



APPROVED MINUTES

Industrial Development Authority of the County of Prince William

REGULAR MEETING

March 4, 2024

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
Dexter Montgomery, Secretary/Treasurer
Andrew Taylor, Assistant Secretary/Treasurer
Cheryl Kenny, Director (attended virtually)
Terence Battle, Director

Absent were: Harry Horning, Vice Chair
William Malone, Director

Donna Flory and Scarlett Barbee attended to provide administrative support.

Cheryl Kenny participated via Zoom from home due to a temporary injury.

The IDA's Bond Counsel, Michael W. Graff, Jr., Partner, McGuireWoods, participated via Zoom in the discussion of the loan request from the developers of the Hilton Manassas Conference Center, and the consideration of the IDA's policy on contributions to community organizations.

PLEDGE OF ALLEGIANCE

CITIZEN'S TIME: No citizens were present.

- 1) **CLOSED SESSION TOPICS – 1) Loan Request from Developers of the Hilton Manassas Conference Center, Gainesville District** – At 6:38pm, in accordance with the Code of Virginia Section 2.2-3711, #39, Terence Battle moved to close this portion of the meeting to discuss information subject to the exclusion in Virginia Code Section 2.2-3705.6, #3 related to economic development. Discussion includes a specific company's confidential financial information. The motion was seconded by Dexter Montgomery and passed unanimously with Lorna Wallen, Dexter Montgomery, Cheryl Kenny, and Terence Battle voting aye. Andrew Taylor was absent from the vote. (Motion passed 4 ayes, 0 nays, 0 abstentions)

At 7:18pm, Dexter Montgomery moved to resume the open meeting, with members of the IDA certifying that, to the best of their knowledge, only public business matters lawfully exempted from open meeting requirements under the Virginia Code Section 2.2-3705.6, #3 were heard, discussed, or considered by the IDA. The motion was seconded by Andrew Taylor and passed unanimously with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)

- 2) **Update on Consideration of the IDA's Policy Regarding Contributions to Community Organizations Under the Virginia Industrial Development Authority Statute**, Virginia Code 15.2-4901 – At 7:19pm, in accordance with the Code of Virginia, Section 2.2, 3711, #8, Dexter Montgomery moved to close this portion of the meeting to discuss the IDA's Draft Policy for

Contributions to Community Organizations and to consult Mike Graff, the IDA's Bond Counsel, as to the legalities of the policy. The motion was seconded by Andrew Taylor and passed unanimously with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)

At 7:30pm, Dexter Montgomery moved to resume the open meeting, with members of the IDA certifying that, to the best of their knowledge, only public business matters lawfully exempted from open meeting requirements under the Virginia Code Section 2.2-3705.6, #3 were heard, discussed, or considered by the IDA. The motion was seconded by Andrew Taylor and passed unanimously with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)

Upon return to open session, Terence Battle moved that the Industrial Development Authority of the County of Prince William approve the proposed IDA Community Organization Grant Program as outlined in the Grant Program Documents. The motion was seconded by Dexter Montgomery and passed unanimously with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)

Following this vote, Dexter Montgomery moved that the Industrial Development Authority of the County of Prince William approve a loan to the Munificent Group, developers of the Hilton Manassas Conference Center, in the loan amount of \$750,000, for a period of five years at 8% interest, and require Munificent to repay in full the remaining 2021 loan amount, currently \$200,000, by December 31, 2024. The motion was seconded by Terence Battle and passed unanimously with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)

- 2) **No March 2024 Update from the PWC IDA Real Estate Committee on Consideration of Acquisition of Commercial Property** – This topic is tabled pending the outcome of the IDA's loan offer to the developer of the Hilton Manassas Conference Center.

APPROVAL OF FEBRUARY 5, 2024 IDA MEETING MINUTES: *Dexter Montgomery made a motion to approve the February 5, 2024 Regular Meeting Minutes as provided. The motion was seconded by Cheryl Kenny and passed with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)*

TREASURER'S REPORT: ***Treasurer's Monthly Financial Report:*** Dexter Montgomery, the IDA's Secretary/Treasurer, presented the Treasurer's Report for the month ending February 29, 2024. All Treasurer's Notes are included in the written Treasurer's Report. Mr. Montgomery expanded on the following notes:

- ***Treasurer's Note #2*** – Regarding United Bank CD#0208 and CD#9725, Dexter Montgomery and the IDA's Bookkeeper, Donna Flory, researched current interest rates, as directed by the IDA at its February 5, 2024 meeting. The CDs are currently in the 10-day grace period to either be rolled over or moved to a higher interest rate product. Mr. Montgomery recommends keeping the CDs at United Bank for seven months at an interest rate of 5%. A longer term is not available at that rate. VNB offered slightly more at 5.1% but only for a four-month term. Truist and Burke and Herbert had lower rates or lower terms. The only significantly higher rates were available from online banking entities. It was agreed that the CDs would remain at United Bank at 5% for a period of seven months.

Following this review, *Dexter Montgomery made a motion to accept the Treasurer's Report as presented, including approving payment of 9 specific operating expenses detailed in Note #7 of the Treasurer's Notes. The motion was seconded by Andrew Taylor and passed unanimously with Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)*

Update on IDA Investments and CD Interest Rates – 2023 CD interest rates significantly increased over available rates in 2022. CD interest rates for 2024 are higher than the available 2023 rates but are only available for short terms. The most recent CDs to rollover are at a 5% interest rate.

Scheduling of the IDA's FY22 and FY23 Audits: The IDA's bookkeeper, Donna Flory, has been in contact with Robinson, Farmer, Cox (RFC) to request dates for the on-site audit work. Ms. Flory is ready to meet when RFC provides available dates. Ms. Flory hopes to get on their schedule after tax season slows down at the end of May.

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) *Request for Virginia Business Subscription* – An IDA Director requested that the IDA consider a subscription to Virginia Business magazine. A one-year subscription that includes print and digital access, as well as newsletters is \$34.95. It was noted that it covers various business activities throughout the Commonwealth. Directors will review the website and this topic will be further discussed at the IDA's April meeting.
- 2) *Potential IDA Membership in Virginia Economic Development Association (VEDA)* – In January, Chair Wallen suggested that the IDA submit a nomination for a VEDA Community Economic Development Award (CEDA). After further review, it was determined that one of the criteria was that the award nominee needed to be a member of VEDA or nominated by a member. The IDA is not a VEDA member. Due to the very tight timeframe, it was determined that the IDA would wait until the next awards cycle to consider this opportunity. In the past, this particular award recognized counties, cities, departments of economic development, and community colleges. Chair Wallen suggested that the IDA discuss the award with Christina Winn, Executive Director, Prince William County Department of Economic Development. Ms. Winn is the Immediate Past President of VEDA and can offer insights as to whether this is an appropriate opportunity for the IDA.
- 3) *Good News Organization Offering Potential Plaque for IDA Chamber Award Nomination* – For a fee, this organization will provide a plaque highlighting the IDA's nomination for a Prince William Chamber Business Award. Discussion focused on the idea that there are better ways to utilize IDA funds, particularly when the IDA was a nominee but not the award winner. It was generally agreed that the IDA will not make this purchase.
- 4) *Newspapers in Education* – This organization is seeking a contribution to its "Partners In Education Drive." Their program works with local school systems to give students the opportunity to learn about current events and improve literacy rates. It was agreed that the IDA will not make a contribution at this time. However, this organization may wish to apply once the IDA's Community Organization Grant Program is instituted and active.

- 5) *Inquiry from a Pharmaceutical Company That Develops Targeted Therapeutics* – The IDA received an inquiry from a pharmaceutical company that develops targeted therapeutics. The company may be seeking a bridge loan for a specific project and inquired about the possibility of the IDA providing a substantial loan. The IDA currently has an existing loan offer under consideration by another entity. When this loan closes, the IDA's limited loan capacity will be fully extended for the foreseeable future. The IDA will suggest that the company's principal work with the County's Department of Economic Development and Virginia's Economic Development Partnership to see what other resources may be available.

NEW BUSINESS (not considered at the beginning of the meeting) No additional New Business was considered.

OLD BUSINESS:

The IDA's Mission and Vision as it Relates to:

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

- ***Prince William Chamber of Commerce Business Awards*** – IDA Directors Terence Battle and William Malone attended the Chamber's Business Awards on Friday, February 23, 2024 at Fox Chase Manor. It was well attended, and many regional businesses were recognized for their efforts to serve the community.
- Dexter Montgomery plans to attend the Chamber's upcoming Women's Empowerment Conference next week.
- Lorna Wallen and Dexter Montgomery plan to attend the Chamber Partner's Breakfast in April.

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

The IDA received a request from Supervisor Weir and provided the requested information to him. Chair Wallen encouraged IDA members to meet with their Supervisor to keep them apprised of the IDA's efforts to support economic development in the County.

Dexter Montgomery will serve as a volunteer at the Solheim Cup, the Ladies Professional Golf Association's (LPGA) premier event, to be played September 10-15, 2024 at Robert Trent Jones Golf Course in Gainesville.

The next Regular meeting of the PWC Industrial Development Authority will be held on Monday, April 1, 2024 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 8:20pm on the motion of Andrew Taylor, seconded by Dexter Montgomery.

APPROVED: April 1, 2024