



APPROVED MINUTES

Industrial Development Authority of the County of Prince William

REGULAR MEETING

September 11, 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
Andrew Taylor, Assistant Secretary/Treasurer
Cheryl Kenny, Director
Terence Battle, Director

Absent was: William Malone, Director

Donna Flory and Scarlett Barbee attended to provide administrative support.

Nicole Smith, Policy and Incentives Director, Prince William County Department of Economic Development (PWCDED), attended via Zoom to update the status of outstanding grants (grants approved but funds not yet distributed).

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE IN REMEMBRANCE OF 9/11

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

NEW BUSINESS

- 1) ***Quarterly Review of outstanding Economic Development Opportunity Fund (EDOF) Grant Performance Agreements, any remaining outstanding ARPA Grants and tracking/reporting of these grants*** – Nicole Smith, Policy and Incentives Director, Prince William County Department of Economic Development, reported on the tracking of active Economic Development Opportunity Fund (EDOF) grants as well as grants through Cares Act and ARPA funding. Companies approved for grants through PWCDED and the Board of County Supervisors must meet specific milestones before they are eligible to receive grant funds. Reviewing the status provides the IDA with a timeline of when companies may be seeking payment of their grants. While the vast majority of ARPA funding has been distributed, a few specific programs will remain open through the fiscal year. Several approved EDOF grants are outstanding and will be distributed once the recipient companies meet the required milestones. Ms. Smith will have a further update in early 2024.

Update on IGNITE 2.0 Startup Grant Program – No update in August.

Update on Elevate Workforce Grant Program – No update in August.

- 2) ***Update on IDA Loan Committee Regarding Potential Hilton Conference Center Loan Request*** – Dexter Montgomery and Andrew Taylor compose the Loan Committee, with Cheryl Kenny serving as an alternate. Chair Wallen reported that this afternoon, PWCDED proposed two

new dates for a potential meeting among PWCDED representatives, the County's third-party consultant and two representatives from the IDA. The purpose of the meeting is to discuss the merits and challenges of a potential IDA loan to the developers of the Hilton Convention Center. The meeting will likely take place in October.

- 3) **CLOSED SESSION: Discussion and Consideration of Acquisition of Commercial Property as Allowed under Virginia Code 15.2-4105, Including Potential Terms** – At 6:48pm, in accordance with the Code of Virginia Section 2.2-3711, #3, *Dexter Montgomery moved to close this portion of the meeting to discuss the acquisition of real property for a public purpose, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body. The motion was seconded by Cheryl Kenny and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye (Motion passed 6 ayes, 0 nays, 0 abstentions).*

At 7:25pm, Cheryl Kenny 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 regarding the acquisition of real property for a public purpose were heard, discussed, or considered by the IDA. The motion was seconded by Dexter Montgomery and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye (Motion passed 6 ayes, 0 nays, 0 abstentions).

Following the return to Open Session, *Dexter Montgomery made a motion stating that 1) the IDA agrees not to move forward on making a purchase offer on the Daisy Reid Avenue property 2) the IDA will discuss potential options with PWCDED representatives, and 3) the IDA agrees to keep the Loan Committee together to look at other potential opportunities to purchase property in the future. The motion was seconded by Harry Horning and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye (Motion passed 6 ayes, 0 nays, 0 abstentions).*

APPROVAL OF THE AUGUST 7, 2023 IDA MEETING MINUTES: *Terence Battle made a motion to approve the August 7, 2023 Regular Meeting Minutes as corrected to note that Andrew Taylor was not present at the meeting. The motion was seconded by Cheryl Kenny and passed with Lorna Wallen, Harry Horning, Dexter Montgomery, Cheryl Kenny, and Terence Battle each voting aye. Andrew Taylor abstained from the vote because he was absent from the August 7, 2023 meeting. (Motion passed 5 ayes, 0 nays, 1 abstention)*

APPROVAL OF THE AUGUST 21, 2023 IDA MEETING MINUTES: *Terence Battle made a motion to approve the August 21, 2023 Regular Meeting Minutes as presented. The motion was seconded by Andrew Taylor and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. (Motion passed 6 ayes, 0 nays, 0 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 August 31, 2023. All Treasurer's Notes are included in the written Treasurer's Report. Mr. Montgomery expanded on the following notes:

- *Treasurer's Note #2* – 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 9/7/2023, likely due to the Labor Day holiday.

- *Treasurer's Note #3* – The IDA received a UEI number after Ms. Flory contacted appropriate representatives at SAM.gov and resolved issues that had delayed receipt. The UEI number was forwarded to PWCDDED. The UEI number replaces a DUNS number and is needed by County auditors.
- *Treasurer's Note #5* – Representatives at the Landing at Mason's Bridge were invoiced \$78,328.75 for their 2023 administrative fee, due on August 2, 2023. Payment was received August 3, 2023.
- *Treasurer's Note #6* – The IDA's FY21 Audited Financial Statements were provided to Toni Whitted at the Prince William County Library and Brad Norris, at the Prince William County Department of Finance, as is customary when IDA Audits are received.
- *Treasurer's Note #8* - Invoices for Remington Place Apartments Bond Series 2012A \$64,700 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 8/31/23.

The IDA's Bookkeeper, Donna Flory, pointed out that \$1,953.43 is the balance in the County funds pass-through account but there are four checks outstanding that have passed the valid date to be deposited. If the grant recipients do not respond to PWCDDED's follow up, these monies will be returned to the County.

Following this review, *Harry Horning made a motion to accept the Treasurer's Report as presented, including approving payment of 9 specific operating expenses detailed in Note #11 of the Treasurer's Notes. The motion was seconded by Terence Battle and passed unanimously with Lorna Wallen, Harry Horning, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle, each voting aye (Motion passed 6 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%.

Update on the IDA's FY21 Audit: As reported earlier in the meeting, the IDA's FY21 Audited Financial Statements as prepared by Andrew Grossnickle, CPA, CFE, of Robinson, Farmer, Cox Associates, were provided to County representatives.

Scheduling of the IDA's FY22 Audit: Preliminary work on the FY22/FY23 Audits is underway.

Request for UEI Number from Prince William County's Auditor – The UEI number was received on August 29 and provided to County representatives.

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.

Dumfries Senior Living, LLC on Board of County Supervisors Agenda: Chair Wallen noted that the Dumfries Senior Living, LLC Affordable Senior Housing project will be on the Board of County Supervisors Agenda tomorrow, September 12, 2023. Vice Chair Harry Horning and the IDA's Bond Counsel, Mike Graff, will be in attendance to answer any questions.

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. He pointed out several issues the IDA may wish to consider 1) Eligibility Criteria for how long a business or organization needs to be in business in Prince William County to be eligible; 2) the amount of any grant will be at the discretion of the IDA; 3) each organization must have a clear mission statement; 4) IDA should consider how often grants will be offered; 5) how long after receiving a grant must an organization wait in order to be eligible again. The draft document states a period of 5 years between grants. There was discussion that this period may be too long, and it was suggested that organizations could apply more often but IDA can also reject the application. There was discussion of whether the program would be advertised and if so, how it would be promoted. Mr. Battle sees the call for grant applicants being publicized on the IDA's website, and through IDA's other partners. An application will need to be developed and vetted by the IDA using criteria stated in the draft policy. There was discussion on how to verify applications and how to include claw back provisions in the event the recipient doesn't use the grant as stated. The IDA may develop a mission and focus for the year and organizations would be vetted as to how they fit that particular focus. It was suggested that the IDA may wish to have its legal counsel review the policy. Mr. Battle will refine the draft policy based on this discussion.
- 2) *Discussion of the Three Chamber Mega Networking Events*** – the IDA's Chamber of Commerce Vision Sponsorship provides the IDA with a complimentary Exhibit Table at one of the Chamber's three mega events. In the past, the IDA has exhibited at the Out of the Blue (FY22, 3/25/22) event and at the Prince William Association of Realtors (FY23, 11/3/22) event. For FY24, the first event will be September 14, 2023 at Out of the Blue in Gainesville. Events are being planned for March 13, 2024 at the GMU Campus Freedom Center and June 5, 2024 at the Todos Supermarket parking lot. There was discussion of which event may be best suited for the IDA to exhibit. It was generally agreed that the IDA will exhibit at the Todos Supermarket event.
- 3) *Update on Attendance at Events Related to the IDA's Prince William Chamber of Commerce Business Development Vision Sponsorship*** – Dexter Montgomery reported that he attended the Chamber's tour of the Iron Mountain Data Center on September 7, 2023. It was particularly interesting to learn how much of the data utilized in the activities of daily life is processed through local data centers. These are exceptionally secure entities. Iron Mountain began as a document shredding company. It was stated that \$1 billion a year in tax revenue could be generated by data centers. New technology will likely replace data centers in twenty years or so and the properties can be repurposed as other facilities.

Dexter Montgomery and Cheryl Kenny are planning to attend the Chamber's Congressional Series Breakfast with Representative Abigail Spanberger on September 12 at the Manassas Museum.
- 4) *Consideration of Change to IDA Bylaws to Allow for Individual IDA Members to Participate Virtually in a Limited Number of IDA Meetings Annually*** – *Background:* Effective September 1, 2022, Virginia Code Title 2.2, Chapter 37, Section 2.2-3708.3 allows for individual members of public bodies to participate in meetings electronically in cases of illness, temporary emergencies, and other personal reasons for a limited number of meetings per year. At its August 21, 2023 meeting, the IDA voted to approve a policy regarding individual electronic participation. The policy was provided to the IDA's Bond Counsel, Mike Graff. On September 7, 2023, Mr. Graff responded that he considered the policy sound. It will be posted to the IDA's website.

- 5) Consideration of Change to IDA Bylaws 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. At its August 21, 2023 meeting, the IDA voted to approve a policy regarding electronic meetings. The policy was provided to the IDA's Bond Counsel, Mike Graff. On September 7, 2023, Mr. Graff responded that he considered the policy sound. It will be posted to the IDA's website.

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

The IDA received a request from Battlefield High School to consider being a Score Table sponsor. This request will be considered at the IDA's October 2, 2023 meeting.

The next Regular meeting of the PWC Industrial Development Authority will be held on Monday, October 2, 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 8:15pm on the motion of Dexter Montgomery, seconded by Cheryl Kenny.

Approved: October 2, 2023