

Meeting Minutes
Virtual Meeting
ECONOMIC DEVELOPMENT AUTHORITY
June 23, 2020

At a virtual meeting of the Economic Development Authority of York County, Virginia, held on June 23, 2020, at 2:00 p.m. using the Zoom platform, those present were:

R. Anderson Moberg, Chairman
Steven A. Meade, Vice-Chairman
Vernard E. Lockwood, II, Treasurer
John Biagas, Secretary
Harmon J. Coxton
J. Mark Carter
Leslie Henderson Schultz

Others present:

Neil A. Morgan, County Administrator
Mark Bellamy, Deputy County Administrator
James Barnett, County Attorney
James W. Noel, Jr., Assistant Secretary and Director of Economic Development
Melissa M. Davidson, Assistant Director of Economic Development
Tim Wyatt, Deputy Director of Information Technology
Amanda R. Ridings, Coordinator of Economic Development

CALL TO ORDER

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

ROLL CALL

A quorum was established with seven members present.

CITIZENS' COMMENT PERIOD

NONE

PRESENTATIONS

NONE

NEW BUSINESS

EDA FY2021 OPERATING BUDGET

Mr. Noel reported that in the meeting material was a proposed EDA operating budget and budget justification detail for FY2021. He stated that all of it was very similar to last year's budget, with only a few minor changes, like adding funds for EVRIFA King's Creek Commerce Park operating costs and deleting the LPGA Kingsmill sponsorship. He said that the projected expenditures are predicated on an assumption that we will return to more normal marketing operations in the fall. If this does not occur, our expenses for travel and related activities could be much less than projected. However, this could be offset by increased costs related to digital marketing, like virtual community/site tours.

Mr. Noel stated that we are trying to sustain the programs that we have by maintaining adequate funding for those programs moving forward. The current balance in the Capital Fund is \$510,802.

Mr. Coxton motioned to adopt the proposed operating budget for FY2021.

Mr. Lockwood seconded the motion.

On roll call the vote was:

Yea: (7) Carter, Coxton, Lockwood, Meade, Schultz, Biagas, Moberg
Nay: (0)

GRANT AGREEMENT AND INFRASTRUCTURE EXTENSION AGREEMENT

Mr. Noel reported that the infrastructure piece of this agreement will give the credit that we get from Dominion for the property in the York Commerce Park to T-Rex, which would reduce their purchase price by over \$300,000.

Mr. Noel stated that the grant agreement will provide T-Rex with a reimbursement of the land cost and another \$800,000 for support in site development. They won't receive any of the funds until the project is completed.

Mr. Noel mentioned that the Board of Supervisors approved the Second Amendment to Infrastructure Agreement & Grant Agreement between the Economic Development Authority of York County, Virginia and T-Rex Ventures, LLC. He stated that the land cost credit and the incentive structure memorialized in the agreements are 100% consistent with our prior discussions. T-Rex has signed both agreements and the last

approval required is from the EDA. If the agreements are approved, T-Rex will have until January 31, 2021 to exercise their executed purchase option with Dominion in order to benefit from the incentives. If they acquire the site in the York River Commerce Park before that date they must construct the new facility within 18 months of closing to fully capitalize on the incentives.

Mr. Coxton motioned to approve the Second Amendment to the Grant Agreement.

Mr. Meade seconded the motion.

On roll call the vote was:

Yea: (7) Coxton, Lockwood, Meade, Schultz, Biagas, Carter, Moberg
Nay: (0)

Mr. Biagas motioned to approve the Infrastructure Agreement.

Mrs. Schultz seconded the motion.

On roll call the vote was:

Yea: (7) Lockwood, Meade, Schultz, Biagas, Carter, Coxton, Moberg
Nay: (0)

EDA MEETING PROCEDURE AND OFFICER STRUCTURE RESOLUTIONS

Mr. Noel stated that the first proposed resolution will formally give members the ability to participate in EDA meetings remotely. This has nothing to do with our current totally remote meeting structure related to COVID-19. The purpose of this resolution is to allow members to participate remotely in the future, as long as we still have a quorum physically present.

Mr. Noel reported that the second proposed resolution restructures our officers by establishing the York County Economic Development Director will serve as the Secretary/Treasurer for the EDA. Since the county prepares all of the EDA financials, and the Office of Economic Development prepares the minutes, this would align the office with the entity doing the relevant work. Additionally, he reported that the resolution, while not precluding reappointment, establishes a one year term limit for the Chairman and Vice Chairman. The practice of rotating Chairmanships allows more members to get involved in a leadership role and is in line with the desires of the Board of Supervisors for all of our Boards and Commissions.

Mr. Meade motioned to approve the resolution for electronic meeting procedures.

Mr. Biagas seconded the motion.

On roll call the vote was:

Yea: (7) Meade, Schultz, Biagas, Carter, Coxton, Lockwood, Moberg
Nay: (0)

Mr. Meade motioned to approve the resolution for officer restructuring and term limits for the EDA Chairman and Vice-Chairman.

Mrs. Schultz seconded the motion.

On roll call the vote was:

Yea: (7) Schultz, Biagas, Carter, Coxton, Lockwood, Meade, Moberg
Nay: (0)

REZONING APPLICATION ENDORSMENT

Mr. Noel reported that we were recently informed by the County's Department of Planning and Development Services that portions of Busch Industrial Park are subject to a proffer approved in 1990. This proffer constrains development on slopes of more than 20% and has been made irrelevant due to changes in the County's zoning ordinance that adequately address this issue. The current zoning ordinance doesn't require you to take any additional measures unless you are at 30%. This impacts several parcels in the Park..

Mr. Noel stated that he filed a rezoning application on behalf of the EDA and is requesting the EDA's support in the form of a motion for this to be properly memorialized in the minutes.

Mr. Lockwood motioned to support the rezoning application for Busch Industrial Park.

Mr. Meade seconded the motion.

On roll call the vote was:

Yea: (7) Biagas, Carter, Coxton, Lockwood, Meade, Schultz, Moberg
Nay: (0)

BUSINESS GROWTH GRANT REPLENISHMENT

Mr. Noel stated that the Business Growth Grant program has been very successful. The applications received have been really thought out and, as a result, we have awarded almost all of the funds. He recommended replenishing the fund with an infusion of \$50,000 from the capital fund.

Mrs. Davidson mentioned that in all the time that she has been here, this has been the most successful program we have had. This is the first open-ended grant program we have done besides and business owners are very happy with the flexibility of the assistance it offers. Mr. Meade motioned to move \$50,000 into the Business Growth Grant program from the EDA's capital fund.

Mr. Coxton seconded the motion.

On roll call the vote was:

Yea: (7) Carter, Coxton, Lockwood, Meade, Schultz, Biagas, Moberg
Nay: (0)

OLD BUSINESS

RESOLUTION OF SALE MODIFICATION

Mr. Noel reported that the contract previously approved for the sale of the property at 410 Old York Hampton Highway, was with Smith Electric and Cable. Mr. Smith has asked to revise the contract to include the owner of Metal Works, who will also be locating on the property. As this time Mr. Smith has not decided whether or not to form a separate LLC for this transaction. As soon as the buyers finalize the ownership entity we will present the EDA with a revised resolution for approval.

COVID-19 RECOVERY TASK FORCE

Mr. Noel stated that we have secured funding for two new grant programs to assist our business community recover from the impacts of the ongoing COVID-19 health crisis. One program is funded through the CARES Act (\$250,000) to do small business grants. They would be \$3,000 grants per business and they would be able to use it for any expenses or costs that were caused by the Governor's Executive Order stemming from the health pandemic.

Mr. Noel explained that the second grant program is through the Community Development Block Grant program (\$500,000). This was a joint effort with our Community Services staff, specifically Abbitt Woodall and Wanda Fralick, who came to us with this idea, and with whom we have worked seamlessly to bring it to fruition. He

reported that Williamsburg and Poquoson recently became a part of this grant application to the state. This program would be a little more restrictive, but the dollar amount of the business grants would be higher, up to \$5,000 each. It would be for businesses with 20 employees or less. The funds are more focused on actual work done to the facility or measures taken physically to deal with the pandemic. This grant will go in front of the Board of Supervisors for final approval on July 21.

NEW MATTERS

NONE.

FINANCIAL REPORTS

The Chairman duly noted the receipt of the May 2020 financial reports.

APPROVAL OF MINUTES

The minutes of the May 26, 2020, meeting of the Economic Development Authority of York County were approved by vote as follows:

Yea: (5) Coxton, Lockwood, Meade, Biagas, Carter
Nay: (0)
Abstain: (2) Schultz, Moberg

CLOSED MEETING

NONE.

COUNTY ADMINISTRATOR COMMENTS

Mr. Morgan reported that although Virginia has been doing fairly well in the pandemic, and nationwide it appears to be plateauing, there are more cases coming back again. The Governor announced that we're going to phase three on July first. Virginia Beach is the only locality in Hampton Roads with over 1000 cases and the hardest hit areas were the Eastern Shore, Greater Richmond, Northern Virginia, and in the upper Shenandoah Valley.

Mr. Morgan stated that he thinks we will end up in balance financially for FY20. He is hopeful that the \$250,000 cash capital for the EDA that's in the approved FY20 budget will be able to stay in there, which would improve the EDA's balance sheet and capital

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fund significantly. He stated that his goal is to continue to position York County as the lowest taxed full-service locality in Hampton Roads.

DIRECTOR OF ECONOMIC DEVELOPMENT COMMENTS

Mr. Noel reported that Dave McCormick has encountered some bad soil on the Wakeshaw property. They also have to bring the building up to the same grade as the crown of Rt. 17. This could bring a lot of unanticipated costs to the project and, if so, he might come back to the EDA and ask for assistance.

Mr. Noel explained that there is a vacancy at Riverwalk Landing. Yorktown Onion is closing their space. Patriots Tours is interested in taking the space. They would expand their current operation.

Mr. Noel reported that we are still moving forward on the Kings Creek Commerce Center Unmanned Systems project. KDC Solar is moving towards an October closing date for the property with the state and the Eastern Virginia Regional Industrial Facility Authority.

ASSISTANT DIRECTOR OF ECONOMIC DEVELOPMENT COMMENTS

None.

MEMBERS' COMMENTS

None.

CHAIRMAN'S COMMENTS

None.

ADJOURN

There being no further business, the Chairman adjourned the meeting at 3:20 p.m.

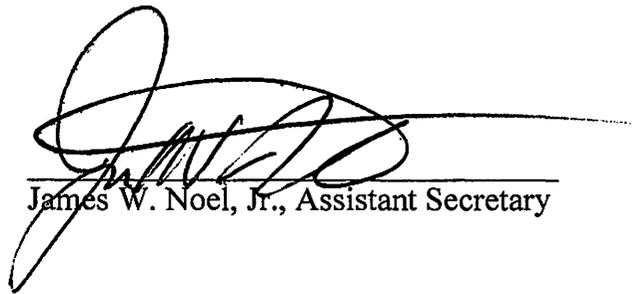

R. Anderson Moberg, Chairman

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James W. Noel, Jr., Assistant Secretary