

The regular monthly meeting of the Board of Directors of the Rock Hill Economic Development Corporation was held on Tuesday, August 1, 2017 at The Palmetto Room at Old Town. Notice of the meeting was sent to all members, City Council, media and interested citizens. Notice was posted at City Hall on July 28, 2017.

RHEDC Board Members Present:

Robert Alexander	Mari Doroud	
Tim Baldwin	Matt Dosch	David Vebaun
John Black	Joanne Fockler	Dave Williams
Eddie Boulware	Randy Graham	Rob Youngblood
Myron Brown	Dan Mahony	
Bev Carroll	Lain Reavis	
Bud Dark	Jim Reno	

RHEDC Board Members Absent:

Doug Echols	Allan Miller	Chad Williams
Dawn Johnson	Warren Norman	David Williams
Luanne Kokolis	Penny Pratt	
Melanie Jones	Justin Smith	
Kerry Mast	Brad Talbert	

Others Present:

Stephen Turner, RHEDC Executive Director	Jeremy Winkler, Intergovernmental Mgr
Steven Gibson, Assistant City Mgr	Jessica Cokins, SCRA
Amy Massey, Kimley-Horn	Lee Nacilwinen, SCRA
David Warner, Dir Tech Incubator	Frank Keel, Dev Mgr
Sally Baker, Financial Analyst	Donnie Messer, Proj Design Mgr
Auvis Cole, York CVB	Cathy Murphy, Dev Mgr
Rick Norwood, Dir of Industrial Recruitment	Jodie Kelly, Office Manager
Justin Smith, Vinyet Architecture	David Lawrence, Development Mgr
Bob Quinn, SCRA	

I. Call to Order

Chairman Beverly Carroll called the meeting to order at 12:06 pm and welcomed RHEDC Board Members and guests.

A reminder for everyone to visit RHEDC's Facebook and LinkedIn pages for the BMX hospitality posts. Like the page and post a comment to enter to win one of ten \$100 gift cards to Rock Hill businesses. Also, in everyone's packet is the new board member list, the 2017-2018 meeting schedule, and list of RHEDC committees with member information and description of each committee. All board members are encouraged to join a committee.

The current Conflict of Interest Policy is also included in your packet. Please review the policy, sign the annual disclosure form and turn in to Sally Baker (sally.baker@cityofrockhill.com). Sally is also available to answer any questions you may have about the policy or disclosure. All voting board members and board committee members should complete the disclosure.

II. New Board member introduction for the month – Mari Doroud

Mari is the HR Manager at Insignia Group.

III. Approve Minutes of June 6, 2017 Regular Monthly Meeting

The Minutes of the June 6, 2017 Board Meeting are included in board packet. A motion was made and seconded to approve the minutes as presented. The motion was approved unanimously.

III. Prospect Reports/Project Updates

Strengthening Economic Base – Rick Norwood

- Active Projects: 18 totaling 1,967 new jobs and \$ 343 million investment
- Legacy Park has two Sites with proposals – multiple proposals 430,000 SF Spec
- Legacy East is moving forward
- Tech Park Site A/B is SOLD 12 +/- Acres
- Affinity Healthcare is under construction, 15 jobs, \$3.0M investment
- United Refrigeration's 125,000 SF expansion is complete
- Waterford's Desoutter Tools / Chicago Pneumatic had a Grand Opening, 130 jobs, \$1.2M investment
- Spec Building #2 had two repeat prospect visits
- Riverwalk's Spec Building with 507,000 SF, \$25M investment

Knowledge Park – David Lawrence

- Update on 507 E Main Street
 - *City View Builders and Services has site under contract; extended inspection period until Sept. 25th*
 - *Planning Commission should recommend rezoning of the site at the August 14th meeting*
 - *Closing is expected in September*
 - *7 single family homes planned for the 1.29 acres*
- University Center
 - Leasing efforts (for Lowenstein Building office space) are active and constant; several large users are being pursued; 7 leases executed
 - Site infrastructure in progress, slowed by underground slabs/vaults, groundwater, poor soils, etc.
 - Coordinating the design and construction of the sports arena, parking deck, and hotel
 - Financing closed for site infrastructure and Lowenstein Building; arena financing nearing a closing
 - Lowenstein Building being fully reconstructed; a \$45 million investment
 - Total investment at the completion of the Phase 1 infrastructure, Lowenstein Building and sports arena will exceed \$85 million

Technology Incubator – David Warner

- 6/7 Participated in the 7th monthly 1 Million Cups pitch event
- 6/9 Advised Japanese firm, JTEKT, through Karl Kelly, about how community incubators can fit into a corporate innovation program.
- 6/13 Staged a graduation ceremony for The Insignia Group, and a celebration of its new software venture, at the RHEDC Annual Meeting.

- 6/22 Hosted a visit of a community delegation from Cullman, Alabama, and the University of Alabama, wanting to learn about how to start up a community-based technology incubator.
- 6/28 Met with the Vice President of Research and Development for Shutterfly to discuss potential engagement with the Technology Incubator. Also, toured the facilities.
- 7/12 Staged a national webinar from the Technology Incubator with client Joe Razum and his TCO Toolkit software through the national Institute for Supply Management.
- 7/13 Served as a Business Coach for the Chamber Small Business Roundtable event.
- 7/13 Began meeting with Comporium Media Services to explore ways to tell entrepreneur stories from the TI Center.
- 7/18 Participated in an International Business Innovation Association webinar hosted by Karl Kelly about building small town incubators.
- 7/18 Met with a returning former RHEDC Board member to explore forming a “sounding board” group of retired executives and professionals to advise client companies.
- 7-26 Met with two young technology developers who live in Rock Hill but currently are involved with a junior developer group in Charlotte to consider forming a new group in Knowledge Park.

Downtown – Cathy Murphy

- Old Town Events in July
 - 7/3-Red, White and Boom
 - 7/22- FTF & UCI BMX Opening Ceremonies
 - 7/6, 13, 20, 27-Farmers Market
- Old Town Events in August
 - 8/3, 10, 17, 24, 31-Farmers Market
 - 8/18-FTF
 - 8/25-Night Ranger
- Social Media Reach
 - Facebook: January: 15,790 likes compared to July: 17,997 likes
 - Instagram: January: 1,693 followers compared to July: 2,098 followers

IV. Committee Reports

Finance – Stephen Turner

- The Finance Committee met on July 27, 2017.

2016 Audit – Kim Smith, CPA

- Kim Smith of Burkett, Burkett, Burkett, CPAs presented the 2016 Audited Financial Statements.
 - She reviewed the Required Auditor Communications and reported that the audit report was issued with an unmodified opinion on the financial statements.
 - Summary of Financial Position
 - \$6,307,281 Total Assets at 12/31/16 compared to \$3,700,508 at 12/31/15
 - \$707,053 Change in Net Assets for 2016 compared to (\$1,461,778) in 2015
- The Finance Committee presented a motion to approve the 2016 Audited Financial Statements. No second was necessary. The motion was unanimously approved.

Financial Statements

- The Statement of Financial Position for June 30, 2017 and Budget Reports for the month of June 2017 were emailed to the board on July 28, 2017.

- Items of note included:
 - The unrestricted project reserve increased due to the receipt of proceeds from the sale of land in TechPark.
 - Receivables include a reimbursement from the City for certain operating expenses incurred from January-June, 2017. Payables include Talent Pipeline, legal fees, and the addition of the credit card as a new liability account.
- The committee also reviewed the Profit & Loss Budget vs. Actual for the year to date through June 30, 2017.
- Items of note for June included:
 - Primary operating income: operating reimbursements from the City, share of proceeds from TechPark North property sale, and TI user fees are picking back up after slowing down.
 - Primary operating expenses: Talent Pipeline program, Annual meeting, the contract fee for TechPark spec preliminary design, and legal fees.
- The Finance Committee presented a motion to approve the Financial Reports from June 30, 2017. No second was necessary. The motion was unanimously approved.

2016 IRS Form 990 – Sally Baker

- Annual Information Return - The Board and Finance Committee received a draft of the 2016 990 to review before it is filed with the IRS. Sally reviewed the importance of the 990 as RHEDC's annual, public information return that is filed with the IRS and the SC Secretary of State.
- New for 2016 – Sally noted the addition of Schedule R, which provides additional details on the nature of the relationship between RHEDC and Old Town Development Corporation.
- The Finance Committee presented a motion to approve submission of the 2016 IRS Form 990. No second was necessary. The motion was unanimously approved.

Legacy Business Park – Stephen Turner

- Legacy East
 - Consider Real Estate Purchase Agreement Related to Legacy East sites: The Finance Committee reviewed the following documents related to RHEDC's proposed acquisition of land in Legacy East from SP Rock Hill Legacy East, LLC.
 - Real Estate Purchase Agreement
 - First Amendment to Lease Agreement
 - Finance committee plans to apply for a site readiness grant for up to \$1.5 million from the Santee Cooper Municipal Fund for infrastructure development. Scannell to match grants and fund additional infrastructure costs
 - Scannell's role includes: 1) Acquire sites from RHEDC over time and within 3 years 2) Provide necessary funding and oversee construction of infrastructure, 3) Have exclusive marketing and development rights
 - RHEDC receives income from option fees, land price acceleration and grants management
 - Questions asked during discussion:
 - Who is the current property owner? It is being purchased from Scannell, who purchased it from two separate owners to have it ready for RHEDC requirements.
 - Is RHEDC is obligated to obtain a grant? No.
 - How long would an extension be? Three years.

- The Finance Committee presented a motion to approve the following agreements related to Legacy East: 1) Real Estate Purchase Agreement; and 2) First Amendment to Lease Agreement, with the approval subject to any final changes that are determined to be advisable by RHEDC's legal counsel, the Chair and the Executive Director. No second was necessary. The motion was unanimously approved.
- The Finance Committee presented a motion to authorize staff to complete and submit the Santee Cooper Municipal Site Readiness Fund grant application for up to \$1.5 million for Legacy East Business Park. No second was necessary. The motion was unanimously approved.

Quality of Life – Debra Heintz

- Barre Mitchell Community Initiatives Fund
 - Currently need less than half of the board to donate to meet the 100% goal and an additional \$3,500.
 - Reminding everyone about the goal for 100% participation from Board Members to the Barre Mitchell Community Initiatives Fund. Mail a check to RHEDC or pay online using the donation link on www.FreedomWalkway.com.
- November 1, 2017 ceremony to be planned for next induction of heroes for Freedom Walkway

Innovation – Matt Dosch

- The grant request was not successful, likely due to corporation undergoing changes. Committee is looking at ways to do a version on our own.
- Talent pipeline is funded by Wells Fargo grant. Have funding in place for 10 more interns this year.

Marketing – Bud Dark

- The jobs website is working and getting good feedback. Need to help build a steady supply of jobs and candidates. Over 3,000 candidates are now listed on the site. The cost is only \$300 per year to place unlimited ads.
- Social media is actively growing on Facebook and Linked In and Twitter. Please join, visit and like to help grow.
- New website will be ready for September launch. It will include analytics
- This fall the marketing committee will plan a broker event for the Lowenstein Building for Knowledge Park.

V. Other Business

- A reminder to RSVP for our monthly meetings and please donate to the Barre Mitchell Community Initiatives Fund to help us reach the 100% participation goal.

VI. Adjourn

- There being no further business to come before the Board, the meeting was adjourned at 1:16 pm.

- Auvis Cole of Rock Hill/York County Convention Visitor’s Bureau will give a brief presentation on York County tourism.

Respectfully submitted,

David B. Vehaun
Secretary/Treasurer

Upcoming Events:

Tuesday, September 5, 2017, 12:00 pm..... RHEDC Board Meeting AT PALMETTO ROOM
Tuesday, October 3, 2017, 12:000 pm RHEDC Board Meeting AT PALMETTO ROOM
Friday, October 27, 2017, 8:30 amRHEDC Annual Retreat AT MILLSTONE