



## APPROVED MINUTES

### Industrial Development Authority of the County of Prince William

#### REGULAR MEETING

Monday, July 12, 2021

The Regular Meeting of the Industrial Development Authority of the County of Prince William was held via Zoom Meeting Video Conferencing. Members of the public had the opportunity to participate. The meeting was called to order by the Chairman at 6:30pm.

Present were: Patrick O'Leary, Chairman  
Lorna Wallen, Vice Chairman  
Dexter Montgomery, Secretary/Treasurer  
Harry Horning  
Cheryl Kenny  
Terence Battle

Absent was: Andrew Taylor, Assistant Secretary/Treasurer

Donna Flory and Scarlett Barbee attended to provide administrative support.

Several members of the Prince William County Department of Economic Development (DED) team participated, including Christina Winn, Executive Director; Tom Flynn, Deputy Director; Clarice Grove, Small Business Development Manager; Stacie Henn, Business Development Manager; and Nicole Smith, Director, Policy and Incentives.

Michael W. Graff, Jr., Partner, McGuireWoods, LLP, the IDA's Bond Counsel, attended to update the IDA on the bond project for the Landing at Mason's Bridge.

Jim Porter, Freedom Museum President, and Tom Hueg, Immediate Past President, attended to update the IDA on the Museum's activities and request a contribution.

#### **PLEDGE OF ALLEGIANCE**

**CITIZEN'S TIME:** No citizens were present.

#### **NEW BUSINESS**

- 1) ***Authorize Amendment Four to the COVID 19 Small Business Micro-Grant Agreement***  
Clarice Grove, Small Business Development Manager with the County's Department of Economic Development, presented Amendment Four. She noted that there were funds remaining in the Capital Investment Grant (CIG) Program. The leftover funds were due to businesses completing fewer improvements than originally planned or being unable to provide receipts for the full amount of completed projects. Under the original Micro-Grant Agreement, homebased and nonprofit businesses were eligible for a \$2,500 grant, while other types of businesses qualified for a \$7,500 grant. To further assist the 129 homebased and nonprofit businesses who originally received \$2,500, Amendment Four provides an additional \$5,000 grant to each of these businesses, resulting in a total grant of \$7,500 per business. The total additional expenditure is \$645,000. Dates on Exhibit A of Amendment Four have been updated to reflect that businesses have until December 31, 2021 to expend grant funds. Following this discussion, *Terence Battle made a motion to approve Amendment Four to the COVID-19 Small Business Micro-Grant Performance Agreement, seconded by Cheryl Kenny. The motion passed unanimously with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny, and Terry Battle each voting aye. (Motion passed 6 ayes, 0 nays, 0 abstentions)*

**2) Update on Draft Tri-Party Agreement Among the Prince William Board of County Supervisors, the Prince William County Service Authority, and the Prince William County Industrial Development Authority to Form a Water/Sewer Fee Partnership** – Stacie Henn, Business Development Manager with the County’s Department of Economic Development, recapped the process for a business to obtain water/sewer access at a new business site. The County’s Service Authority requires full payment of water/sewer availability fees prior to connection of services. These water/sewer services are for small businesses, including hotels and restaurants, that are being newly built. Existing buildings already have water/sewer connected and available. Currently, the County does not have a tool to assist businesses with the substantial fees associated with obtaining a new water/sewer connection. DED drafted a tri-party agreement to provide a means for businesses to receive initial funding for the cost of turning on the water/sewer through a loan from the IDA. The Agreement outlines a process whereby a business would contact DED for an application, then DED would review the completed application, and forward it to the IDA. The IDA would have the authority to vet the business to ensure it is qualified for the loan it is seeking. If the business is found to be qualified, then the loan would be provided, and the water/sewer turned on at the property. If a default should occur, the County will undertake collection efforts. If such efforts are unsuccessful, the County would transfer water/sewer credits to the Service Authority in the amount of the loan balance. The Service Authority would then return cash to the IDA in the amount of the loan balance. Mr. O’Leary had previously drafted and circulated a proposed Section 5.2 to the proposed Agreement. At the meeting, he suggested the following changes to his previously circulated Section 5.2A: 1) adding the line, “other topics as deemed appropriate,” 2) adding 5.2B which reads, “the IDA will conduct other due diligence on the business and its investors as deemed appropriate,” and 3) renumbering the items in this section. IDA members indicated that they agree with Mr. O’Leary’s proposed changes. The Draft Tri-Party Agreement has been reviewed by DED, the IDA, and the County Attorney. Mr. O’Leary will send his proposed Section 5.2 to Ms. Henn later this week for inclusion in the final draft of the proposed Agreement. It is very near completion, with final changes expected in the next few days. Once finalized, the Agreement will be presented to the BOCS, the Service Authority and the IDA for formal approval.

**3) Additions/Promotions to the Prince William County Department of Economic Development:**

**Nicole Smith was recently hired as Director, Policy and Incentives** – Ms. Smith will be working with businesses that have EDOF grants to track their progress and ensure goal completion. Notarized affidavits and annual reporting have been instituted for EDOF recipients.

**Tom Flynn has been promoted to Deputy Director.**

**4) Freedom Museum: Summary of Recent Activities and Request for Contribution** – Jim Porter, President, and Tom Hueg, Immediate Past President of the Freedom Museum advised the IDA that the Museum recently relocated from Manassas Airport to 9129 Center Street in Manassas. They conducted a video tour for IDA members, displaying several of the Museum’s exhibits. Mr. Porter noted that 2020 was difficult, with the Museum receiving almost no revenue. However, the move was reported by WJLA Morning News who did a story on the Museum’s new location, resulting in widespread publicity. In early July 2021, nearly 700 people visited the Museum at its Center Street space. This location provides substantially more walk-in traffic than its former home at the Manassas Airport. This is the first time the Museum has been responsible for rent and utilities in addition to its operational expenses. Mr. Porter is grateful for the past support from the IDA and hopes it will consider a contribution this year. Several members of the IDA plan to visit the Freedom Museum in the coming weeks. Following the exit

of Mr. Porter and Mr. Hueg from the ZOOM call, IDA members discussed the possibility of a contribution to the Freedom Museum. *Lorna Wallen made a motion authorizing a contribution of \$5,000 from the Industrial Development Authority of the County of Prince William to the Freedom Museum at this time, with potential consideration of an additional contribution later in 2021 if funds are available. The motion was seconded by Cheryl Kenny and passed unanimously with Pat O’Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny and Terence Battle each voting aye. (Motion passed 6 ayes, 0 nays, 0 abstentions)*

- 5) ***Novant Bonds: Status of Final Administrative Fees/Period of Time Covered by Final Payment*** – Mike Graff, Partner, McGuireWoods, LLP, Bond Counsel to the IDA, noted that the IDA believed Novant’s annual administrative fee due in June 2021 covered the period from June 2020 to June 2021. Therefore, a prorated amount might be due to cover the time from June 2021 to July 2021 when Novant anticipated paying off the bonds. However, Novant’s attorney stated that the language could be read to suggest that the annual fee was paid in advance and that no fee payment was due for the June–July 2021 partial period. Therefore, Mr. Graff suggested forgoing any attempt to collect a prorated amount for the June–July 2021 timeframe since Novant paid the full annual administrative fee of \$136,360 on June 17, 2021.
- 6) ***Update on the Landing at Mason’s Bridge Bonds*** – Mr. Graff reported that he obtained all required signatures, and the bond documents are ready for the market. However, the developer still has one remaining issue regarding the closing. He is working closely with the County’s Planning Department and expects the issue to be resolved within the next couple of weeks. The invoice for the IDA’s closing fee is included on the Settlement Sheet. Mr. Graff will advise the IDA when the bond closes.
- 7) ***Update on Town of Haymarket Plans for Distribution of CARES Act/American Rescue Plan Funds*** – Mr. O’Leary previously circulated a Proposed Agreement between the Town of Haymarket and the IDA. IDA members approved Mr. O’Leary sending the Proposed Agreement to Chris Coon, Town Manager of Haymarket. Mr. Coon is reviewing the Proposed Agreement and updating it with appropriate financials before it comes before the IDA for final approval.
- 8) ***Update on Attempted Check Fraud Matter*** – Dexter Montgomery, Secretary/Treasurer, noted that there is no additional update on this topic. It will be removed from future agendas unless new information is provided by law enforcement or bank representatives.

**APPROVAL OF JUNE 7, 2021 IDA REGULAR MEETING MINUTES:** *Dexter Montgomery made a motion to approve the June 7, 2021 Regular Meeting minutes as presented, seconded by Lorna Wallen. The motion passed unanimously with Pat O’Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 6 ayes, 0 nays, 0 abstentions)*

**APPROVAL OF JUNE 14, 2021 IDA ADJOURNED MEETING MINUTES:** *Dexter Montgomery made a motion to approve the June 14, 2021 Adjourned Meeting minutes as presented, seconded by Terence Battle. The motion passed with Pat O’Leary, Lorna Wallen, Dexter Montgomery, Cheryl Kenny, and Terence Battle each voting aye. Harry Horning abstained from the vote as he was absent from the June 14 meeting. (Motion passed 5 ayes, 0 nays, 1 abstention)*

**TREASURER’S REPORT: Treasurer’s Monthly Financial Report:** Dexter Montgomery, Secretary/Treasurer, called attention to the Treasurer’s Report for the month ending June 30, 2021. A separate report, titled Treasurer’s Notes, is now included with the Treasurer’s Report to provide a high level of transparency regarding the IDA’s monthly financial transactions.

Mr. Montgomery called attention to the following financial notes and transactions:

- Mr. Montgomery reviewed expenses and balance sheet totals, noting the IDA's current assets.
- There is not a collections report, as all administrative fees have been collected that are due as of July 12, 2021. The La Quinta Inn was invoiced in the amount of \$47,967.03. NOVANT's payment of \$136,360.00 was received on 6/17/2021. This will be Novant's last administrative fee payment as it has paid off its bonds. Munificent's payment of \$31,458 was received on June 7, 2021.
- FVCBank CD #3708, \$116,667.97, matured on 6/12/2021 with a balance of \$117,542.73. The interest earned of \$874.76 is reflected in the financial reports. The CD was rolled over at a rate of .30 for 12 months and matures on 6/12/2022.
- United bank CD #0208 matured on 7/1/2021. Rates are holding steady at .30% for 7-to-12-month terms at all banks contacted.
- The IDA's Liability Insurance was paid July 12, 2021, via Bill Pay, to the Virginia Risk Sharing Association (VRSA) in the amount of \$3,911.00. A credit of \$147.00 was applied due to under use of Insurance in 2021 by all in the VRSA group.
- The Prince William Chamber of Commerce Vision Partner sponsorship check for \$12,000.00 will be delivered to the Chamber on 7/13/2021.
- Ongoing social distancing precautions make it difficult to obtain two signatures on IDA checks. Through an email on July 7, 2021, IDA members received a list of 22 specific expenses that would normally be paid via check. These expenses will be paid utilizing FVCbank's Bill Pay service. *Dexter Montgomery made a motion to approve payment of twenty-two specific expenses, including quarterly stipends for meeting attendance, utilizing FVCbank's Bill Pay service. The motion was seconded by Harry Horning and passed unanimously with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny and Terence Battle each voting aye. (Motion passed, 6 ayes, 0 nays, 0 abstentions)*

Following this discussion, *Dexter Montgomery made a motion to accept the Treasurer's Report, seconded by Cheryl Kenny. The motion passed unanimously with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny, and Terry Battle each voting aye. (6 ayes, 0 nays, 0 abstentions)*

**IDA's Approved Budget for July 1, 2021 to June 30, 2022** – Mr. Montgomery noted that the IDA's FY2022 Budget was approved at the June 14, 2021 meeting. However, the Landing at Mason's Bridge total project bond amount that was expected to be let by June 30, 2021, was delayed until after July 1, 2021, placing it in the IDA's FY2022 budget. In addition, the total bond amount was decreased from \$66,532,000 to \$62,663,000. The previously approved FY2022 IDA Budget was updated to include this bond project at the lower amount. Following this discussion, *Dexter Montgomery made a motion to approve the IDA's FY2022 Revised Budget (July 1, 2021 to June 30, 2022) as presented, including the Landing at Mason's Bridge bond. The motion was seconded by Lorna Wallen and passed unanimously with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny, and Terry Battle each voting aye. (6 ayes, 0 nays, 0 abstentions)*

**CHAIRMAN'S REPORT: Section 6.2:** This written report is provided at the end of the Treasurer's Financial Report that is emailed to IDA members prior to the meeting. It shows all outstanding bonds and incentive grants.

***Update on Hilton Garden Inn:*** This hotel has opened and plans a Grand Opening Event on Friday, July 30, 2021. Several members of the IDA indicated that they will attend. Representatives of Munificent have asked the IDA to research the status of the Hilton's proposed tax bill for the first half of 2021. Cheryl Kenny will research possible solutions.

**OLD BUSINESS:** ***Update on Scriyb Lawsuit*** – A few weeks ago, Mr. O’Leary circulated an email containing a proposed Memorandum to the Department of Economic Development related to ceasing collection efforts. IDA members reviewed it prior to tonight’s meeting. Following brief discussion, *Harry Horning made a motion to authorize Pat O’Leary, as Chairman of the Industrial Development Authority of the County of Prince William, to send the Proposed Memorandum that was previously circulated to IDA members, to Christina Winn, Executive Director of the Prince William County Department of Economic Development. The motion was seconded by Dexter Montgomery and passed unanimously with Pat O’Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny, and Terry Battle each voting aye. (6 ayes, 0 nays, 0 abstentions)*

***Update on Attendance at Events Related to the IDA’s Prince William Chamber of Commerce Business Development Vision Sponsorship*** – Cheryl Kenny attended the Chamber’s Annual Meeting as well as New Member Orientation. Both Ms. Kenny and Lorna Wallen attended the Chamber’s Economic Development Series presentation on the Port of Virginia. Mr. Montgomery noted that the Chamber has distributed the Blueprint Virginia Survey for those who are interested in participating. Several members of the IDA plan to attend the Chamber’s Leadercast event in August. Additionally, other IDA members will participate in the Chamber’s upcoming Business After Hours event at the Appliance Connection in Woodbridge.

**NEW BUSINESS (not covered at the beginning of meeting)**

Discussion of the IDA’s Vision and Mission

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

The next Regular Meeting of the PWC Industrial Development Authority is scheduled for Monday, August 2, 2021 via ZOOM video conference.

There being no further business to come before the IDA, the meeting was adjourned at 8:15pm on the motion of Lorna Wallen, seconded by Dexter Montgomery.

***Approved: August 2, 2021***