

**Minutes**  
**Board of Directors of the Virginia Economic Development Partnership Authority**  
**October 21, 2021**  
**Hybrid In-Person and Electronic (Zoom) Meeting**

**Welcome and Call to Order**

The meeting was called to order at 9:03 a.m. by Chair, Dan Pleasant, who noted that a quorum was present.

In person Board Members:	Greg Fairchild, Deborah Flippo, Secretary Joe Flores, Rick Harrell, April Kees, Ned Massee, Anne Oman, Dan Pleasant, Marianne Radcliff, and Xavier Richardson
Virtual Board Members:	Dan Clemente, Stephen Edwards, Vincent Mastracco, and Steven Stone
Board Members absent:	Nancy Howell Agee, Secretary Brian Ball, and Carrie Chenery
In-person VEDP Staff Members:	David Devan, Jason El Koubi, Stephanie Florie, Jennifer Garrett, Sandi McNinch, Stephen Moret, Christy Morton, and Jordan Snelling
Virtual VEDP Staff Members):	Stephanie Agee, Ben Anderson, Lindsay Barker, Vince Barnett, Christine Bell, Lindsey Bertozzi, Jamie Canup, Nicole David, Emily Fay, Kevin Farrelly, Katherine Goodwin, Bob Grenell, Pam Harder, Heather McKay, Lori Melancon, Debbie Melvin, Cole Pearce, Melissa Pritchard, John Mehfoud, Nathalie Molliet-Ribet, Tim Stuller, Carrie Vuori, and Adam Watkins
In-person guests:	Amanda DiMeo, Mike Ligon, Megan Lucas, Cass Rasnick, and Billy Vaughn
Virtual guests:	Steve Adcox, Mallory Butler, Don Ferguson, Chris Kalafatis, Randy Sherrod, and Toni Walker

**Welcome and Announcements**

Chair Pleasant welcomed guests to the hybrid in-person and electronic meeting of VEDP's Board of Directors. He noted that a quorum of members is present at VEDP headquarters, and that several members of the Board and guests are joining electronically.

Chair Pleasant added that the Board is gathered now in-person and in a Zoom environment that is open to the public. The agenda suggests that the Board will enter into a closed meeting for a portion of the meeting. When the Board is ready to enter into a closed meeting, the Board members and VEDP support staff and legislative guests necessary to support the closed

meeting will leave the public Zoom environment and gather in a separate Zoom environment. When the closed meeting is concluded, the Committee members will rejoin the public Zoom environment and the public portions of the meeting will continue. Should anyone from the public get disconnected from the public Zoom environment and be unable to re-engage, he or she should call 804.545.5615 and speak to Jennifer Garrett. VEDP will do its best to re-engage and will halt the public portion of the meeting until the connection can be re-established.

Chair Pleasant shared a few reminders of things that would be different than past meetings:

- Everything on the public Zoom environment will be recorded and the recording will be posted on VEDP's website.
- All votes will be taken by roll call.
- During the public comment period, any member of the public not present at the physical meeting site wishing to make a comment may simply unmute and speak at that time, or use the Chat function and ask to be given an opportunity to speak.
- Likewise, during the meeting, Board members not present at the physical meeting site may simply unmute themselves to speak or use the Chat function.

### **Public Comment Period**

Chair Pleasant solicited public comments. There were none.

### **Approval of Minutes**

Chair Pleasant asked for approval of the minutes from the June 17, 2021 meeting. A motion was made by Mr. Massee and seconded by Mr. Harrell and the minutes were approved as presented by roll call vote.

Upon the vote:	Mr. Pleasant	Aye
	Mr. Clemente	Aye
	Mr. Edwards	Aye
	Mr. Fairchild	Aye
	Ms. Flippo	Aye
	Secretary Flores	Abstained
	Mr. Harrell	Aye
	Ms. Kees	Aye
	Mr. Massee	Aye
	Mr. Mastracco	Aye
	Ms. Oman	Aye
	Ms. Radcliff	Aye
	Mr. Richardson	Aye
	Mr. Stone	Absent for the vote

## **Chairman's Report**

Chair Pleasant began his report by offering thanks and congratulations to VEDP staff for a strong finish to FY21 and great start to FY22. Mr. Pleasant spoke about the organization's successes over the last year working under difficult conditions. The meeting attendees offered a round of applause for VEDP staff.

Chair Pleasant welcomed new Board members, Secretary Joe Flores and Steven Stone.

Chair Pleasant shared notable updates since the last meeting, including kudos for several Board members on recent accomplishments.

- Chair Pleasant congratulated Ms. Chenery and family on the birth of their second daughter.
- Chair Pleasant congratulated Mr. Fairchild on being named inaugural Dean and CEO of UVA NOVA. Chair Pleasant added that this significant promotion continues Greg's exemplary record at University of Virginia.
- Chair Pleasant also shared that Ms. Flippo was recently honored by the Virginia Economic Developers Association (VEDA) with a Cardinal Award. He said that this is a very prestigious award, as only 1-2 ppl across the Commonwealth are honored each year.

Chair Pleasant offered special thanks to Mr. Massee for his dedicated service as Board Chair of VEDP over the past two fiscal years. Chair Pleasant presented Mr. Masse with a framed gift, which Mr. Moret explained includes the cover of a recent issue of *Virginia Economic Review* on the COVID-19 era and a signed letter from Governor Northam.

Mr. Moret read the letter aloud to the meeting participants who offered a round of applause at the conclusion.

Mr. Massee said that it has been a pleasure and a privilege to be involved with VEDP for as long as he has and to follow in the footsteps of many distinguished past chairs. Mr. Massee thanked the Board, Mr. Moret, and the entire organization for their dedication, passion, and professionalism. Mr. Massee asked Mr. Moret to share his appreciation of the gift with Secretary Ball and the Governor.

Chair Pleasant ended his remarks by reviewing the meeting agenda.

## **President's Report**

Mr. Moret mentioned that John Loftus, VEDP Sites and Buildings Manager, was also recently recognized by the Virginia Economic Developers Association (VEDA) with a Cardinal Award. Mr. Moret congratulated Mr. Loftus on this honor.

Mr. Moret shared final Business Investment (BI) results for FY21. Mr. Moret stated that the International Trade team also had a great year and said that Ms. Agee would be providing an update later in the meeting. Mr. Moret reminded the group that these outstanding results represent the work of the entire organization.

Mr. Moret reviewed VEDP's FY22 BI goals and progress that has been made toward them.

Mr. Moret provided an update on VEDP's FY22 Major Initiatives, noting a couple that are running a little behind, but should be completed by the end of the fiscal year.

Mr. Moret spoke about the size of the current capital investment pipeline, stating that it is the largest the Commonwealth has ever seen. He said that while Virginia should win some of these projects, many will be lost due to a lack of sites.

Mr. Moret mentioned progress on national rankings, highlighting the CNBC “Top State for Business” ranking, adding that Virginia is the only state to be in the #1 spot two years in a row. He also said the Virginia Talent Accelerator Program has climbed to #2 in both of the national rankings, which is at least a year ahead of schedule for where the program was projected to be at this time.

Mr. Moret spoke about recent briefings with candidates for Governor, McAuliffe and Youngkin on opportunities for the next administration. They were positive about the work of VEDP and supportive of economic development priorities.

Mr. Moret said that the Virginia Talent Accelerator Program has taken on approximately 15 new projects touching all areas of the state.

Mr. Moret reminded participants that VEDP has been operating under required remote work, with a few exceptions, since the start of the pandemic. He explained that VEDP is considering a hybrid work model for the future, which would be instituted upon the staff's return to the office. He added that the pilot program will likely consist of two days of remote work and three days in the office each week.

### **International Trade Performance Metrics for FY21**

Chair Pleasant introduced Ms. Agee to share her report.

Ms. Agee reviewed the results of a survey of companies enrolled in VEDP's International Trade programs and services. International Trade achieved exceptionally high scores for the quality of its programs and services.

Ms. Agee shared that companies attributed \$670M in export sales, \$377M in existing international sales, and a \$293M increase in international sales to VEDP International Trade programs in 2021.

Ms. Agee said that survey respondents identified reimbursement funds, market research, and connections as the types of assistance that would be most valuable to them in the next year.

Ms. Agee explained that these results show that international sales remain an important component of company strategies.

### **Update on Advisory Committee on International Trade**

Chair Pleasant introduced Mike Ligon, Chair of the Advisory Committee on International Trade.

Mr. Ligon reported out on recent activities of the Committee. He shared that the Committee continues to stay engaged on securing additional funding for the Governor's International Trade Plan and thanked the General Assembly for the support they have offered to date.

Mr. Ligon spoke about ideas for import and export opportunities.

Mr. Ligon said that he is proud of how the Committee has evolved and thanked Mr. Massee for being a part of the Committee. Mr. Ligon added that the Committee has become a team and

that the entire Committee is continuing to push the message of the importance of the International Trade Plan. He said the Committee hopes to get citizens and businesses excited about the plan to gain additional support.

Chair Pleasant thanked Mr. Ligon, Mr. Massee, and Secretary Ball for supporting the Committee and applauded them for being a value-add partner to VEDP's International Trade team. Mr. Massee thanked Governor Northam for his vision in creating the plan.

Chair Pleasant thanked Mr. Ligon for his remarks.

### **Presentations from Local and Regional Partners**

*Megan Lucas, CEO of Lynchburg Regional Business Alliance*

Ms. Lucas spoke about her organization's great relationship with VEDP. She said that VEDP is the best state level economic development organization she has ever worked with, adding that VEDP is fortunate to have Mr. Moret, Mr. El Koubi, Ms. Melancon, Mr. Barnett and the rest of the team.

Ms. Lucas shared a video of regional CEO's sharing what they love about doing business in the Lynchburg region.

Ms. Lucas spoke about products that are manufactured in the region, local universities, and other assets of the area. Ms. Lucas also reviewed the focus sectors for her region.

Mr. Harrell asked Ms. Lucas how much of her organization's funding comes from Lynchburg. Ms. Lucas responded that 70% comes from the private sector and 30% comes from the public sector. She stated that she would like to see this as an 80/20 split in the future.

Mr. Moret asked what Ms. Lucas sees as the biggest challenges regional economic development organizations like hers face in Virginia. Ms. Lucas answered that her biggest challenges are site development and workforce.

Chair Pleasant thanked Ms. Lucas for her presentation.

*Billy Vaughn, Director of Economic Development, City of Staunton*

Mr. Vaughn introduced his colleague, Amanda DiMeo.

Mr. Vaughn expressed his appreciation for the VEDP team. He said he values their energy, ideas, knowledge, and genuine effort to help local regions.

Mr. Vaughn spoke about lead generation efforts at VEDP. He said that he always feels included in the process and that he has been pleased to receive 1-2 leads per month from VEDP, even during the pandemic era.

Mr. Vaughn spoke about Staunton Crossing and the need to upgrade this site to Tier 4 status. He reviewed the site specifications, development history, and future plans, including marketing for the site.

Mr. Vaughn shared a video on the region featuring employers, universities, and quality of life assets. He encouraged the meeting participants to visit the area.

Mr. Harrell asked what the target industries for the Staunton Crossing site are. Mr. Vaughn answered, advanced manufacturing, logistics, and medical.

Chair Pleasant applauded Mr. Vaughn for his perseverance and thanked him for his presentation.

### **VEDP Board Policy on Electronic Participation**

Ms. McNinch reviewed Freedom of Information Act (FOIA) electronic participation options.

Ms. McNinch shared proposed updates to VEDP's electronic participation policy to reflect changes in the Code of Virginia.

Mr. Massee made a motion to accept the revised electronic meeting policy. Mr. Richardson seconded the motion, and the motion was approved by roll call vote.

Upon the vote:	Mr. Pleasant	Aye
	Mr. Clemente	Aye
	Mr. Edwards	Aye
	Mr. Fairchild	Aye
	Ms. Flippo	Aye
	Secretary Flores	Aye
	Mr. Harrell	Aye
	Ms. Kees	Aye
	Mr. Massee	Aye
	Mr. Mastracco	Aye
	Ms. Oman	Aye
	Ms. Radcliff	Aye
	Mr. Richardson	Aye
	Mr. Stone	Aye

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

Mr. Fairchild provided an update on the topics that were discussed during the Finance and Audit Committee (FAC) meeting on October 20, 2021.

Mr. Fairchild reviewed the following consent agenda items, which were brought to the Board for a vote.

- VEDP FY22 Quarterly Financial Results (thru 9/20/2021)
- Internal Audit Update
- Clawback Update which showed no new items have been referred to the Office of Attorney General and no overdue clawbacks
- Report on COF Progress Reports for FY21
- Semi-annual Report on Incentives Performance
- Extension Requests (total of 7)
  - **Ferguson Enterprises, LLC** has requested a first extension of 15 months to make more progress on reaching its employment target.

- **Monogram Foods** has requested a first extension request of 15 months to meet its employment target.
- **Phoenix Packaging** has requested a first extension request of 15 months to meet its employment target.
- **Premier Tech** has requested a first extension request of 15 months to meet its employment and investment targets.
- **Tessy Plastics, LLC** has requested a first extension of 15 months to meet its employment target.
- **Kyocera SGS Tech Hub** has requested a second extension request to meet its employment target. This second extension request will require MEI approval.
- **Iron Mountain Information Management, LLC** has requested a first extension of 18 months to meet its employment target.

Mr. Harrell made a motion to approve the consent agenda. Mr. Richardson seconded the motion, and the motion was approved by roll call vote.

Upon the vote:	Mr. Pleasant	Aye
	Mr. Clemente	Aye
	Mr. Edwards	Aye
	Mr. Fairchild	Aye
	Ms. Flippo	Aye
	Secretary Flores	Aye
	Mr. Harrell	Aye
	Ms. Kees	Aye for all consent agenda items, with the exception of the Kyocera second extension request for which Ms. Kees abstained
	Mr. Massee	Aye
	Mr. Mastracco	Aye
	Ms. Oman	Aye for all consent agenda items, with the exception of the Kyocera second extension request for which Ms. Oman abstained.
	Ms. Radcliff	Aye
	Mr. Richardson	Aye
	Mr. Stone	Aye

### **Legislation and Policy Committee Report**

Legislation and Policy Committee Chair Marianne Radcliff gave an update on the topics that were discussed during the Committee meeting on October 20, 2021.

Ms. Radcliff reported that during the meeting, Ms. Morton discussed the legislative proposals that were submitted to the Secretary's office in August.

Ms. Radcliff stated that Ms. Morton also presented on VEDP's Budget requests that were due at the end of September. Ms. Radcliff said the most significant request includes \$150 million to expand the Virginia Business Ready Sites Program (VBRSP). She added that this large, one-time request would allow VEDP to begin to develop a portfolio of mega and mid-sized sites to support projects.

Ms. Radcliff said that the Committee heard about other operational requests including the final ramp up for the Talent Accelerator Program (\$2.3M FY23 and FY24), fully funding the initiatives outlined in the International Trade Plan (\$3.5M FY23 and \$7M FY24, in addition to the \$1.1M last year), and expanding out-of-state marketing for the Commonwealth (\$1.5M FY23 and \$3M FY24). She said Ms. Morton also reported that one additional request provides sustained funding for VEDP functions (Incentives, Audit, and Talent Management Program) outlined in the Code and based on JLARC recommendations (\$1M FY23 and FY24). Ms. Morton explained to the Committee that VEDP has been utilizing carryover funds to cover the costs of these functions, which is not sustainable for the long term.

Ms. Radcliff said that in addition to VEDP's Operational requests, Ms. Morton also reviewed incentive-related requests submitted by VEDP.

Ms. Radcliff explained that the Governor will announce his budget on December 16 to a joint meeting with House Appropriations, House Finance, and Senate Finance and Appropriations committees.

Ms. Radcliff said the Committee also discussed outreach and engagement, including ideas for how VEDP and the Board can engage with legislators and partners regarding VEDP's initiatives.

Chair Pleasant thanked Ms. Radcliff for her very thorough report.

### **Rural Virginia Action Committee Report**

Rural Virginia Action Committee Chair Rick Harrell gave an update on the topics that were discussed during the Committee meeting on October 20, 2021.

Mr. Harrell said the Committee heard from guest speaker Kristie Proctor, Executive Director and Chris Atkins, Program Director for the Center for Rural Virginia. Mr. Harrell said the guests gave a presentation on the Virginia Rural Institute, which is modeled after a larger program in North Carolina to build the next generation of rural leaders.

Mr. Harrell said that the Committee learned that 30 participants will be accepted into the one-year program. He added that the group will meet four times during the year in various rural locations across the Commonwealth.

Mr. Harrell said that the purpose of the program is to build leadership and relationship skills during a goal-oriented assignment.

Mr. Harrell shared that the public unveiling of the program will be on November 4, 2021 at the Governor's Summit on Rural Prosperity. He added that the registration fee for the program is \$3,500 per person and scholarships are available.

Chair Pleasant thanked Mr. Harrell for his report.



### **Closed Meeting**

Quarterly Marketing Effectiveness / Lead Generation Report; Site Development; Value Proposition Initiative; High-growth Subsector Strategy; Personnel

A motion was made by Chair Pleasant and seconded by Ms. Radcliff to move into a closed meeting. The motion shown below was unanimously approved by those present by roll call vote.

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)(1) TO ENGAGE IN A DISCUSSION REGARDING THE ASSIGNMENT, APPOINTMENT, PROMOTION, PERFORMANCE, DEMOTION, SALARIES, DISCIPLINING, OR RESIGNATION OF VEDP'S EMPLOYEES, INCLUDING REVIEWS, FRINGE BENEFITS AND SUCCESSION PLANNING; AND 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.

Upon the vote:	Mr. Pleasant	Aye
	Mr. Clemente	Aye
	Mr. Edwards	Aye
	Mr. Fairchild	Aye
	Ms. Flippo	Aye
	Secretary Flores	Aye
	Mr. Harrell	Aye
	Ms. Kees	Aye
	Mr. Massee	Aye
	Mr. Mastracco	Aye
	Ms. Oman	Aye
	Ms. Radcliff	Aye
	Mr. Richardson	Aye
	Mr. Stone	Aye

Mr. Moret asked that VEDP staff and legislative guests be allowed to stay for the closed meeting for all matters, with the exception of personnel matters, and Chair Pleasant agreed.

### **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 CONVENED 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 THAT SUCH CLOSED MEETING WAS CONDUCTED IN CONFORMITY WITH THE ACT;

NOW, THEREFORE, BE IT RESOLVED, THAT THE BOARD 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.

Upon the vote:	Mr. Pleasant	Aye
	Mr. Clemente	Absent for the vote
	Mr. Edwards	Aye
	Mr. Fairchild	Aye
	Ms. Flippo	Aye
	Secretary Flores	Absent for the vote
	Mr. Harrell	Aye
	Ms. Kees	Aye
	Mr. Massee	Aye
	Mr. Mastracco	Aye
	Ms. Oman	Aye
	Ms. Radcliff	Aye
	Mr. Richardson	Aye
	Mr. Stone	Aye

#### **Vote Regarding Closed Session Item**

A motion was made by Mr. Massee that the Board of Directors approve the establishment of a deferred compensation program, as summarized for the Board. The initial manager will be Empower Retirement. The VEDP Board Chair is authorized to sign any necessary or appropriate documentation to establish, manage or maintain the program. Mr. Massee further moved that the Board ratify and reaffirm actions previously taken to authorize the Chair to determine the portion of the annual performance compensation of the President and CEO that may be contributed under the program and to make all appropriate adjustments to the employment contract for the President and CEO. The motion was seconded by Mr. Richardson and was approved by roll call vote

Upon the vote:	Mr. Pleasant	Aye
	Mr. Clemente	Absent for the vote
	Mr. Edwards	Aye
	Mr. Fairchild	Aye
	Ms. Flippo	Aye
	Secretary Flores	Absent for the vote
	Mr. Harrell	Aye
	Ms. Kees	Aye
	Mr. Massee	Aye
	Mr. Mastracco	Aye
	Ms. Oman	Aye
	Ms. Radcliff	Aye
	Mr. Richardson	Aye
	Mr. Stone	Aye

**Anticipated topics for the 03/17/22 Board meeting**

Chair Pleasant shared anticipated topics for the next Board meeting.

**Adjournment**

There being no further business, Chairman Pleasant adjourned the meeting at 1:02 p.m.

Respectfully submitted,

Stephen Moret

Secretary

DRAFT