

May 23, 2023

Meeting Minutes
ECONOMIC DEVELOPMENT AUTHORITY
May 23, 2023

At a regular meeting of the Economic Development Authority of York County, Virginia, held on May 23, 2023, at 5:00 p.m. in the Board of Supervisors Meeting Room of York Hall, 301 Main Street, Yorktown, Virginia, those present were:

Steven Meade, Chairman
J. Mark Carter, Vice Chairman
Harmon J. Coxton
Vernard E. Lockwood, II
Jeffrey Clemons
David Murray
Leslie Murphy

Others present:

Neil Morgan, County Administrator
Richard Hill, County Attorney
Kristi Olsen-Hayes, Secretary/Treasurer and Director of Economic & Tourism Development
Matt Johnson, Deputy Director of Economic & Tourism Development

CALL TO ORDER

The meeting was called to order at 5:00 p.m. by Mr. Meade.

ROLL CALL

A quorum was established with seven members present.

CITIZEN COMMENT PERIOD

None.

PRESENTATION

HAMPTON ROADS WORKFORCE COUNCIL – Josh Sheffield

Ms. Olsen-Hayes introduced Josh Sheffield, Business Services Coordinator with the Hampton Roads Workforce Council to provide an overview of the Council's programs and services. Ms. Olsen-Hayes also recognized Deborah Bailey, Director of Business Services with the Hampton Roads Workforce Council.

Mr. Sheffield presented the Board with an overview of what the council does and what they can do for the businesses of York County. The Hampton Roads Workforce Council provides the talent that employers need to grow the economy within the region. One region, one workforce, one economy. They do this by recruiting, training, and retaining the talent that's needed to grow in the community by connecting all levels of job seekers, whether that's entry level jobs all the way up to executive level positions. The council has several different programs including the Next Gen Program, Virginia Career Works, two Veterans Employment Centers, and Campus 757 to help businesses expand and grow the regional economy.

Mr. Coxton asked for Mr. Sheffield to break down how the council works with the federal government.

Mr. Sheffield explained the majority of their funds come through the Workforce Innovation and Opportunity Act, which is a federal grant. They have a lot of public and private partnerships that go along with those grants. The funds are distributed to job seekers that are interested in training as well as to employers who are doing incumbent worker training.

Mr. Coxton questioned whether the state, other counties or cities, as well as the school systems provide funds.

Mr. Sheffield answered yes, they all do.

Ms. Murphy asked out of all of the programs, which one of them is the most utilized and which one of them is the most underutilized.

Mr. Sheffield replied the most utilized programs that they have come from Workforce Innovation Opportunity Act funding.

Mr. Coxton inquired when the small business survey would be completed.

Mr. Johnson answered the deadline for the survey is Friday, June 2; however, if they continue to see a flurry of activity, they will go ahead and report out to give the Workforce an idea of what the training information is while still leaving it open to collect more responses as they come in.

Mr. Coxton asked if there were any training funds available.

Mr. Sheffield replied yes.

Mr. Coxton commented the future of the automobile industry needs training and someone to teach about the new electric cars and provide assistance for future mechanics.

Mr. Sheffield agreed and made a note to talk to the rest of the council about the issue and see if they can develop something for this region and be the first to do it.

Ms. Murphy asked where the trainers come from.

Mr. Sheffield replied that's where their partnerships come in. They are partners with all of the local community colleges and Virginia Technical Academy, which offer specific training for these positions. Mr. Sheffield reiterated that a lot of their training is geared towards short-term training opportunities and not necessarily about four-year degrees. They want to get people employed as quickly as possible.

Ms. Murphy commented for Henderson Incorporated, they have a list of jobs available and made a note that it is something they would like to take advantage of.

Mr. Sheffield added they have an Individual Training Agreement (ITA) with different organizations. So for instance, Virginia Peninsula Community College will say they have certain courses and then, as long as they are approved, they will be on the ITA lists.

Mr. Lockwood asked if they have noticed an increase or decrease in the volume of usage of the programs by individuals that are in need of training.

Mr. Sheffield answered within the last year, they have seen an increase of people interested in getting those training opportunities. The council also partners with the Virginia Employment Commission Rapid Response program, which provides retraining opportunities for employees of companies that are preparing to shut down.

Mr. Coxton asked where the trainees come from.

Mr. Sheffield replied the majority of people that come through their doors are either referrals or have heard about their services through advertising and connections made in the community. Educational partners refer people to them for funding as well.

Mr. Coxton asked if they are working with any of the local businesses in Newport News, Hampton, or York County.

Mr. Sheffield replied absolutely.

Mr. Meade asked how they would evaluate the success of trying to retain the military as they transition out.

Mr. Sheffield answered that there is a little bit of a gap with the people that are transitioning because there are almost three categories -- the people that are not going to

stay, the ones that are in the middle, and the group at the end who are putting down roots. One thing is getting military spouses involved in the community and helping them develop careers within the community.

Ms. Murphy followed up asking if they see any trends in second career paths with veterans.

Mr. Sheffield replied, being a veteran himself, he would say no. They tend to stay in the field they worked in the military. They do have opportunities available to people as they transition, whether it is construction or anything in the trades.

Mr. Coxtan asked if the workforce goes into businesses and assists them with training if they cannot afford to pay.

Mr. Sheffield answered yes and clarified they do not do the training, but they do help pay for it. An example would be if someone came to the workforce and wanted to get a number of employees upskilled into a particular field, they can look at doing an incumbent worker training program and getting them partially reimbursed for the cost of that training.

Mr. Clemons congratulated the workforce on all the work they are doing. He mentioned he was on the Peninsula Workforce Board and the Southside Board and commented how they have truly done an incredible job joining the Boards together into the one Workforce Council.

Mr. Meade echoed his praise and said if there is something the Board can do, he is happy to partner with him and his team to help with any opportunity.

Mr. Sheffield replied absolutely and feels this symposium is going to help get the word out about the work they do.

Mr. Murray asked who the symposium is directed to.

Mr. Sheffield replied it was mainly directed at York County businesses, working with the York County Chamber, but small and medium-sized businesses.

Mr. Murray asked if someone in the business wanted to be trained but they cannot afford to bring them in here and train them, could their funds go to that employee to cover the cost.

Mr. Morgan explained the question by saying earlier when Mr. Sheffield talked about how they have to vet all the trainers to make sure they are good, the question is can an ongoing business, if they are willing and able to train some people, be a qualified trainer

with some of the money flowing to them for people that would go to work there.

Mr. Sheffield explained that would be directed to the ITA list. The job training program would be for hiring somebody new and you are training them the way that you want them trained in your business then we are providing a wage reimbursement for up to \$5,000.

Mr. Meade commented this was very informative and thanked Mr. Sheffield for taking the time to present.

Mr. Sheffield thanked the Board and asked if Ms. Bailey would like to add anything.

Ms. Bailey added on to the question, in terms of being able to pay rent, their Next Gen program, as well as the Campus 757 program, offer those interns a stipend paid by the Hampton Roads Workforce Council. They are able to assist in terms of getting paid and the employer would not have to pay that intern at all.

Ms. Olsen-Hayes echoed the Board's comments and thanked Mr. Sheffield for being there. She stated that Staff values their partnership with the Workforce Council and look forward to great future programs and endeavors together.

WATER STREET DESIGN PROJECT UPDATE – Earl Anderson and Darren Williams

Ms. Olsen-Hayes introduced Earl Anderson, Senior Planner in the Planning and Development Services Division, and Darren Williams, Chief of Waterfront Operations in the Economic and Tourism Development Department. She reminded the Board that, over the course of the last year, they had received updates from Mr. Morgan on the Water Street design project, and Staff thought it might be beneficial to have Mr. Anderson and Mr. Williams go through the process and provide an overview of the project's progress to this point, as well as next steps.

Mr. Anderson provided a brief overview of the Water Street design project and a plan to improve pedestrian access, maintain parking adjacent to restaurants, provide additional landscaping, and open the viewshed along the waterfront to visitors. He shared that direction had been given to Hill Studios, who is currently working to finalize drawings, to not only work on these requests but also work with Yorktown Pub, Larry's Lemonade, and Yorktown Beach Hotel to improve their private infrastructure and better screen back-of-house operations from residents and visitors.

Mr. Morgan added there are some opportunities to do traffic calming on Water Street with an engineer working on a traffic study of the area. He also thanked Staff and everybody that worked to help this project.

Mr. Meade thanked Mr. Anderson and asked the Board if there were any questions. There being none, he moved to the next agenda item.

NEW BUSINESS

TO CONSIDER A TWO-YEAR LEASE EXTENSION FOR AUNTIE M KEEPSAKE COOKBOOKS, LLC, DBA AUNTIE M'S AMERICAN COTTAGE

Ms. Olsen-Hayes informed the Board that Auntie M's requested a two year lease extension, which Staff agreed was appropriate. The original lease began in April 2013 as a one-year lease with three additional two-year terms, which carried into 2020. For a short period of time, they went to a month-to-month lease, but entered into a new two-year lease extension in 2021. Auntie M's current lease is \$1,639.09. A 3% increase will bring their new lease rate to \$1,688.26. The 3% increase has been standard in other leases throughout Riverwalk Landing. The proposed lease extension would be retroactive to May 1, 2023, and run through April 30, 2025.

Mr. Meade asked the Board for any questions. Seeing none he requested a motion authorizing the EDA Chair to execute any and all documentation necessary to facilitate a two-year lease extension between the EDA and Auntie M Keepsake Cookbooks, LLC, dba Auntie M's American Cottage, for the property located at 330 Water Street, Suite 502, in Riverwalk Landing, subject to review and approval by EDA legal Counsel.

Mr. Lockwood motioned to approve the authorization.

Ms. Murphy seconded the motion.

On roll call the vote was:

Yea: (7) Murphy, Coxton, Lockwood, Clemons, Murray, Carter, Meade
Nay: (0)

TO CONSIDER A LEASE ASSIGNMENT AND TWO, FIVE-YEAR LEASE EXTENSIONS FOR SUNMOON, LLC.

Mr. Johnson shared that Umi Sushi started as an occupant in Riverwalk Landing on October 1, 2015, with an initial lease that ran through September 30, 2019. They subsequently executed a five-year lease extension, which carries them through September 30, 2024. The Kims have been there for some time and they are ready to enjoy retirement. They have sold the entire Sunmoon business entity to Kai San Lahpai, who is known as John. John and his wife are a younger couple interested in bringing some newer things as far as the way the advertising is done for the business and the way the menu is presented. Staff is proposing two, five-year lease extensions for Sunmoon that would

begin at the conclusion of the current lease term. Staff also recommended the new lease term represent a 3% increase over the current, which is \$600.50 per month, with an additional 3% escalation each year of the extension. The current lease extension includes a clause calling for the lease rate to go to \$625 at the end of the term if they choose to renew. Staff feels that going with the 3% increase is more in line with what is currently utilized throughout Riverwalk Landing.

Mr. Meade asked the Board if there were any questions.

Mr. Coxton asked about the additional five years. He commented maybe the County would want to do something later on with that and it is a long time when you are not too sure what could happen.

Mr. Johnson mentioned that some of these longer-term leases have become a little bit more desirable. As far as extensions, they would have clauses in them that either party could cancel within 120 days of the end of each lease term. Which would allow for cancellation at the EDA's discretion.

Mr. Morgan asked as this has been proposed to the second five-year period, if it was decided we did not want them, with notice we could stop it.

Mr. Johnson replied that was correct, as long as notice was provided within 120 days of the lease extension's expiration date. He clarified that sometimes when a business is looking at different loans for equipment, or different things that they want to do for the business, having a longer lease term gives potential lenders a bit more comfort.

Mr. Coxton asked for clarification that if they feel the five years is fine and the second five years, if something happens and the Board does not want to extend, there is no issue with the Board doing that.

Mr. Johnson replied that was correct, assuming the EDA provides the proper notice.

Mr. Meade asked if there were any further questions from the Board. Seeing none he requested a motion authorizing the EDA Chair to execute any and all documentation necessary to facilitate a lease assignment between the EDA and Kai San Lahpai, as Purchaser of SUNMOON, LLC, along with two, five-year lease extensions for SUNMOON, LLC, with each party having the right to cancel with noticed provided no later than 120 days prior to the lease expiration term, for property located at 327 Water Street, Suite 502, in Riverwalk Landing, subject to review and approval by EDA legal Counsel.

Mr. Clemons motioned to approve the authorization.

Mr. Carter seconded the motion.

On roll call the vote was:

Yea: (7) Murphy, Coxton, Lockwood, Clemons, Murray, Carter, Meade
Nay: (0)

FINANCIAL REPORTS

Mr. Meade asked the Board if they had any questions about the Financial Reports for April 2023. There being no questions, he recorded receipt of the Financial Reports.

APPROVAL OF MINUTES

The minutes of the April 25, 2023 meeting of the Economic Development Authority of York County were approved by vote as follows:

Mr. Coxton motioned to approve the April 25, 2023 meeting minutes.

On roll call the vote was:

Yea: (7) Coxton, Lockwood, Murphy, Clemons, Murray, Carter, Meade
Nay: (0)

COUNTY ADMINISTRATOR'S COMMENTS

Mr. Morgan commented about the Board-approved budget for FY24. He then mentioned in the last few weeks, there have been a series of meetings and conversations brought into focus about the crisis in the unavailability of various kinds of childcare for children that are younger than school age. Partly as a result of the pandemic and the aging workforce and other things, a number of regular daycare providers have closed. Then there are military, federal and state programs which target different groups of children; however, they often come with a variety of jumbled rules. The County runs the Head Start program and the school system runs a couple of pre-K programs. All of the local military bases, many of the region's large employers, even organizations like NASA, are trying to figure out how their workforce can access daycare or childcare of some kind. Staff is meeting on the County side with the school division to figure out what they can do to help mitigate this issue.

DEPUTY COUNTY ADMINISTRATOR'S COMMENTS

None.

COUNTY ATTORNEY'S COMMENTS

None.

DIRECTOR OF ECONOMIC AND TOURISM DEVELOPMENT'S COMMENTS

Ms. Olsen-Hayes congratulated Mr. Coxton and Mr. Lockwood on their reappointments by the Board of Supervisors at the May meeting to the York County EDA Board for another four-year term. She thanked them both very much for their past and continued service and reiterated how pleased Staff is to have them stay on the EDA Board for another term. Ms. Olsen-Hayes mentioned that the June meeting is the annual election of officers and budget meeting. She then provided an update on the regional Business Appreciation Event this year, which was hosted in the City of Williamsburg. There were 130 attendees from Williamsburg, James City County, and York County, and the event was well-received. Ms. Olsen-Hayes reminded the Board that an email was sent out with information on upcoming ribbon cuttings. She also expressed Staff's excitement to announce two new homeported ships at the Riverwalk Landing Piers – the Schooner Alliance II and Schooner Serenity, both of which will be sailing here shortly. After offering a reminder about upcoming ribbon cuttings at the 1781 Café at the American Revolution Museum at Yorktown and the York County Chamber of Commerce for their new location at the Mid-Atlantic Commercial building, Ms. Olsen-Hayes shared that Staff had identified a preferred candidate to replace Ms. Taylor in the Administrative Technician position, with an offer hopefully being extended that week.

DEPUTY DIRECTOR OF ECONOMIC AND TOURISM DEVELOPMENT'S COMMENTS

Mr. Johnson briefly mentioned there is rarely a Hampton Roads economic development discussion that does not have a representative from the Workforce Council present. The council is very intentional about being engaged with the business community, and is a little bit different than some others because it serves both the region's employers and its job seekers. They have done a great job of pulling together the Peninsula and the Southside, which were once separate organizations. Mr. Johnson continued to share that Little York Confectionery is officially open. They have candy made on-site, such as chocolates and truffles, with a little room where you can view it being made. Lastly, Mr. Johnson shared that back in late 2020, the EDA Board agreed to serve as the non-federal sponsor for the dredging of Back Creek, for the benefit of Seaford Scallop, the local scallop fleet, and others who use the channel for recreational purposes. The channel has become very shoaled-in over the years to the point that any commercial boats have an extremely limited window at high tide to come into Seaford Scallop or to go out to sea. Under the original agreement that the EDA executed with the Army Corps of Engineers there was an estimate of costs however, with the additional work that has taken place over the past year, there is an extra \$140,000 in costs for the project. This total gets split

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equally between the federal government and the non-federal sponsor. Working with the County Administrator and the Finance team, \$35,000 of the EDA's \$70,000 obligation is able to be paid in Fiscal Year 2023 from the Board of Supervisors Economic Development Fund, with a similar action to take place for the remaining \$35,000 to cover the EDA portion in Fiscal Year 2024. Mr. Johnson reminded the Board how critical this project is for the seafood, specifically scallop, industry and what it represents for York County.

Mr. Meade asked what the current proposal was for disposal of the spoils.

Mr. Johnson answered that spoils disposal had been approved for the Norfolk Ocean Disposal Site (NODS), which is located out in the Atlantic Ocean. He added, the biggest part of the additional work had been trying to find a site close by that could be used for the spoils and would not require dredge, haul, and dump. Even with a booster pump there was nothing that would accommodate spoils disposal within the required 2-mile radius of the dredge site. For reference, the amount of land required to handle the spoils would be roughly the size of the Grafton School Complex, covered approximately 10 feet deep with spoils.

MEMBERS' COMMENTS

Ms. Murphy commented that she enjoyed the presentation made by the Workforce Council, and noted that workforce is such a huge need.

CHAIRMAN'S COMMENTS

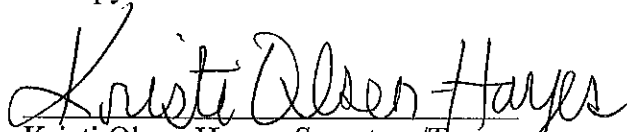
Mr. Meade commented he is learning something with each presentation, and expressed how helpful they really are. He thanked Staff for continuing to bring those in.

ADJOURN

There being no further business, the Chairman adjourned the meeting at 6:15 p.m.


Steven A. Meade, Chairman

A Copy Teste:


Kristi Olsen-Hayes, Secretary/Treasurer