

POQUOSON ECONOMIC DEVELOPMENT AUTHORITY
Board of Directors Regular Meeting
June 4, 2013, 8:00 a.m.
Poquoson City Hall-Council Conference Room

PRESENT: Manfred C. Freeman, Jr., Chairman
Donald F. Booth, Jr., Vice Chairman
Henry L. Freeman, Director
Angela Ward-Costello, Director
Timothy O. Trant, II, Director

David Callis, Economic Development (ED) Director
Charity Gavaza, Economic Development (ED) Coordinator
D. Wayne Moore, City Attorney
Theresa Owens, Finance Director
Victoria H. Diggs, Secretary

ABSENT: P. Craig Moore, Treasurer/Director
Alan E. Meetze, Director

Chairman Freeman called the meeting to order at approximately 8:00 a.m. in the Council Conference Room located at 500 City Hall Avenue.

APPROVAL OF THE MINUTES

The minutes of the April 11, 2013 annual meeting were approved as submitted.

PUBLIC COMMENT

There was no comment.

UNFINISHED BUSINESS

1. BMP Agreement

The Economic Development Coordinator, Charity Gavaza, asked for a consensus of the Directors regarding how future accrued BMP fees should be dispersed. Following a brief

discussion, the unanimous decision of the EDA was that all forthcoming funds from the BMP should go towards paying off the Authority's debt to the City. Chairman Freeman asked that the City notify the EDA annually regarding the amount of funds expended maintaining the BMP so that the annual participation fee can be determined and charged appropriately. In conclusion, the ED Coordinator stated that she had contacted Bob Moses regarding execution of the BMP Agreement; however, he had not yet responded.

2. Line of Credit Update

The Authority agreed that this item should be postponed until the Finance Director, Theresa Owens, arrived.

NEW BUSINESS

1. Teen Center Repairs

The Economic Development Director, Dave Callis, stated that the Building Official recently performed a walk-through at the Authority's Teen Center facility. As a result of his inspection, he found that some imminent repairs were required, i.e. replacement of missing roof shingles and water damage repairs, for which he received a \$195 repair quote. In addition, the Building Official stated that other less critical repairs were needed such as painting, etc. In conclusion, it was agreed that this item would be revisited subsequent to the Closed Session later in the meeting.

2. Commercial Broker

The ED Director requested that this item be postponed until the next meeting when Director Meetze is in attendance. Consensus of the Authority supported this recommendation.

3. New Marketing Tools

The ED Director stated that Director Ward-Costello was responsible for producing the City's latest marketing tool, i.e. two 30-second theater commercials in six Peninsula theaters. In addition, he stated that City marketing posters were simultaneously being displayed in the same theaters. He pointed out that Director Ward-Costello had also created an associated website, EnjoyVA.com that had already received 823 hits over the first weekend. Lastly, he stated that the recent article in the Daily Press on the City's new marketing push was excellent and helps move the City's economic development initiative forward.

STAFF ACTIVITIES

1. Big Woods Landowner Meeting

The ED Coordinator reminded the Authority that the City had already hosted three Big Woods landowner meetings. However, she pointed out that plans are currently being made to host a fourth and hopefully final Big Woods meeting to enable and motivate landowners to move forward on their own. She announced that the City's 18+ acre parcel on City Hall Avenue is

currently being pursued for an outdoor laser tag park by an applicant who wishes to lease/purchase the property. Director Trant expressed disappointment at this announcement since the proposed business will not conform to the Authority's/City's vision for this area.

In response to the aforementioned statements, the City Attorney, D. Wayne Moore, explained that the laser tag applicant is hoping to purchase the property since the required infrastructure to initiate the business is very costly, i.e. crossing the Victory Boulevard ditch alone costs approximately \$35,000.

Director Trant recommended that the City consolidate the uplands on the subject property and mitigate the wetlands so that a meaningful business can be developed on this site. He suggested that the Authority may wish to discuss this matter further with City Council in a work session.

Following a brief discussion, it was agreed that Chairman Freeman and Director Trant would initiate a conversation with the City Manager, J. Randall Wheeler, about the EDA's concerns.

UNFINISHED BUSINESS (Continued)

2. Line of Credit Update

The City Finance Director, Theresa Owens, stated that the City recently voted to issue \$2.2 million bonds on the EDA's line of credit debt which should close early next week. She pointed out that the City understands that all proceeds from EDA land sales will be applied to this new debt and an agreement solidifying this arrangement would be forthcoming for a formal vote. She explained that the new City debt, financed through SunTrust Bank, is pre-payable without any penalty and that a small City line of credit (LOC), \$300,000, was included in the new debt. She explained that should the Authority need funds for an economic development initiative, they may submit a request to City Council.

STAFF ACTIVITIES (Continued)

2. Commercial Developer & Residential Realtor Events

The ED Coordinator stated that the City has received countless glowing comments on the City's new marketing tools created by Director Ward-Costello which were shared at the recent Commercial and Residential Events.

The City Attorney pointed out that the City has two specific economic development hurdles to overcome: the media's exaggeration of the City's flooding and the increased cost of flood insurance. In response to these comments, the ED Director stated that his office is working hard to overcome these negative perceptions.

3. Marina/Water-Related Business Meeting

The ED Coordinator stated that another City sponsored Marina/Water-Related Business meeting would be held on June 11th. She stated that the City is trying to motivate this group to work together to move their businesses forward.

4. *Business Appreciation Event*

The ED Coordinator announced that the City's Annual Business Appreciation Event would be held at the Navigon Building on June 6th from 4 p.m. to 7 p.m. She asked the Directors to contact her if they planned to attend.

5. *RAISE Update*

The ED Director stated that the RAISE Committee voted to offer Frontier Airlines an incentive so that it will continue year-round flights to the western portion of the U.S. via the Newport News/Williamsburg International Airport.

(Director Trant left prior to continuation of New Business.)

NEW BUSINESS (Continued)

4. *EDA FY 2014 Budget*

The City Finance Director gave a brief overview of the Authority's proposed FY 2014 budget. She stated that the Authority was free to issue bonds within the next six months and that she continues to seek collection of the approximate \$10,000 that Nansemond-Suffolk Academy owes the Authority on a past bond issuance.

Director Booth moved, seconded by Director Ward-Costello, to approve the proposed FY 2014 EDA budget. Recorded vote on the motion:

YES: Directors Ward-Costello, Booth, H. Freeman and Chairman Freeman.

NO: None.

CLOSED SESSION

Vice Chairman Booth moved, seconded by Director Ward-Costello, to go into closed session pursuant to Section 2.2-3711(A)(3) of the Code of Virginia (1950), as amended, to discuss the disposition of publicly held real property, i.e. Teen Center. Recorded vote on the motion:

YES: Directors Ward-Costello, Booth, H. Freeman and Chairman Freeman.

NO: None.

RECONVENEMENT

Upon reconvening from closed session, Director Ward-Costello moved, seconded by Vice Chairman Booth, to adopt the following resolution certifying that only the disposition of publicly held real property was discussed in the closed session.

**RESOLUTION
CERTIFICATION OF CLOSED SESSION**

WHEREAS, the Economic Development Authority of the City of Poquoson, Virginia convened in a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 (A) of the Code of Virginia (1950), as amended requires a certification by this Economic Development Authority that such closed session was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Economic Development Authority of the City of Poquoson, Virginia does hereby certify that to the best of each member's knowledge, only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification applies and only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Economic Development Authority. Recorded vote on the motion:

YES: Directors Ward-Costello, Booth, H. Freeman and Chairman Freeman.

NO: None.

Subsequent to the Closed Session, the Authority agreed that Victor Rodriguez should tour the Teen Center to determine if it would meet the needs of his photography business; that the PIPS are monetarily responsible for any repairs that are needed to this structure since they currently use it for storage; and that the agreed upon sales price should be quoted to any individual(s) who has or does express an interest in this facility.

Following a brief discussion, it was agreed that the next EDA meeting would be held on July 9, 2013.

ADJOURNMENT

The meeting was adjourned at approximately 10:15 a.m.


Chairman


Secretary