



TOWN COUNCIL

Work Session

Town Hall

June 30, 2010

6:00 PM

At 6:00 p.m. at the Town Hall, Mayor Dora Sullivan stated that a quorum had been established and called to order the Work Session of Town Council. In addition to Mayor Sullivan, present were Councilmen Bannon, Bennett, Elliott, Evans and Veber. Councilman Burdiss was not in attendance. Also present were Councilman-Elect Sullivan, Town Manager Heather Arcos, Town Planner Tom Bonadeo, Town Clerk Libby Hume and one member of the public.

In attendance from Southport Investors were Mr. Eyre Baldwin and Ms. Rosemary Bosworth. In attendance from the Virginia Economic Development Partnership (VEDP) was Mr. John Loftus, Site & Buildings Representative in the Research-Project Support Department. Mr. Mike Lehmkuhler, Team Leader of the Business Development-Transportation Team for the VEDP arrived at 6:15 p.m.

Mayor Sullivan announced the business for the evening would be to meet with Southport Investors and the VEDP. At this point, Mayor Sullivan turned the meeting over to Southport Investors and the VEDP.

Ms. Bosworth explained that Southport Investors invited Mr. Loftus to this meeting to obtain more information regarding what the State may and may not be able to do regarding their project, with their primary interest being the Technology Zone. Ms. Bosworth continued by stating that Southport Investors had received an invitation to attend the July 6th meeting of the Planning Commission who has had discussions regarding the possibility of creating a Technology Zone within Cape Charles. Their second item of interest is an industrial access road to Bayshore Concrete. Mr. Baldwin stated that his sister has had regular discussions with representatives in Washington, DC regarding funding availability for this project.

Mr. Loftus stated that the VDEP was basically the marketing organization for the State and their primary objective was to bring business interests to Virginia. Mr. Loftus went on to state that the Technology Zone issue was handled by the Department of Housing and Community Development (DHCD) and that this designation allows a municipality to offer certain incentives to lure business to the jurisdiction, such as tax incentives or the waiving of water and/or sewer hookup fees, etc.

Mayor Sullivan stated that Cape Charles already has a designated Enterprise Zone, its own police department, public utilities and a designation as a Foreign Trade Zone. Ms. Bosworth added that Broadband services were coming soon which was another benefit for a business to come to Cape Charles. There was some discussion regarding the status of the Foreign Trade Zone and Mr. Baldwin added that there were still some steps that needed to be taken to finalize the process and he offered to work on the issue to get it accomplished.

Mr. Loftus explained that the Virginia Department of Transportation (VDOT) administers the Industrial Access Road Fund and the purpose of the fund was to provide roads to industrial properties. If the property is undeveloped, a bonding process is required which mandates that if business(es) are not brought in within five years, the money must be repaid.

Mr. Baldwin informed the attendees that Southport was approximately 30 days from a public offering which would raise large sums of money for the park.

Town Planner Tom Bonadeo pointed out the proposed route for the industrial access road along Old Cape Charles Road to Bayshore Concrete. Mr. Lehmkuhler asked whether anyone had talked to VDOT's resident engineer regarding this road stating that it would ultimately depend on VDOT's resident engineer as well as the ability to obtain the proper easements to build the road. Mr. Baldwin stated that he owned the property and would donate the right-of-way for the road to be built.

Tom Bonadeo pointed out the current route taken by the Bayshore Concrete trucks, including the numerous 90° turns that were required, in order to move the concrete forms from Bayshore to Route 13. Mr. Lehmkuhler stated that if a public safety issue could be substantiated, VDOT may be agreeable. Mr. Lehmkuhler went on to stress the need and importance of contacting a VDOT engineer to discuss this road further and suggested a meeting with VDOT and representatives from Southport Investors and Bayshore Concrete and reiterated that VDOT had to make the determination that this road was an eligible project.

Mr. Baldwin stated that there was plenty of money available through the Economic Development Access Program if all the parties could sit down and discuss this issue further. Mr. Lehmkuhler stated that if VDOT approval could be obtained, the fund would provide up to \$500K in assistance with the requesting entity having a cash match of \$300K.

Councilman Bennett asked what benefit the Town would get from the construction of the industrial access road to justify the investment of the \$300K match. Mr. Lehmkuhler stated that the matching funds do not have to come from the town but could be from private entities to which Mr. Baldwin agreed. Mr. Lehmkuhler further stressed that the VDOT engineers needed to be included as early as possible and justification was needed to establish a safety issue, along with Bayshore Concrete's cooperation, especially since a public road access already existed.

Ms. Bosworth discussed Southport's plans for a café, market and offices on lot 12 adding that she felt there was a safety issue involved. Mr. Lehmkuhler advised that the Town and interested parties be as concise as possible regarding the issues relating to safety with VDOT. It would be a plus that Southport is willing to donate the land for the right-of-way.

Tom Bonadeo stated that the Planning Commission has been discussing these issues over the past several months and had invited representatives from Bayshore Concrete, Bay Creek Resort & Club and Southport Investors to attend their July 6th meeting in order to familiarize themselves with the needs of these surrounding businesses. Tom Bonadeo also stated that he would contact Mr. Bobby Isdell from VDOT who was familiar with the Town and its various projects.

Ms. Bosworth asked who needed to be contacted regarding establishing a Technology Zone. Mr. Lehmkuhler responded that it was handled by the DHCD but the Town had the authority to set up a Technology at any time.

Tom Bonadeo explained that the Planning Commission would probably hold a work session in July to further discuss Technology Zones as well as Tourism Zones which are very similar in that the zones allow a municipality to offer incentives to lure businesses to the jurisdiction. Mr. Lehmkuhler stated that he was impressed with the homework done by Tom Bonadeo regarding the Technology and Tourism Zones and the fact that the Planning Commission had already started their discussions regarding the establishment of these zones in Town.

Ms. Bosworth expressed her appreciation in being invited to the next Planning Commission meeting to further discuss these issues.

Motion made by Councilman Bannon, seconded by Councilman Veber to adjourn the Town Council Work Session. The motion was approved by unanimous consent.

Mayor Sullivan

Town Clerk