

**PASSED MINUTES
KING WILLIAM COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING OF SEPTEMBER 14, 2022**

A regular meeting of the King William County Economic Development Authority Board of Directors was held on the 14th day of September 2022, beginning at 7:00 p.m. in the Board Room of the County Administration Building and via Zoom.

Agenda Item 1. CALL TO ORDER

Vice Chair Piersa called the meeting to order.

Agenda Item 2. MOTION TO APPROVE ELECTRONIC PARTICIPATION

Mr. Robinson made a motion to approve participation via electronic means for Chairman Rhoads who was out of town and Mr. Campbell, who was recuperating from surgery. Ms. Williams seconded the motion. The Vice Chair called for any discussion. The members were polled:

Eugene L. Campbell, Jr. – Secretary/Treasurer	(Zoom)
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Tiffany K. Barber	Aye
Sarah Williams	Aye
C. Meade Rhoads, Jr. – Chairman	(Arrived at Item 5)

Chairman Rhoads' and Mr. Campbell's participation by electronic means was approved.

Agenda Item 3. ROLL CALL

The members were polled:

D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Tiffany K. Barber	Aye
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye (Zoom)
C. Meade Rhoads, Jr. – Chairman	(Arrived at Item 5)

Agenda Item 4. REVIEW AND ADOPTION OF AMENDED MEETING AGENDA

Ms. Williams made a motion to approve the Amended Meeting Agenda as presented. Mr. Brown seconded. The Vice Chair called for any discussion. The members were polled:

Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Tiffany K. Barber	Aye
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye (Zoom)
D. Straughan Robinson, III	Aye
C. Meade Rhoads, Jr. – Chairman	(Arrived at Item 5)

Agenda Item 5. APPROVAL OF MINUTES

Agenda Item 6. PRESENTATIONS

6.a. Fredericksburg Regional Alliance at the University of Mary Washington - Todd Gillingham, Vice President, Marketing and Operations

Mr. Gillingham gave information about the RIFA – Regional Industrial Facility Authority. (Attachment A)

Mr. Campbell confirmed the RIFA wouldn't do anything the local EDA didn't want to do. Mr. Gillingham said yes. Local EDA members could be placed on the RIFA Board. Nothing can be done without Board of Supervisors approval.

Mr. Campbell asked if it had to be a county next door. Mr. Gillingham said no, they just have to be part of the same RIFA.

Ms. Williams asked if the RIFA was talking to neighboring counties. Mr. Gillingham said yes. Having five counties review the ordinance and bylaws was difficult so they started with two and now others can join. He said this is a new venture for our region so there is some uncertainty on how it will work.

Mr. Brown asked if the County or the EDA joins. Mr. Gillingham said the County. The Board of Supervisors has to adopt an ordinance. They can then appoint members or give the EDA authority to appoint members.

Mr. Brown asked if there are any projects being dreamed of now. Mr. Gillingham said yes and gave examples. Mr. Brown asked if the funding came from localities, not the RIFA. Mr. Gillingham said from the localities initially, but it can become that it comes from the RIFA.

Mr. Ashcraft said this is another way to attract leads. Mr. Gillingham said this doesn't bind a locality to participate in any project.

Mr. Holderied asked if the localities pay dues or get a cut of the proceeds. Mr. Gillingham said that's the part that hasn't been fleshed out yet. He said to think of the RIFA as a vehicle – you can change occupants and destinations.

Mr. Brown asked if it was staff's hope for the EDA to urge the Board to participate. Mr. Ashcraft said not immediately. This is just for informational purposes.

6.b. RKG Opportunity Site Analysis - Kyle S. Talente, President

Mr. Talente presented the Opportunity Site Analysis report.

Retail Market Discussion – Mr. Brown asked if the figures could be based on what is currently happening. Mr. Talente said yes, he will get the leakage figures from Hill Studio.

Chairman Rhoads said we need to balance personal frustration vs. what's attainable. Mr. Talente said we need to define who we are as a community to justify retail growth in the County.

Mr. Talente said businesses will want to justify starting a new location with revenues. Help existing stores expand space, increase hours, etc. Attract new business without cannibalizing existing businesses. It's a quality-of-life choice which is going to require a substantial shift in the demographics of the County.

The community wants a pharmacy. Mr. Brown said we need to look at demand vs. what can be supported. If the County is willing to subsidize cost, we may be able to attract one. Mr. Holderied said if the market doesn't show up, the County would be subsidizing for perpetuity. Mr. Talente said industrial sells all over and doesn't rely only on a local market.

Mr. Holderied asked if a longer vision could be a property with an anchor. Mr. Talente said the problem is the anchor has to be built to a certain scale and they may not be willing to wait or lower the price to attract others. Mr. Holderied asked if an Aldi or Lidl were a possibility. Mr. Talente said their expected household income is a bit higher.

Mr. Hardwick said the Marle Hill property shown has topography that makes a lot of that land unusable. Mr. Talente said to let him know these types of things so he can eliminate them from the analysis or rescore them.

Mr. Hardwick said a property doesn't have to have a sign on it to be for sale. Mr. Talente said to let them know. He said having one staff member contact prospects can help build trust with property owners. Mr. Hardwick said someone is needed to market the property. Mr. Talente agreed.

Mr. Holderied asked about the GIS overlay previously suggested. Mr. Hudgins said it can be done. The County is in the middle of implementing other GIS initiatives and this could be added to the project.

Mr. Hardwick said more properties were added to the VEDP site this week.

Mr. Brown suggested EDA members mark up the report with properties that are not viable and other properties to look at and send it to RKG within 30 days.

Ms. Barber asked about confidential properties. Mr. Talente said they don't have to be put in the document, but they can be aware of them. MR. Hardwick said the properties could be nicknamed for confidentiality.

6.c. Master Utility Plan Overview - Steve Hudgins, Deputy County Administrator

Chairman Rhoads asked what DEQ uses to predict growth. Mr. Hudgins said Weldon Cooper and their own formulas.

Vice Chair Piersa asked how this affects industry. Mr. Hudgins said the current wells are enough to service both housing and industry. He said houses normally use more than commercial. The County's infrastructure can keep up but DEQ permitting is another matter.

Mr. Holderied asked the long term. Mr. Hudgins said DEQ is obligated to permit residential. They do not want to permit potable water to be used for non-potable use. Looking at an alternative source is not financially feasible for the County as long as the aquafer is stable.

Chairman Rhoads asked the second-best option. Mr. Hudgins said he is not sure. Drawing off a river is a long process and that is what DEQ is pushing. New Kent recently went through that.

Mr. Hudgins said the County is running behind on storage for fire flow and domestic which is why we're building a new storage tank. The design plan is 50% complete on the new tower and land acquisition is still in process.

The HRSD service area overlays will be on the website soon. GIS is working on it now.

Mr. Brown asked what the EDA can do to facilitate the County's plans. Mr. Hudgins said looking at bonds and grants.

Vice Chair Piersa asked the timeline on bringing water and sewer to Commerce Park. Mr. Hudgins said within two years for water. Sewer depends on how much is County and how much is private. The first priority is the water tower.

Mr. Hudgins gave an update on Broadband. Breezeline is providing service just south of 360 & the northern corner of the County under an RDOF grant. They are getting closer but still can't give dates. All Points Broadband VATI grant contract was signed about a month ago. They have said it is going to seem like it is taking a long time as plans are formulated, and then the project will move really fast. APB will be providing regular progress updates.

Chairman Rhoads asked when the entire project would be complete. Mr. Hudgins said they are saying 18 months from signing the contract.

Vice Chair Piersa pointed out that this is the third time the Board of Supervisors has asked for the EDA's help with Commerce Park.

6.d. Project Update - Percy C. Ashcraft, County Administrator

Mr. Ashcraft gave an update on different projects under review and happening in the County.

Agenda Item 7. TREASURER'S REPORT

The current balance and expenditures were presented.

Agenda Item 8. CHAIRPERSON'S REPORT

No report.

Agenda Item 9. UNFINISHED BUSINESS

9.a. Farmers Market - Sarah Williams, EDA Member

Ms. Williams said the Farmers Markets were a success and there have been a lot of questions about when the next one will be. Two people have told her they are interested in being on a citizen's board. The Virginia Farmers Market Association has tools and funding for whoever wants to take it over. Some local businesses are holding their own. Ms. Barber said to put out that a volunteer board is needed on the County website and Facebook page.

Mr. Campbell said Chief Adams offered the tribal grounds as a location. Ms. Williams thinks it's too far from Central Garage.

Mr. Brown said the EDA needs to decide if they're going to be involved or just provide support. Mr. Holderied proposed a new entity takes it over, possibly a non-profit. Ms. Williams said it should be self-sustaining. Mr. Campbell said he is in favor of continuing it with a community board.

Chairman Rhoads made a motion to advertise for a community board to take over the administration and management of the Farmers Market and define how they'd like the EDA to be involved. Mr. Brown seconded the motion. The Vice Chair called for any discussion. The members were polled.

Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Tiffany K. Barber	Aye
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye (Zoom)
D. Straughan Robinson, III	Aye
Jason Brown	Aye
C. Meade Rhoads, Jr. – Chairman	Aye (Zoom)

Agenda Item 10. NEW BUSINESS

10.a. Nestle Performance Agreement - Steve Hudgins, Deputy County Administrator

Mr. Ashcraft said Nestle chose to invest in King William County and is a staple in our community.

Mr. Hudgins said it is an obligation of the EDA to grant back taxes for the Nestle expansion up to \$410,000/year for a total of ten years - \$4.1 million. If the incremental increase is less, we pay less. The EDA is only obligated to pay what the County gives them. They are not liable if there is fraud involved. The County sets up a new bank account for the EDA.

Production Machinery and Tools is not at the level Nestle anticipated but will be by year-end. Mr. Hudgins will meet with Nestle and would like an EDA rep on the call. The EDA does not have to look at or approve the figures unless there's a discrepancy.

Mr. Brown asked if the EDA earns a fee on this. Mr. Hudgins said no.

Agenda Item 11. PUBLIC COMMENT PERIOD

Vice Chair Piersa opened the Public Comment Period. There being no speakers, the Public Comment Period was closed.

Agenda Item 12. NEXT MEETING - October 12, 2022 Work Session w/Planning Commission

Agenda Item 13. CLOSED MEETING

Mr. Brown made a motion to convene in closed meeting in accordance with Section 2.2-3711 (A)(5) of the Code of Virginia to discuss a prospective business or industry or expansion of an existing business or industry where no previous announcement has been made because discussion in an open meeting may adversely affect the bargaining position or negotiating strategy of the Board. Mr. Holderied seconded. The Vice Chair called for any discussion. The members were polled.

Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Tiffany K. Barber	Aye
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye (Zoom)
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
C. Meade Rhoads, Jr. – Chairman	Aye (Zoom)

13.b. Reconvene in Open Session

Ms. Williams made a motion to reconvene in open session. Mr. Brown seconded. The Vice Chair called for any discussion. With no discussion and none opposing, the open meeting was reconvened.

13.c. Certification of Closed Meeting

Mr. Brown made a motion to approve Standing Resolution 1 (SR-1) in accordance with Section 2.2-3712 (D) of the Code of Virginia, 1950, as amended, certifying that the Closed Meeting was conducted in conformity with the requirements of the Virginia Freedom of Information Act. Ms. Williams seconded. The Vice Chair called for any discussion. The members were polled:

Tiffany K. Barber	Aye
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye (Zoom)
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
C. Meade Rhoads, Jr. – Chairman	Aye (Zoom)

13.d. Action on Closed Meeting (if necessary)

No action was taken.

Agenda Item 14. ADJOURN OR RECESS

Mr. Ashcraft suggested the EDA consider beginning meetings at 6pm or 6:30pm if possible, in order to get more done. He said it would require a bylaw change. Ms. Williams said if presentations didn't take two hours, work could be done. Mr. Ashcraft said to let him know their thoughts on changing the start time.

Mr. Holderied made a motion to adjourn. Motion was seconded by Mr. Brown. The Vice Chair called for any discussion. The members were polled:

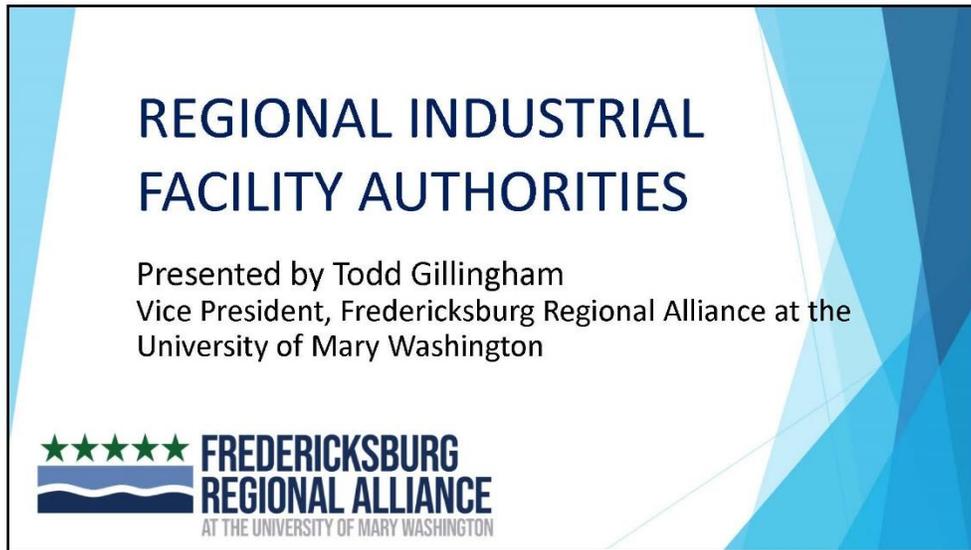
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye (Zoom)
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Tiffany K. Barber	Aye
C. Meade Rhoads, Jr. – Chairman	Aye (Zoom)

COPY TESTE:

Charles F. Piersa
Vice Chairman

Christine H. Branch
Deputy Clerk

ATTACHMENT A



**REGIONAL INDUSTRIAL
FACILITY AUTHORITIES**

Presented by Todd Gillingham
Vice President, Fredericksburg Regional Alliance at the
University of Mary Washington

 **FREDERICKSBURG
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AT THE UNIVERSITY OF MARY WASHINGTON

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WHAT A RIFA DOES NOT DO

A RIFA does NOT...

- ▶ Require a locality to participate or invest in a project
- ▶ Tax or regulate
- ▶ Create locality liability or exposure
- ▶ Replace local EDA's

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AT THE UNIVERSITY OF MARY WASHINGTON

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RIFA BASICS

- ▶ Created by 2 or more localities, at least 2 of which need to be counties or cities to collaborate on development of regional industrial properties
- ▶ And the localities share costs and tax revenue using the RIFA as the administrator
- ▶ Created in the Virginia Regional Industrial Facilities Act Chapter 64, Title 15.2 Code of Virginia – 1997
- ▶ Created by concurrent ordinances, to be filed with the Secretary of the Commonwealth
- ▶ Generally, two members from each member locality, serving 4-year terms, which may be staggered



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PRELIMINARY DOCUMENTATION

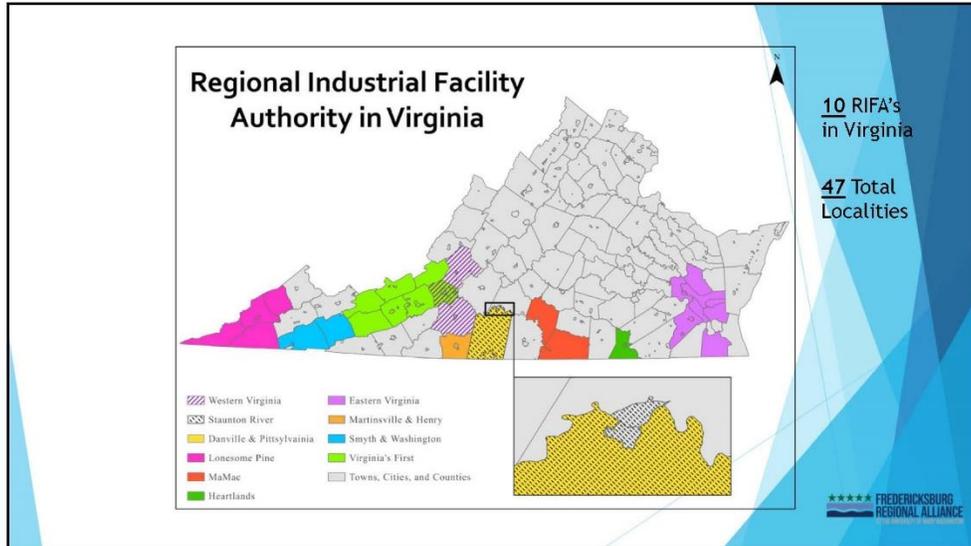
Agreement:

- ▶ Establish rights and obligations
- ▶ May describe, if desired, agreement to share costs – can be a general statement now, with details to follow later
- ▶ May describe, if desired, agreement to share revenues – can be a general statement now, with details to follow later
- ▶ Cost-sharing / revenue-sharing arrangements need not be the same across all facilities managed by the RIFA

** As particular projects are developed and financed, there will be other documentation unique to the transaction (example: participation/transaction agreements)



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EXAMPLES OF EXISTING RIFA

Western Virginia Regional Industrial Facility Authority

- ▶ Created in 2013
- ▶ Botetourt, Franklin, and Roanoke Counties, Cities of Salem and Roanoke, Town of Vinton
- ▶ Parcels held for business development

Example of RIFA Project: Wood Haven Technology Park

- ▶ Participation agreement executed in 2016 by Roanoke County and the Cities of Salem and Roanoke
- ▶ This site will be attractive to high-tech projects, possibly spin-offs from Virginia Tech, and would also be eligible for GO Virginia, VEDP Business Ready Sites Funds, and rebates from the Virginia Collaborative Jobs Act

FREDERICKSBURG REGIONAL ALLIANCE

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NEXT STEPS

- ▶ FRA received a GO Virginia grant to retain an experienced legal professional to help establish the Rappahannock Regional Industrial Facility Authority.
- ▶ Details for a particular cost sharing / revenue sharing framework arrangement need not be decided now, but there should be a consensus that such an arrangement would be appropriate and can be crafted by well-meaning parties
- ▶ Keep in mind that different projects / parcels could have different cost sharing / revenue sharing arrangements / participating localities
- ▶ It's good to keep the local EDAs (and others) informed, but decisions will ultimately be left with the governing bodies



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