CITY OF POQUOSON

ECONOMIC DEVELOPMENT AUTHORITY

APRIL 1, 2016

Annual Meeting

ECONOMIC DEVELOPMENT AUTHORITY

Annual Meeting
April 1, 2016 8:30 am
Poquoson City Hall – Council Chambers

A. ROLL CALL

CONSENT AGENDA

B. APPROVAL OF MINUTES
February 2, 2106 – regular meeting

C. REPORT OF THE SECRETARY

D. REPORT OF THE TREASURER
Revenue Summary

DISCUSSION AGENDA

E. PUBLIC COMMENT

F. NEW BUSINESS

1. Comprehensive Plan Process Overview: Debbie Vest/Kevin Wyne
2. Discussing a Possible EDA Work Session to review/update their EDA Goals, Objectives & Strategies
3. Election of Officers

G. STAFF ACTIVITIES - verbal
a. Next Meeting – May 2, 2016

I. ADJOURNMENT

POQUOSON ECONOMIC DEVELOPMENT AUTHORITY

Board of Directors Meeting
February 2, 2016, 8:30 a.m.
Poquoson City Hall – Council Chambers

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
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.

APPROVAL OF THE CONSENT AGENDA

Director Costello moved, seconded by Vice Chairman Trant, to approve the Consent Agenda as submitted. Recorded vote on the motion:

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

NO: None.

Director P. Craig Moore, Treasurer, stated that the Beth Sholom Home of Virginia revenue and refunding loan closed in December. The Chairman requested that the Treasurer speak with the City's Finance Director on the availability of funding bonds earlier in the year.

PUBLIC COMMENT

There was no public comment.

UNFINISHED BUSINESS

1. *Request by Dr. Bruce McEwen Regarding Poquoson Family Medicine Incentive.*

Dr. Bruce A. McEwen gave the Directors a brief history of his personal connection to the City and the origins of the May 14, 2013 incentive agreement between the Poquoson Economic Development Authority and the Poquoson Chiropractic Clinic, d/b/a Poquoson Family Medicine & Chiropractic Clinic (PCC). He explained that the intent of the incentive, which was to provide him three payments of $25,000 each at the conclusion of specified goals, was to keep his practice in the City at a time when he was considering less expensive office options in neighboring cities.

The Agreement required Dr. McEwen's practice to provide the following:

- That at least $100,000.00 of renovations be made to the existing office building. Satisfactory proof of completion was provided and the first $25,000.00 incentive was made in late 2013.
- That medical services would be incorporated at PCC to include a Commonwealth of Virginia medical doctor or osteopath for a minimum of 40 hours per week.
- That the above requirements would increase the gross revenue of the PCC by $150,000 and the benchmark for the increase of revenue would be the 2012 PCC federal tax return.

Dr. McEwen stated that the first requirement had been satisfied and that $25,000 had been received by PCC in late 2013. He stated that his reason for attending the meeting was to request payment of installment number two, to arrange for an extension to satisfy the requirements in order to receive installment number three and to request an extension of the termination date of the agreement between the EDA and PCC to July 2016 for the following reasons:

- The plan was for a medical provider to join PCC in January 2014 immediately following the completion of the renovations to the facility enabling the revenue to be measured by the tax year. As this was not achieved until July 2014 a full year's receipts were not available for the 2014 tax return.
- A detailed report of monthly receipts from an independent billing service for Poquoson Family Medicine for the period of July 2014 to June 2015 was presented to the Authority to verify the increase in receipts from the medical provider to justify the second incentive payment.

Subsequent to a lengthy discussion, the Directors determined that as public funding was being utilized for payment of the incentives, the Poquoson Chiropractic Clinic tax return as required in the original agreement, would be necessary for proof of increased gross receipts. The Directors agreed that they did not need to personally review the tax documents but a representative of the City, such as the Finance Director, could verify the increased receipts.

Vice Chairman Trant moved, seconded by Director Moore, to amend the May 14, 2013 Agreement by delaying the payment of the second incentive until verification by the City's Finance Director of PCC's gross receipts by its 2015 federal tax return; by delaying the third incentive payment based upon the PCC's 2016 federal income tax; by extending the termination of the Agreement to April 15, 2017; and by requiring that all requests for funding be approved by the City Council . Recorded vote on the motion:

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

NO: None.

NEW BUSINESS

1. *Draft Pricing Of EDA-owned Property Document.*

This item was introduced by Chairman Booth with the intent that no action be taken at this meeting but that each Director give thought to how EDA properties be priced should interest be expressed to the Economic Development Staff.

After discussion it was agreed that an across the board 20% over assessment would be inappropriate as many of the parcels are conglomerations including street front parcels, interior parcels, etc. with the street front parcels being worth far more than 20% over City assessment. Further, it was concluded that many factors should be considered when pricing each parcel, i.e. how many jobs will be produced by a prospective business, will it be a use approved by the citizens, etc. As no consensus was reached, the Chairman requested that Directors Meetze and Freeman research this matter further and report back at a future date.

2. *Resource Inventory of EDA-owned Property Document*

Chairman Booth asked the Directors to please review the document and requested Directors Meetze and Freeman utilize this document in their discussions with regards to EDA property pricing.

STAFF ACTIVITIES

Staff noted that the spring strategy meeting held in March would focus on an updated "Poquoson is the Place" campaign.

Charity Gavaza, Economic Development Coordinator gave a brief summary of the HREDA meeting which included special presentations from two guest speakers – James K Spore, President and CEO of Reinvent Hampton Roads and Chris D Lloyd, Senior VP & Director McGuireWoods Consulting presenting the new initiative displayed at the new website govirginia.gov . These new organizations are set to work together to spark growth, investment and innovation to diversify the Hampton Roads economy.

The next meeting of the EDA was scheduled for be March 1, 2016 at 8:30 a.m.

ADJOURNMENT

Chairman Booth then adjourned the meeting at approximately 9:45 a.m.

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Chairman Secretary

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PREVIOUS BALANCE	DEBIT	CREDIT	ENDING BALANCE
-0000	****INDUSTRIAL DEV. AUTH. FUND****				
	****INDUSTRIAL DEV. AUTH. FUND***				
100-0000	**IDA CASH IN FUND**				
100-1000	CASH IN FUND	7,629.95	10,237.89	19,393.81-	1,525.97-
	IDA CASH IN FUND	7,629.95	10,237.89	19,393.81-	1,525.97-
140-0000	*ACCOUNTS RECEIVABLE OTHER*				
140-0166	ACCOUNTS RECEIVABLE OTHER	652.71	610.67	237.89-	1,025.49
	ACCOUNTS RECEIVABLE OTHER	652.71	610.67	237.89-	1,025.49
150-0150	NOTES RECEIVABLE - CURRENT	30,310.40			30,310.40
150-0155	NOTES RECEIVABLE - NONCURRENT				
	NOTES RECEIVABLE - CURRENT	30,310.40			30,310.40
160-0000	*DUE TO/FROM OTHER FUNDS*				
160-9010	DUE TO/FROM GENERAL FUND	1,684,587.00-			1,684,587.00-
	DUE TO/FROM OTHER FUNDS	1,684,587.00-			1,684,587.00-
175-0613	LOAN COSTS				
	LOAN COSTS				
190-0000	*IDA FIXED ASSETS*				
190-0190	IDA LAND IMPROVEMENTS	249,800.00			249,800.00
190-0191	IDA LAND	2,242,361.28			2,242,361.28
190-0192	IDA BUILDING	69,147.00			69,147.00
190-0198	IDA INFRASTRUCTURE	315,273.00			315,273.00
190-0199	IDA ACCUMULATED DEPRECIATION	224,992.50-			224,992.50-
	IDA FIXED ASSETS	2,651,588.78			2,651,588.78
	TOTAL ASSETS	1,005,594.84	10,848.56	19,631.70-	996,811.70
200-0000	*CURRENT LIABILITIES*				
200-0200	ACCOUNTS PAYABLE		610.67	610.67-	
200-0201	PR LIABILITES				
200-0202	ACCRUED INTEREST	14,087.36-			14,087.36-
200-0503	PROMISSORY NOTE CURRENT - THOMPSON				
200-9010	DUE TO GENERAL FUND				
	CURRENT LIABILITIES	14,087.36-	610.67	610.67-	14,087.36-
201-0223	AFLAC				
	AFLAC				
250-0000	*NON-CURRENT LIABILITIES*				
250-0302	MARCH 2002 LINE OF CREDIT				
250-0502	PROMISSORY NOTE - SHORES WHITE				

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	PREVIOUS BALANCE	DEBIT	CREDIT	ENDING BALANCE
250-0503	PROMISSORY NOTE NONCUR - THOMPSON				
	NON-CURRENT LIABILITIES				
	TOTAL LIABILITIES	14,087.36-	610.67	610.67-	14,087.36-
300-3010	CONTRIBUTED CAPITAL/CITY				
	CONTRIBUTED CAPITAL/CITY				
310-3100	FUND BALANCE	592,604.36			592,604.36
310-3110	RESERVE FOR ENCUMBRANCES				
310-3111	ENCUMBRANCES				
	FUND BALANCE	592,604.36			592,604.36
320-3200	RETAINED EARNINGS	1,584,278.45-			1,584,278.45-
320-3201	REVENUES CLOSING ACCT				
320-3202	EXPENDITURES CONTROL				
	RETAINED EARNINGS	1,584,278.45-			1,584,278.45-
	TOTAL PRIOR YR FUND BALANCE	991,674.09-			991,674.09-
	TOTAL REVENUE	20,652.54-		10,000.00-	30,652.54-
	TOTAL EXPENDITURE	20,819.15		18,783.14	39,602.29
	TOTAL CURRENT FUND BALANCE				8,949.75
	TOTAL LIABILITIES AND FUND BALANCE	1,005,594.84-	19,393.81	10,610.67-	996,811.70-

MAJOR ACCT#	DESCRIPTION	BUDGET AMOUNT	APPR. AMOUNT	CURRENT AMOUNT	Y-T-D AMOUNT	BALANCE	% REMAIN.
999	** IDA FUND **						
8100	*IDA OPERATING REVENUE*						
1710	YMCA BOND FEE	.00	.00	.00	4,739.58	4,739.58-	100.00-
1730	MISCELLANEOUS REVENUE	.00	.00	10,000.00	10,757.76	10,757.76-	100.00-
1750	BMP AVAILABILITY FEES	.00	.00	.00	15,155.20	15,155.20-	100.00-
	IDA OPERATING REVENUE	.00	.00	10,000.00	30,652.54	30,652.54-	100.00-
8200	*STATE REVENUE*						
8300	*FEDERAL REVENUE*						
8400	*IDA TRANSFERS IN*						
8500	*BUDGETARY REVENUE*						
	IDA OPERATING REVENUE	.00	.00	10,000.00	30,652.54	30,652.54-	100.00-
	--FUND TOTAL--	.00	.00	10,000.00	30,652.54	30,652.54-	100.00-

MAJOR ACCT#	DESCRIPTION	BUDGET AMOUNT	APPR. AMOUNT	CURRENT AMOUNT	Y-T-D AMOUNT	ENCUMBRANCE AMOUNT	UNENCUMBERED BALANCE	% REMAIN.
999	** IDA FUND **							
88100	*IDA OPERATING EXPENSES*							
3140	PROFESSIONAL SERVICES	.00	.00	.00	50.00	.00	50.00-	100.00-
5320	PROPERTY INSURANCE	1,986.00	.00	.00	1,986.00	.00	1,986.00-	100.00-
	IDA OPERATING EXPENSES	1,986.00	.00	.00	2,036.00	.00	2,036.00-	100.00-
	IDA OPERATING EXPENSES	1,986.00	.00	.00	2,036.00	.00	2,036.00-	100.00-
89000	*NON-OPERATING EXPENSES*							
89900	*NON-OPERATING EXPENSES*							
0302	2002 LOC INTEREST EXPENSE	.00	.00	18,783.14	37,566.29	.00	37,566.29-	100.00-
	NON-OPERATING EXPENSES	.00	.00	18,783.14	37,566.29	.00	37,566.29-	100.00-
89999	*BUDGETARY ITEMS*							
	NON-OPERATING EXPENSES	.00	.00	18,783.14	37,566.29	.00	37,566.29-	100.00-
	--FUND TOTAL--	1,986.00	.00	18,783.14	39,602.29	.00	39,602.29-	100.00-

CITY OF POQUOSON

Economic Development Authority

500 City Hall Avenue, Poquoson, Virginia 23662-1996
(757)868-3000 Fax (757)868-3101

DATE: April 1, 2016

TO: Poquoson Economic Development Authority

FROM; EDA Secretary

SUBJECT: **Election of Chair, Vice Chair, Treasurer& Secretary**

As you know the Authority is scheduled to hold elections to fill the offices of Chair, Vice Chair, Secretary and Treasurer each year at its Annual Meeting. The offices are currently filled as follows: Chair, Donald Booth; Vice Chair, Timothy Trant; Treasurer, Craig Moore; Secretary, Evie Insley. You action on this matter is requested at this meeting.