

**Minutes**  
**Board of Directors of the Virginia Economic Development Partnership**  
**December 8, 2016**  
**VEDP Office – 901 East Cary Street, 9<sup>th</sup> Floor**  
**Richmond, Virginia**

**Call to Order/Approval of Minutes**

The meeting was called to order at 9:01 a.m. by Chairman Dan Clemente, who noted that a quorum was present.

Members present: Steve Adkins, Edie Bowles, Valerie Brown, Dan Clemente, Sissy Crowther, Bill Euille, Basil Gooden, Todd Haymore, Mark Heath, David Hudgins, Mike Ligon, Chris Lumsden, Ned Masee, Vince Mastracco, Ralph Northam, Dan Pleasant, John Rocovich, Gary Walker.

Members absent: Ric Brown, Lee Coburn, Glenn DuBois, Bill Holtzman, Karen Jackson, Sam Schreiber.

VEDP staff present: Tre Akins, Vince Barnett, Melissa Cox, Kim Ellett, Carolyn Elliott, Stephanie Florie, Dan Gundersen, Kara Hart, Jay Langston, Rob McClintock, Sandi McNinch, John Mehfoud, Kevin Miller, Jack Nelson, Tim Stuller, Alex Thorup, Crystal Vincent, Mary Wood.

Guests present: Don Ferguson, Martha Mavredes, Stephen Moret, Cassidy Rasnick, Patrick Wilson, Seth Opoku-Yeboah.

**Public Comment Period**

Chairman Clemente solicited public comments. There were no public comments.

**Approval of Minutes**

Chairman Clemente asked for approval of the minutes from the September 8, 2016, and November 28, 2016, meetings. Mr. Lumsden requested a revision to the minutes for the November 28, 2016 meeting to reflect a vote of 15-to-1 in regard to the vote for Stephen Moret, candidate for President/CEO of VEDP. A motion was made by Mr. Rocovich and seconded by Mr. Ligon, and the minutes for both meetings were unanimously approved with the November 28, 2016, version.

Chairman Clemente introduced and welcomed Mr. Moret as the new President/CEO of VEDP, effective January 3, 2017.

## **Announcement of Committee Changes**

Chairman Clemente made the following announcements regarding several of the VEDP Committees:

- Finance and Audit Committee – Bill Euille and Valerie Brown were appointed to this committee
- Personnel Committee – Valerie Brown was appointed to this committee
- Nominating Committee – Chris Lumsden was appointed to Chair this committee
- Legislation and Policy Committee – Mike Ligon was appointed to this committee

## **President's Report**

Dan Gundersen reviewed VEDP-assisted projects, including the number of announcements and new jobs and capital investment, along with a report on VEDP's progress and pipeline. He reported that VEDP is responsible for two-thirds of the Governor's announcements. VEDP has, in some way, touched 550 out of 800 announcements.

Mr. Gundersen reported that the VEDP reorganization was well in progress. Several of the divisions gave a brief summary of events in their respective areas.

Vince Barnett, Interim Vice President for the Business Investment Division, presented an organizational chart showing the new reporting structure. He reviewed enhancements, priorities and performance metrics.

Jay Langston, Senior Business Manager for the Competitive Initiatives Division, gave an overview of the newly-formed Competitive Initiatives Division. He explained the function of newly-created Virginia Business Ready Sites program and the tier levels within the program. Chairman Clemente suggested that information on this program be shared with the real estate community. Vice-Chairman Mastracco suggested that a map be distributed to the Board members to show site-ready parcels.

Mary Wood, Events Manager for the International Trade Division, presented recent events in that division. She reported that companies participating in the VALET Program reported an average increase of 64% in international sales. Recent Events were shared, as well as International Trade program updates.

Tim Stuller, Vice President of the Workforce Development Division, explained the team's structure and their roles and responsibilities. Within VJIP (Virginia Jobs investment Program), he explained a new brand concept called Virginia TalentLink and the benefits to be derived from this initiative.

Mr. Gundersen summarized VEDP's Plan of Action for select JLARC recommendations as a result of the recently completed JLARC study. A chart of recommendations was shared with the Board.

Next, Mr. Gundersen introduced Mr. Tre Akins to present on the updated Onboarding Program. He summarized the Onboarding basics, the current state and next steps. Mr. Adkins, suggested that a more diversified base be considered in the future for VEDP. Mr. Lumsden inquired as to how VEDP's Onboarding process compares to other states. Mr. Akins explained the proactive research that was done and is continuing with this process.

Mr. Barnett returned to the podium with an update on the Business Investment Marketing Strategy. He explained the FY17 Business Investment metrics. As we are in the middle of the current fiscal year, some obligations and commitments are under the old structure. Under the old structure, they worked off of a 12-month calendar. Now, the Marketing Strategy works off of an 18-month calendar.

Rob McClintock, Vice President of the Research Division, reported on data standards and training, as this was a listed item in the JLARC study. He addressed objectives and process improvement, including comprehensive data management training, which will be ongoing.

Mr. Gundersen concluded the President's Report by stating a lot of work has been done and that VEDP strives to work as one with local and regional partners.

Mr. Gundersen provided an update on VEDP's proposed strategic plan process to be initiated in January 2017 and completed by the June 2017 Board meeting. He suggested that the Board consider an offsite retreat to review where VEDP currently is and to set priorities going forward.

Chairman Clemente announced that the Board would not be going into Closed Session, as indicated on the agenda, but, rather, allow time for Mr. Moret to give a few comments.

## **Committee Reports**

### **Finance and Audit Committee**

Ms. Crowther provided an update on the Finance and Audit Committee. She introduced Martha Mavredes, the Virginia Auditor of Public Accounts. Ms. Mavredes provided the Board with a summary of the findings of their audit for the 2016 Fiscal year. Overall, VEDP received a "clean" audit for Fiscal Year 2016. This is the 20<sup>th</sup> consecutive year VEDP achieved this goal. Ms. Mavedes thanked VEDP and the staff for its cooperation during the audit. She confirmed that VEDP has good staff, good culture and no fraud.

Jack Nelson provided an overview of VEDP's financial conditions.

Ms. Crowther reported that the Committee discussed the JLARC recommendation that an internal audit function be considered. The pros and cons of having a full-time vs. a contract arrangement were discussed. One of the challenges noted was that VEDP is a relatively small organization with a limited number of transactions per year. Ms. Mavredes and Mr. Nelson will be speaking with the Inspector General's office to get their input.

The Committee reviewed the current situation in regard to the Lindenburg deal. The judge in the matter will have a hearing in late January to determine whether to extend the temporary injunction or proceed with further litigation. A motion was made in the Executive Committee to approve the hiring of Robin Wood, an attorney based in Lynchburg, to represent VEDP in this matter.

A review was completed of due diligence procedures for VEDP, as the Board instructed it do semiannually. VEDP staff has incorporated recommendations made by the Finance and Audit Committee to have the formal sign-off from each member of the Project Review and Credit Committee for each deal. New due diligence procedures that were developed January, 2016, are working well.

### Rural Virginia Action Committee

The Committee met for the first time since its inception. Per Ms. Crowther, the consensus by committee members is that every region is different. The committee needs to understand their mission more clearly, i.e., to be clear and focused on how VEDP is to meet the needs of rural areas.

Lt. Governor Northam noted that many parts of Virginia do not have access to broadband. Secretary Gooden recommended looking at federal and state resources that can be brought into the rural areas to assist. Secretary Haymore suggested looking to the Department of Housing and Community Development for assistance. He noted that GO Virginia can help with development of infrastructure.

### Executive Committee

Chairman Clemente reported that with the General Assembly session beginning in January 2017, each Board member should strive to spend two days speaking for VEDP. It was noted the importance of VEDP to be an agency as bi-partisan and non-political as possible. Alex Thorup will contact the members regarding appointment dates and times.

### Chairman's Report

Chairman Clemente introduced Mr. Moret and asked him to give a few comments to the Board. Mr. Moret thanked the Board for inviting him to the Board Meeting. He recognized that there is a lot of talent at VEDP. He will work to address the JLARC report as one of the priorities. Also, he will work to build key relationships with the General Assembly and business community. The strategic plan process is very important and can help VEDP to become one of America's premier economic development agencies.

**Adjournment and Next Meeting**

The next Board meeting is scheduled for March 9, 2017, and will be held at VEDP in Richmond. Committee meetings will be held on March 8. More details will follow.

There being no further business, Chairman Clemente adjourned the meeting at 11:55 a.m.

Respectfully submitted,



Daniel C. Gundersen  
Secretary