



APPROVED MINUTES

Industrial Development Authority of the County of Prince William

REGULAR MEETING

June 5, 2023

The Regular Meeting of the Industrial Development Authority of the County of Prince William was held in the Potomac Conference Room at the McCoart Government Administration Building located at 1 County Complex Court in Woodbridge, Virginia. The meeting was called to order by the Chair at 6:30pm.

Present were: Lorna Wallen, Chair
Harry Horning, Vice Chair
Dexter Montgomery, Secretary/Treasurer
Andrew Taylor, Assistant Secretary/Treasurer
Terence Battle, Director
Cheryl Kenny, Director

Absent was: William Malone, Director

Donna Flory and Scarlett Barbee attended to provide administrative support.

Michelle Morris, Senior Business Services Analyst, Prince William County Department Economic Development (PWCDED), attended to recap the *Make Your Mark* Business Appreciation Event.

PLEDGE OF ALLEGIANCE

CITIZEN'S TIME: Seth Opoku Yeboah was present.

NEW BUSINESS

- 1) ***Recap of the Make Your Mark Business Event and Business Site Visits in Support of Business Appreciation Month in May*** – Michelle Morris, Senior Business Services Analyst, Prince William County Department of Economic Development, recapped the *Make Your Mark* Business Event held on May 17, 2023 at the Hylton Performing Arts Center. She stated that the inaugural event was a success, with PWCDED receiving numerous cards, emails, notes, and other positive feedback from attendees, businesses, and County officials. Business attendees represented a diverse group of both small and very large businesses. Over 200 attendees representing the Prince William Chamber, the Small Business Development Center, and those from Veteran's organizations participated, as well as members of the IDA. Businesses that received grant funds passed through the IDA had the opportunity to hear from the IDA's Chair and learn more about the IDA's role in support of County businesses. As part of Business Appreciation Month, members of the Board of County Supervisors, PWCDED representatives, and members of the IDA took part in on-site visits to specific businesses located in each magisterial district of the County. This was another means for IDA to connect directly with businesses and make them aware of the IDA's support for County economic development initiatives. Ms. Morris expressed the appreciation of PWCDED for the IDA's support of the *Make Your Mark* inaugural event.
- 2) ***Update on IGNITE 2.0 Startup Grant Program*** – No update in June.
- 3) ***Update on Elevate Workforce Grant Program*** – No update in June.

- 4) **Consideration of Potential Loan to the Munificent Group, Developer of the Hilton Garden Inn Conference Center to be located at 7001 Infantry Ridge Road in Prince William County (Gainesville District)** – This topic is on hold awaiting additional information from PWCDED.

APPROVAL OF THE MAY 1, 2023 IDA MEETING MINUTES: *Secretary/Treasurer Dexter Montgomery made a motion to approve the May 1, 2023 Regular Meeting Minutes as presented. The motion was seconded by Terence Battle and passed with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 6 ayes, 0 nays, 0 abstentions)*

TREASURER'S REPORT: Treasurer's Monthly Financial Report: The IDA's Secretary/Treasurer, Dexter Montgomery, called attention to the Treasurer's Report for the month ending May 31, 2023. All Treasurer's Notes are included in the written Treasurer's Report. Mr. Montgomery called attention to the following notes:

- *Treasurer's Note #2* – On May 26, 2023, an invoice was requested by PWCDED for a previously approved IGNITE 2.0 Grant to George Mason University, in the amount of \$50,000. The invoice was provided to PWCDED the same day.
- *Treasurer's Note #3* – FVCB CD #3708, with a balance of \$118,272.98 will mature on June 12, 2023. In July 2022, this CD was rolled over for 12 months at a rate of .35%. The IDA's Bookkeeper has obtained information from FVCB indicating that an anniversary rate of 4.15% is currently available for a long-term rollover. The Treasurer and Bookkeeper will seek the best available rate and term when rolling over this CD.
- *Treasurer's Note #6* – The Signature pages to renew the IDA's Virginia Risk Sharing Association (VRSA) Liability Insurance Policy for FY24 were signed by the Treasurer and returned to Karen Wall by the June 1, 2023 due date. The renewal rate of \$4,585.00 represents an increase of \$428.00 over the FY23 rate. Payment is due July 1, 2023.
- *Treasurer's Note #7* – Munificent Group was invoiced for Loan Payment #9 in the amount of \$28,833.64 (\$25,000 principle/\$3,833.64 interest). Payment was received on June 2, 2023.
- *Treasurer's Note #8* – Sentara was invoiced \$29,370.77 for the PWC IDA's portion of its administrative fee and payment was received May 2, 2023. *Background:* Sentara's original bond issue totaled \$157,000,000 for healthcare facilities in three distinct localities within Virginia. The 3 IDAs for those localities split the administrative fee, with the Prince William IDA receiving 28%. A small portion of this bond was refunded in November 2022, further reducing the current outstanding bond amount to \$102,695,000.
- *Treasurer's Note #9* – Invoices for Remington Place Apartments Bond Series 2012A \$64,700 and 2012B \$17,336 were emailed to the Auditor as requested by the Board. The financials reflect receivables in the amount of \$82,036. Payment has not been received as of 5/26/23.
- *Treasurer's Note #11* – On May 1, 2023, an invoice was requested for Caerus Discovery, LLC in the amount of \$200,000. The invoice was provided to PWCDED the same day. The funds were received on May 12 and wired out to Caerus on the same day.
- *Treasurer's Note #12* – VSBFA was invoiced for \$10,952.00 in March. This is the Sentara Bond where VSBFA shares its administrative fee with the jurisdictions where the facilities are located. This is an interest only payment, received annually, as a shared fee. Todd Boyle confirmed that Sentara has not yet submitted payment. Mr. Boyle will notify the IDA's Bookkeeper when a

check is mailed. The IDA does not submit a request or invoice to receive these funds. Fee not received as of 5/26/2023.

- **Treasurer's Note #14** – The Treasurer enumerated specific operational expenses for the month.

Following this review, *Dexter Montgomery made a motion to accept the Treasurer's Report as presented, including rollover of FVCB CD#3708, and approving payment of 8 specific operating expenses detailed in Note #14 of the Treasurer's Notes. The motion was seconded by Andrew Taylor and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terrence Battle, each voting aye. (Motion passed 6 ayes, 0 nays, 0 abstentions)*

IDA's Proposed FY24 Budget for July 1, 2023 to June 30, 2024 – Secretary/Treasurer Dexter Montgomery presented the IDA's Proposed FY24 Budget, calling attention to several FY24 Budget Notes. Administrative fees expected in FY24 were calculated based on a 4% reduction of actual fees collected in FY23. This is the same formula used successfully in previous years. There was significant discussion of several budget categories, namely those designated *Advertising and Promotion, New Initiatives* and *Reserved for Future Initiatives*. *New Initiatives* has been used for the past several years to support the IDA's Chamber of Commerce Vision Partnership and a contribution to the Freedom Museum. More recently, it was used to support the PWCDED *Make Your Mark* Business Appreciation event. It was generally agreed that *New Initiatives* has largely been utilized as a marketing category. *Advertising and Promotion* is a very small category, underutilized in the past. *Reserved for Future Initiatives* is a separate category holding unallocated funds. To help the IDA institute criteria for support of community organizations, Mr. Battle has drafted language for consideration at a future meeting. Mr. Montgomery noted that there is a distinction between funds expended to support community organizations and funds spent to raise awareness of the IDA and keep its name visible to the public. It was generally agreed that the *Advertising and Promotion* budget category will be increased to \$25,000. If the IDA continues to support the Chamber Vision Partnership and/or the PWCDED *Make Your Mark* event, those expenditures will come from this category in the future. Under the *New Initiatives* category, subcategories will be created for *Nonprofit* and *For-Profit Organizations*, funded at \$25,000 each. To fund these categories at the increased amounts, the *Reserved for Future Initiatives* category will be decreased proportionately.

Following this discussion, *Dexter Montgomery, made a motion to approve the IDA's FY24 Proposed Budget (July 1, 2023 to June 30, 2024) as presented, with the additions discussed, including funding the Advertising and Promotions, New Initiatives Nonprofit, and New Initiatives For-Profit budget categories at \$25,000 each and reducing the Reserved for Future Initiatives category accordingly. The motion was seconded by Cheryl Kenny and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terry Battle each voting aye. (6 ayes, 0 nays, 0 abstentions)*

Request for UEI Number from Prince William County's Auditor – No new update at the June meeting. *Background:* the IDA received a request from Prince William County's auditor for the IDA's UEI number, which replaces the DUNS number. Documentation was submitted to the appropriate website to apply for the UEI number.

Update on IDA Investments and CD Interest Rates – 2023 CD interest rates have significantly increased over available rates in 2022, as evidenced by the FVCB CD#3708 new rate.

Update on the IDA's FY21 Audit: No new update at the June meeting. *Background:* Field work for the IDA's FY21 Audit took place on November 19, 2021. The IDA's auditor, Andrew

Grossnickle of Robinson, Farmer, Cox Associates (RFC) confirmed that he received the response he had been waiting for from the County.

Scheduling of the IDA's FY22 Audit: No new update at the June meeting. The FY22 Audit will be scheduled once the FY21 Audit is received.

CHAIRMAN'S REPORT: Section 6.2 Rules and Procedures Report: The IDA's Rules and Procedures require the Chair and other officers to report any actions taken or reports received on behalf of the IDA since the last meeting and to update the status of any bond inducement resolutions at the end of the fiscal year. To ensure compliance, the IDA provides a written report every month at the end of the Treasurer's Financial Report, updating bond issuance amounts, current outstanding amounts, and expected maturity dates.

- 1) **Invitation to Bob Sweeney, President & CEO, Prince William Chamber of Commerce** – Mr. Sweeney will be on the IDA's July Agenda to introduce himself and discuss the IDA's Chamber Vision Partner Sponsorship.
- 2) **IDA Participation in PWCDED Business Appreciation Month Visits** – As part of Business Appreciation Month events, representatives of the Board of County Supervisors and PWCDED hosted on-site visits to both a small and larger business in each of the County's magisterial districts. This year, IDA members were invited to participate. IDA members discussed their visits to a diverse range of businesses including Enterprise Database Corporation, Offix, Prominent, Silver Ion Technologies, Emerald Ironworks, McKays Used Bookstore, Vita Nova Medical Spa, Giorgios Restaurant, Peace of Mind Yoga Spa, U.S. Foods, and TechAnax.

OLD BUSINESS:

- 1) **Update on Attendance at Events Related to the IDA's Prince William Chamber of Commerce Business Development Vision Sponsorship:**

No new updates for the June meeting. Ms. Kenny noted that the IDA's Chair made a well-received presentation at the PWCDED *Make Your Mark* event. These types of engagements help to raise awareness of the IDA.

- 2) **Consideration of the IDA's Policy Regarding Contributions to Targeted Businesses Under the Virginia Industrial Development Authority Statute, Virginia Code 15.2-4901** – No new update at the June meeting. *Background:* Terence Battle previously provided a Draft Policy for Financial Support to Community Organizations. The Draft combines Chamber of Commerce and PWCDED criteria for grants as a starting point. As noted during the FY24 Budget discussion, there is ongoing dialogue as to whether the criteria will include for-profit businesses or strictly non-profit community organizations. Mr. Battle welcomes additional feedback. Mr. Montgomery recently submitted comments that will be incorporated for the next discussion.
- 3) **Consideration of Change to IDA Bylaws to Allow for Individual IDA Members to Participate Virtually in a Limited Number of IDA Meetings Annually** – No new update at the June meeting. *Background:* Virginia Code Title 2.2, Chapter 37, Section 2.2-3708.3 – Effective September 1, 2022, the Virginia Code Title 2.2, allows for individual members of public bodies to participate electronically in cases of illness, temporary emergencies, and other personal reasons. Andrew Taylor will draft language for inclusion in the IDA's Bylaws. It was stated that virtual participation would be limited to no more than 2 meetings per calendar year.

- 4) **Consideration of the Feasibility of the Prince William County IDA Purchasing a Building**
– No new update in June.
- 5) **Updates to the IDA’s Vision and Mission** – No new update in June.

NEW BUSINESS (not covered at the beginning of meeting)

- 1) **History of IDA Administrative Personnel Compensation** – This information was requested at the IDA’s May meeting and provided via email. No further discussion at the June meeting.
- 2) **Consideration of Change to IDA Bylaws to Allow the IDA to Hold Electronic Meetings** – No new update at the June meeting. *Background:* Virginia Code Title 2.2, Chapter 37, Section 2.2-3708.3, Paragraph C – Effective September 1, 2022, certain public bodies are allowed to hold full electronic meetings for a limited number of meetings each year. Qualifying organizations must have a policy in place for electronic meetings. *This topic will be on the IDA’s July Agenda.*

OTHER MATTERS TO COME BEFORE THE AUTHORITY/INDIVIDUAL MEMBERS TIME:

PWC IDA Nametags – IDA members currently utilize Chamber of Commerce nametags. There are other community events where specific IDA nametags are preferred. Nametags will be ordered prior to the July meeting.

The IDA is receiving positive feedback on the addition of a group photo to its website.

Due to scheduling conflicts, the next Regular Meeting of the PWC Industrial Development Authority will be moved to Monday, July 17, 2023, in the Potomac Conference Room at the McCoart Government Administration Building.

There being no further business to come before the IDA, the meeting was adjourned at 7:55pm on the motion of Dexter Montgomery, seconded by Cheryl Kenny.

Approved: July 17, 2023