

**MINUTES
KING WILLIAM COUNTY
ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL CALLED MEETING OF JUNE 29, 2021**

A Special Called Meeting of the Economic Development Authority of King William County, Virginia, was held on the 29th day of June 2021, beginning at 7:00 p.m. in the King William County Administration Board Room and via Zoom.

Agenda Item 1. CALL TO ORDER

Chairman Brown called the meeting to order.

Agenda Item 2. ROLL CALL

The members were polled:

Eugene L. Campbell, Jr.	Aye
Travis W. Longest	Absent (arrived via Zoom during Item 6)
C. Meade Rhoads, Jr. – Vice Chair	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa	Aye
Jay Brown - Chairman	Aye

Agenda Item 3. REVIEW AND ADOPTION OF MEETING AGENDA

Vice Chair Rhoads made a motion to add Agenda Item 6.b. Board Matrix, and Agenda Item 6.c. New EDA Members – Skills Needed. Motion was seconded by Authority Member Campbell. With no discussion or opposition, the Meeting Agenda was approved with the aforementioned additions.

Agenda Item 4. APPROVAL OF MEETING MINUTES

Vice Chair Rhoads made a motion to accept the meeting minutes of April 14, 2021, May 12, 2021, and May 19, 2021 as presented. Motion was seconded by Authority Member Piersa. With no discussion or opposition, the meeting minutes were approved.

Agenda Item 5. PUBLIC COMMENT PERIOD

Chairman Brown opened the Public Comment Period. There being none, he closed the Public Comment Period.

Agenda Item 6. OLD BUSINESS

a. Retail Study Proposal Update – Hill Studio

Chairman Brown presented a Proposal for Professional Services, Economic Development Analysis from RKG Associates, Inc. - Economic, Planning and Real Estate Consultants. (See Attachment A.)

Vice Chair Rhoads said the RKG analysis would give a better understanding of King William County's retail market and what the County has to offer for new businesses. It would connect to traffic, bring very specific and actionable goals and a targeted approach, and outline the County's competitive advantages.

Authority Member Piersa asked if some of this has already been done. Board of Supervisors Vice Chair Moren recommended checking with the Virginia Economic Development Partnership (VEDP) as they may already have completed these studies and the information is available free.

Authority Member Campbell asked exactly what RKG would do, if they would work with the Comprehensive Plan, and what would the EDA do with the data presented?

Vice Chair Rhoads said the information would outline why companies should come to King William County instead of somewhere else and identify opportunities. He said the overriding goal is to create specific recommendations of the things the EDA, as a volunteer Board, could go and make happen.

Chairman Brown said tasks 5, 7, and 8 were most attractive to him. He said whereas Hill Group asked the EDA what they felt King William County's advantages are, the RKG study will tell the EDA what those competitive advantages are and provide a toolkit identifying incentives that could be offered to attract new business or encourage growth. RKG will provide implementation recommendations and educate the Board on their authority as an EDA. This data can be used by the entire County as well as assist the public at large. He said the RKG study is more in-depth than what's being done in the Comprehensive Plan Update.

Authority Member Campbell asked what RKG's hourly fee was. Chairman Brown said the full scope of Phase 1 is \$22,500. There is only an additional hourly fee if you go beyond that scope.

Authority Member Holderied said there is already demographic information of the County produced and asked when that was done. Chairman Brown said it is done annually as part of the American Community Authority. Interim County Administrator, Steve Hudgins, added this was part of census data and the full census was done every ten years.

Vice Chair Rhoads said the RKG study would connect a lot of dots which are currently not connected with a goal of identifying low hanging fruit. It would provide a focused and unified approach allowing the EDA, as a volunteer Board with limited time, to make things happen.

Chairman Brown summarized Phase 1 - the first step is information gathering and the second step is providing the EDA a plan of action. He said the EDA currently does not have access to the type of detailed information RKG would provide.

Authority Member Holderied said he thought some parts of the RKG proposal were already being done by Hill Studio as part of the Comprehensive Plan Update. Vice Chair Rhoads said there is nothing existing that can provide the King William County EDA with specific actionable opportunities. Authority Member Holderied reiterated that, as part of the Comprehensive Plan Committee, he feels the Hill Group is already performing some of these tasks. Vice Chair Rhoads said this would go beyond Hill's research and be specifically targeted for the EDA.

Chairman Brown said Hill's leakage study is restricted to retail and retail is not significant in the County. He said they may have to look at industrial and commercial which could provide good jobs and a tax base. RKG goes a step beyond retail in their study.

Authority Member Piersa said the County does not have the infrastructure to support industry and asked how close are we from implementing infrastructure improvements. Mr. Hudgins said he met with the engineers preparing the report for siting new water towers and the project is moving forward. He estimated the engineering report would take 2-3 months, it then goes to the Virginia Department of Health for approval, and the project could potentially be completed within two years. He said that would push industry in those areas. It would serve homes, retail, and make Commerce Park a viable home for business.

Authority Member Piersa asked how the EDA would pay for the RKG analysis. Chairman Brown said the Board of Supervisors approved the EDA's request to roll their unexpended FY21 funds to FY22 which gives them \$28,000 in the budget to be used for Phase 1. He said they would have to request funding in FY23 for Phase 2 if they chose to move forward with it.

Authority Member Holderied said he thought it was not a bad idea as long as the Board sticks with it, creates action plans, and gets results.

Vice Chair Rhoads said the RKG study would be done in two phases – Phase 1 is the retail/traffic analysis and Phase 2 is the commercial analysis. If the Board is not happy with the results from Phase 1, there is no obligation to do Phase 2. He said he's been told Phase 1 will be a lot of information for them to digest so it needs to be done one bite at a time. He said Phase 1 also provided a lot of interaction between the EDA Board and RKG.

Authority Member Campbell asked about RKG's history. Vice Chair Rhoads said RKG was recommended to him by two different sources and they'd done work for Rockingham and New Kent counties. He said RKG was the best alternative he could find and he'd spent a lot of time researching them.

Vice Chair Rhoads motioned that the EDA engage RKG as proposed. Authority Member Campbell seconded. The Chairman called for discussion. There being none, the members were polled:

Kenneth A. Holderied	Aye
Charles F. Piersa	Aye
Eugene L. Campbell, Jr.	Aye
Travis W. Longest	Aye (Via Zoom)
C. Meade Rhoads, Jr. – Vice Chair	Aye
Jay Brown - Chairman	Aye

Hill Studio

Chairman Brown said he spoke with Hill Studio about what they could offer and their proposal was much thinner than RKG's. Mr. Hudgins said Hill had proposed adding 50 hours to go beyond what they were currently doing as part of the Comprehensive Plan Update. Vice Chair Rhoads said there would be communication between Hill and RKG. Mr. Hudgins said the County Planning Department declined to add additional research to the scope of the Hill Studio Comprehensive Plan project as part of their budget. The proposal included \$7,500 from Arnett Muldrow plus any overhead from Hill Studio.

Authority Member Holderied asked how the EDA keeps RKG accountable for meeting benchmarks. Vice Chair Rhoads said by having regular meetings with them.

Authority Member Campbell asked about a timeline for the project. Chairman Brown said, according to the proposal, a timeline will be made at the initial work session. Vice Chair Rhoads said he hoped Phase 1 would take less than a year.

Authority Member Campbell was concerned that two things were going on at the same time and there was no communication between them. Mr. Hudgins said there is communication and the information the EDA wants is different and more in-depth than what the Planning Department and Commission is doing as part of the Comprehensive Plan Update. He said the RKG study goes way beyond what the Comprehensive Plan includes.

Chairman Brown and Mr. Hudgins have given Hill/Arnett Muldrow a dollar figure and asked them to create a proposal of what they could offer. They are currently awaiting a response. Once it and the RKG information is received, the Board can decide whether further studies by Hill/Arnett Muldrow is needed. Chairman Brown said the discussion on Hill Studio/Arnett Muldrow would be held for another time.

Authority Member Piersa asked if the data produced would be available to others outside the EDA. Chairman Brown said it would be public information and be available to anyone who wants it. Mr. Hudgins said the Comprehensive Plan Update process is long and information is being shared with the public as the project goes along.

b. Board Matrix

Authority Member Holderied said he felt the three most important additions for the EDA Board were someone with a background in real estate, banking/finance, and utilities.

Vice Chair Rhoads suggested the Board look at the skills and experience they already had and then areas needed would be self-evident. He said it was important to find people who had available time to commit to the Board as well.

Authority Member Holderied asked if someone from the Planning & Zoning department could be on the Board. Mr. Hudgins said he would check the bylaws. Chairman Brown said that could create a difficult situation. Authority Member Holderied said a Planning/Zoning category should be added to the Board Matrix.

Authority Member Piersa asked for clarification on some of the categories such as Real Estate and Technology. Chairman Brown said real estate could include brokers, agents, builders, landowners, etc. For technology and other categories, he said it could include anything a Board member felt they could offer. For example, Authority Member Piersa has experience with farming technology that is valuable to the Board.

Authority Member Piersa said an Industrial category needed to be added to the Board Matrix and suggested it might be helpful to add someone who currently worked at one of the existing industries in the County in order to learn ways to help those industries thrive and grow.

Authority Member Holderied said he doesn't understand why dealers are not taking advantages of the County's tax incentives for auto dealerships. He said he had reached out to Dodge about bringing a dealership to the County and was told they operate off map points. There is a corporate dot point map and they use that to determine areas where they'd like to add a dealership.

Chairman Brown asked the Authority members to complete the provided matrix between now and the end of July and forward their information to him. He explained the first section, Skills/Competencies, is completed by checking off the boxes under the topics in which you have skills/experience. The second section, Diversities, was meant to be filled out with more specific information.

c. New EDA Members – Skills Needed

Chairman Brown said there are currently three vacancies on the EDA Board and suggested a subcommittee be formed to make proposals for new Board members based on the matrix information provided above. Chairman Brown, Vice Chair Rhoads, and Authority Member Piersa volunteered to be on that subcommittee. They will compile the Board Matrix information and make recommendations for new member skills needed. This will then be discussed at the August meeting.

Agenda Item 7. CLOSED MEETING

a. Motion to Convene in Closed Meeting

Authority Member Piersa made a motion to convene in Closed Meeting in accordance with Section 2.2-3711 (A)(5) of the Code of Virginia to discuss the proposed expansion of an existing industry in King William County. Vice Chair Rhoads seconded the motion. The motion was adopted with no discussion and no opposition.

b. Reconvene in Open Session

Chairman Brown reconvened the meeting in Open Session.

c. Certification of Closed Meeting

Authority Member Campbell moved for adoption of Standing Resolution 1 (SR-1) in accordance with Section 2.2-3712 (D) of the Code of Virginia, 1950, as amended, certifying that the EDA's closed meeting was conducted in conformity with the provisions of the Virginia Freedom of Information Act; the motion was seconded by Vice Chair Rhoads.

The members were polled:

Charles F. Piersa	Aye
Eugene L. Campbell, Jr.	Aye
Travis W. Longest	Absent
C. Meade Rhoads, Jr. – Vice Chair	Aye
Kenneth A. Holderied	Aye
Jay Brown - Chairman	Aye

STANDING RESOLUTION – 1 (SR-1)
A RESOLUTION TO CERTIFY COMPLIANCE WITH THE FREEDOM OF INFORMATION ACT
REGARDING MEETING IN CLOSED MEETING

WHEREAS, the King William County Economic Development 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, Section 2.2-3712 (D) of the Code of Virginia requires a certification by the King William County Economic Development Authority that such closed meeting was conducted in conformity with Virginia law,

NOW, THEREFORE, BE IT RESOLVED that the King William County Economic Development Authority on this 29th day of June, 2021, hereby certifies that, to the best of each member's knowledge:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were heard, discussed, or considered in the closed meeting to which this certification resolution applies, by the King William County Economic Development Authority.
2. Only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the King William County Economic Development Authority.

DONE this the 29th day of June, 2021.

d. Action on Closed Meeting

Authority Member Piersa moved for adoption of the Resolution of the Economic Development Authority of King William County Approving the Project Blossom Performance Agreement. Motion was seconded by Vice Chair Rhoads. The Chairman called for discussion. There being none, the members were polled:

Eugene L. Campbell, Jr.	Aye
Travis W. Longest	Absent
C. Meade Rhoads, Jr. – Vice Chair	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa	Aye
Jay Brown - Chairman	Aye

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF KING
WILLIAM COUNTY APPROVING PROJECT BLOSSOM PERFORMANCE
AGREEMENT

WHEREAS, the Economic Development Authority of King William County (**the "Authority"**) and the Board of Supervisors (**the "Board of Supervisors"**) of King William County, Virginia (**the "County"**) have been working with a private company (**the "Company"**)

to induce the Company to expand and improve its production and warehouse facilities in the County (**the “Facility”**) in an economic development initiative known as Project Blossom; and

WHEREAS, the Authority Board of Directors has reviewed in closed meeting a Project Blossom economic development performance agreement between and among the Company, the County and the Authority (**the "Performance Agreement"**) setting forth the Company's commitment to make capital investments in the County and the understanding of the County, the Company and the Authority as to certain incentives to be provided to the Company in connection with such capital investments.

NOW THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF KING WILLIAM COUNTY:

1. The proposed Performance Agreement is hereby approved and the Chairman or the Vice Chairman of the Authority is authorized and directed to execute and deliver the same.
2. All other acts of the officers and representatives of the Authority that are in conformity with the purposes and intent of this Resolution are ratified and approved.
3. This Resolution shall take effect immediately.

DONE this 29th day of June, 2021.

Agenda Item 8. NEXT MEETINGS

Chairman Brown called the July 12, 2021 Joint Work Session with the Board of Supervisors and Planning Commission as a Special Work Session of the EDA.

The next regular meeting of the Economic Development Authority Board will take place on August 11, 2021.

Agenda Item 9. ADJOURN OR RECESS

Authority Member Piersa made a motion to adjourn, seconded by Vice Chair Rhoads. There being no discussion or opposition, the meeting was adjourned.

COPY TESTE:

Jay Brown
EDA Chairman

Christine H. Branch
Deputy Clerk

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King William County Economic Development Authority
Economic Development Services



Proposal for Professional Services Economic Development Analysis

King William County, Virginia

Revised
Jun 8, 2021

Prepared for:

King William County Economic Development Authority
Mr. Jason "Jay" Brown, Chair
180 Horse Landing Road
King William, VA 23086
Tel: 804.677.3641

Prepared by:

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King William County Economic Development Authority
Economic Development Services



On behalf of RKG Associates, Inc. (herein referred to as 'RKG' or 'the Consultant'), I am pleased to present the following proposal to assist the King William County Economic Development Authority (herein referred to as 'the Client') with economic development analysis services to augment their ongoing comprehensive planning process. RKG understands that the Client is seeking to augment the socioeconomic, housing, and retail analyses with a strategy-driven analysis of the economic opportunities and challenges the County is/will be facing. RKG further understands that this assessment will take place in concert with the consulting firms of Hill Studio and Arnett Muldrow. The following narrative provides insights into RKG and details our approach to provide the Client with an economic impact analysis. I would be happy to have a discussion with you, Meade Rhodes, David Hill, and/or Aaron Arnett if beneficial to moving forward with these services.

A. FIRM PROFILE

RKG Associates, Inc.

RKG Associates, Inc. is a full-service planning, economic and real estate consulting firm with offices located in Alexandria, VA, Boston, MA, Atlanta, GA, and Dallas, TX. Since our founding in 1981, the firm has successfully completed more than two thousand consulting projects regionally, nationally, and internationally, providing a comprehensive range of economic, planning, marketing, and management services to governmental, business, and institutional clients. The firm currently employs 9 full-time professionals and has grown to become one of the most respected economic advisory consulting firms in United States.

RKG Associates specializes in the application of economic analysis to economic development, real estate development and financing issues with the goal of maximizing the financial, economic, and real estate benefits of our clients. The firm has completed numerous market analyses and is skilled at assessing the economic and financial cost/benefits related to real estate management and development. RKG has supported public, non-profit, and private sector clients in determining the most effective, efficient, and sustainable strategy on how to deploy real estate assets. Our work includes everything from greenfield development planning to adaptive reuse planning and redevelopment planning to space utilization needs. In each effort, RKG's focus has been determining both current needs and projecting needs into the future based on shifting supply and demand metrics.

Our firm has assembled a group of highly qualified professionals who bring their own unique perspective to each assignment, and the firm's strength lies in the diversity of backgrounds and disciplines represented within the organization. The talents of staff economists, planners, financial analysts, appraisers, and real estate professionals are brought together in a team effort to solve client problems. RKG Associates also has access to, and works with, a wide array of affiliates and consultants who provide technical expertise in such areas as architecture, urban design, engineering, environmental science, and associated disciplines.

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RKG Associates, Inc. Core Service Areas

Real Estate Services

- Real Estate Market Research
- Market Feasibility Studies
- Highest and Best Use Studies
- Space Utilization Analyses
- Financial Feasibility Analysis

Economic Consulting Services

- Fiscal and Economic Impact Analysis
- Downtown Revitalization
- Urban/Waterfront Redevelopment
- Economic Development Strategies
- Target Industry Analysis

Planning Services

- Brownfields Redevelopment
- Municipal Master Plans
- Tax Base Management Strategies
- Municipal Service Studies
- Transportation and TOD Planning

B. PROPOSED SCOPE OF SERVICES

PHASE ONE SCOPE OF SERVICES

RKG Associates envisions this first phase being implemented in coordination with the ongoing comprehensive planning efforts. These actions are the baseline assessments needed (in collaboration with the socioeconomic, retail, and residential market analyses) to provide initial recommendations for the County and the EDA to initiate new business retention, expansion, and recruitment efforts.

Task 1 Data Collection

RKG Associates will provide Hill Studio and the Client a detailed list of information required to complete the analysis. It is RKG's understanding that all socioeconomic, retail, and housing data collected as part of the Comprehensive Plan process—including the data collected and analyzed for the expanded retail market analysis proposed on May 26 (see attached)—will be made available to RKG Associates to complete its economic development consulting services. In addition to this market data, RKG will have a series of publicly held databases to be transferred (i.e., GIS data).

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Task 2 Initial Work Session

After reviewing the data, RKG Associates will participate in a work session with Hill Studio and the Client to focus on three primary objectives. First, to confirm project timeline and deliverable expectations. Second, to review RKG's understanding of the information provided. Finally, to resolve any outstanding data needs or questions regarding current and/or future economic development actions. RKG will use this opportunity to make a first-hand visual inspection of King William County and its economic activity centers, and the larger regional marketplace.

Task 3 Local and Regional Target Industry Cluster Analysis

The objective of this task is to identify and target business sectors representing the highest probability of success for King William County. Target cluster analysis involves examining the economic relationships among commercial and industrial sectors. From the cluster analysis, RKG Associates will be able to identify those market sectors that may be enjoying a competitive advantage within King William County and the greater region (to be defined with the Client) and identifying those locations within the County most appropriate for each opportunity. The underlying assumption of cluster analyses is that companies concentrate in areas where they enjoy some competitive advantage. These advantages, whether related to location, natural resources, vendor relationships, or other factors, allow companies to compete more successfully.

Target cluster analysis provides a method for determining local competitive advantage - which in turn is crucial in attracting investment, be it through attraction of firms or expansions of existing firms. The cluster analysis will rely on a statistical cluster identification process designed to incorporate and assimilate local, state, and federal economic data. The fundamental criteria analyzed in the process include:

- Sector Growth - Sectors with positive growth over the past five to ten-year period and those that are most likely to grow locally, regionally, and nationally.
- Sector Size - Component industries of a market sector cluster must have sufficient size in terms of total employment, number of establishments, and total sales in order to justify their inclusion in the cluster. One exception would include growing industries that are clearly supportive of a larger market sector that may be located just outside King William County. For example, a small cadre of precision machine tool companies in King William County might be integral to the expansion of larger durable goods manufacturing firms located within close proximity to the County.
- Sector Concentration - RKG will examine current concentrations of each market sector in King William County and the region. Low concentrations of employment and establishments locally and regionally suggest that a given industry may not be well suited.

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- Local Fit - Local fit includes both computerized analysis and considerable professional judgment, based on community characteristics, sector preferences, specific industry composition, and location-based activity. Local infrastructure is analyzed including the presence of interstate highways, rail service, commercial air service, utility costs, wastewater cost and capacity, telecommunication service level, the match of the County's labor force profile with sector needs, and labor costs as compared with national averages.
- Other Criteria - Includes state-sponsored economic development targets, skilled and professional workforce requirements by sector, tendency of given industries to concentrate in certain areas, and job training resources, as well as domestic and international regions of competition.

Additional targeting of companies in these market sector clusters will likely enhance the County's chances for success. However, the targeting analysis will not be restricted to only known clusters. A broad range of categories will be analyzed from manufacturing, distribution, and transportation to professional businesses and high-end services. This will give the County a full range of options to consider.

Task 4 Quality of Life Analysis

Task 4 addresses the qualitative aspect of economic development efforts. When performing a target sector analysis, it is important to understand the issues that impact the personal preferences of company location decision makers as well as the facts and figures of site location. To this end, RKG will review and address Quality of Life Factors, Operating Costs, and Operating Conditions. RKG will contact existing local employers in order to get a first-hand evaluation of the County as a business location and gain insight as to their reasoning for moving into King William County.

Task 5 Identify Recruitment Strengths and Weaknesses

Another component of a target industry analysis is the identification of the strengths and weaknesses of the County. The purpose of any SWOT (strengths, weaknesses, opportunities, and threats) analysis is to assess the competitive position of the community. The questions that will be addressed in this portion of the analysis include:

- What are King William County's competitive assets and how can these assets be used to improve the local economic position?
- What are the best opportunities for economic growth?
- How can the County reposition its assets to capitalize on future economic trends and natural competitive advantages?
- What obstacles or challenges stand in the way of the County achieving its economic vision and how can these obstacles be removed?

RKG Associates believes that the best targeting strategies are those that capitalize on a

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community's competitive strengths, while identifying the areas of concern so they can be addressed and improved. RKG will research the competitive strengths and weaknesses of the County, using the anecdotal data from the interviews with local leaders, professionals, and stakeholders to corroborate the findings. The strengths and weaknesses analysis will serve as the foundation for strategic actions.

Task 6 Conceptual Cost of Services Analysis

RKG Associates will build upon the socioeconomic, residential, and retail analyses (currently underway) and the target industry analysis (detailed above) results to develop a conceptual assessment of the relationship between land use and fiscal sustainability within King William County. It is RKG Associates understanding that the expanded retail market analysis will identify the current and projected needs for new retail development based on historic and projected socioeconomic and residential growth patterns. RKG Associates will use this information as a baseline for the cost of services analysis, augmenting that data with additional market and economic assessment of the agriculture and industrial markets.

Ultimately, this conceptual cost of services will provide the County an understanding of the potential revenues and expenditures that will be realized based on the different development types within the County. RKG Associates will use this analysis in partnership with the retail/residential economic strategy action plan data and the target industry analysis data to estimate the potential fiscal impacts that may occur based on future development and potential rezonings in the County.

Task 7 Existing Incentive "Tool-Kit" Assessment

RKG Associates will review existing County incentives, policies, ordinances, and regulations, propose modifications to existing incentives, policies, etc., review alternative incentives, policies, ordinances, and regulations that may enhance the economic growth and development, and propose alternative incentives, policies, ordinances as appropriate. To accomplish this, RKG will:

Compile existing incentives, policies, ordinances, and regulations;

- Interview appropriate municipal/county staff;
- Identify comparable incentives, policies, ordinances, and regulations from communities with similar economic conditions and resources;
- Prepare a framework for analysis of incentives, policies, ordinances, and regulations;
- Analyze findings from review of existing incentives;
- Analyze applicable data from other components of the market analysis and evaluation section; and
- Prepare recommendations for alternative approaches for the County's consideration.

Task 8 Initial Implementation Recommendations

RKG Associates will prepare recommendations to be included as part of the Comprehensive Plan. RKG Associates recognizes that the community is interested in creating a vision for enhancing its economic development efforts; and then enacting that vision to make it a reality. The intent of

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these recommendations will be to guide the Client in accomplishing their economic goals by enhancing the community's efforts to attract viable, sustainable employment and revenue centers.

In developing these recommendations, RKG will offer viable recommendations that are grounded in the market realities of the community's strengths and weaknesses. It is crucial that short-term strategies focus on initiatives that the local entities, with input and assistance from key stakeholders, can undertake within the first few years without large commitments of public funds or time. Undertaking incremental steps in the beginning stages of an implementation strategy should build momentum within King William County and give investors confidence in the market. Short-term implementation recommendations can include organization restructuring, relatively small investment projects, advertising campaigns, and regulatory adjustments.

Successive recommendations should build upon these short-term actions, utilizing the benefits resulting from the implementation of earlier tasks. RKG also will provide a mid-range recommendation section that will likely include increasingly complex actions, cross-departmental involvement, and larger financial investment. These efforts will lead into longer-term recommendations that will continue the community's progress towards meeting its goals while remaining flexible to adjust to changing economic conditions. The long-term strategies may require larger investments of public funds; may involve partnership agreements with outside agencies or the private sector; or may be complex and difficult to implement.

PHASE TWO SCOPE OF SERVICES

RKG encourages the County to consider implementing this second Phase of analysis when resources become available. Simply put, Phase One provides the basic foundation for economic strategic planning. This effort offers a 'deeper dive' into several key factors that will give the County and the EDA specific, location-based concepts to enact.

Task 1 Real Estate Market Analysis

This work task will include an analysis of recent real estate market trends within King William County. The focus of this research will be to identify market opportunities for economic development activity that can be incorporated into the implementation strategy to transition the County from area plan vision to action. For the primary real estate market, the RKG Associates will examine supply and demand trends.

This analysis will consider such factors as: (1) existing building vacancies, (2) land sale activity and pricing, (3) annual land and building absorption trends, and (4) regional competitive supply of residential and commercial land. RKG will analyze development and absorption trends over the past 5-year period. The results of this Task will produce a clear picture of recent land absorption, building development, and leasing trends, as well as real estate pricing indicators. From this historical data and data collected during the stakeholder interviews, the Consultant will identify future opportunities for that can be incorporated in the implementation plan. These

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projections will then be compared with the stated community goals to ensure compatibility.

Task 2 Strategic Opportunity Site Identification

RKG Associates will work with King William County staff and the EDA to define a series of market criteria to identify potential development sites within the County. The scoring analysis can include any number of physical (i.e., size, proximity to transportation), socioeconomic (i.e., income, population), or market (i.e., land use) data characteristics to identify these parcels. The criteria will be customized by land use type to offer opportunities in the industrial, office, retail/service, residential, and hospitality markets. RKG will use the County's GIS data, property assessment data, and secondary market information (i.e., ACS Census data) to perform the analysis. The results will be presented as primary sites and secondary sites, identified by the number of criteria met.

The results of this effort will be reviewed in context of any specific public facility need for the County. RKG Associates will provide feedback on the primary and secondary sites relative to potential costs/barriers based on the transportation and infrastructure components of the selection process.

Task 3 Workforce Analysis

The availability of skilled local labor supply is a major influence in site selection decisions by companies. RKG Associates will perform a workforce supply and demand analysis to assess the strengths and weaknesses of the local and regional workforce, to identify potential opportunities based on local skill sets, and to ensure County residents have access to the proper training programs to benefit from County recruitment and retention efforts.

First, RKG will audit the County and regional market workforce, revealing the current skill levels available to new or expanding businesses. To accomplish this, RKG will review trends in education attainment, job growth patterns, and occupational data to identify current/projected gaps in skill sets and capacity to accommodate growth—particularly in context of the County's target industries. RKG Associates will utilize existing studies and their findings; to the extent they are relevant to this effort.

Second, RKG will critically review existing workforce programs, inventorying the type of workforce assistance currently being offered in King William County. RKG will document where existing resources are being deployed, inventorying accessible existing workforce training programs for King William residents and businesses. RKG also will interview local training providers, educators, and large employers to assess the compatibility of existing programs to the needs of local businesses.

The results of both analyses will provide the framework for recommendations on how to better position existing workforce development programs for the County's primary labor pool in context of existing and potential employment needs. Simply put, some of the County's target industries may need skills that are not well represented in the local labor draw area. To meet this

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need, some changes may be necessary to training programs to address this skill gap. RKG will research if any state and Federal resources could be used to provide additional/revamped training programs.

Task 4 Detailed Cost of Services Analysis

The initial cost of services analysis in Phase One provides an ‘order of magnitude’ assessment of the relationship between land use and fiscal revenues/expenditures. RKG recommends the County consider a more detailed assessment in Phase Two, having RKG perform a more in-depth assessment of the County budget and capital projects, engage various department heads on understanding specific location-based nuance of revenue/cost for different land use types, and develop locally specific relationships between new development and incremental impacts. The detailed cost of services analysis will have a similar output to the conceptual effort but provide more detail and locally generated relationships.

Task 5 Implementation Recommendations

RKG Associates will expand the economic strategy section to incorporate the findings of this additional analysis. Simply put, RKG will expand the implementation matrix where appropriate to accommodate the new information.

C. COST PROPOSAL

RKG Associates can complete the proposed scope of services in Phase One for \$22,500. This cost includes all direct, indirect expenses, and reimbursable expenses. Any deviation from the proposed scope of services could affect the quoted price. The final cost of the project will be negotiated between the Client and RKG Associates to reflect the approved scope of services.

The cost for Phase Two of the scope of services totals \$25,750, which also included all direct, indirect, and reimbursable expenses.

RKG Associates assumes each phase will have two client workshops (in person or virtually), regular monthly check-in meetings (virtual), and RKG perform in-field analysis. The costs for this engagement are included in the proposed prices.

Hourly Rates

RKG Associates will use the following rate schedule for any witnessing services and/or additional work contracted between the Client and the Consultant.

▪ Principal	\$225/hour
▪ Project Manager	\$175/hour
▪ Staff/Analyst	\$125/hour
▪ Administration	\$75/hour