

**Charlottesville Economic Development Authority (CEDA)  
Meeting Minutes – July 13, 2010**

**Members Present**

Dan Fagan  
Bob Stroh  
Sean Graves  
Bryan Wright

**Staff Present**

Aubrey Watts  
Chris Engel  
Hollie Lee  
Blair Morris

**Others Present**

The Charlottesville Economic Development Authority met on Tuesday, July 13, 2010 in the City Council Chambers at City Hall. Mr. Fagan, Chairman, called the meeting to order at 4:30 p.m.

Mr. Fagan opened the public comment period at 4:30 p.m. and there being no comments from the public, he proceeded to the approval of the minutes.

Mr. Fagan called for a motion to approve the minutes of May 11, 2010. Mr. Stroh moved, seconded by Mr. Graves, and all present voted aye.

Mr. Fagan called for a motion to approve the Treasurer Reports from May 2010. Mr. Stroh moved, seconded by Mr. Fagan, and all present voted aye.

Mr. Watts updated the Board on the Amended Jefferson School Documents. The City and Jefferson School Partnership are moving ahead with legal documents and they are being amended to appropriately reflect the transfer of funds and allow the partnership to receive historic tax credits upon completion of the project in 2012. The original purchase agreement with the City has expired. The plan is to take the amended purchase agreement documents to Council on July 19<sup>th</sup> for the first reading and have the second reading on August 2<sup>nd</sup>. Once these have been approved by Council the amended CEDA agreement should be ready for the August CEDA meeting.

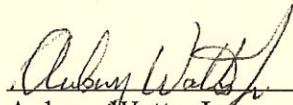
Mr. Watts also updated the Board on a Performance Agreement in which CEDA may have a role. As mentioned at the last meeting there is a possibility of doing a Tax Increment Financing (TIF) based agreement, which would provide back to the developer 50% of the incremental increase in real estate taxes caused by the new development for a period of five years.

This is a \$20 million project, which would bring in 215 new jobs, with an average salary of \$45,000. At this point, Mr. Watts is not at liberty to share the name of the company but they are financially stable. If CEDA approves today, then it would be taken to Council on July 19<sup>th</sup> for approval in principal, and then in August for formal approval. Once approved the funds would be transferred annually from the General Fund to CEDA, however the building has to be complete, the employment test met and the real estate taxes paid before any funds would transferred to the developer. Mr. Stroh asked what the real numbers in this situation would be. Mr. Watts said based on the numbers we have today that the developer would receive an estimated \$75,000 a year for five years, totaling around \$375,000. There was a discussion about the significant impact an investment of this type could have on downtown. Mr. Watts reminded the Board that an agreement like this would only be considered for projects with significant impact to the City and that it is based on real estate taxes only not sales or other taxes.

Mr. Fagan stated he is not comfortable voting or signing the agreement as he has been in discussion with the project and has a professional interest. It was decided he would abstain from voting and that the Vice Chair, Kristin Henningsen, would be the one to sign the Performance Agreement if approved. Mr. Fagan called for a motion to approve the resolution allowing CEDA to sign the Performance Agreement. Mr. Wright motioned, seconded by Mr. Graves, and all present voted aye, with the exception of Mr. Fagan who abstained.

Mr. Stroh offered thanks to the staff for suggesting that several board members attend the Virginia Industrial Development Authorities conference that was recently held in Charlottesville.

There being no further business, Mr. Fagan called for a motion to adjourn the meeting. Mr. Graves moved, seconded by Mr. Fagan and all present voted aye. The meeting was adjourned at 4:50 p.m.

  
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Aubrey Watts, Jr.  
Executive Director

7/20/2010  
Date

9-8-10  
Date Approved by CEDA