

POQUOSON ECONOMIC DEVELOPMENT AUTHORITY

Board of Directors Meeting

December 1, 2015, 8:30 a.m.

Poquoson City Hall – Council Chambers Room

PRESENT:

Donald F. Booth, Jr., Chairman
 Timothy O. Trant, II, Vice Chairman
 P. Craig Moore, Treasurer/Director
 Henry L. Freeman, Director
 Alan E. Meetze, Director
 Angela Ward-Costello, Director
 Walter E. Apelt, Director

David Callis, Economic Development (ED) Director
 Deborah Vest, Community Development Director
 Kevin Wyne, Planner
 Charity Gavaza, Economic Development (ED) Coordinator
 D. Wayne Moore, City Attorney
 Mary J. “Evie” Insley, Secretary

Chairman Booth called the meeting to order at approximately 8:30 a.m. in the Council Chambers located at 500 City Hall Avenue. He thanked everyone in attendance and presented a brief history and explained the charge of the Economic Development Authority.

APPROVAL OF THE CONSENT AGENDA

Director Apelt moved, seconded by Director Meetze, to approve the Consent Agenda to include the October 6, 2015 minutes as amended. Recorded vote on the motion:

YES: Directors Moore, Costello, Meetze, Apelt, Trant and Chairman Booth.

NO: None.

PUBLIC COMMENT

Karen Evans Steele, 190 Little Florida Road; Jana Andrews, 7 Martha Court; Alan Moody, 207A Brown’s Neck Road; Janice Powell, 306 Powhatan Drive; Susan Legan, 4 Insley Circle; and Kelly Roberts, 547 Poquoson Avenue, Apartment 25A expressed opposition to CRES’ request to extend its contract with the Authority to purchase property identified as Tax Map Parcel Numbers 18-01-00-0134, 18-01-00-0117, 18-01-00-0116, 18-01-00-0119, 18-01-00-0094A and 18-01-00-0093A based on the following:

- Insufficient funding received from the developer for “holding of the property”;

- The property will be considerably more valuable as new homes begin to be constructed across the street;
- The City needs a “showcase” development at this location;
- Insufficient infrastructure and roads to support the associated increase in traffic resulting from the proposed development;
- The project does away with “old” Poquoson to make “new” Poquoson; and
- Development at this gateway needs more public comment and review.

Concern was also voiced that citizens did not have an opportunity to review the agenda in advance in order to educate themselves on the proposed bond issue and the need to update the City’s Comprehensive Plan.

PUBLIC HEARING

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF POQUOSON, VIRGINIA, REGARDING ITS ISSUANCE OF A REVENUE AND REFUNDING BOND AND THE LOAN OF THE PROCEEDS THEREOF TO BETH SHOLOM HOME OF VIRGINIA

(Vice Chairman Trant recused himself from the meeting during the bond discussion due to a conflict of interest and Director Freeman joined the meeting at this time.)

Chairman Booth opened the public hearing.

Janice Powell requested clarification on the amount of the bond, the amount the EDA would receive from the bond, how it would affect the EDA’s ability to support other bonds and the City’s liability. Kevin White, Esquire, of Kaufman & Canoles, Bond Counsel for Beth Sholom Home of Virginia in Henrico County, Virginia thanked the Economic Development Authority (EDA) Directors for instituting a public hearing as required by the Bond Act to consider serving as a “conduit issuer” of the Bond. He explained that neither the EDA nor the City have any liability to pay principal, interest or any other amount on the Bond and that the amount shall not exceed \$10,000,000 with the EDA being a third party for the sole purpose of providing the tax-exempt bond structure. Mr. White clarified the nature of the transaction, the legal requirements pertaining to the governmental approval process, the limitation of the EDA’s liability with respect to the Bond and the Plan of Finance. He answered questions regarding repayment of the bond and explained the EDA’s ability to issue new bonds each calendar year. Mark Finkel, President and CEO of Beth Sholom also answered questions and provided a brief history of the Beth Sholom Healthcare Center and the scope of the proposed construction improvements.

There being no other speakers, the public hearing was closed.

Director Meetze moved, seconded by Director Costello, to adopt the following resolution approving the requested bond issuance:

Recorded vote on this motion:

YES: Directors Moore, Costello, Freeman, Meetze, Apelt and Chairman Booth.

NO: None.

(Vice Chairman Trant returned to the meeting.)

NEW BUSINESS

1. *Governmental E-mail Addresses for Directors*

EDA Secretary, Evie Insley, gave the Directors a new poquoson-va.gov e-mail address along with the directions for setup.

2. *New City Website and EDA Meetings/Minutes Features*

Charity Gavaza, Economic Development (ED) Coordinator, gave the Directors a brief overview of the City's new website and explained how this technology can be of assistance in keeping the public better informed of the EDA's meeting schedule and archived minutes.

3. *EDA Televised Meeting Request*

Chairman Booth stated that due to citizen's requests for televised coverage of the EDA meetings, he met with the City Manager and learned that this capability is available and that support could be provided should the EDA want its meetings broadcasted live. After a poll of the Directors it was decided that the meetings would be televised beginning with the January 5th meeting.

4. *CRES Modification of Agreement Request*

Mike Culpepper representing CRES-EG stated that they had been listening to public comment and the City's concerns and were proposing a Second Amendment to the Purchase and Sale Agreement to address these concerns. He stated that the initial development proposal included a 41,000 square foot grocery store which they felt adhered to the intent of the City's Comprehensive Plan. He explained that the new contract amendment would:

- Modify the Development Plan to prohibit any retail building measuring greater than 30,000 square feet without the prior consent of the Seller;
- Provide reservations of easements for the benefit of adjacent property owners, to the extent practical;
- Reinstate the Feasibility Period to terminate on midnight February 29, 2016;
- The Permitting Period will proceed until May 31, 2016;
- Necessitate settlement of the sale no later than June 1, 2016;

- Require that \$20,000 be deemed fully refundable to Buyer until lapse of the Feasibility period when it becomes nonrefundable, but applicable to the Purchase Price.

Mr. Culpepper expressed his belief that CRES EG was attempting to appease the citizens and the EDA by relinquishing control of their by-right development and accepting the consensus of the Authority.

During the Directors' discussion, it was pointed out that approval of the proposed CRES-EG contract amendment does not equate to a "holding" of the property per se since no other developer has expressed an interest in the subject parcels. It was also emphasized by the Directors that processes/approvals by various City boards/commissions would be required and it was suggested that CRES-EG meet with the Architectural Review Board (ARB) as soon as possible during the site plan review process to ensure that the development provided the appropriate "Gateway" presence.

Director Apelt moved, seconded by Director Freeman, to accept the Second Amendment to Purchase and Sale Agreement. Recorded vote on the motion:

YES: Directors Freeman and Apelt.

NO: Directors Moore Costello, Meetze, and Chairman Booth

The motion failed due to the lack of a majority vote.

Director Meetze moved, seconded by Director Costello to accept the Second Amendment to Purchase and Sale Agreement with the following amendment:

Section 5. Deposit:

Buyer has previously posted Twenty-Five Thousand and 0/100 Dollars (\$25,000.00) of Deposits with the Escrow Agent. Of this amount, Ten Thousand and 0/100 Dollars (\$10,000.00) shall remain non-refundable (but applicable to the Purchase Price), and the remaining Fifteen Thousand and 0/100 Dollars (\$15,000.00) shall be deemed fully refundable to Buyer...

Recorded vote on this motion:

YES: Directors Moore, Costello, Freeman, Meetze, Apelt and Chairman Booth.

NO: None.

STAFF ACTIVITIES

David Callis, Economic Development (ED) Director, updated the Directors on the success of the START Peninsula program which was held November 13th through 15, 2015 and encouraged them to continue to support this program.

Mr. Callis then introduced the Holiday Season Marketing Initiative advertisement which would be in the Daily Press and would emphasize "Poquoson Is The Place – Even In The Off Season, We Are In Season". He also reminded the Directors that Poquoson's annual Holiday Parade would be held on Friday, December 4th at 7:00 p.m.

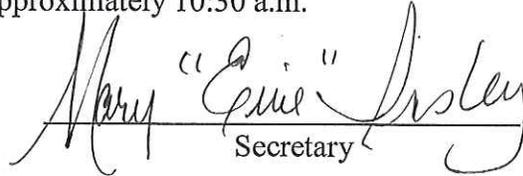
If needed, the next scheduled meeting of the EDA will be January 5, 2016 at 8:30 a.m.

ADJOURNMENT

Chairman Booth then adjourned the meeting at approximately 10:30 a.m.



Chairman



Secretary