

**KING GEORGE COUNTY ECONOMIC DEVELOPMENT AUTHORITY**  
**March 13, 2008**

The Chairman, Mr. Glen Moore, called the regular meeting of the King George County Economic Development Authority to order at 6:00 p.m. in the Board Room of the Revercomb Building, 10459 Courthouse Drive, King George, Virginia, with a quorum being present. Mr. Glen Moore, Mr. Terry Moore, Mr. Ballenger, Ms. Churchill, and Mr. Zilic were in attendance. Mr. Hughes and Ms. Philbrick were absent. Mrs. Theresa O'Quinn, Economic Development Director, was also in the attendance.

**Amendment to the Agenda:**

On a motion by Mr. Terry Moore, seconded by Mr. Zilic, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority amended the agenda to include under "Unfinished Business" the following item: "Further Consideration of request by Norfleet Land and Wood Company regarding the purchase of Lot 18 in the King George Industrial Park" and under "New Business", "Request by Silver Honaker Development Company, LLC to rezone, with proffers, 145 acres known as Tax Map 33, Parcel 88, from Rural Agricultural (A-2) to Retail Trade District (C-2).

**Approval of Minutes:**

On a motion by Ms. Churchill, seconded by Mr. Ballenger, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority approved the minutes of the regular meeting of February 11, 2008, as presented.

**Treasurer's Report:**

Mrs. O'Quinn presented for approval the payment due to Troutman and Sanders LLP in the amount of \$9,117.90 as presented. This payment is for professional services rendered to King George County and the EDA in the refinancing of the \$2,250,000 Revenue Note. On a motion by Ms. Churchill, seconded by Mr. Terry Moore, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority approved the payment to Troutman and Sanders LLP as presented.

**New Business:**

***Request by Silver Honaker Development Company, LLC to rezone, with proffers, 145 acres known as Tax Map 33, Parcel 88, from Rural Agricultural (A-2) to Retail Trade District (C-2)***

Ms. Linda Worrell and Mr. Phillip Baxter, representing the Silver Company, the contract purchasers of the property at the southeast corner of Routes 3 and 301, shared with the Board the company's detailed plans for the commercial development of this site. This presentation was recently given to the King George County Planning Commission on March 11<sup>th</sup> and the Planning Commission requested input from the EDA regarding this proposed development. The property is currently zoned agricultural and the Silver Company has applied for rezoning to commercial use and Ms. Worrell stated that this is one the best locations in the County to locate retail, restaurants, and service related businesses. Approximately 65 of the 145 acres would be developed. This development would be modeled after the Harrison Road project on Route 3 in Fredericksburg and Ms. Worrell stated that the project is market driven and anticipates a build out of approximately 10 years. Mr. Baxter discussed time frames for this development and explained that the proffer statement contains a time frame that upon rezoning, within 18 months, the design aspect with sewer

and water improvements will be submitted to the Service Authority for review and consideration with construction starting shortly thereafter. Mrs. Worrell also shared that, per the proffer statement, road improvements will be made before the first occupancy permit is issued. There was some discussion regarding the possible job opportunities this project would create within the County, both upon completion and during the construction and development phases, and the EDA Directors expressed the hope that Silver Company and its related subcontractors would give due consideration to the employment of King George County residents.

The EDA members shared their comments regarding this proposed rezoning request.

Ms. Churchill felt such a project would be an asset to the County and needed sooner than later. Mr. Terry Moore agreed with Ms. Churchill and felt such a project is long overdue for the County and being market driven and putting into the proposed development what the County needs would be very valuable. Mr. Ballenger agreed with his colleagues that this proposed development is good for the County and felt that a company with Silver's reputation will produce a product that will be professionally done and well received by the County, but did understand some of the residents' concerns about over development in King George, and the County becoming "another Fairfax, but felt that growth is inevitable and that this proposed location was one of places best suited for such a project. Mr. Zilic felt that the retail demand in King George County is higher than some people expect and that a project such as this is a real attraction based on the increasing gas prices and residents trying to cut back on travel, combining trips where feasible. Mr. Glen Moore felt, too, that it is a project long overdue for King George and will certainly be good for the tax base here.

Mr. Glen Moore extended his thanks, on behalf of the EDA, to Ms. Worrell and Mr. Baxter for their informative presentation.

***Discussion with Mr. Chris Thomas, General Manager, King George County Service Authority***

Mr. Thomas discussed status of utilities service within the County and capacity levels throughout the County as it relates to sites for commercial development. The EDA also discussed with Mr. Thomas the impact on utilities with further development within the industrial park. Mr. Thomas discussed the Dahlgren area and the fact that the recent expansion capacity of the Dahlgren Wastewater Treatment Plant will accommodate significant commercial growth and development. The Fairview Beach plant has been recently upgraded, although there isn't a significant amount of commercially zoned property there. Mr. Thomas shared information regarding the water supply for the County, which is supplied by ground water and stored in elevated tanks, the industrial park being supplied by the elevated tank at Oakland Park. A new tank will be installed, replacing the water storage tank near the Food Lion, and will service the Courthouse area. The new tank will have a 500,000 gallon capacity. Mr. Thomas explained that the water supply in the Dahlgren area is supplied by the Monmouth storage facility and also discussed the Hopyard plant and the approximate costs of \$2.1M for upgrading that plant for higher capacity use and the fact that Silver Company has proffered \$1M for improvements.

**Public Comment:**

The Chairman opened the floor for public comment. There being none, the Chairman closed that portion of the meeting.

**Directors' Remarks:**

Mr. Glen Moore reported on a recent meeting with Mrs. O'Quinn and CSX officials to discuss and better understand CSX's site development requirements. CSX did offer assistance to the County when responding to prospects that require rail service and encouraged the County to attract industries that use

rail. CSX also discussed the importance of Dahlgren rail spur, which is the only spur off CSX between Washington, D.C. and Ashland, Virginia. Mr. Moore made available information from the CSX meeting to the EDA Directors for their review and Mrs. O'Quinn will coordinate scheduling of a joint meeting with the Board of Supervisors and CSX officials later in the year. Mrs. O'Quinn shared her comments about the meeting and the importance of rail access when dealing with a prospect for the industrial park and how to obtain that access with CSX. She also shared the positive impact CSX had in working with Gerdau Ameristeel and Gerdau locating in the industrial park. Mrs. O'Quinn also shared comments from Mr. Russ Smitley, who oversees CSX development, primarily in Virginia, Maryland and North Carolina. Mr. Smitley's recommendations included adding passing siding in the Industrial Park, visiting Emporia/Greensville County's Industrial Park and forming relationships with industrial brokers and attending national trade shows as a County.

#### **Report from Director of Economic Development:**

Mrs. O'Quinn provided an updated on the following topics:

- Dahlgren Regional Higher Education and Research Center – University of Mary Washington continues work toward the purchase of land for this facility. UMW has requested \$23 million for the new Center at Dahlgren and at the current time the House budget includes that full amount.
- WEBLOCI software – Mrs. O'Quinn is planning to attend training at Georgia Tech on April 24<sup>th</sup> and 25<sup>th</sup>.
- Business Appreciation Event – Scheduled for May 15, 2008; working on securing guest speaker, Ms. Chmura, Chief Economist for Chmura Economics and Analytics in Richmond, a quantitative research and economic development and workforce consulting firm located in Richmond, Virginia. The Chairman and Mrs. O'Quinn recently attended a meeting of the Fredericksburg Regional Alliance where Ms. Chmura spoke about the state of the economy. The fee for this presentation is \$800.00
- Regarding catering for the upcoming Business Appreciation event, An Request for Quote (RFQ) has been developed by Ms. Kelly Dixon, the County's Procurement Officer, and will be faxed to caterers in King George County, once telephone contact is made to determine the caterers' availability for this event. The RFQ requires only securing two quotes. The EDA questioned whether an alternative plan was in place in the event no responses to the RFQ were received. The consensus of the EDA as to permit Mrs. O'Quinn to do those things necessary to secure a caterer for this event if the RFQ process proves unsuccessful in securing a caterer from within King George County.

#### **Unfinished Business:**

##### ***Declaration of Protective Covenants and Restrictions Review***

Mrs. O'Quinn asked for any additional comments from the EDA on the document. All suggested changes will be incorporated, including the addition of the 25 acres in the total amount of acreage in the industrial park. The consensus of the EDA was to forward the document for review by EDA Counsel, Mr. William Hefty on the recommended changes have been incorporated. Mrs. O'Quinn will keep the EDA updated as to when the review is complete.

##### ***Business Visitation Event***

Mrs. O'Quinn reported that the visit with Mr. & Mrs. Simms of Dahlgren Marine Works will be scheduled in the spring; the visit with the Allstate Insurance office and owner/agent Mr. Hoffman was held on March 12<sup>th</sup>; and Mr. Glen Moore shared comments regarding that visit, and Mr. Zilic, who is a client of the Eagle's Net Veterinary Clinic, discussed issues with the owner at an earlier office visit and shared those comments with

the EDA. Mrs. O'Quinn stated that the Board of Supervisors is supportive of this program and encourages the EDA to continue the visits as schedules permit. Mrs. O'Quinn hopes to schedule 3 to 4 visits per month.

#### *Installation of Industrial Park Signs*

Mrs. O'Quinn reported that she has been following up with Mr. David Stanley, VDOT's Residency Administrator in Fredericksburg, about installation of the industrial park signs and will keep the EDA informed.

#### *Dominion Virginia Power Billing*

Mrs. O'Quinn reported that contact was made with Dominion and was informed that both a rate increase which took effect in July plus the fact that lights are on longer due to the winter months attributed to the overall increase of the bill each month.

#### *Further Consideration of Request by Norfleet Land and Wood Company regarding the Purchase of Lot 18 in the King George Industrial Park*

The Chairman requested that discussion of this agenda item be deferred until completion of "Closed Session."

#### New Business:

##### *By-Law Revisions*

Mrs. O'Quinn requested input from the EDA Directors regarding any proposed changes to the current EDA bylaws and to forward recommended changes to her for further discussion at the April meeting. There was some discussion about amending the format of the agenda in order to streamline the meeting process. This will be further discussed at the April EDA meeting.

##### *Proposed Work Session with Board of Supervisors*

Mrs. O'Quinn will work with the Board of Supervisors to schedule a work session with the EDA to further discuss CSX issues and development of the industrial park as well as commercial development within the County. The EDA Directors will provide input of Mrs. O'Quinn regarding possible agenda items for this meeting.

#### Information Items:

Mrs. O'Quinn continues to send out welcome letters to new businesses in King George. Letters were sent to 23 new businesses in January. The financial report was provided to the EDA. The EDA Directors did have some questions on the financial report regarding the amount of cash on hand, which does not include the Certificate of Deposit. Mrs. O'Quinn to follow up on status of the Certificate of Deposit and whether the CD is still on deposit with Union Bank and Trust or placed with the County. Mrs. O'Quinn reported that a representative of the auditing firm of Robinson Farmer Cox Associates would be present at the April meeting to present the EDA audit.

#### Closed Session:

On a motion by Mr. Terry Moore, seconded by Ms. Churchill, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic

Aye, the King George County Economic Development Authority pursuant to State Code Section 2.2-3711(A)3 for discussion or consideration of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body regarding land within the King George Industrial Park, and consideration of request by Norfleet Land and Wood Company/Southern Resource Management, Inc.; and State Code Section 2.2-3711(A)5 for the purpose of discussing a prospective business or industry where no previous announcement has been made of the business' or industry's interest in locating its facilities in the community and invited the Economic Development Director.

On a motion by Mr. Terry Moore, seconded Ms. Churchill, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority returned to public session and certified that only public business matters lawfully exempt from open meeting requirements by Virginia law, and only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered.

On a motion by Mr. Ballenger, seconded by Mr. Zilic, and carried unanimously, each member voting as follows: Mr. Glen Moore Aye; Mr. Terry Moore Aye; Mr. Ballenger Aye; Ms. Churchill Aye; and Mr. Zilic Aye, the King George County Economic Development Authority denied the request by Southern Resource Management, Inc. for the purchase of Lot 18 in the King George Industrial Park due to the fact that the proposed use of the land does not meet the EDA's intent of the development and use of the lots in the industrial park.

There being no further business to come before the Board, the Chairman adjourned the meeting on a motion by Mr. Zilic, seconded by Mr. Terry Moore, and carried unanimously.