

Meeting Minutes  
ECONOMIC DEVELOPMENT AUTHORITY  
June 27, 2023

At a regular meeting of the Economic Development Authority of York County, Virginia, held on June 27, 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. Coxtom  
Vernard E. Lockwood, II  
Jeffrey Clemons  
David Murray

Leslie Murphy was absent.

Others present:

Neil Morgan, County Administrator  
Mark Bellamy, Deputy 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  
Jeanna Henderson, Administrative Technician, 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 six members present.

**CITIZEN COMMENT PERIOD**

Mr. Doug Holroyd shared the following, "I'm running for Board of Supervisors, and while doing campaigning in District One, I've gone to a lot of businesses. Four of them have recently opened up: Dawg House on Bypass Road; The Swirl, a new gelato place in the James-York Plaza; Make'ur Merch in the Lakewood Plaza; and Hibachi 2 Go, a new Malaysian food restaurant on Bypass Road. I've asked each of those owners whether or not they have heard from the EDA, whether anybody has visited, whether there's ever been a ribbon cutting, or whether there's been any communication. I think you know the answer. I'd like to see that changed. Now, I've asked the question of Matt, 'What do we need to do to get new businesses recognized? What do we need to do to get celebration of

the fact that we're bringing new businesses into that district? Why is it that we're not doing that currently?' It's not acceptable to me. I think we need to change that. I'm making that request and plea with this Board that you take that as a follow-up action. Thank you."

Mr. Meade thanked Mr. Holroyd for his comments.

## **PRESENTATION**

### **ANGELIC THREADS**

Ms. Olsen-Hayes took the opportunity before the presentation to introduce a new staff member, Jeanna Henderson, who started with the Department of Economic & Tourism Development last week. Ms. Olsen-Hayes then introduced Ken Schultz, Owner of Angelic Threads.

Mr. Schultz thanked the Board for the opportunity. He and his wife, Melissa, started Angelic Threads with a focus on women's apparel and organic bath care items such as sugar scrubs, Finch Berry soaps and lotions, as well as several French triple-milled soaps in a family-friendly atmosphere. They've since shifted away from women's clothing and now offer children's clothing, toys, silver, and Cape Diablo jewelry. He shared they are glad to be here and how much they appreciate York County's support.

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

## **ELECTION OF OFFICERS**

Ms. Olsen-Hayes opened the floor for nominations for Officers of the EDA for fiscal year 2024.

Mr. Meade nominated Mark Carter to serve as Chairman, Jeff Clemons as Vice Chairman, and Ms. Olsen-Hayes to continue as Secretary/Treasurer.

Mr. Meade asked if there were any additional nominations. There being none, he asked for a motion to accept the slate of officers as presented.

Mr. Lockwood motioned to accept the slate officers as presented.

Mr. Coxtton seconded the motion.

Ms. Olsen-Hayes asked the Board to vote for the slate of the officers presented for the fiscal year 2024.

On vocal vote, the vote was:

Yea: (6) Carter, Coxton, Lockwood, Clemons, Murray, Meade  
Nay: (0)

Ms. Olsen-Hayes announced the following officers of the Authority for July 1, 2023 through June 30, 2024: J. Mark Carter as Chairman, Jeff Clemons as Vice Chairman, and Kristi Olsen-Hayes as Secretary/Treasurer.

Mr. Meade thanked the Board for their service and moved to the next agenda item.

**NEW BUSINESS**

**TO CONSIDER APPROVAL OF THE FY24 EDA OPERATING BUDGET.**

Ms. Olsen-Hayes thanked Mr. Meade for his service the past couple of years as Chair to the EDA, being instrumental through the formation of the new department and reorganization, and laying some of the foundation and strategic vision for the EDA moving forward. She presented him with a small token of appreciation from Staff. She then introduced the proposed EDA Operating Budget for fiscal year 2024. The total proposed budget is \$202,906, which represents an increase of approximately \$6,700 over the approved Fiscal Year 2023 Operating Budget, with the difference being primarily attributable to increases in auditing services, professional fees, and dues. The proposed revenues for the year include a transfer from the County's Department of Economic & Tourism Development budget in the amount of \$69,535; an estimated rollover from the EDA's Fiscal Year 2023 Operating Budget of \$50,000; and \$4,000 from event sponsorships. Ms. Olsen-Hayes shared that the Fiscal Year 2024 EDA Operating Budget was balanced with a request of \$79,371 from the EDA Capital Fund, which is down from last year's requested \$94,631.

Mr. Meade asked the Board if they had any questions. There being none, he asked for a motion to approve the Fiscal Year 2024 Operating Budget.

Mr. Coxton motioned to approve the budget.

Mr. Clemons seconded the motion.

On roll call, the vote was:

Yea: (6) Carter, Coxton, Lockwood, Clemons, Murray, Meade  
Nay: (0)

TO CONSIDER AN AMENDMENT TO THE AGREEMENT FOR LEASE AND CONSTRUCTION BETWEEN THE EDA AND MARCONN ENTERPRISES, INC.

Mr. Johnson provided an overview of the nature of the long-term lease between the EDA and Marconn Enterprises, along with a recap of efforts to renovate the Riverwalk Restaurant and Water Street Grille spaces. During the presentation, he reiterated that the facility being discussed is a County-owned asset that is nearly 20 years old and was originally designed to function as two separate spaces with different uses. The renovation work is intended to modernize the facility with a cohesive design that better suits the current dining habits of the general public. Mr. Johnson shared that despite going through two different public procurement processes that were held a year apart, the EDA had not been able to successfully secure any bids for the renovation work. He added that after the initial attempt to solicit bids in 2022, the EDA procured two items outside the scope of any general construction contract – rooftop HVAC units, at a total price of \$319,000; and the backup generator, at a total cost of \$52,824.54 – as these were identified as long lead-time items that gave potential bidders concerns given the time frame in which the project needs to be completed. The project was to commence the day after Labor Day and be completed no later than Memorial Day of the following year. Mr. Johnson stated that given the need to move forward with this project and the inability to secure a general contractor through two open procurement cycles, Staff spoke with Mario Buffa, Managing Partner of Marconn, to discuss any additional options that could be pursued. After some discussion, there was consensus to make a recommendation to the EDA Board that the nature of the project be shifted to more of a tenant improvement approach, in which Marconn would secure the general contractor, with EDA approval, and carry responsibility to complete the renovation work with financial support from the EDA. This financial support would carry the same proportional split as was originally included in the agreement between the two parties – 37.5% of total construction costs paid by Marconn, with the other 62.5% portion paid for by the EDA. In this proposed scenario, the EDA would also approve change orders and have the ability to utilize County engineering staff resources to verify completion of the work and progress toward monthly pay applications. Continuing with the discussion, Mr. Johnson provided several reasons for why it would not be advantageous for the EDA to wait additional time to rebid the project for a third time. Reasons included the cost of pre-purchased items, the cost and time associated with any additional architectural services, the fact that there is substantial maintenance work that needs to be completed in the interim and would then be demolished when the project was finally awarded, and the unlikelihood that the price of goods and services would drop over time. He then wrapped up the presentation by providing an overview of a timeline for the project under the proposed alternate scenario, which included anticipated approval of a contract at the next EDA Board meeting, and shared Staff's recommendation that the existing agreement between the EDA and Marconn be amended to allow the tenant improvement type of scenario to move forward.

Mr. Meade asked if Staff received any details or responses from the contractors about why they aren't bidding.

Mr. Johnson answered while the estimated value of the project is \$4 million as per the original estimate, which may ultimately come in higher, is a substantial project, it's not going to be something that triggers the interest of a lot of the larger general contractors in the region. At the same time, for some of the small and mid-sized companies that may be interested in bidding, there are some requirements in the public procurement process that can be very challenging for smaller businesses, especially when they have other work that's taking place. In addition, the nature of this work is such that it is not just a standard cookie-cutter type of job. The building has a unique type of architecture and we are trying to keep a lot of the unique elements intact while making some different changes to it to make it more appealing. For most companies, this also means the project superintendent would have to be a very hands-on superintendent and very experienced. Mr. Johnson added that through the last bid process there were no concerns raised regarding the lead-time items or the length of time to complete the construction.

Mr. Meade asked the Board if they had any questions.

Mr. Coxton asked if the County will have a superintendent to oversee the work.

Mr. Johnson answered that we anticipate the County's engineering staff to have a very active role in the project.

Mr. Morgan added the County and EDA would continue to use Enteros to inspect the work and serve as the professional advisor, but would have the right to deploy County engineering staff so we would have complete access to the building at any time. The County has about a half dozen people that have quite a bit of expertise that can be called upon to review change orders and provide an independent ability to assess the situation.

Mr. Lockwood asked Mr. Morgan to clarify whether County engineering staff would be involved in approving each advance.

Mr. Morgan answered they can be as Staff and Enteros think they're needed.

Mr. Meade asked the Board if anyone else had any questions.

Mr. Coxton asked if there were going to be any changes to the architecture and if that would be an additional expense to the County.

Mr. Johnson answered that there is not a plan to change what has been presented. If there were opportunities for cost savings throughout the project while keeping the same vision,

those would be reviewed with the project architect, but at the present time, no changes are planned.

Mr. Clemons stated that his concern about oversight of the construction and the funding had already been addressed to his satisfaction.

Mr. Murray inquired as to whether a month would be enough time to secure bids from contractors, given the complexity of the project.

Mr. Johnson answered the thought is that it would be somebody that has probably seen the plans already in some way, shape, or form, and that they would be able to provide a bid in that time frame.

Mr. Murray asked for clarification for how long it normally takes without having seen it.

Mr. Johnson responded that Purchasing staff would normally say six weeks; however, many contractors won't look at the bid package very seriously until after the pre-bid, usually two weeks after the bid is posted, which then comes back to approximately the one month timing. He reminded the Board the actual plans had not changed since they were initially issued last year.

Mr. Murray asked for clarification regarding Mr. Buffa's level of confidence in being able to successfully complete this project, given any previous experiences of a similar nature.

Mr. Mario Buffa addressed the Authority and replied that he has built twenty restaurants and six retail strips. As such, he's very confident that this can be done. In addition, he has even more confidence as the County is going to be there assisting him and walking him through it as well.

Mr. Coxton asked if Mr. Buffa felt there is some opportunity to save the County money on this project with him managing it.

Mr. Buffa shared that when his money is on the line, he is into saving money where possible. He's paying 37.5% of whatever the total project costs are, and if the total costs are less than anticipated, that is less funding he has to provide. That's going to be his goal.

Mr. Coxton asked if Mr. Buffa had any examples of places he felt there could be some realized cost savings.

Mr. Buffa responded that he had a couple of areas in mind, including the lighting. He also shared that his goal would be to reopen in March of next year, which requires that work start as soon as possible.

Mr. Clemons asked Mr. Buffa if he feels confident with his experience and the number of contractors he's worked with, and if he has a slate of potential people to help him with the project.

Mr. Buffa responded in the affirmative and stated that one of the contractors he is looking at actually performed work previously in Water Street Grille and Riverwalk Restaurant, so they would have a level of familiarity with the facility.

Mr. Meade asked the Board if there were any additional questions. Being none, he thanked Mr. Buffa.

Mr. Johnson reminded the Board that this project is a partnership between the EDA and Marconn in every sense of the word, including the way fiscal responsibilities are laid out. He added the fiscal percentages for this project, especially the significant amount the private entity would put in, is not commonplace in this type of setting.

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

Mr. Coxton asked if there would be bonding in case something happens and the general contractor is not able to complete the work.

Mr. Johnson answered there had not been any discussions with Mr. Buffa specifically about bonds. He continued, one of the challenges that comes up at times in public procurement is the need to bond. That is a very different scenario and a very different relationship that you have with a contractor doing a one-time job, than the one you have with a tenant that you have a 30-year lease with. Staff could review the existing contract language and identify ways to make sure that we have appropriate protections for the County in place, whether that's a bond or other language in the contract to address that type of thing.

Mr. Meade asked the Board if there were any additional questions. Being none, he requested a motion authorizing the EDA Chair to execute an amendment to the Agreement for Lease and Construction between the EDA and Marconn Enterprises, Inc., consistent with the discussion by the EDA Board at the June 27, 2023, meeting in order to facilitate tenant improvements to the Riverwalk Restaurant and Water Street Grille space located at 323 Water Street, Units A1 and A5 and Riverwalk Landing, and provide a framework for EDA financial support for the same, subject to review and approval by the EDA legal counsel.

Mr. Lockwood motioned to approve the amendment.

Mr. Carter seconded the motion.

On roll call, the vote was:

Yea: (6) Carter, Coxton, Lockwood, Clemons, Murray, Meade

Nay: (0)

Mr. Meade thanked Mr. Buffa for his patience, the good relationship between the EDA and Marconn, and for attending the meeting. He then, moved to the next order of business.

### **FINANCIAL REPORTS**

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

### **APPROVAL OF MINUTES**

The minutes of the May 23, 2023 meeting of the Economic Development Authority of York County were approved by vote as follows:

Mr. Clemons motioned to approve the May 23, 2023 meeting minutes.

On vocal vote, the vote was:

Yea: (6) Carter, Coxton, Lockwood, Clemons, Murray, Meade

Nay: (0)

### **COUNTY ADMINISTRATOR'S COMMENTS**

Mr. Morgan reminded the Board of the involvement of County Staff and everybody in the Economic & Tourism Development department for the upcoming 4<sup>th</sup> of July events in Yorktown. He invited the Board to attend the parade and the fireworks display. He also reported both York County and James City County approved a permanent merger of their respective 911 facilities. Former James City County employees are now working in the Center, and there is some work to do to recruit to fill vacancies. In the long run, having the same 911 Center and 800 MHz radio system will be beneficial for all involved.

### **DEPUTY COUNTY ADMINISTRATOR'S COMMENTS**

None.

### **COUNTY ATTORNEY'S COMMENTS**

None.



**DIRECTOR OF ECONOMIC AND TOURISM DEVELOPMENT'S COMMENTS**

Ms. Olsen-Hayes reminded the Board about several upcoming ribbon cuttings. Staff have done almost 20 ribbon cuttings this year with five more scheduled. Staff have been sending the Board invitations to attend them as each member's schedule permits. Staff coordinates talking points for each event with the Board of Supervisors Chair or Vice-Chair. Mr. Shepperd has been very diligent and busy in attending these events this year. Board members were given information showing the strategic framework and organizational chart for the Department of Economic & Tourism Development (ETD). The economic development website, [yesyorkcounty.com](http://yesyorkcounty.com), re-launched a couple of weeks ago after undergoing a revamp designed to more quickly direct businesses to the information they are looking for. Visitors are funneled to the information they need as a new business or current business. In conjunction, ETD has redesigned the programs and incentives brochures and applications, copies of which were provided to the Board. Ms. Olsen-Hayes also shared that the Shopping & Dining Guide brochure was updated, with all York County restaurants contacted to update their information. The Guide is available in hardcopy, distributed to various locations throughout the region, as well as an online brochure which is kept up-to-date on both the tourism and the economic development websites. In January, Staff reinstated sending welcome packets to new businesses. Each new business receives a letter outlining the services and programs available to support York County businesses. Staff will be sending out a "Save-the-Date" for the York County Chamber's August Business After Hours event to be held Monday, August 14, 2023, which the EDA sponsors each year. Regarding the 4<sup>th</sup> of July, Ms. Olsen-Hayes stated the fireworks show will be 4 minutes longer this year, for a total of 20 minutes, and that the National Park Service waived their entrance fee for the 4<sup>th</sup> of July. Moving into a few project updates, Staff heard from Chilled Ponds Ice Sports Complex Yorktown, formerly Hampton Roads Iceplex, that they have almost completed the demolition piece of the renovation project and they invite the EDA and County Staff to come out to see the progress. They'll be beginning construction and putting out a Request for Proposals for the new bar and grill in the facility. They have worked out the free days and programming that will be offered through York County Parks and Recreation for citizens, which the County's Public Affairs Office will be promoting in the next issue of Citizen News Quarterly. Last week, Staff met with the President of Princess Cruises and, while there are many details to be worked out, Staff is positive about the development of the pilot program schedule for next year. Staff will help Princess Cruises to finalize some community meeting dates later this summer for residents and businesses to have an opportunity to interact with Princess Cruises' staff to ask questions and have a dialogue. Updated information will also be shared with the Board of Supervisors in the upcoming weekly correspondence package.

**DEPUTY DIRECTOR OF ECONOMIC AND TOURISM DEVELOPMENT'S  
COMMENTS**

Mr. Johnson added that Chilled Ponds has lined up a major ice hockey tournament for this fall. He shared that the Workforce Development Small Business Symposium, held in conjunction with the Hampton Roads Workforce Council and York County Chamber of Commerce, was a success. Worley's Home Services was a sponsor and over 60 individuals attended, most of whom were with small businesses. It was a great opportunity to hear about workforce programs, Small Business Development Center offerings, to network with other businesses, and meet with different resources. The Chamber, Workforce Council, Community Knights, York County School Division, and Mr. Johnson were at resource tables.

**MEMBERS' COMMENTS**

Mr. Murray asked Ms. Olsen-Hayes to see that Staff get new business information from the Commissioner of Revenue and if it is possible to check with them regarding earlier citizen comments.

Ms. Olsen said she did record the business names. She personally spoke to one of them and will go back and make sure they all received a welcome packet.

Mr. Carter echoed thanks to Mr. Meade for his leadership.

**CHAIRMAN'S COMMENTS**

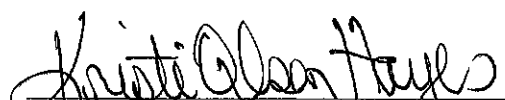
Mr. Meade thanked the members for the past two years, their responsiveness, and all the yes responses and help received whenever he requested same.

**ADJOURN**

There being no further business, the Chairman adjourned the meeting at 6:00 p.m.

  
Steven A. Meade, Chairman

A Copy Teste:

  
Kristi Olsen-Hayes, Secretary/Treasurer