



APPROVED MINUTES

Industrial Development Authority of the County of Prince William

REGULAR MEETING

October 2, 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
Cheryl Kenny, Director
Terence Battle, Director
William Malone, Director

Absent were: Dexter Montgomery, Secretary/Treasurer
Andrew Taylor, Assistant Secretary/Treasurer

Donna Flory and Scarlett Barbee attended to provide administrative support.

Brad Norris, Financial Analyst Manager, Prince William County Department of Finance, attended to present the County's request that the IDA issue County Facilities Revenue Bonds Series 2023A and 2023B for three County Capital Projects.

PLEDGE OF ALLEGIANCE

CITIZEN'S TIME: No members of the public were present.

NEW BUSINESS

- 1) Consideration of a Request from the Prince William Board of County Supervisors to Authorize and Issue Prince William County Facilities Revenue Bonds Series 2023A (County Facilities Projects) and Prince William County Facilities Revenue Bonds Series 2023B (County Facilities Projects, Federally Taxable) in the Amount of \$51.3 million to Finance Three Prince William County Capital Projects 1) the County's Crisis Receiving Center on Worth Avenue, 2) the Public Safety Personnel Training Facility and Shooting Range on Doane Drive, and 3) Land Adjacent to the McCoart Government Complex Designated for Future Needs:*** Brad Norris, Financial Analyst Manager, Prince William County Department of Finance, provided an overview of the three projects to be financed by the issuance of Facilities Revenue Bonds Series 2023A and 2023B. All three properties are currently owned by the County and bond proceeds will reimburse the purchase price and allow the facilities to be financed over 20 years. Mr. Norris noted that the County's Crisis Receiving Center is in a stand alone building where the County was leasing space on one side, and a Floor and Décor is leasing the other side. When the building became available, the County purchased it, with Floor and Décor remaining for the duration of its lease. In response to questions, Mr. Norris explained that the Public Safety Training Facility and Shooting Range came on the market, presenting an unexpected opportunity for the County to purchase it as a training facility for law enforcement. It offered the functionality that public safety personnel were seeking in such a facility, so the County negotiated a purchase price. At the time, there was general consensus that the County could not build the facility for the price they were able to purchase it. The facility will be fully utilized by law enforcement and will not be able to offer public access to the shooting range. The land adjacent to the McCoart Government Building will be used by the County for future administrative facilities. Following this discussion,

Terence Battle made a motion authorizing the issuance of Prince William County Facilities Revenue Bonds Series 2023A and Prince William County Facilities Revenue Bonds Series 2023B (federally taxable) in the amount of \$51.3 million to finance three capital projects: 1) the Crisis Receiving Center on Worth Avenue; 2) the Public Safety Personnel Training Facility and Shooting Range on Doane Drive, and 3) Land adjacent to the McCoart Government Complex designated for future administrative facilities. The motion was seconded by Cheryl Kenny and passed unanimously with Lorna Wallen, Harry Horning, Cheryl Kenny, Terence Battle, and William Malone each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions)

Mr. Norris indicated that settlement will take place in early November.

- 2) Update on IDA Loan Committee Regarding Hilton Conference Center Loan Request** – Dexter Montgomery and Andrew Taylor compose the Loan Committee, with Cheryl Kenny serving as an alternate. Mr. Montgomery and Ms. Kenny will participate in a virtual meeting on October 11, 2023 with Christina Winn, Executive Director, PWCDED and representatives of the County's consultant, Hunden Partners. The purpose of the meeting is to gather additional information on the project from Hunden Partners. A question was raised regarding the timeframe for the opening of the conference center but the IDA is currently unaware of when the conference center hopes to open.
- 3) Update on Real Estate Market and Available Commercial Space** – Cheryl Kenny, Chair of the Real Estate Committee reported that there was no update at this time. Based on the recommendation of the IDA's Chair, Ms. Kenny plans to schedule a meeting with Christina Winn, Executive Director, PWC Department of Economic Development, to see if she has any recommendations regarding suitable real estate investment. Any information learned from that meeting will be shared with IDA members at the November 6 regular meeting.

APPROVAL OF SEPTEMBER 11, 2023 IDA MEETING MINUTES: *Cheryl Kenny made a motion to approve the September 11, 2023 Regular Meeting Minutes as provided. The motion was seconded by Terence Battle and passed with Lorna Wallen, Harry Horning, Cheryl Kenny, and Terence Battle each voting aye. William Malone abstained from the vote because he was absent from the September 11, 2023 meeting. (Motion passed 4 ayes, 0 nays, 1 abstention)*

TREASURER'S REPORT: ***Treasurer's Monthly Financial Report:*** In the absence of the IDA's Secretary/Treasurer and Assistant Secretary/Treasurer, IDA Vice Chair Harry Horning II presented the Treasurer's Report for the month ending September 30, 2023. All Treasurer's Notes are included in the written Treasurer's Report. Mr. Horning expanded on the following notes:

- ***Treasurer's Note #1*** – There is no collections report as all administrative fees due have been collected as of 9/30/2023.
- ***Treasurer's Note #2*** – There were no disbursements from the public funds account.
- ***Treasurer's Note #3*** – Munificent Group was invoiced on 8/15/2023 for their 10th loan payment due on 9/4/2023 (Labor Day) in the amount of \$28,513.48. The payment was received on 9/8/2023, likely due to the Labor Day holiday.
- ***Treasurer's Note #4*** - Invoices for Remington Place Apartments Bond Series 2012A (\$64,700.00) and 2012B (\$17,336.00) were emailed to Christen Faatz of the Franklin Johnston Group, the management company for Remington Place Apartments. Christen responded via email that the invoices were forwarded to the accounting team for payment. Payment not received as of 9/30/23.
- ***Treasurer's Note #5*** – Virginia Small Business Financing Authority (VSBFA) was invoiced for \$10,952.00 in March. VSBFA was responsible for the bond financing for several Sentara Health System facilities, including Sentara in Woodbridge. VSBFA previously shared its administrative bond

fee with the localities where the facilities are located. Currently, VSBFA is reviewing this fee sharing arrangement and may not elect to share fees going forward. VSBFA is not mandated to share fees and has previously done so through an MOU. Nothing new to report as of 9/30/2023.

- *Treasurer's Note #6* – All Town of Haymarket grants were previously distributed, and the Town of Haymarket has been removed from the IDA's monthly Details for Grants Distributed Report.
- *Treasurer's Note #7* – As stated in the procedures for the Micro Grant Program, a report of all cleared checks was sent to DED on September 15, 2023 and on September 30, 2023. There are 3 checks in the amount of \$500 each that have not cleared and are past the date where a bank would accept them. The IDA is waiting for PWCDED to determine whether the checks should be reissued.
- *Treasurer's Note #8* – This note includes 15 IDA operational expenses for review by members. There were no special projects this month. This month's expenses include payment to Robinson, Farmer, Cox Associates for the IDA's FY21 audit.

The IDA recently ordered nametags at a cost of \$104.65. *William Malone made a motion to approve the expense of \$104.65 for design and printing of the IDA nametags. The motion was seconded by Harry Horning and passed unanimously with Lorna Wallen, Harry Horning, Cheryl Kenny, Terence Battle, and William Malone each voting aye. (Motion passed 5 ayes, 0 nays, 0 abstentions).*

Following this review, *Terence Battle made a motion to accept the Treasurer's Report as presented, including approving payment of 15 specific operating expenses detailed in Note #8 of the Treasurer's Notes. The motion was seconded by William Malone and passed unanimously with Lorna Wallen, Harry Horning, Cheryl Kenny, Terence Battle, and William Malone 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, as evidenced by the FVCbank CD#3708 new rate of 4.15%. Currently, IDA CD interest rates average just over 3%.

Scheduling of the IDA's FY22FY23 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 whenever RFC provides available dates.

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.

NEW BUSINESS (not considered at the beginning of the meeting)

- 1) **Consideration of Request from Power Ad Company to Support Battlefield High School Score Table Advertising:** The IDA received a request from Power Ad Company to support the Battlefield High School Athletic Department by purchasing a basketball score table sponsorship for a period of three years. The Power Ad representative saw the IDA's sponsorship at the Prince William Chamber and reached out to see if this program might be a fit for the IDA's mission. There was significant discussion as to whether this request was an acceptable use of IDA marketing funds, whether the audience of high school athletes, students, their parents, and

coaches were the target market for IDA bonds and services, and the complexities of marketing to one school but not others. The IDA generally tries to support organizations that are providing service to the wider community and are not solely an IDA marketing opportunity. Following this discussion, there was general agreement that the IDA is not able to support this request at this time.

OLD BUSINESS:

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

- 1) ***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*** – Terence Battle previously distributed a Draft Community Contributions Policy. It considers: 1) Eligibility Criteria for how long a business or organization needs to be in business in Prince William County; 2) Amount of any grant will be at the discretion of the IDA; 3) Each Organization must have a clear mission statement; 4) IDA will consider how often grants will be offered; 5) Length of Time after receiving a grant before an organization is eligible again. Mr. Battle plans to discuss criteria with Prince William Chamber and PWCDED representatives to further refine the draft policy.

- 2) ***Update on Attendance at Events Related to the IDA's Prince William Chamber of Commerce Business Development Vision Sponsorship*** – Cheryl Kenny, Terence Battle, and Dexter Montgomery attended the Prince William Chamber Congressional Series breakfast event on September 12, 2023 at the Manassas Museum. Representative Abigail Spanberger provided a legislative update and participants were able to tour the newly expanded Manassas Museum.

Several IDA members plan to attend the Chamber's Partner's Breakfast on October 11 and the Salute to Armed Forces on October 25.

A question was raised regarding the IDA's request for a seat on the Prince William Chamber Board. In response, Chair Wallen noted that the IDA has not yet received a response.

- 3) ***Update on IDA Policy for Individual Members to Participate Virtually in a Limited Number of IDA Meetings Annually*** – The IDA's Bond Counsel, Mike Graff, considered its policy regarding electronic participation in an IDA meeting by an individual member of the Authority to be sound. The policy is posted on the IDA's website.

- 4) ***Update on IDA Policy to Allow the IDA to Hold Electronic Meetings*** – Effective September 1, 2022, Virginia Code Title 2.2, Chapter 37, Section 2.2-3708.3, Paragraph C allows certain public bodies to hold full electronic meetings for a limited number of meetings each year. The IDA's Bond Counsel, Mike Graff, considered the policy to be sound. The policy is posted on the IDA's website.

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

Chair Wallen thanked Harry Horning for representing the IDA at the recent Prince William Board of County Supervisors meeting and for presenting the Treasurer's Report at tonight's meeting.

Chair Wallen congratulated William Malone on finishing the Berlin Marathon on September 24.

The next Regular meeting of the PWC Industrial Development Authority will be held on Monday, November 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 7:40pm on the motion of Terence Battle seconded by Cheryl Kenny.

APPROVED: November 6, 2023