

**Minutes**  
**Board of Directors of the Virginia Economic Development Partnership Authority**  
**May 2, 2019**  
**Virginia Port Authority, Board Room**  
**Norfolk, Virginia**

**Call to Order/Approval of Minutes**

The meeting was called to order at 9:00 a.m. by Chair, Vincent Mastracco, who noted that a quorum was present.

Members present: Secretary Brian Ball (by phone), Carrie Chenery, Dan Clemente, Heather Engel, Greg Fairchild, Deborah Flippo, Rick Harrell, April Kees, Aubrey Layne (by phone), Ned Masee, Vincent Mastracco, Dan Pleasant, Jason Powell, John Reinhart, Xavier Richardson, Robert Vaughn, and Dubby Wynne

Members absent: Bill Hayter, Secretary Ball participated by phone

(\* Ms. Kees and Mr. Powell share a seat on the board

VEDP staff present: Lindsay Barker, Vince Barnett, Christine Bell, Clifton Copley, Nicole David, Jason El Koubi, Stephanie Florie, Jennifer Garrett, Paul Grossman, Mike Grundmann, Toi Hunter, Sandi McNinch, John Mehfood, Lori Melancon, Nathalie Molliet-Ribet, Stephen Moret, Christy Morton, Jack Nelson, Johan Salén, Tim Stuller, Chris Ulrich, and Jordan Watkins

Guests present: Shawn Avery, Don Ferguson, Steve Herbert, Russ Held, Chris Kalafatis, Charles Kennington, Skip Maupai, Cassidy Rasnick, and Steven Wright

Before the meeting, Secretary Layne notified Chair Mastracco that he would be unable to attend the meeting due to an obligation to assist the Governor of Virginia with the final details of the Commonwealth's budget, which was due by May 3. Secretary Layne requested to participate in the meeting by conference call, which would allow his voice to be heard by all persons at the central meeting location. In accordance with Board policy, Chair Mastracco granted the request. Secretary Layne joined the meeting by conference call from his office in Richmond, Virginia. This was the first meeting of the VEDP Board in calendar year 2019 in which Secretary Layne requested to participate through electronic communication.

**Public Comment Period**

Chair Mastracco solicited public comments. There were none.

**Approval of Minutes**

Chair Mastracco asked for approval of the minutes from the March 7, 2019 meeting. A motion was made by Mr. Reinhart and seconded by Mr. Masee and the minutes were unanimously approved as presented.

## **Chairman's Report**

Chair Mastracco thanked John Reinhart and the VPA team for hosting VEDP for Committee and Board meetings this month and for all that they do for the Commonwealth. He also congratulated Mr. Reinhart for the great honor he will receive later in the month when he is inducted into the International Maritime Hall of Fame.

Chair Mastracco thanked Mr. Masse for his service and leadership as the Board Liaison to the VEDP Advisory Committee on International Trade.

Chair Mastracco thanked the VEDP team, specifically recognizing the hard work and leadership of Kevin Miller on the recent inaugural edition of VEDP's Virginia Economic Review quarterly publication. Mr. Moret enthusiastically echoed his congratulations to Mr. Miller. Mr. Reinhart added that VER is a great professional publication: "well done!"

Chair Mastracco mentioned a few special guests who would be presenting later in the meeting and provided an overview of the meeting agenda.

## **President's Report**

Mr. Moret shared that in this month's President's Report he has included feedback from the top consultant visits in 2019 and reviewed the names of the VEDP staff members who have been involved in this outreach.

Mr. Moret reviewed the FY19 performance metrics. He stated that he expects Capex to reach \$10B by the end of the fiscal year and that the jobs number will end up at 3x the goal.

Mr. Moret discussed the FY19 Operational Plan Progress Tracker. He reviewed several timeline adjustments for the FY19 Major Initiatives that VEDP is proposing. He explained that due to the extraordinary amount of time that was dedicated by the team in the push to land HQ2, the original timelines for some initiatives were impacted. Mr. Reinhart shared that he strongly supports the adjustments that Mr. Moret reviewed. The Board members offered their full support on the proposed adjustments.

Mr. Moret shared notable developments since the last Board meeting. He highlighted the kickoff of the custom workforce program with Mike Grundmann coming on board as SVP of Workforce Solutions. Mr. Moret said he was encouraged by the strong endorsement of the site development program by a top site consultant. He reported that recently there was a well-received workshop with higher education leaders on Virginia's new tech-talent investment program, in collaboration with state partners, which is not just about Amazon, it's about building the tech sector as whole. Mr. Moret also shared that the External Affairs team has begun outreach to the Congressional delegation to build partnerships and collaboration. He said that in-person outreach to dozens of top site consultants in multiple markets continues with the goal of visiting 100 site consultants per year.

Mr. Moret shared VEDP's top priorities through the summer, including producing the second issue of VER, which will focus on the future of manufacturing through the lens of major manufacturers in Virginia. He also said the team will be finalizing the FY20 Operational Plan and Marketing Plan and will plan to deliver these documents to the Board about 10 days out from the June Board meeting, so the Board will have ample time to review the documents.

Mr. Moret shared feedback from top site consultant visits in 2019.

Secretary Ball shared that he recently visited Chicago with VEDP and met with several of the top site consultants. He said that the consultants like to hear from us and that the cultivation program is a good idea to keep Virginia top of mind with consultants. He thanked Mr. Barnett, Tom Scott, and their teams for a great job arranging meetings for the Chicago visit.

### **Updates from Select Local and Regional EDO Partners**

#### *Hampton Roads Economic Development Alliance*

Chair Mastracco introduced Steve Herbert, Interim President & CEO, Hampton Roads Economic Development Alliance (HREDA).

Mr. Herbert gave an overview of his organization and region. He shared that with 11 cities and 14 offices of economic development, HREDA represents the largest constituency of any region in the state. He highlighted the impressive number of uniformed personnel in the region, over 85,850. He shared that HREDA and VEDP are stronger together and spoke of quarterly face-to-face meetings between the organizations, rolling out the Hampton Roads region's Business Retention and Expansion Program, and partnership on site management.

Mr. Masee asked "What is HREDA's biggest obstacle to being successful?" Mr. Herbert answered that it is getting the 14 offices of economic development to work together. He said they are getting there and that the IBM study has helped align everyone. He also shared that completing the branding initiative that is currently underway will help define what is Hampton Roads.

Mr. Wynne said he thinks there is complacency in Hampton Roads and in the state. He feels VEDP is driving performance in the state, but the senior business community has not been involved. He feels there is a change going on with GoVA and other initiatives. Mr. Wynne stressed the need for emotion, excitement, and momentum, like what was experienced in the region's recent "Something in the Water" music festival that brought thousands of visitors to the area.

Mr. Reinhart thanked Mr. Herbert for stepping in as Interim President and CEO. Mr. Reinhart also thanked Mr. Wynne for his passion.

#### *Chesapeake Economic Development*

Chair Mastracco introduced Steven Wright, Director, Chesapeake Economic Development.

Mr. Wright provided an overview of his organization and city. He explained that Chesapeake is the only city in Hampton Roads that borders every city in the region. He shared that there are more international companies in Chesapeake than any other city in the region (60 businesses representing 19 nations). He thanked VEDP for their help with site readiness. He said that he feels there is a renewed sense of collaboration in Hampton Roads. He shared that he is particularly excited about the Williams Farm site, the mega site of the future, which has access to The Port of Virginia and to a skilled workforce. He anticipates this site will help the region realize new jobs in the tens of thousands and investment in the billions.

### **Update from Board Liaison to Advisory Committee on International Trade**

Mr. Masee reported that the Advisory Committee on International Trade hosted its most recent meeting in Norfolk. During the meeting, the Committee heard from John Reinhart and David White, who is also a member of the Committee. Mike Ligon served as Acting Chair for the meeting, since Hampton Dowling is no longer a member of the Committee. Mr. Masee shared that Tag Greason and Nick Jiannas have recently been appointed to the Committee. During the meeting, the Committee received a presentation by VEDP staff on preparing the International Trade Plan.

### **Update from Board Liaison to Advisory Committee on Business Development and Marketing**

Ms. Chenery reported that the VEDP Advisory Committee on Business Development and Marketing recently met on April 11, 2019. She reviewed that the Committee is made up of 8 local and regional economic developers, with Christina Winn of Arlington serving as Chair of the Committee and Beth Doughty of Roanoke serving as Vice Chair. Ms. Chenery shared that she thinks this is a great venue for this group to feel a part of VEDP and to share what they are doing in their regions. Mr. Chenery said that at the Committee meeting, she shared the VEDP Board Outreach Plan with the members and the Committee reviewed VEDP's Lead Generation activity. She stated that the Committee will meet again in July.

### **Discussion with HR Regional Workforce Partner(s)**

Mr. Mastracco introduced Shawn Avery, President and CEO, Hampton Roads Workforce Council.

Mr. Avery provided an overview of his organization. He shared that there are 15 workforce boards in Virginia. He says his board likes to stay very connected with the economic development side of workforce development. He highlighted how the Hampton Roads Workforce Council is serving the community through their many successful initiatives, such as the Veteran's Employment Center. There are 14K veterans transitioning out of the military in the region and many want to stay in the area. They hold job fairs at the Veteran's Employment center on a weekly basis and have served more than 2K veterans so far. They recently came in 2<sup>nd</sup> place as a model program in the country. The industries they are most called to serve are manufacturing, shipbuilding, IT/Cyber Security, logistics, and tourism.

### **Discussion with VEDP Representatives in Hampton Roads Region**

Mr. Moret explained that VEDP has employees in each major region around the state and announced that a few from the Hampton Roads region were present to give an overview of their work in the region.

*Jordan Watkins, International Trade Manager, VEDP*

Ms. Watkins explained that she is one of 6 international trade managers. She said she is based at VPA in Norfolk. Ms. Watkins reviewed International Trade activities in Hampton Roads and highlighted some of the international events and trade missions that she has led.

*Clifton Copley, Workforce Business Manager, VEDP*

Mr. Copley shared that he has only been with VEDP a short time, but has been in the workforce arena for many years. He explained the goals for his position and his approach in continuing the great work that is already happening in his region. He shared his enthusiasm for building on the region's great momentum with local partners and his fellow local and state level VEDP team members.

*Toi Hunter, BRE Team Business Manager, VEDP*

Ms. Hunter gave an overview of her position supporting business retention and expansion in the region. She explained that each economic development organization does BRE differently and part of her job is learning how to integrate into their programs. Mr. Hunter said that during her meetings with companies, she is hearing that workforce development, retaining talent, and having access to a trained workforce are the top priorities for employers in her region.

### **Overview of VEDP – Port of Virginia Partnership Model**

In the interest of time, Mr. Reinhart and Mr. Moret simply noted that there is a strong collaboration between VEDP and The Port of Virginia at both the Board and staff levels.

**Closed Meeting:** International Trade Plan; Site Characterization and Development; Research Initiatives incl. Value Proposition; Custom Workforce Development Program; Team Virginia; Lead Generation Analysis/Quarterly Marketing Effectiveness Report; FY20 Marketing and Operational Plans

A motion was made by Chair Mastracco and seconded by Mr. Reinhart to move into a closed meeting.

I MOVE THAT THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY CONVENE A CLOSED MEETING PURSUANT TO VIRGINIA CODE §2.2-3711(A)(50) TO ENGAGE IN A DISCUSSION OR CONSIDERATION OF THOSE PORTIONS OF VEDP'S STRATEGIC PLAN, MARKETING PLAN OR OPERATIONAL PLAN, THAT MAY RELATE TO TARGET COMPANIES, SPECIFIC ALLOCATION OF RESOURCES AND STAFF FOR MARKETING ACTIVITIES, AND SPECIFIC MARKETING ACTIVITIES THAT WOULD REVEAL TO THE COMMONWEALTH'S COMPETITORS FOR ECONOMIC DEVELOPMENT PROJECTS THE STRATEGIES INTENDED TO BE DEPLOYED BY THE COMMONWEALTH, THEREBY ADVERSELY AFFECTING THE FINANCIAL INTEREST OF THE COMMONWEALTH.

Mr. Moret asked that VEDP staff and legislative guests be allowed to stay for the closed meeting.

**Back in Open Meeting, Certification of Closed Meeting – Followed by a Roll Call vote:**

WHEREAS, THE BOARD OF DIRECTORS OF THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY HAS CONVENEED A CLOSED MEETING ON THIS DATE

PURSUANT TO AN AFFIRMATIVE RECORDED VOTE AND IN ACCORDANCE WITH THE PROVISIONS OF THE VIRGINIA FREEDOM OF INFORMATION ACT; AND

WHEREAS, THE ACT REQUIRES A CERTIFICATION BY THIS BOARD OF DIRECTORS THAT SUCH CLOSED MEETING WAS CONDUCTED IN CONFORMITY WITH THE ACT;

NOW, THEREFORE, BE IT RESOLVED, THAT THE BOARD OF DIRECTORS CERTIFIES THAT, TO THE BEST OF EACH MEMBER'S KNOWLEDGE, (I) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER THE ACT WERE DISCUSSED IN THE CLOSED MEETING TO WHICH THIS CERTIFICATION RESOLUTION APPLIES, AND (II) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING BY THE BOARD OF DIRECTORS.

Upon the vote:	Ms. Chenery	Aye
	Mr. Clemente	Aye
	Ms. Engel	Aye
	Ms. Flippo	Aye
	Mr. Harrell	Aye
	Ms. Kees	Aye
	Secretary Layne (by phone)	Absent for the vote
	Mr. Masee	Aye
	Mr. Mastracco	Aye
	Mr. Pleasant	Aye
	Mr. Powell	Aye
	Mr. Reinhart	Aye
	Mr. Richardson	Aye
	Mr. Vaughn	Aye
	Mr. Wynne	Aye

Vote(s) on closed session items:

Chair Mastracco made a motion to accept the Quarterly Marketing Effectiveness Report. Mr. Wynne seconded the motion and the motion was approved.

### **Finance and Audit Committee Report**

Chair Mastracco gave an update on the topics that were discussed during the Finance and Audit Committee (FAC) meeting on May 1, 2019. He reviewed the Consent Agenda, which included recommended approval from the Committee to the Board on the following items: 5 extension requests (Falls Stamping and Welding, Liberty Source, Aerojet Rocketdyne, COPT DC-6, and Zayo Group), 2 internal audit reports (Economic Competitiveness and International Trade), the Internal Audit Risk Assessment, the FY20 Audit Plan, and the Quarterly VEDP Financial Report.

Mr. Wynne made a motion to approve all FAC consent agenda items. Mr. Masee seconded the motion and the motion carried.

### **Rural Virginia Action Committee**

Mr. Masee shared highlights from the recent meeting of the Rural Virginia Action Committee on May 1, 2019. He said that Landon Webber on VEDP's Economic Competitiveness team shared a presentation on community competitiveness, which sparked a great discussion among the attendees.

Mr. Masee said the next meeting of the Committee will be held in conjunction with the July VEDP Board meeting.

### **Nominating Committee**

Mr. Reinhart reported that the Nominating Committee met on May 1, 2019 and unanimously voted to recommend Ned Masee to serve as VEDP Board Chair for a two-year term beginning July 1, 2019. Mr. Reinhart explained that with the departure of Chair-Elect Chris Lumsden, this position is currently open. The Nominating Committee plans to nominate a new Chair-Elect in 2020.

Mr. Vaughn made a motion to accept the nomination of Mr. Masee as VEDP Board Chair for a two-year term beginning July 1, 2019. Mr. Pleasant seconded the motion and the motion was unanimously approved.

### **Anticipated Topics for 6/20/19 Board Meeting**

Chair Mastracco reviewed anticipated topics for the next VEDP Board meeting.

Mr. Moret announced to the group that he had just received word that VEDP was voted the Most Competitive State-Level Economic Development Organization in the country by Site Selection Magazine. Attendees applauded and offered their congratulations.

### **Adjournment and Next Meeting**

The next Board meeting is scheduled for June 20, 2019 and will be held in Richmond. More details will follow.

There being no further business, Chairman Mastracco adjourned the meeting at 1:10 p.m.

Respectfully submitted,



Stephen Moret

Secretary