

**Virginia:**

At the monthly meeting of the Economic Development Board (EDA) held at the Charles City County Government Administration Building thereof on **Thursday, September 1, 2022, at 6:00 pm.**

**Economic Development Authority (EDA) Board Members:**

**Present:** Robert Erda - Vice-Chairperson, Gregory Cotman, Sr., Johnny Day, Arnold Brown, Donald Charity.

**Virtual:** Dominique White - Chairperson

**Absent:** Brooke Welborn – Secretary/Treasurer

**Charles City County Administration & Staff:**

**Present:** Michelle Johnson, County Administrator, Rhonda Russell, Asst. County Administrator/Community Development Director, William Coada, Chairman Board of Supervisors, Jesse F. Bausch Attorney, Miranda Pyne, and Peggy Sullivan, Adm. Assistants.

The County Administrator, Michelle Johnson, welcomed everyone on September 1, 2022.

Mr. Erda – Vice Chairman, determined there was a quorum and called to order the September 01, 2022, meeting of the Charles City County Economic Development Authority (EDA).

**EDA VIRTUAL POLICY:**

Ms. Johnson, in your packet was a copy of the EDA Virtual Policy presented to you for adoption and prepared by Sands Anderson so EDA members can participate virtually from remote locations. This goes into effect September 1, 2022. This is a State of Virginia Policy that the Economic Development Authority, Board of Supervisors, and the Planning Commission all have to adopt. The purpose is so an EDA member can still participate if they are out for a personal matter, physical disability or other medical condition, medical condition of a family member or EDA member, and EDA committee member. Sands Anderson prepared this, The County or State level cannot do an all virtual.

° Ms. Johnson asked in Section 4.0 if the Governor declares a State of Emergency, the EDA can meet without a quorum without Governor’s orders? Mr. Bausch answered yes.

Mr. Erda asked would we still need a quorum for the meeting? Mr. Bausch answered they would need a quorum.

Ms. Johnson, ask if video conferencing would be needed for virtual meetings for the public? Mr. Bausch answered that video would not be required because it is made available now.

Ms. Johnson wanted the EDA members to take note they could only be absent three times for personal matters. Also, if an EDA member was virtual it would need to be specified in the minutes.

On a motion made by Mr. Erda, second by Mr. Cotman, and a vote of 5/0, 1 abstain, (Ms. White/Chairman was virtual) for the EDA to adopt the Virginia Code Policy for electronic participation be allowed from remote access for EDA meetings as of September 1, 2022. Motion passes.

**ADOPTION OF MINUTES:**

On a motion made by Mr. Erda, second by Mr. Day and a vote of 6/0 to approve the minutes from August 4, 2022, as corrected. Motion passes.

**MARKET 5 RFP:**

Ms. Johnson, staff, and sub-committee met to review the Market 5 bids from individual companies. Mr. Day, Ms. White, Mr. Brown, Ms. Russell, and Ms. Johnson reviewed and scored them accordingly.

Mr. Day stated the subcommittee went over the bids by criteria and scored each one accordingly. The Committee chose Bruce Howard Construction, as the nominee, his company will be doing site plan and development if chosen, his bid was \$127,000.00. Final landscaping and lights were not part of this bid. Webb Development, LLC presented a bid of \$868,000.00 for site, but was not chosen. The RoxBox proposal was \$1,139,000.00.

#### QUESTIONS/CONCERNS:

° Mr. Erda asked who pays for the turn lane as part of the project? Ms. Johnson answered that would be part of the project, but VDOT does not think a turn lane is necessary, but they are going to study it if we move forward.

° Mr. Day asked why a traffic study was needed? Ms. Johnson answered, yes, a study was needed because of the traffic count and the caution light right before the project.

° Mr. Erda asked is that their definitive study? Ms. Johnson answered again they will have to come out and do a study once this has moved forward and we have to put in a work order ticket for this to be done by VDOT and that usually takes nine months or longer. Ms. Johnson said the EDA will have to make a motion for both RoxBox and Bruce Howard Construction to be approved.

° Mr. Erda asked what about the parking lot? Ms. Johnson answered that will be part of the site plan, that has an additional cost of \$19,000.00. It was clarified that the bids before us is only to do site clearing, prepare pads for containers, get the site ready for containers.

° Mr. Erda asked if the site plan proposed was for five containers, five pads? Mr. Day answered it's for six containers, six pads.

° Mr. Charity asked if the site plan of \$19,000.00, include infrastructure, water, power, layout? Ms. Johnson answered yes and the lay out to where it is.

° Mr. Erda asked did anyone create a budget for this? Ms. Johnson answered \$1,300,000.00, transferred from the Board of Supervisors.

° Mr. Erda asked can we see a line breakdown? Ms. Johnson answered I still don't have that for you, but I will get it and email to you.

Mr. Erda stated he thought the EDA should see the breakdown of cost before the EDA votes, would like to see what the economics, and cost if the EDA is going to be responsible in having our names on it.

Mr. Day stated he would also like to see a breakdown, but also see budget line for contingencies items and some type of guesstimate for landscaping, lighting, signage etc.

Mr. Erda stated his concerns on who may rent the containers, and what the rent may be.

Ms. White stated I understand the concerns on what rent will be, the business plan. If you look at the bigger picture and positive feedback on how unique this project is, so I don't think we should focus on that. We have had major state agencies tell us what a wonderful idea, and it will be great for Virginia, and we have a lot of support behind it. I do not think failing is an issue.

Mr. Erda stated he hope it is successful. I was brought to this committee because of my experience with projects, business plans. We do not have a plan or done any market research.

Ms. Johnson stated I have had meetings with Virginia Association of Counties, Governor Youngkin's Innovative Team, Virginia Tourism, all are in full support, and waiting for approval to help us market this and gain resources back.

° Mr. Erda asked how do you determine a successful project? Ms. Johnson answered getting the project open, getting the visibility we need. When we do things in Charles City County, we look at the exposure it will bring us, other opportunities, we do not look at the bottom line on everything because we are small.

Mr. Coada stated if we looked at this strictly as a return on an investment, I would say deny it and the reason being that if we only looked at dollars we wouldn't have parks, recreation, walking trails. We will be the first to have a destination on the bike trail. In order to get development in this County we will have to do it ourselves. I have heard your concerns and I am glad you do have concerns because this means you are doing your jobs. This project is supported 100% by the Board of Supervisors.

° Mr. Erda asked where did the \$1,300,000.00 came from? Mr. Coada answered from many sources; sales tax, personal property tax, real-estate tax, and us being very frugal with tax payers dollars.

Mr. Day stated he wanted to make sure the project goes forward. The EDA is taking on a private enterprise function by having a restaurant. Why is the County Government involved with the restaurant? The EDA will be landlords and managers for retail and that is what the County doesn't do well leasing property. I would love to see a private enterprise come in and the EDA gives them incentives for their business.

Mr. Coada stated the property where The Surry Seafood Company is bought by the Board of Supervisors of Surry, and they put in the marina and fixed the building. It is leased and is very successful. That is a prime example of the County getting out of the box and making things happen.

Mr. Erda stated we do not know all the steps and have never seen a plan. That is not how I operate. I think doing the whole thing at once is wrong.

Mr. Charity stated Charles City County needs this project, Is there a return? No. It is something for the citizens to have and other people will visit it and see what Charles City is about. They will also visit plantations and other things. It is going to be the talk of the town. People are always looking for new things to do.

Ms. Johnson stated one thing that is missing is the plan. We are working up a chart. Once we have your approval and the amounts come back, we do the real work. Whenever I bring a project to the Board of Supervisors, they trust me with that project, and I am given a budget. I am not to exceed that budget. I identify with grant funding, and in-kind donations. I have to make the budget work. I have already spoken to Virginia Tourism, there are grants we can get from that, I am very confident we will get money from the state. The County Food Pantry will be free, costing the taxpayers nothing.

Mr. Coada agreed with Mr. Erda we need a plan of execution, I don't think you can write a business plan, we are landlords not the business owner. The plan will be put together when you (EDA) agree to go forward, but we have to know if you want to go forward.

° Mr. Charity asked who oversees the project? If it is in your lane we go forward and if it's in our lane we want to see how it is to be managed.

Mr. Jesse Bausch, EDA Attorney, stated he will outline the agreement between the EDA and the County. The County is the project manager, and they own the land. The County wants the EDA to have a leasehold on what the County is leasing to other people. The EDA will be entering in to the lease agreements. If the County handles the leases, they will have to have a public hearing every time a lease is done. That is why the EDA is reviewing the prospective vendors, so we don't have to have a public hearing. I can have the agreement ready within a month or so with Board and EDA approval. The EDA will handle the leases of the retail spaces.

Mr. Charity stated that the EDA needs to have a list of their responsibilities on behalf of the County and what the County is going to do. Mr. Bausch said that will be in the agreement between the EDA and the County.

Some of the EDA members have concerns on the business that lease the container if they will generate enough money to stay in business. Mr. Coad answered businesses fail all the time, that is not your responsibility.

Ms. Johnson stated the vision is that once we are at the point to lease the facility, we will do a call to action to the community. We will have Longwood Business Center come here and do a series of training workshops. We will let the people know what this is and when is going to become available. We will need to see how we can attract those companies to become store fronts. When it comes to operations, we have thought of everything, but we haven't put it out because it is a waist of our time if the project is not approved by the EDA to move forward. The County has twenty four other projects we are working on to get done before 2023.

° Mr. Charity asked if the EDA has to vote on everything tonight? Ms. Johnson answered the EDA will have to vote on the entire project, they work hand in hand, and you cannot do one without the other.

° Mr. Erda stated his concerns is about who will rent the container units. Is it my understanding that this will only be open eleven months of the year, and is that by code? Ms. Johnson answered it is by code and they can only stay open eleven months.

° Mr. Charity asked what if the property is not sustainable? Ms. Johnson answered we completed soil testing, and we are okay.

° Mr. Charity asked what do we need to do tonight? Ms. Johnson answered you will need to make a separate motion to pass both.

° Mr. Erda asked who has read the contract? Ms. Johnson answered we do not have a contract until the EDA agrees to move forward and approve.

° Mr. Day stated the agreement will spell out who is doing what, at the end of the day the EDA has no risk, it is all on the County.

° Mr. Charity requested that this reflects in the minutes each time we, the EDA, meet with the County on on-going future projects. The EDA needs a standard operation of agreement that is outlined for that specific project from the County.

#### RFP-2022-03

On a motion made by Mr. Charity, second by Mr. Cotman, and a vote of 4/2 with Mr. Erda, and Mr. Day against, the EDA Board approved Bruce Howard Construction Proposal for RFP-2022-03. Motion passes.

#### RFP-2022-02

On a motion made by Mr. Brown, second by Mr. Cotman, and a vote of 4/2 with Mr. Erda, and Mr. Day against the EDA Board approved RoxBox Proposal for RFP-2022-02. Motion passes

#### EDA STAFF:

Moved to October meeting.

#### EDA FINANCIALS:

Ms. Johnson stated no change to financials monthly report. Please review at your leisure.

#### CHAIRMAN REQUEST/REPORT:

Ms. White refer to table until October 6, 2022, meeting.

Mr. Erda invited everyone to the Capital Trail Foundation on September 22, 2022, at 5:30 pm. An email invite will be sent to you.

ADJOURNMENT:

Mr. Erda – Vice Chairman adjourned 7:31pm.