



**Charlottesville Economic Development Authority (CEDA)  
Meeting Minutes – March 13, 2018**

**Members Present**

Tara Boyd  
Paul Beyer  
Reid Young  
Ed Schmitz  
Ethan Dunstan

**Staff Present**

Chris Engel  
Kelly Bassett

**Others Present**

A meeting of the Charlottesville Economic Development Authority occurred on Tuesday, March 13, 2018 in City Council Chambers. The chair, Ms. Boyd, called the meeting to order at 4:00 PM.

Ms. Boyd opened the public comment period and there being no comments from the public, she proceeded to the next agenda item.

Ms. Boyd called for a motion to approve the minutes from the December 12, 2017 meeting. Mr. Young moved, seconded by Mr. Dunstan and all present voted aye. She then called for a motion to approve the Treasurer's Reports from November and December 2017, and January and February 2018. Mr. Dunstan moved, seconded by Mr. Schmitz and all present voted aye.

Mr. Engel presented updates on the three programs supported by CEDA; GO Hire, ACE and VJIP Match. Mr. Dunstan suggested, as an ACE committee representative, that the ACE funding be increased due to its recent popularity and success. Mr. Engel suggests it be discussed while reviewing the FY19 budget.

Mr. Engel presented the FY19 budget and stated that, for the most part, it was similar to the FY18 budget. A new bond was issued in FY2018, so additional administration fees of \$7,500 will be reflected in the revenue. GO VA is a new program, and as such a \$25,000 placeholder has been added to the budget in the event that CEDA is requested to provide a local match for a project. Ms. Boyd inquired if there were any prospective projects. Mr. Engel informed her that he had heard of some potential projects, possibly workforce related, coming out of region 9, but there have been no specific requests for local matching funds from the City thus far.

In addition to the GO VA allocation, there was also an increase in the Research line item. It reflects a \$10,000 increase to account for the expected actual cost of the real estate analysis project. Mr. Engel then addressed Mr. Dunstan's suggestion to increase funding for the ACE Program. He said that it would be possible to increase the ACE funding, by adjusting the project reserves line item whose funds roll over at year's end.

Mr. Beyer asked if the legal, marketing and education and training funding was exhausted each fiscal year. Mr. Engel explained that typically these funds were completely used and that the project reserved funds were there in case the board saw an immediate need and would like to act on it.

Mr. Beyer questioned increasing funding for ACE as he did not see the real benefit of the program, especially when other resources like the Community Investment Collaborative exist. He indicated that the funds may be better spent on a marketing or branding campaign for the City after the events of last summer. He understands that the tourism board brings tourists to the area, but thinks that CEDA could have a role in boosting the entrepreneurial ecosystem.

Mr. Engel explained that while there is some overlap between CIC and ACE, ACE supports only city-based businesses. He indicated that CEDA could allocate more funds to marketing in case an opportunity arises, and that regional marketing efforts could be supported by the EDA, but they would not be the principle driver of that initiative. Ms. Boyd suggested it may be better to discuss it in a work session specifically about marketing.

Mr. Young indicated that he was in favor of increasing funding for both marketing and the ACE Program. Both he and Mr. Dunstan agreed that \$20,000 would be a good budget for ACE, even if not all funds are disbursed it would be beneficial to have them available. Mr. Dunstan explained that CIC does lend money to entrepreneurs but does not give grants. Ms. Boyd and Mr. Engel suggested tabling the discussion on the marketing funding for now and discussing it in a future work session.

Ms. Boyd proposed accepting the changed revenue and research items and increasing the ACE funding in the FY19 budget to \$20,000. Ms. Boyd moved to approve the budget, seconded by Mr. Dunstan and all present voted aye.

Mr. Engel provided an update on the real estate analysis RFP. Four responsive and responsible bids were received, and they are in the process of reviewing them. They plan on doing follow-up questions with two of them and making a choice in the next ten days. They expect to have the analysis completed within the next three months.

Mr. Engel discussed a letter received from the Pavilion requesting a loan for the roof replacement. He gave some background on the current loan and said that management is making plans to replace the roof after the 2018 concert season. They are requesting that CEDA consider an addition of \$500,000 in principal be added to the loan to assist the project. The total cost of the replacement which is expected to last 15 years is \$1.6 million. He said that Kirby Hutto would be willing to present the project to the board and answer any questions. Mr. Engel explained that CEDA does have a sufficient working cash balance to make the loan in the next several months. The pavilion lease runs through 2034. With the initial estimate added to the current balance, the extension of the payback period would still be well within the lease period.

Both Mr. Dunstan and Mr. Young indicated a concern over matching the interest rate in the current loan. Mr. Engel indicated that City staff could look into what the current market rates are for a AAA rated municipality. Mr. Engel will request that representatives of the Pavilion come to the next CEDA meeting to present and answer the board's questions.

Mr. Engel reminded the board that the Office of Economic Development's 2017 Annual Report had been released and a copy has been provided for them. He also reminded the board that the 2018 Book Festival Luncheon is taking place on March 21<sup>st</sup>. At Mr. Dunstan's request he also gave a brief update on the removal of the parking meters and the current rates at the Market and Water Street garages.

There being no further business, Ms. Boyd called for a motion to adjourn the meeting. Mr. Young moved, seconded by Mr. Dunstan and all present voted aye. Ms. Boyd adjourned the meeting at 4:47 PM.

  
Chris Engel, Secretary

3/16/18  
Date

4/10/18  
Date Approved by CEDA