



APPROVED MINUTES

Industrial Development Authority of the County of Prince William

REGULAR MEETING

March 7, 2022

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
Andrew Taylor, Assistant Secretary/Treasurer
Harry Horning
Cheryl Kenny
Terence Battle

Absent was: None were absent.

Donna Flory and Scarlett Barbee attended to provide administrative support.

Christina Winn, Executive Director, Thomas Flynn, Deputy Director, Nicole Smith, Policy and Incentives Director, and Michelle Morris, Senior Business Service Analyst, Prince William County Department of Economic Development (DED), attended to provide updates on several DED projects.

PLEDGE OF ALLEGIANCE

CITIZEN'S TIME: Seth Opoku-Yeboah, Development Associate, E&G Group, McLean, VA was in attendance.

NEW BUSINESS

- 1) ***Presentation of Caerus Discovery, LLC 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 Caerus Discovery LLC, for a COVID-19 Response Special Revenue Fund Grant of \$100,000 for the Development and Equipping of a Life Science Community Accessible Vivarium.*** Tom Flynn, Deputy Director of the PWC Department of Economic Development, made a brief presentation. He noted that this grant, from the County's Covid-19 Response Special Revenue Fund, utilizes monies committed under the American Rescue Plan Act (ARPA). Caerus Discovery, LLC plans to build a vivarium that will house mice and rats for medical research purposes. All other animals are prohibited under this Agreement and under the Lease Agreement that Caerus has with its landlord. The Life Science Community Accessible Vivarium will be open to other companies and researchers in Northern Virginia, who will pay a fee to utilize the facility. It will be operated under the requirements of the Animal Safety Act to ensure ethical and humane treatment of the mice and rats. A committee composed of scientists and research personnel will oversee the operation of the vivarium. This \$100,000 grant was approved by the Board of County Supervisors on February 15, 2022. The grant offsets \$350,000 in capital costs being incurred by Caerus. Caerus is responsible for all operating costs. Scientists and researchers at George Mason University have expressed substantial interest in utilizing the vivarium. Following this discussion, *Lorna Wallen made a motion to approve the Tri-Party Performance Agreement among the Prince*

William Board of County Supervisors, the Industrial Development Authority of the County of Prince William, and Caerus Discovery LLC, providing a COVID-19 Response Special Revenue Fund Grant of \$100,000 to Caerus Discovery, LLC for the development and building of a Life Science Community Accessible Vivarium. The motion was seconded by Cheryl Kenny and passed unanimously with Pat O’Leary, Lorna Wallen Dexter Montgomery, Andrew Taylor, Harry Horning, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 7 ayes, 0 nays, 0 abstentions)

- 2) ***Presentation on George Mason University’s (GMU) Application for a GO Virginia Grant to Equip a Nanofabrication Facility within the Institute for Advanced Biomedical Research at GMU’s Prince William County SciTech Campus*** – Tom Flynn, Deputy Director, PWC Department of Economic Development, advised the IDA that George Mason University has applied for a \$2.5 million GO Virginia Grant, for the purpose of equipping a Nanofabrication Teaching Lab within the Institute for Advanced Biomedical Research at GMU’s Prince William County campus. GO Virginia is a program initiated by the state in 2016, with its first round of grants approved in late 2017. Through grants, GO Virginia supports regional partnerships among businesses, educational institutions, and local governments to grow the economy across the Commonwealth. The Prince William Board of County Supervisors recently approved a \$50,000 grant to GMU, to demonstrate local government’s support for GMU’s application. Nanotechnology is a key driver of artificial intelligence, machine learning, biomedical sciences. and defense applications, which are all targeted industries within the County. In this case, the technology brings together the IT portion of nanotechnology with life sciences to create injectable technology that can monitor specific medical conditions. GMU’s Teaching Lab will conduct workforce training to provide future employees for this growing field. If GMU is awarded the grant, Mr. Flynn will present a Performance Agreement to the IDA. Previously, Prince William County was awarded a \$500,000 GO Virginia Grant to equip the Northern Virginia BioScience Center.
- 3) ***Update on the Prince William County Lift Up Lodging Grant Program*** – Nicole Smith, Policy and Incentives Director, Prince William County Department of Economic Development, noted that the Lift Up Lodging Grant Program has been overwhelmingly successful, and it is now nearing completion. At the IDA’s February meeting, Ms. Smith reported that there were 5 hotels with applications in progress. Those 5 grants have now been paid. There are 2 new applications in progress that are expected to be paid in the coming weeks. Only 5 County lodging establishments have not yet submitted applications. The County Office of Tourism will contact each of these hotels to obtain more details about their specific situation. To date, Lift Up Lodging Grants total \$3.2 million.
- 4) ***Update on the Prince William County Restore Retail Grant Program*** – Nicole Smith, Policy and Incentives Director, Prince William County Department of Economic Development, reported that DED recently received the fourth tranche of funding for the Restore Retail Grant. An additional 100 businesses will pick up checks between March 8 and March 11. To date, Restore Retail Grants total \$3.6 million. DED expects to increase its marketing efforts to the County’s retail businesses in the coming weeks. The Restore Retail Grant utilizes ARPA funds that do not need to be completely expended until 2024. However, the County is trying to get needed assistance to struggling businesses now. Christina Winn, DED Executive Director, will provide additional marketing materials to the IDA to make businesses aware of this program.
- 5) ***Update on the Ignite 2.0 Grant Program for High-Growth Startup Businesses*** – These grants are provided by American Rescue Plan Act (ARPA) funding. Nicole Smith reported that 3 companies have been approved to receive grants under Ignite 2.0. BCMStrategy Inc. has received its payment. Canopie Inc. and TRAXyl Inc. are working on the documentation required

for their performance agreements. Each of these companies will receive \$50,000. The full rollout of Ignite 2.0 is expected to begin in May.

- 6) **Update on the Elevate Workforce Program** – Christina Winn, Executive Director, Prince William County Department of Economic Development, provided a brief update on the Elevate Workforce Program. This program utilizes ARPA Funds through an agreement with Careerworks SkillSource. This funding does not come through the IDA, but the IDA can help by promoting the program. Elevate Workforce provides up to \$5,000 to Prince William County residents who are unemployed or underemployed to assist them with obtaining job training. Training is available in a variety of fields including IT, Cyber Security, Healthcare, English as a Second Language, and CDL Driving. For businesses that are having difficulty finding workers, the program provides funding to upskill existing workers. The Elevate Program is administered through Virginia Careerworks Skillsource and \$1.2 million is allocated for use before October 2024.
- 7) **Update on Draft Tri-Party Agreement Among the Prince William Board of County Supervisors, the Prince William County Service Authority, and the IDA Pertaining to the Prince William County Water and Sewer Availability Fee Loan Program** – Ms. Winn reported that this Agreement was originally planned for the March 15 meeting of the Prince William Board of County Supervisors (BOCS). However, questions have recently risen regarding whether the County should be involved in loans, the associated risks, eligibility criteria, and the inclusion of affordable housing as an eligible business. Mr. O’Leary noted that the IDA addressed many of those questions before it made two previous loans. The Agreement did not originate as a directive of the BOCS. Ms. Winn will meet with appropriate County personnel to determine if this is a project that the BOCS wishes to move forward or dismiss.
- 8) **Quarterly Review of Outstanding Economic Development Opportunity Fund (EDOF) Grant Performance Agreements and Tracking/Reporting of EDOF Grants** – Nicole Smith, Policy and Incentives Director, Prince William County Department of Economic Development briefly reviewed the status of the County’s ARPA and EDOF grant expenditures. This included business recipients, the amount of the original grant, any amounts paid to date, and amounts that are outstanding to be paid once businesses meet the required criteria. Christina Winn clarified that the County’s Route 1 Refresh Grant Program will open in July.
- 9) **Update on DED/BOCS Response to IDA’s Scriyb Lawsuit Memorandum** – The IDA provided the Prince William County Department of Economic Development (DED) with an invoice in the amount of \$2,857.46 for legal expenses incurred as a result of efforts to collect monies from Scriyb. DED has paid the invoice and this matter is now closed.
- 10) **Update on Town of Haymarket Distribution of CARES Act/American Rescue Plan Funds** – The IDA’s Bookkeeper, Donna Flory, reported that the Town of Haymarket paid the IDA a fee for its assistance with Town of Haymarket grant distributions. A few checks remain outstanding. There is one check that will need to be reissued because there is a difference in the business name and the name on the check.
- 11) **APPROVAL OF FEBRUARY 7, 2022 IDA MEETING MINUTES:** *Dexter Montgomery made a motion to approve the February 7, 2022 Regular Meeting Minutes as presented. The motion was seconded by Terence Battle and passed with Pat O’Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny and Terence Battle each voting aye. Andrew Taylor abstained from the vote as he was absent from the February 7, 2022 meeting. (Motion passed 6 ayes, 0 nays, 1 abstention)*

TREASURER'S REPORT: *Treasurer's Monthly Financial Report:* Dexter Montgomery, the IDA's Secretary/Treasurer, called attention to the Treasurer's Report for the month ending February 28, 2022. Reviewing the *Treasurer's Notes* portion of the report, Mr. Montgomery mentioned several notes but specifically highlighted notes #3–#6 and #10, #12, and #14 as follows:

- Items #3, #4, #5, #6: Mr. Montgomery thanked Donna Flory for her diligence, noting that as soon as grant funds are received in the IDA's account, checks are promptly provided to DED for distribution.
- Item #10: VNB CD #5104 (\$110,300.58) matured on February 17 and was rolled over at .15% for six months.
- Item #12: Munificent was invoiced \$30,312.70 for loan payment #4 due 3/4/2022. Payment was received on 3/2/22.
- Item #14 – 1st bullet – Donna Flory received an additional payment for processing ARPA funding checks.
- Item #14 – 2nd bullet of the Treasurer's Notes lists 7 specific expenditures that would normally be paid by check. These expenses will be paid utilizing FVCBank's Bill Pay service.

Harry Horning noted concerns regarding the extremely low rate of return currently being offered on the IDA's CDs. He would like to have a future discussion regarding other possible investments. The two current loans to hotels have been a good investment for the IDA. Mr. O'Leary will contact Mr. Horning and Mr. Montgomery to discuss potential investments and come up with recommendations to discuss at a future meeting of the IDA.

Donna Flory noted that the last remaining American Water Bond will pay off this year and the IDA will no longer be receiving an administrative fee. This will be one less source of income in the IDA's FY23 budget.

Dexter Montgomery made a motion to accept the Treasurer's Report, including approving payment of the 7 operating expenses detailed in Note #14 of the Treasurer's Notes. Cheryl Kenny seconded the motion and it passed unanimously with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Andrew Taylor, Harry Horning, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed, 7 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 provided to IDA members prior to the meeting. It shows all outstanding bonds and incentive grants.

OLD BUSINESS: **Update on Attendance at Events Related to the IDA's Prince William Chamber of Commerce Business Development Vision Sponsorship/Other Community Events/Other Outreach:** Terence Battle and Donna Flory attended the Prince William Chamber of Commerce Business Awards on February 24 at Heritage Hunt Golf Club. Mr. Battle briefed IDA members on the event.

The Chamber's Spring Mega Networking Event is scheduled for Friday, March 25 from 8:00am to 10:30am at Out of the Blue Restaurant in Gainesville. The IDA will host a table at this event. Dexter Montgomery, Cheryl Kenny, and Harry Horning plan to attend. Cheryl Kenny and Scarlett Barbee will set up the IDA table.

The Chamber's Valor Awards will be held March 31 from 2:00pm to 4:30pm at the Hylton Performing Arts Center, located on the George Mason University Campus in Prince William County. Cheryl Kenny is planning to attend.

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

Discussion of the IDA's Vision and Mission – This topic will be revisited at a later date. One possibility for future investment is providing additional loans for County water/sewer tap fees.

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

Seth Opoku-Yeboah, Development Associate, E&G Group, McLean, VA asked for information on the origination of the Draft IDA Prince William County Water and Sewer Tap Fee Loan Agreement. Mr. O'Leary provided brief background information.

Patrick O'Leary announced that he and his wife will be moving to Arizona fulltime in the coming months. His last IDA meeting will be on April 4, 2022. At that meeting, the IDA will hold an election for a new Chairman.

The next Regular Meeting of the PWC Industrial Development Authority is scheduled for Monday, April 4, 2022.

There being no further business to come before the IDA, the meeting was adjourned at 7:50pm on the motion of Cheryl Kenny, seconded by Lorna Wallen.

APPROVED: April 4, 2022