



Approved 8.29.2018 by
Region 9 Council

**REGIONAL COUNCIL 9
JUNE 28, 2018
ANNUAL MEETING
9:30 AM to 11:30 AM
Germanna Community College
Daniel Technology Center, 18121 Technology Drive, Culpeper, Virginia**

Attendees

Council Members: Brian Cole, Lexis Nexis (Chair); Tom Click, Patriot Aluminum (Vice Chair); Suzanne Brooks, Pepsi-Cola Bottling Company; Leigh Middleditch, McGuireWoods; Ed Scott, EcoSeptix Alliance; Patrick Mauney, Rappahannock-Rapidan Regional Commission; Pace Lochte, University of Virginia; Frank Friedman, Piedmont Virginia Community College; Elizabeth Smith, Afton Mountain Vineyards; Andy Wade, Louisa County; David Pettit, Lenhart Pettit; and, Ray Knott, Union Bank & Trust

Absent: Miles Friedman, Fauquier County; Ed Dalrymple, Cedar Mountain Stone; Steve Ray, Piedmont Workforce Network; Bryan David, Orange County; Jim Cheng, Cav Angels; Fitzgerald Barnes, Louisa County; Gary Deal, Culpeper County; Steve Carter, Nelson County; Jan Gullickson, Germanna Community College; and,

Guests: Julia Skare; Phil Sheridan, Culpeper County; Denise Hubbard, UVA; Phil Geer, Orange County; Mansour Azimipour, A & K Realty; The Honorable Tony O'Brien; and, Beverly Pullen, Fauquier County; Billy Gammel, DHCD; Courtney Dozier, DHCD; Jordan Snelling, DHCD; Erik Johnston, DHCD.

Staff: Helen Cauthen, Shannon Holland

I. Welcome

Brian Cole welcomed the attendees and opened the meeting at 9:40 AM.

II. Public Comment

There were no public comments.

III. Meeting Minutes – May 8, 2018

Ray Knott made a motion to approve the May 8, 2018 Minutes as presented. Chip Boyles seconded the motion. The motion carried.

IV. Financial Report

Andy Wade presented the April 2018 financial statements. He noted that the Council has \$74.10 in Checking because when money comes in it is immediately sent out. The Council also has \$25,000 in Accounts Receivables. Referring to the Statement of Income and Expense, he noted that the Council is at 87.5% of budget through April. Andy indicated that we are projecting to carry over about \$30,000 of Capacity Building funds to the next fiscal year. The carry over Capacity Building Funds will be the first to go out in the next fiscal year.

Suzanne Brooks made a motion to approve the April 2018 Financials as presented. Ed Scott seconded the motion. The motion carried.

V. Executive Committee Meeting 5/30/18 - Update

Brian Cole advised the Council that the Executive Committee met to approve a FY2019 Budget on behalf of the Region 9 Council on May 30, 2018. DHCD had requested regional budgets before the June 12 Board Meeting. At the time General Assembly had not yet approved a State Budget, so

DHCD requested that we create a \$250,000 Capacity Building Budget. The committee approved budget was included in the meeting packet. The Executive Committee voted that if the State Assembly allocated more funding a new meeting could be convened to change the budget.

VI. FY 2019 GO Virginia Region 9 Budget

Brian Cole explained that though the Executive Committee approved a Region 9 Budget, the State Board didn't approve any regional budgets at the June 12 meeting. Additionally, the State Budget provided for Capacity Building Funds of \$361,111 instead of \$250,000. The Board voted to waive match requirement for the first \$250,000 of funding. The additional \$111,000 will have to be matched 50 cents on the dollar. DHCD has advised us that match documentation for the additional \$111,000 doesn't have to be provided at the beginning of the fiscal year. Additionally, it will be allowable to move the additional \$111,000 into the Region 9 Per Capita funds at a later date. If the funds are moved to Per Capita Funds they would have to be matched dollar for dollar, as is required for all Regional Per Capita funds.

Brian noted that the staff recommend that the Council budget the additional \$111,000 in Project Reserves to be held for future project opportunities or to park there to possibly move to regional Per Capita funds. At this time a match hasn't been identified for the additional \$111,000. Much discussion occurred over the best approach for budgeting the additional \$111,000.

David Pettit made a motion to affirm the Executive Committee vote approving the \$250,000 budget and to approve placing the additional \$111,000 in Project Reserves. Chip Boyles seconded the motion. The motion carried.

VII. Vote to Accept Appointments

Brian noted that three Public Sector seat terms are expiring and the Slate for Public Sector Appointments is in the packet. The Slate includes:

- The Honorable Tony O'Brien of Fluvanna County to represent Elected Official from Planning District 10
- Christian Goodwin from Louisa County to represent Locality Administrators from Planning District 10, and
- Miles Friedman from Fauquier County to represent Local Economic Developers in Planning District 9.

Chip Boyles made a motion to accept the Slate of Public Sector Appointments. Frank Friedman seconded the motion. The motion carried.

VIII. Vote for New Members

Brian presented the Private Sector Slate for a vote, as presented by the Nominating Committee. The nominees include:

- Leigh Middleditch with McGuireWoods to complete the remaining term of one year for the open At-Large Council Member seat.
- Felix Sarfo-Kantanka with Dominion Energy for an At-Large seat for a three year term beginning on July 1, 2018.
- Mansour Azimipour with A&K Realty for a Chamber of Commerce seat for a three year term beginning on July 1, 2018.

Brian asked for Nominations from the floor. No nominations were presented from the floor. Ray Knott made a motion to approve the Slate of Private Sector Members, as presented. Ed Scott seconded the motion. The motion carried.

IX. Vote for Officers and Executive Committee

Brian presented the Officers and Executive Committee Slate, as provided by the Nominating Committee. He noted that the new Chair and Vice-Chair will begin service immediately following the end of the Annual Meeting. Secretary /Treasurer and At-Large Members will serve for one year beginning on July 1, 2018.

- Chair, Tom Click, Patriot Industries
- Vice-Chair, Jim Cheng, CAV Angels
- Secretary/Treasurer, Andy Wade, Louisa County
- At-Large, Brian Cole, LexisNexis
- At-Large, David Pettit, Lenhart Pettit
- At-Large, Miles Friedman, Fauquier County
- At-Large, Ed Scott, Eco-Septix Alliance

Brian asked for Nominations from the floor. No nominations were presented from the floor. Suzanne Brooks made a motion to approve the Slate of Officers and Executive Committee, as presented. Elizabeth Smith seconded the motion. The motion carried.

X. Vote to Accept Nominating Committee

Brian noted that per the by-laws the Chair establishes a Nominating Committee at the meeting immediately preceding the Annual Meeting each year. The Nominating Committee suggest that this committee continue to serve until the new committee is appointed at the meeting immediately prior to the FY2019 Annual Meeting. A Slate for this Nominating Committee was presented.

Brian made a request for nominations from the floor. Pace Lochte volunteered for the committee. Suzanne Brooks made a motion to approve the Nominating Committee Slate with the addition of Pace Lochte. Ray Knott seconded the motion. The motion carried.

Before moving to the next agenda item, Brian also acknowledged that Jeff Waite of Walmart will automatically join the Council as the new Piedmont Workforce Network Chair.

XI. Region 9 Projects

Brian referred to the attachment in the packet that was designed to help capture the process of moving a project from Council Approval through Contract Negotiation to Implementation as well as changes in project proposals. Brian indicated that there would be three items for approval related to this attachment.

First, as discussed at the March 27, 2018 Council Meeting, David Pettit reviewed and Brian, as Chair, signed the Per Capita Funding Contract between DHCD, Region 9 and the Central Virginia Partnership. Additionally, David and Brian advanced the GWC PTEC Addendum Agreement to the next Signatory. Brian asked the Council to affirm that this process is working and should continue. A discussion ensued around the timing of meetings and the need for expediency.

Frank Friedman made a motion to continue this process going forward with David Pettit reviewing the contracts and the Chair signing them on behalf of the Council. Ray Knott seconded the motion. The motion carried.

Brian reported that the CvilleBioHub project, although approved by the Region 9 Council, has not yet received Administrative Approval from DHCD. While working to address in-kind documentation issues, new partners and financial sources were developed that have strengthened the proposal. Staff is requesting approval to resubmit the application to DHCD with changes, including, increase the GO Virginia funding request from 75k to \$83,460; add \$30,000 of in-kind leadership workshops; eliminate the In-kind support that was not allowable; and, include information on potential support from the City of Charlottesville and County of Albemarle.

Suzanne Brooks made a motion to approve the changes requested. Patrick Mauney seconded the motion. The motion carried.

Brian indicated that staff is also requesting approved guidelines from the Council to address similar situations when or if they arise. A discussion ensued on guidelines.

David Pettit made a motion to allow staff to amend Council approved proposals, if needed, to better position them for Board approval as long the funding increase doesn't exceed 15% or \$20,000 and the applicant agrees to changes. Ed Scott seconded the motion. The motion carried

XII. GO Virginia Guest Speaker- DHCD Director

Brian welcomed, Erik Johnston, Director of the Department of Housing and Community Development (DHCD) since January 2018. DHCD is the state agency charged with supporting the GO Virginia Board and oversight of the GO Virginia Program statewide. Accompanying Erik were Courtney Dozier, Deputy Chief; Jordan Snelling, GO Virginia Administrator, and Billy Gammel, GO Virginia Lead.

Erik updated the Council on the increases the General Assembly passed for GO Virginia funding in FY2019 and FY2020. Erik explained that though the \$250,000 Capacity Building funding don't require a match this year, in the future it may be required. A discussion clarifying the difference between Capacity Building funding for administering regional proposals development and Enhanced Capacity Building funds which are a subset of the Per Capita project funds. Shannon Holland said she would develop a graphic to clarify the funding streams to share with the Council.

Erik emphasized that proposals must focus on creating higher paying jobs and/or the traded sector. Also, statewide there is an emphasis on Site development through Revenue Sharing Agreements now feasible due to the Collaborative Jobs Act.

Erik explained further that regional Capacity Building budgets would be reviewed at the August Board Meeting. Helen noted that by August, Region 9 would be down to around \$5,000 in remaining Capacity Building funds. It was discussed that Region 9 had already spent down the \$100,000 cash reserves. Billy Gammel said a report was missing. Shannon will follow up on outstanding reporting, if any.

XIII. Chair, Region 9 Update

Brian referred to the Year End Report on Growth Plan Implementation included in the packet. The attachment highlighted successes of the previous year. The Region 9 Council approved almost \$800,000 in project funding. There is less than \$70,000 remaining in the regional Per Capita funds. The approved projects captured over \$540,000 in total locality match and leveraged almost \$1,500,000 in other funds. Also, all Growth Plan frameworks have been employed with the exception of Innovation/Entrepreneurship and all target markets have been targeted except Financial and Business Services. The Council demonstrated significant collaboration by engaging more than eleven businesses, all four institutions of higher education in our area and all localities. Cumulatively, localities have contributed \$171,000 to meet required minimum match requirements – without which most projects cannot be approved.

Brian also stated that the Executive Committee will meet on 7/16/18 to begin planning for FY2019

XIV. Director, Region 9 Update

Shannon Holland noted that the next Region 9 application deadline is July 25. There are four projects in discussion and none are expected to be submitted by that date. Also, Shannon pointed out that the last Board Application deadline for 2018 has been moved to November 2, due to the Board Meeting being moved from December 18 to December 11.

XV. Other Business

David Pettit presented the Financial Assistance Contract for approval. The contract was provided. ***David Pettit made a motion to approve the Financial Assistance Contract. Chip Boyle seconded the motion. The motion carried.***

Brian acknowledged the service of each of the Council Members that were rotating off the Council on July 1. They were Suzanne Jessup Brooks, PepsiCola Bottling; The Honorable Fitzgerald Barnes, Louisa County; Steve Carter, Nelson County, and Steve Ray, IslerDare.

David Pettit also acknowledged and thanked Brian Cole for his service and dedication in the inaugural year of the Region 9 Council.

XVI. Next Meeting

The next Council meeting is August 29, 2018, 9:30 am to 11:30 am, UVA Research Park, 1001 Research Park Boulevard, 4th Floor Conference Room, Charlottesville

XVII. Adjourn

Brian Cole adjourned the meeting at 11:04 pm.