



## APPROVED MINUTES

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

#### REGULAR MEETING

February 6, 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  
Terence Battle, Director  
William Malone, Director

Absent were: Andrew Taylor, Assistant Secretary/Treasurer  
Cheryl Kenny, Director

Donna Flory and Scarlett Barbee attended to provide administrative support.

Christina Winn, Executive Director, and Stacie Henn, Business Development Manager, Prince William County Department of Economic Development (PWCDED), attended to provide updates on several County grant programs.

#### **PLEDGE OF ALLEGIANCE**

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

#### **NEW BUSINESS**

- 1) ***Presentation of Granules Consumer Health, Inc. Performance Agreement – Authorize the Execution of a Performance Agreement among the Prince William Board of County Supervisors, the Industrial Development Authority of the County of Prince William, and Granules Consumer Health, Inc. for a \$200,000 Economic Development Opportunity Fund (EDOF) Grant and***

***Further Authorize the Execution of an Additional Performance Agreement among the Commonwealth of Virginia, Prince William County, the Industrial Development Authority of the County of Prince William, and Granules Consumer Health, Inc., for a \$200,000 Commonwealth Opportunity Fund (COF) Grant from the Commonwealth of Virginia to Augment Granules Establishment of a Pharmaceutical and Medication Packaging Facility in Prince William County at 7413 Cushing Road in the Gainesville Magisterial District – Both*** of these Performance Agreements were approved by the Prince William Board of County Supervisors on January 17, 2023 – Christina Winn, Executive Director, Prince William County Department of Economic Development provided an overview of this statewide project that was announced by Virginia Governor Glenn Youngkin in November 2022. In broad terms, to qualify for a Commonwealth Opportunity Fund Grant (COF), an economic development project must generate multi-state competition, create a minimum of 50 jobs, and create \$5 million in capital investment. The COF grant is a negotiated amount determined by the Secretary of Commerce and Trade, based on the recommendation of the Virginia Economic Development Partnership

(VEDP), and subject to approval of the Governor. The COF grant must be matched dollar for dollar in cash or in-kind contributions by the jurisdiction in which the project is located. Prince William County generally matches with a cash grant, while Fairfax County does a larger amount of in-kind grants. The COF was recently restructured to require pay for performance, meaning grant recipients must meet target metrics for capital investment and jobs before receiving funds. Prince William County already required pay for performance metrics. The Granules Consumer Health Project is a \$200,000 Commonwealth Opportunity Fund (COF) grant, matched by a \$200,000 Prince William County Economic Development Opportunity Fund (EDOF) grant. Each grant has its own Performance Agreement. The IDA is a party to each of the two Performance Agreements. For the COF Agreement, the funding will come from the state to the County to the IDA and the IDA will distribute funds to Granules on behalf of the state. There are slight changes between the two Performance Agreements. In the COF Agreement, it states that 57 jobs will be created versus 41 jobs under the EDOF Agreement. This is because Granules Consumer Health also has a research facility located in Fairfax County and will receive credit on the COF Agreement for the additional 16 jobs created at that facility. The company expects to invest \$12.5 million in capital investment. It has received a Certificate of Occupancy and has begun moving into the new distribution building just off Balls Ford Road on Cushing Road in the Gainesville District. The County's \$200,000 grant is allocated at 50% (\$100,000) for jobs and 50% (\$100,000) for capital investment. If the company only reaches 75% of its jobs requirement, it will receive 75% of the \$100,000. Full grant funding is only received if the metrics are 100% met. Granules is headquartered in New Jersey and has 2,700 employees worldwide. The facility in Prince William County will package pharmaceuticals.

*Following this presentation, Dexter Montgomery made a motion to approve the execution of a Performance Agreement among the Prince William Board of County Supervisors, the Industrial Development Authority of the County of Prince William, and Granules Consumer Health, Inc. to award a \$200,000 Economic Development Opportunity Fund (EDOF) grant to Granules. The motion was seconded by William Malone and approved unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Terry Battle, and William Malone each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)*

*Following this vote, Dexter Montgomery made a motion to approve the execution of an additional Performance Agreement among the Commonwealth of Virginia, Prince William County, the Industrial Development Authority of the County of Prince William, and Granules Consumer Health, Inc., for a \$200,000 Commonwealth Opportunity Fund (COF) grant from the Commonwealth of Virginia to augment Granules Consumer Health's establishment of a pharmaceutical and medication packaging facility in Prince William County at 7413 Cushing Road in the Gainesville Magisterial District. The motion was seconded by William Malone and approved unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Terry Battle, and William Malone each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)*

Christina Winn briefly introduced Stacie Henn, Business Development Manager with the Prince William County Department of Economic Development. Ms. Henn is the Project Manager on the Granules Consumer Health project.

- 2) Update on IGNITE Expansion Grant Program** – Christina Winn reported that the IGNITE Expansion Grant Program (IGNITE 2.0) launched on January 10, 2023 and applications are open through the end of March. PWCDDED is working on a series of webinars to encourage

applications. Another aspect of the IGNITE 2.0 Grant is support for student entrepreneurs at George Mason University (GMU). PWCDED is working closely with a professor at GMU and his entrepreneurial business class. The class will end the spring semester by participating in a product pitch contest vying for the \$50,000 entrepreneurial grant. Originally, there were 8 student teams. Two of the teams were not an appropriate fit for the program. The remaining 6 teams are expected to complete the application process. Once GMU provides the legal paperwork, the IDA will transfer funding to the George Mason University Foundation, who will distribute it to the winning team later in the spring.

- 3) **Route 1 Refresh Grant Program** – This program provides financial assistance to businesses located along U.S. Route 1 in Prince William County, to mitigate any financial impact caused by the renaming of Route 1 as Richmond Highway. Financial grants of \$500, up to \$5,000, are available to offset costs associated with replacing printed materials, signage, business cards, and other marketing related expenses. Christina Winn reported that there are four businesses located within the Town of Dumfries whose address is Richmond Highway and therefore, they are eligible for a grant from the Route 1 Refresh Grant Program. Other than these businesses, no further applications are expected.
- 4) **Update on Elevate Workforce Grant Program** – These grants are not distributed through the IDA, but IDA members assist with marketing the program to the community. Ms. Winn reported that it is currently estimated that this program spent \$350,000 in its first year, that ends this month. Virginia Career Works has been asked to estimate expected costs in the second year.
- 5) **Update on Restore Retail Grant Program** – Christina Winn reported that this program is still open but there is no substantial update this month.

**APPROVAL OF DECEMBER 5, 2022 IDA MEETING MINUTES:** *IDA Secretary/Treasurer Dexter Montgomery made a motion to approve the December 5, 2022 Regular Meeting Minutes as presented. The motion was seconded by Harry Horning and passed with Lorna Wallen, Harry Horning, Dexter Montgomery, and Terence Battle each voting aye. William Malone did not officially join the IDA until the January 9, 2023 meeting. (Motion passed 4 ayes, 0 nays, 0 abstentions)*

**APPROVAL OF THE JANUARY 9, 2023 IDA MEETING MINUTES:** *Vice Chair Harry Horning made a motion to approve the January 9, 2023 Regular Meeting Minutes as presented. The motion was seconded by Dexter Montgomery and passed with Lorna Wallen, Harry Horning, and William Malone each voting aye. Dexter Montgomery and Terence Battle each abstained since they were absent from the January 9 meeting. (Motion passed 3 ayes, 0 nays, 2 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 January 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 1/24/2023 PWCDED provided a spreadsheet containing a sampling of checks written to businesses that received grant funds in 2021. Proof of payment was requested for each as part of PWCDED's audit. Statements and check images were provided to PWCDED the same day. PWCDED will produce the business applications for the checks.
- ***Treasurer's Note #3*** – On 1/19/2023 PWCDED provided a spreadsheet containing a sample of checks written to businesses that received grant money in 2020. Proof of payment was requested for each. Statements and check images were provided to PWCDED the same day.

- **Treasurer's Note #4** – On 1/18/2023, an invoice in the amount of \$1,500.00 was received from the PW Chamber of Commerce and paid via debit card, for the sponsorship of the March 22, 2023 Economic Development Series Breakfast. This expense was approved at the November 7, 2022 IDA meeting and is reflected on the Treasurer's Financial Report.
- **Treasurer's Note #7** – On 1/9/2023, an invoice was requested for Canopie, Inc. for payment of an IGNITE 2.0 grant in the amount of \$50,000. The invoice was provided to PWCDED the same day. Due to an issue with the County's Mobius financial system, the wire into the IDA was not received until 1/25/2023. The wire out to Canopie, Inc. was completed the same day.
- **Treasurer's Note #8** – As directed by the Board at the 1/9/2023 IDA meeting, the IDA's Secretary/Treasurer and Bookkeeper obtained interest rates for United Bank CD's #0208 and #9725 that matured on 2/1/23 and 2/2/23. Both CDs were rolled over at United Bank at an interest rate of 4% for 13 months.
- **Treasurer's Note #9** – An invoice in the amount of \$37,093.75 was provided to George Mason University Foundation (GMUF) for the annual administrative fee on the Life Sciences Lab Building bond, due 2/15/2023. Payment was received 1/11/2023.
- **Treasurer's Note #10** – An invoice in the amount of \$17,819.75 was provided to GMUF for the annual administrative fee on the Prince William SciTech Campus Student Housing bond, due on 1/29/2023. Payment was received 1/11/2023.
- The IDA's Bookkeeper processed and disbursed additional checks under ARPA funding, resulting in an additional payment of \$4.32 to Donna Flory. Ten specific IDA operational expenses were detailed for approval.

Following this review, *Dexter Montgomery made a motion to accept the Treasurer's Report as presented, including approving payment of 10 specific operating expenses detailed in Note #12 of the Treasurer's Notes. The motion was seconded by Terry Battle and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Terry Battle, and William Malone each voting aye. (Motion passed, 5 ayes, 0 nays, 0 abstentions)*

**Update on IDA Investments and CD Interest Rates** – Nothing new to report.

**Update on the IDA's FY21 Audit:** Field work for the IDA's FY21 Audit took place on November 19, 2021. As previously reported, the IDA's auditor, Andrew Grossnickle of Robinson, Farmer, Cox Associates (RFC) is determining if additional procedures need to be performed relative to the IDA's acting as a conduit for the CARES Act grant funds.

**Scheduling of the IDA's FY22 Audit:** Field work for the IDA's FY22 Audit has not been scheduled.

Chair Wallen suggested that she send a formal request to Mr. Grossnickle to determine the current status of the audit. She will draft correspondence for the Secretary/Treasurer's review before providing it to Mr. Grossnickle.

**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.

**OLD BUSINESS: Update on Attendance at Events Related to the IDA's Prince William Chamber of Commerce Business Development Vision Sponsorship –**

**January 19, 2023 – Prince William Chamber Day at the Capitol** – Dexter Montgomery participated in the Prince William Chamber Day at the Richmond Capitol. Attendees heard from representatives of the Governor's Cabinet and from Jason El Koubi, President and CEO, the Virginia Economic Development Partnership (VEDP). Mr. El Koubi reported on economic issues currently confronting the Commonwealth.

**February 3, 2023 – Grand Opening of the Crimson Coward Nashville Hot Chicken Restaurant** – William Malone attended this Chamber Business Grand Opening in Woodbridge.

IDA members are planning to participate in several Chamber events and activities during the month of February and will report on these at the IDA's March meeting.

**March 6, 2023 IDA Photo Opportunity.** The IDA will take a group photo to use in marketing and other promotional materials. Donna Flory's husband is a photographer and will take photos at the IDA's March meeting if all IDA members are present.

**March 22, 2023 Chamber Economic Development Series Breakfast** – The IDA voted at its November 7, 2022 meeting to sponsor this breakfast, originally proposed for early March, but now scheduled for March 22, 2023. Currently, Ms. Wallen, Mr. Montgomery, Mr. Battle, and Mr. Malone plan to attend. It is likely that Ms. Kenny will also attend. The IDA has 3 additional tickets. It was suggested that the IDA may wish to invite participants who recently made inquiries to the IDA regarding potential eligibility for bonds.

**Discussion of the IDA's Vision and Mission** – Nothing New to Report

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

Andrew Taylor attended the Virginia Economic Developer's Association (VEDA) Legislative Reception on January 18, 2023 in Richmond and may discuss any relevant activity at the March meeting.

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

The next Regular Meeting of the PWC Industrial Development Authority is scheduled for Monday, March 6, 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 7:25pm on the motion of Dexter Montgomery, seconded by Harry Horning.

**Approved: March 6, 2023**