

**ALBEMARLE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
August 22, 2023
4:00 P.M.**

Directors present: Don Long, Chair; George Ray, Vice Chair; Andrea Johnson; Jeff Morrill; John Mottola.

Directors absent: Stephen McNaughton.

Staff present: Jeff Richardson, County Executive; Trevor Henry, Deputy County Executive; J.T. Newberry, Interim Director of Economic Development; Ashley Perry Hernandorena, Economic Development Management Analyst; Liz Hatcher, Administrative Assistant; Joshua Xie, Intern; Richard DeLoria, Senior Assistant County Attorney; Jacob Sumner, Interim Chief Financial Officer; Andy Bowman, CFO for Policy & Partnerships; Diantha McKeel, Board of Supervisors Liaison to the EDA, Jack Jouett District.

Guest presenters: Rahul Keshap, Executive Director–Venture Central; Payam Pourtaheri, CEO-AgroSpheres.

1. Call to Order and Establish Quorum

Chair Long called the meeting to order at 4:00 p.m.

2. Matters from the Public

Ms. Hernandorena confirmed no speakers had signed up or raised their hands to speak.

3. Approval of Minutes

Motion to approve minutes from June 20, 2023 was made by Vice Chair Ray and seconded by Mr. Morrill.

MOTION: The motion carried unanimously.

4. Financial Report

The financial report for the period ending April 30, 2023 was provided.

Ms. Hernandorena stated that the financial report would be the last one like this that the Authority would see and once there was a Secretary-Treasurer elected, they would develop a proper format.

Chair Long explained that Mr. Shreve had stepped down and Ms. Johnson was serving as Mr. Shreve's replacement.

5. New Business

a. Update on Rivanna Station Futures

Mr. Newberry said that with him to present on this project was Deputy County Executive Trevor Henry, and Interim Chief Financial Officer, Jacob Sumner. He explained that on September 19, the next scheduled EDA meeting, the Authority would consider a bond resolution for the financing of the Rivanna Station Futures project, which would be up to a \$60M bond anticipation note (BAN) for

the financing around the acquisition of this 462 acres next to Rivanna Station. He stated that the seller of the property was Next Generation, LLC, controlled by Wendell Wood.

Mr. Newberry said that the economic impact of this vision was 700 direct jobs, locally accruing at least \$1M of local tax revenue and over \$2M of state tax revenue. He said that the partnership model with federal and state agencies, the private sector, and academia had been developed for the past few months by staff's research on how other localities across the country had utilized the approach and found how they could replicate success in Albemarle, with the goal of getting financial contributions from partners to help the County reduce the overall cost of investment in the 462 acres.

Mr. Henry stated that the period of due diligence was a 90-day period in which they were able to assess the land prior in order to identify existing conditions as they considered the final acquisition and recommendation to the Board. He said that they had extended the due diligence by one month to allow for additional work, but there was nothing to date that they would classify as of grave concern, so they were continuing to work through the finalization of the engineering assessment. The remaining work that was being performed currently was the American Land Title Association (ATLA) land survey, the parcel boundary line adjustments, and utilities coordination.

Ms. Johnson asked Mr. Henry if there was a timeline that the due diligence had to be completed by.

Mr. DeLoria stated that the original timeline was 90 days and then they had six 30-day extensions.

Mr. Henry said that they had passed the 90-day mark and were now within the first month of that extension, and they likely would need some more extension to get all of the work done. He explained that there was a tenant in a rental home on the property and some infrastructure items related to the dams, so those items would have to be finalized before moving to closing.

Mr. Newberry explained that State Code enabled Economic Development Authorities special powers related to property and development of property, and the EDA could play a pivotal role in implementing these partnerships, specifically through how the EDA might treat the land and helping to facilitate some of those partnerships.

Ms. Johnson asked if there were any hold-ups they saw, such as wetlands, endangered species, or other sensitive areas.

Mr. Henry said that based on the analysis of the proposed development area on the site, they had not found anything so far that would impact that development.

b. COF and VJIP Performance Agreement for AgroSpheres

Mr. Newberry said that this item was to consider the performance agreements to implement the Commonwealth Development Opportunity Fund and the Virginia Jobs Investment Program grants that had been awarded to AgroSpheres, a company that committed to \$25M in capital investment in creating 53 new jobs for research and development and a testing and manufacturing area.

Mr. Payam Pourtaheri, CEO of AgroSpheres, expressed his gratitude for the grant they had received. He said that they had already created 14 of the 53 jobs and the facility was up and running. He said that they recently received regulatory approval of their technology that provided controlled release of biological pesticides that were microplastic-free and fully biodegradable.

Ms. Johnson asked if they knew when they were expected to launch.

Mr. Pourtaheri said that if all went to plan, they would have a commercial launch in the fourth quarter of 2024.

Mr. Newberry gave an overview of the incentive agreements.

Ms. Johnson asked what the grant money was going toward.

Mr. Newberry said the COF grant had a broad application, and the VJIP grant was reimbursed as new hires came online and was made to reimburse costs of recruitment and training for those new hires.

Mr. Mottola asked if the criteria for creation and maintenance of jobs derived from both grants combined.

Mr. Newberry said that that definition was applicable to both grants, and there was a definition included in the agreement distributed in the packet.

Mr. DeLoria said that in regard to the VJIP match, there was a requirement that the jobs be in Albemarle County, but Virginia did not require that.

Motion to was made by Mr. Morrill and seconded by Mr. Mottola to adopt the Resolution to Approve the Agreements to Support the Retention and Expansion of AgroSpheres, Inc.

MOTION: The motion carried unanimously.

c. GO Virginia Regional Entrepreneurship Initiative (REI) Grant

Chair Long noted that he had a conflict and would not be voting on this item.

Mr. Rahul Keshap, Executive Director of Venture Central, discussed the Regional Entrepreneurship Investment (REI) strategy. He said the REI stemmed from a GO Virginia Region 9 Grant and was meant to unlock other funding opportunities both for GO Virginia and state resources, or potentially federal or other investments in the region. He stated that the grant timeline was 18 months, and the project goals were to complete a regional entrepreneurship assessment and report, a 3-5 year actionable strategies plan with funding strategy, and list of prioritized GO Virginia grants.

Mr. Keshap stated that the project team would include Stephen Davis, President of Community Investment Collaborative, Rahul Keshap, Executive Director of Venture Central, a program manager,

the Good People Research Company as a consultant, entrepreneurial support organizations, and REI Advisory Group. He said that they were optimistic that within about a year they could wrap up the collection of the planning and recommendations in order to begin the next phase of work.

Ms. Johnson asked if this was a nonprofit organization.

Mr. Keshap said that Venture Central was a 501(c)(3) charitable organization, so it had no affiliation with the state but was pitching the grant, and CIC was the main entity associated with this grant and was also a nonprofit organization.

Ms. Johnson asked what the funding was being used for in order to achieve the plan within the year.

Mr. Keshap said that Venture Central became interested in GO Virginia's opportunity to look for leads in developing this regional entrepreneurship strategy because it aligned well with Venture Central's mission as an organization. He said that the REI strategy was one activity of Venture Central, and they had other activities as well.

Mr. Mottola asked if their end goal with regard to furthering entrepreneurship was providing venture capital.

Mr. Keshap said that they did not know that answer yet. He said that Venture Central had a broad mission that was to focus and promote entrepreneurship, and there were a number of ways that they would operate in terms of providing venture capital or angel investing. He said that part of the regional strategy would help to inform Venture Central, because the strategy would be hugely informative and helpful in providing guidance.

Ms. Johnson asked if all the grant money was going to figuring it out, and if there was a timeline in which the grant money would be used.

Mr. Keshap clarified that all of this money was going toward developing the REI strategy, and the recipient of the grant funds would be CIC. There was \$465,000 worth of potential funding to be spent for the grant, and the focus would be on hiring the consultant, which was \$100,000, and the consultant would be helping them with a variety of data analysis, research, reports, and focus groups.

Ms. Johnson asked what sort of things they were looking for.

Mr. Keshap said that they were trying to understand what opportunities there were for entrepreneurship in central Virginia. He said that GO Virginia had a number of traded sectors that they focused on, and GO Virginia was focused on trying to understand how entrepreneurship could flourish in Region 9. He said that they would be speaking to entrepreneurs and stakeholders to try to understand what may be missing or what could be changed in the region.

Ms. Johnson asked if they were a nonprofit that was feeding into CIC and GO Virginia.

Mr. Keshap said that GO Virginia was the grantor and were providing the funds, and CIC and Venture Central had agreed to collaborate to execute on the REI strategy, a priority established by GO Virginia that would be accomplished in every region.

Mr. Newberry said that the grant from GO Virginia would allow the CIC and Venture Central to identify the gaps in the entrepreneurial network in the region, then make recommendations on how to improve them. He said that some benchmark communities already had this set up, and when entrepreneurs did not have that, they moved to other communities that did in order to have better access to entrepreneurial resources.

Chair Long asked why Charlottesville and Albemarle County were providing a majority of the funding.

Mr. Newberry said that Albemarle and Charlottesville occupied 80% to 90% of the services in the area, so it was a challenge to justify an equivalent contribution from the surrounding rural communities.

Chair Long asked if the \$75,000 they were providing was from their Board-approved funds.

Mr. Newberry said that was correct; it would be pass-through funding from their Economic Opportunity Fund.

Motion to was made by Mr. Morrill and seconded by Vice Chair Ray that the EDA adopt the Resolution appropriating \$75,000 to Community Investment Collaborative subject to the terms of the Resolution and the GO Virginia grant and authorize the Authority's Vice Chair and Treasurer to execute all documents necessary to complete this grant.

MOTION: The motion carried unanimously.

Chair Long asked for the Authority members to consider if they would like to hold the position of Secretary-Treasurer.

Ms. Johnson asked if information could be provided regarding what was required for that position.

Mr. Newberry explained that the Secretary-Treasurer had been the main point of contact for providing the financial report at each meeting, so staff worked with the Finance Department to generate an updated financial report, which was then shared with the EDA and made available to the public at each meeting.

Ms. Hernandorena said that bond issuances or any kind of financial contracts that needed to be reviewed and signed were also responsibilities of the Secretary-Treasurer.

Chair Long said that in the short term, they needed to have the financial report lined up.

Ms. Johnson asked who prepared the financials and if there was liability if something was prepared incorrectly.

Ms. Hernandorena said that in her experience, the financial report was prepared by staff of the Authority in collaboration with the Finance Department of the County, and was signed off on its accuracy by County staff.

Mr. DeLoria said that the issues of liability would not extend to the position of Secretary-Treasurer.

Ms. Hernandorena added that the time commitment of the position was minimal aside from reading the financial report or if there were special projects that required consultation from time to time with outside entities.

Vice Chair Ray clarified that the Secretary-Treasurer did not handle any of the money.

Ms. Hernandorena said that was correct.

Mr. DeLoria said that all paperwork was generated by staff and Finance was their fiscal agent so the Secretary-Treasurer was not managing accounts or anything like that.

Mr. Newberry said that the position provides an independent set of eyes to review and concur that the information signed reflected what was discussed and approved at the meetings.

Ms. Johnson said that she would be interested in taking the position.

Motion was made by Vice Chair Ray and seconded by Chair Long to appoint Ms. Johnson as the Secretary-Treasurer.

MOTION: The motion carried unanimously.

d. Staff Report

Mr. Newberry introduced Ms. Elizabeth Hatcher, a new employee who would be providing additional support to the EDA team. Ms. Hatcher said that she was looking forward to learning as much as she could and to work with everyone.

Mr. Newberry said that Mr. Joshua Xie had served as the office intern this summer, and he would share more about him in just a few moments. He said that he and Mr. Henry were able to meet with some of their defense communities across the country to hear about the threat of encroachment around military installations and how to mitigate it. He said that in November there would be County staff traveling to Orlando for the national conference for the Association of Defense Communities.

Mr. Newberry said that on the righthand side of the slide was a photograph of the state coming to visit the site readiness grant that was under implementation of the UVA Foundation at North Fork.

He said that the photograph showed a clearing of about 30 acres of land for prospective state targets to land at North Fork.

Mr. Newberry said that he wanted to recognize Ms. Hernandorena for completing the UNC School of Government Basic Economic Development Course.

Ms. Hernandorena expressed her enthusiasm for the experience, stating that it was a distinct honor and opportunity to attend those four days in Chapel Hill under the direction of incredibly esteemed economic development professionals and academic leaders. She said that there were 11 coursework topics and 151 EDA professionals mostly from the East Coast, and it was a wonderful opportunity to learn and immerse herself in the coursework. She said that it was the first step in becoming a Certified Economic Developer (CEcD), and she looked forward to continuing toward that goal.

Chair Long asked what kinds of classes they offered.

Ms. Hernandorena said that it was practically every component of economic development on the most intensive track possible, including financing development projects, business retention and expansion, site selection, real estate, workforce development, ethical dilemmas, trends in economic development, managing an EDO with public bodies, and how to handle a difficult EDA Chairman.

Chair Long said that the Virginia Economic Development Partnership conference in Richmond had a great presentation and would likely be greatly beneficial to attend again in the future.

Mr. Newberry said that they had offered a nominal sum to EDA Directors who wished to attend the 2-day course in Richmond, and the next time that program was announced he would make sure the EDA was aware of it.

Ms. Hernandorena said that another example of entrepreneurship in their community was when they were able to meet with Imbibe Solutions, which recently moved from the City into the County into Crozet. She explained that the company did quality control testing on wine and beer for breweries and vineyards that may have issues that require chemical testing. She said that the company was ready to take on more projects and were hopeful that through the BRE efforts they could provide connections for them.

Ms. McKeel said that it was beneficial that Albemarle was able to accommodate the company's space as they had outgrown their space in the City, and was an example of how the economic development of the City and County worked together.

Mr. Newberry said that Mr. Joshua Xie was the EDA's first ever intern and was due to return to school tomorrow as a senior at Western Albemarle High School. He said that they wanted Mr. Xie to see site readiness, VRE, workforce development, among other topics, so he helped them get sites uploaded into the state database, and attended a biomanufacturing symposium at North Fork. He said that he also cataloged all of the bond issuances that the Albemarle County EDA had done since 1986, totaling over \$1 billion in benefits to the community, helping them lay a stronger historical financial record as the EDA continued to take its next steps.

Mr. Xie expressed his thanks to the Economic Development Office and the EDA for the opportunity of a lifetime, as it had been very enriching. He said that he intended to pursue business and economics in college, and it had been amazing to learn about economic development and how it impacted so many different aspects of Albemarle County. He thanked staff for welcoming him into the office and he could not have asked for a better first internship experience.

6. Unfinished Business

a. Election of Secretary-Treasurer

Mr. Newberry said that the election of Secretary-Treasurer had already been covered.

7. Other Matters

Mr. Morrill asked if there was a timeline for the appointment of a permanent Director for the Authority.

Mr. Henry said that they were beginning the recruiting process tomorrow, and their goal was to have a permanent position by the end of the calendar year.

Ms. McKeel said that the Chamber of Commerce was going to be sponsoring an event called "Eggs and Issues," about the election and economic outlook, which would be held on Wednesday, September 27 at the Center at Belvidere at 8:30 a.m., with Bob Holsworth as a keynote speaker.

Chair Long said at some point they may want to invite Natalie Masri to speak to the EDA.

8. Adjourn

The Board adjourned the meeting at 4:00 p.m. The next meeting is September 19, 2023, in Room 241.

Teste: _____
Donald Long, Chairman

Approved: _____
J.T. Newberry, Assistant Secretary