 2021.

Mr. Coxton motioned to approve the Parkway Printshop grant modification request.

Mrs. Schulz seconded the motion.

On roll call the vote was:

Yea: (6) Carter, Coxton, Lockwood, Moberg, Schultz, Meade
Nay: (0)

MOBJACK BAY COFFEE ROASTERS GRANT MODIFICATION REQUEST

Mr. Noel reported that Celeste Gucanac, owner of Mobjack Bay Coffee Roasters, is requesting a grant compliance time extension. Mobjack's grant funding is tied to their facilities kitchen expansion and equipment upgrades. Unlike Parkway Printing, this grant was front-loaded and so they have received funding. They have already submitted approved invoices and receipts for $37,005 of the $50,000 grant. The extension request is to move full project completion from May 1, 2021 to May 1, 2022. This request is predicated on the requirements imposed by the National Park Service (NPS) related to historic building modifications. He stated that Ms. Gucanac has done an exceptional job of managing this project and is working diligently to get this expansion completed.

Mr. Moberg motioned to approve the Mobjack Bay Coffee Roasters grant modification request.

Mr. Lockwood seconded the motion.

On roll call the vote was:

Yea: (6) Coxton, Lockwood, Moberg, Schultz, Carter, Meade
Nay: (0)

BACK CREEK DREDGING PROJECT SUPPLEMENTAL FUNDING REQUEST

Mr. Noel explained that, shortly after our last meeting, we received the Corps of Engineers draft plan and budget for the Back Creek Dredging Study. The EDA's initial contribution of $150,000 was based on a *preliminary* estimate of the study cost. The new information and budget reflects a higher cost to perform this work and will require an additional contribution from the EDA, as the local sponsor, of $78,626. He noted that, after receiving this information and sharing it with Adam Frisch, our subject matter expert, we have concluded that we have no real basis for challenging their budget and without the additional contribution, the project won't be able to continue.

Mr. Noel reported that there are only two sources of funding for this additional cost, the EDA or Seaford Scallop Company. Seaford Scallop Company has agreed (non-binding) to fund the local share of the actual dredging that we estimate will be in the $300,000 to $400,000 range, although this could significantly increase depending on how the spoils are going to be handled.

Mr. Noel stated that he is very supportive of assisting with this project in order to help retain an iconic, legacy business in the County. We have adequate funding to provide this additional contribution, and still retain enough reserves for other projects.

Mr. Lockwood pointed out that we are assisting more than one company. There are quite a few independently owned operators and boats that use the facility.

Mrs. Schultz asked if we would be anticipating any more monetary exposure.

Mr. Noel explained that he has been told this would be the last contribution.

Mr. Lockwood motioned to approve $78,626 from the EDA's capital fund for the Back Creek Dredging project for supplemental funding.

Mr. Coxton seconded the motion.

On roll call the vote was:

Yea: (6) Lockwood, Moberg, Schultz, Carter, Coxton, Meade
Nay: (0)

COMMERCIAL SPACE AND BUSINESS CLOSURE UPDATE

Mrs. Davidson reported on available commercial space in the county and on closed business data from 2020. She noted that the retail vacancy rates are below the ten year

average, are well within the normal range that we have experienced in York County for many years, and are still not as high as they were in 2015. Given the pandemic, we were pleasantly surprised at the data. For industrial properties, it is clear that there is almost no available space for bringing in new companies and the vacancy rate for that type of space continues to remain quite low. There are only six spaces currently listed.

Mrs. Davidson explained that, per the Commissioner of Revenue, a total of 415 businesses closed between the business license renewal period of March 2020 through March 2021. 158 of those were commercial and 257 were home-based. She noted that, based on the numbers we currently have, this is quite average, and even a bit lower than anticipated, considering the damaging effects of the pandemic on many local economies. This data does not take into account the number of "closed" businesses that were actually purchased by new owners and immediately reopened for business, which happens often. It also doesn't reflect the 358 new business licenses in the county during this timeframe. The number of new home-based businesses (247 or 69%) is also noteworthy, as she noted how it supports the world-wide trends occurring now, and helps to justify our efforts and initiatives aimed at supporting our home-based businesses.

Mr. Noel explained that the cost to build has increased significantly over the past year. Site development costs and materials have gotten much more expensive, however, rental rates for industrial and warehouse spaces have not increased.

Mr. Noel stated that the property at 800 Old York Hampton Highway would make the most sense for the EDA to develop a light industrial park. He believes we could fit four to five small buildings there and that we already have prospects interested in that area.

Mr. Coxton reported that the data clearly shows we need industrial property and that's the way he believes we need to go.

CLOSED MEETING

The Chairman noted it was in his judgment appropriate for the Authority to enter into closed meeting as authorized by the Freedom of Information Act for the purpose of prospective business under Section 2.2-3711(A)(5).

Mr. Lockwood moved that the Authority enter into a closed meeting for the aforesaid purpose and that the Authority deemed it necessary, as specified by the Virginia Freedom of Information Act, that non-members Neil Morgan, Mark Bellamy, Jim Barnett, Justin Atkins, Jim Noel, Melissa Davidson, and Amanda Ridings be present during the closed meeting.

Mr. Coxton seconded the motion.

On roll call the vote was:

Yea:	(6)	Lockwood, Moberg, Schultz, Carter, Coxton, Meade
Nay:	(0)	

The Authority entered into closed meeting at 2:55 p.m.

RETURN FROM CLOSED MEETING

The Authority returned to open meeting at 3:08 p.m.

ROLL CALL VOTE CERTIFYING COMPLIANCE WITH SECTION 2.2-3711.1 OF THE CODE OF VIRGINIA

Mr. Meade moved that, to the best of each member's knowledge, only public business matters lawfully exempted from the open meeting requirements specified under the Virginia Freedom of Information Act were discussed in closed meeting, and that only such public business matters related to prospective business under Section 2.2-3711(A)(5) was discussed during closed meeting.

The Chairman stated if any member of the Authority believed that there was a departure from the requirements of the Virginia Freedom of Information Act, that the member was required by law to state his objection prior to the vote, indicating the substance of the departure that in his judgment had taken place. No such objection being raised, the roll call was as follows:

Yea:	(6)	Moberg, Schultz, Carter, Coxton, Lockwood, Meade
Nay:	(0)	

NEW MATTERS

None.

FINANCIAL REPORTS

The Chairman duly noted the receipt of the March 2021 financial reports.

APPROVAL OF MINUTES

The minutes of the March 23, 2021, meeting of the Economic Development Authority of York County were approved by vote as follows:

Yea: (6) Schultz, Carter, Coxton, Lockwood, Moberg, Meade
Nay: (0)

COUNTY ADMINISTRATOR COMMENTS

Mr. Morgan reported that we are hoping to have the County's budget for the next fiscal year approved at the May 4th work session. This will include the cigarette tax that will generate about $600,000 in the first year. The budget is restoring a lot of what was cut during the pandemic, such as the school division's budget and the County's capital improvement funds. He noted that a compensation increase for employees and a few new positions are being proposed. A new hybrid grounds maintenance crew will be added and the renovation and expansion of the Yorktown Library will begin in about 60 days.

Mr. Morgan explained that there are several reports on the County's website that he encourages everyone to take a look at, such as an analysis of financial impact studies done for mixed use projects, a status report on the Marquis and various miscellaneous information in the weekly correspondence package.

DIRECTOR OF ECONOMIC DEVELOPMENT COMMENTS

Mr. Noel reported that he would send out the Marquis update and fiscal impact study after the meeting. He noted that the next payment to the Marquis bondholders will be less than they are owed and that there are ongoing discussions on options for moving forward.

Mr. Noel stated that there is finally movement on the Beale's property and that most site plan issues have now been resolved.

Mr. Noel explained that the comprehensive plan committee is on their last review of the Economic Development section. He noted that Mr. Moberg represents the EDA on that committee and has done a really good job.

Mr. Noel gave an update on the RWL Restaurant Architectural Services RFP. The selection committee has interviewed the five finalists and ranked the responders. The next step will be negotiating a contract with the first choice. If we are unable to come to terms with that firm, then we will engage with the firm ranked second. He also noted that the retail consultant contract, approved at the last EDA meeting, will have to go out for an RFP. He had thought the service proposed by Retail Advisors could be considered a

sole source vendor, but Purchasing has determined that we need to put out an RFP for this work.

ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT COMMENTS

Mrs. Davidson reported that we are working with our Community Services department to pursue additional CDBG funds to replenish our COVID-19 Small Business Grant Program. Abbitt Woodall has applied for another $1.4 million on behalf of York County, Poquoson and Williamsburg. The additional grant funds will not cover PPE this time, only rent and mortgage relief for qualifying businesses.

Mrs. Davidson noted that the EDA's Commercial Corridor Property Improvement Grant committee has been working on updating the program's parameters, to reflect necessary changes. The proposed updates will be presented for the EDA's approval at the next meeting.

Mrs. Davidson shared that the Small Business Administration's Restaurant Revitalization Fund will be opening up soon for applications. It is a very competitive process and businesses have to register in advance. She noted that the information is posted on our website and that we would appreciate the member's help in sharing it with local businesses.

MEMBERS' COMMENTS

Mr. Coxton asked for a report on the Grafton Garage and Cox Dr. properties.

Mr. Noel reported that Jamie Dodd has purchased the old Grafton Garage facility. He will be expanding his RV sales and repair operations. He also reported that there was some interest in the Coke building on Cox Dr., but no solid contracts have been finalized, so we are still promoting the property to prospects.

Mr. Lockwood asked if the new hybrid crew being hired by the county would be in charge of the bike paths that are overgrown with weeds.

Mr. Morgan explained that VDOT is supposed to maintain that the paths. The hybrid crew will do storm water in an emergency and anything else that needs to be done if we have the capacity to do it.

CHAIRMAN'S COMMENTS

None.

ADJOURN

There being no further business, the Chairman adjourned the meeting at 3:28 p.m.

Steven A. Meade, Chairman

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James W. Noel, Jr., Secretary/Treasurer