



APPROVED MINUTES

Industrial Development Authority of the County of Prince William

REGULAR MEETING

September 13, 2021

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

None were absent.

Donna Flory and Scarlett Barbee attended to provide administrative support.

Several members of the Prince William County Department of Economic Development (DED) team participated, including Christina Winn, Executive Director; Michele Weatherly, Existing Business and Engagement Director, Michelle Morris, Senior Business Services Analyst, Nicole Smith, Director of Policy and Incentives, and Debi Roder, Business Development Manager Life Sciences.

Stacy Kaplowitz, Vice President, and Erica Meissner, Development Manager, represented KCG Companies, the developer of the Park Landing Affordable Housing for 55+ project. Michael W. Graff, the IDA's Bond Counsel, and John Badman IV, McGuireWoods, LLP, attended to answer questions related to the Park Landing Bond project, as detailed under New Business.

PLEDGE OF ALLEGIANCE

CITIZEN'S TIME: No citizens were present.

NEW BUSINESS

- 1) ***Authorize Execution of a Performance Agreement by and among the Prince William Board of County Supervisors, the Industrial Development Authority of the County of Prince William, and SES Americom, Inc. to provide a \$500,000 Economic Development Opportunity Fund (EDOF) Grant and Authorize the Execution of an Additional Performance Agreement to provide a \$500,000 Commonwealth Opportunity Fund (COF) Grant from the Commonwealth of Virginia*** – Michele Weatherly, Existing Business and Engagement Director, PWC Department of Economic Development, presented the two performance agreements. SES Americom is a global leader in satellite operations, providing reliable and secure communications solutions. The company is based in Luxembourg and currently has a location in Prince William County. This expansion will allow the company to create a U.S. hub in Prince William County through the acquisition of 8050 Piney Branch Lane in Bristow and the renovation of 8000 Gainsford Court, Bristow. The Piney Branch Lane facility, which formerly housed Aerojet, consists of a 43,200 square foot building on approximately 5 acres. SES Americom's expansion will create a total of 201 jobs and retain 173 jobs already in

the County. This project represents a \$17 million investment in the targeted industries of Information Communications Technology, Government Contracting, and Regional/Corporate Headquarters. Ms. Weatherly noted that DED worked with the Virginia Economic Development Partnership (VEDP) for the past year to identify expansion opportunities for this company. VEDP offered SES Americom a \$500,000 Commonwealth Opportunity grant that requires the County to match it. The company is required to report on various economic development metrics through February 2027. The County will pay SES Americom half of its grant (\$250,000) once the company obtains a certificate of occupancy and creates 51 jobs, a benchmark expected to be reached in February 2024. The County's remaining \$250,000 will be paid upon proof that SES Americom has completed the \$17 million investment and created an additional 150 jobs, criteria that is expected to be met in February 2027. If the company fails to meet the required metrics, the EDOF grant will be prorated accordingly. The COF grant is payable upon completion of the project. The COF grant will also be passed through the IDA to the company. There are minor differences between the EDOF and COF Agreements, but the overall performance period is aligned. Mr. O'Leary called attention to Section 3H in the EDOF Agreement. It states that the County Executive will enforce the Agreement on behalf of the IDA. Mr. O'Leary noted that Repayment of the EDOF Grant is detailed in Section 7A, not Section 6 as stated in the document. This error will be corrected in the Agreement.

Following Ms. Weatherly's presentation, Dexter Montgomery made a motion to approve the SES Americom, Inc. Economic Development Opportunity Fund (EDOF) Performance Agreement by and among the Prince William Board of County Supervisors, the Industrial Development Authority of the County of Prince William, and SES Americom Inc. to provide a \$500,000 EDOF grant to augment SES Americom, Inc's expansion and establishment of a U.S. hub in Prince William County at 8050 Piney Branch Lane, Bristow, VA and renovation at 8000 Gainsford Court, Bristow, VA and to further approve the Commonwealth Opportunity Fund (COF) Agreement to provide an additional \$500,000 COF grant to SES Americom. The motion was seconded by Lorna Wallen and passed with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Harry Horning, Cheryl Kenny, and Terence Battle each voting aye. Andrew Taylor was absent from the vote. (Motion passes, 6 ayes, 0 nays, 0 abstentions)

- 2) Presentation of the Next Round of IGNITE Grants** – Debi Roder recapped the eligibility criteria for IGNITE Grants. The IGNITE Grants Program is an economic recovery program that utilizes \$500,000 in funds from the County's Economic Development Opportunity Fund (EDOF). Originating from discussions with the COVID-19 Recovery Task Force, IGNITE Grants provide a competitive cash grant to selected high growth companies and tech catalyst organizations to attract these types of companies to the County. Start-up companies are eligible for \$25,000. Companies that are pre-revenue but have received other funding, such as an SBIR grant or venture capital investment, or are post-revenue, are eligible for \$50,000 grants. Companies must be current on all taxes and remain in the County for three years. Companies that were most recently approved for a \$50,000 IGNITE grant include: 1) Hideez Group, a security company that provides digital security using a device that makes passwords unnecessary. Started in the Ukraine, Hideez is currently located in Reston; 2) Impruvon, Inc., a medication management company providing solutions to retirement facilities for seniors. Currently located in King George County, this company will be relocating to George Mason University's Serious Games Institute; and 3) JEEVA Informatics Solutions, Inc., a software solutions company that provides a means for tracking participants and outcomes in medical research trials. Currently in Reston, this company is seeking to locate within an Opportunity Zone in Prince William County.

In response to questions, Ms. Roder noted that 1) no grant funds are provided until a signed lease agreement is in place within Prince William County; 2) a three-year rather than a five-year arrangement provides the companies with additional flexibility. According to Return on Investment (ROI) calculations, the County recoups its investment within three years; 3) previous IGNITE grant

recipients have not yet received the grant funds due to a technical problem within the County's Mobius financial payment system; and 4) the current application process is closed. However, DED may request another \$500,000 funded by ARPA funds to offer additional IGNITE grants in the future.

- 3) ***Update on Amendment Four to the COVID-19 Small Business MicroGrant Agreement*** – Businesses approved for the additional \$5,000 grants have not received funds due to the technical issue the County is experiencing with the Mobius financial software. Donna Flory is holding the checks until funds are transferred and checks are ready for distribution by DED.
- 4) ***Update on Draft Tri-Party Agreement Among the Prince William Board of County Supervisors, the Prince William County Service Authority, and the IDA Regarding Water/Sewer Tap Fee Credits*** – Mr. O'Leary provided Stacie Henn, Business Development Manager, Prince William County Department of Economic Development, with his proposed Section 5.2 back in July, as agreed to by IDA members at the July 12 IDA meeting. Ms. Winn believes the PWC Service Authority is in possession of the draft Agreement. There are no further updates at this time.
- 5) ***Update on Scriyb*** – Ms. Winn drafted a cover memo, concurring with the IDA's recommendation to cease any further pursuit of funds. She provided the package to the County Executive's office. It will now go to the BOCS for approval.
- 6) ***Hilton Garden Inn*** – The developer of this project is also building a conference center. Mr. O'Leary will put the developer in touch with Ms. Winn to answer his specific questions.
- 7) ***Route 1 Refresh Grant*** – The Performance Agreement has been signed. Funds will be distributed once the County's technical issues with the Mobius payment system are resolved.
- 8) ***Public Hearing - Authorize Inducement Resolution of the Industrial Development Authority of the County of Prince William to endorse the issuance of up to \$54,560,000 in principal amount of revenue bonds for the acquisition, construction and equipping of the approximately 250-unit Park Landing multifamily, affordable housing facility located at 3301 Noble Pond Way in Prince William County (Occoquan District)***. Mike Graff, Partner, McGuireWoods, the IDA's Bond Counsel, gave a brief overview before introducing representatives from KCG Companies, the developer. Mr. Graff noted that a public hearing was noticed for tonight's meeting and there are no citizens present. These apartments will be built in the Occoquan District and County Supervisor Kenny Boddye is supportive of the project. This project will be on an upcoming agenda of the Board of County Supervisors to obtain land use approval. The IDA is being asked to serve as the issuer of the tax-exempt bonds on behalf of the apartment developer. Neither the IDA nor the County will have any liability for any principal or interest payments in connection with these bonds. Rather, the project developer is solely responsible for such payments. In this situation, the project developer is required to use tax-exempt bond financing in order to access certain low-income housing tax credits. Affordable apartments are not as lucrative to the developer as those at market rate; therefore, special federal tax incentives are offered to encourage this type of development. The applicant, Park Landing, LP, is a single purpose entity. KCG Companies, LLC is effectively the Park Landing LP owner as the parent of several of the intermediary companies between Park Landing LP and KCG Companies, LLC., in a complex corporate structure. Erica Meissner, Development Manager, KCG Companies, stated that the proposed project is a 250-unit age-restricted (55+), income-restricted, multifamily community. Eligible occupants are households earning up to 60% of the area's median income. Depending on the size of the family, annual income is restricted to between \$50,000 and \$60,000. In today's dollars, rents are restricted to \$1325 for a one-bedroom and \$1525 for a two-bedroom apartment, well below average for the area. Likely

occupants include those currently residing in the County as well as those who will move to the County to obtain the lower rent. The project is envisioned as two 4-story elevator buildings situated around a courtyard that will feature a resort style pool, large outdoor fireplace, gas grills, and attractive seating areas. There will be an enclosed dog play area. At the request of the County's Planning Department staff, a sensory garden and trail will be installed along Golansky Boulevard to provide interactive, outdoor space for both residents and those passing by adjacent to the property. A double height community center and separate social areas on each floor will provide opportunities to interact with other residents. All apartments will have in-unit washers and dryers. The project is slated to close in December 2021, with the groundbreaking to be held in January 2022. Construction will take approximately 20 months. Ms. Meissner anticipates 250 construction jobs will be created. Once the project is operational, it will provide 4 FT and 3 PT jobs. KCG's property tax consultant estimates the project will generate between \$391,000 and \$445,000 in annual County real estate taxes. In response to questions, Ms. Meissner stated that KCG commissioned a market study that validated the demand for 55+ age-restricted, affordable housing in the Woodbridge area. KCG sees an additional demand for affordable family housing and hopes to undertake future projects in the County. Park Landing will accept Housing Choice vouchers, but residents still need to be able to pay the delta rate. At the conclusion of this discussion, *Andrew Taylor made a motion to approve the Inducement Resolution of the Industrial Development Authority of the County of Prince William authorizing the issuance of up to \$54,560,000 in principal amount of revenue bonds for the acquisition, construction and equipping of the approximately 250-unit Park Landing Multifamily Housing Facility to be located at 3301 Noble Pond Way in Prince William County, Virginia. The motion was seconded by Harry Horning 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). The full Inducement Resolution will be kept with these minutes.*

9) Update on the Landing at Mason's Bridge Bonds – This transaction closed in August. Donna Flory reported that a total of \$79,328.75 was received, including the application fee. Mr. Graff will provide the IDA with the date of the project's groundbreaking.

10) Update on Town of Haymarket Plans for Distribution of CARES Act/American Rescue Plan Funds – Chris Coon, Town Manager of Haymarket, will contact Mr. O'Leary when the Agreement is finalized.

APPROVAL OF AUGUST 2, 2021 IDA REGULAR MEETING MINUTES: *Dexter Montgomery made a motion to approve the August 2, 2021 Regular Meeting minutes as presented, seconded by Terence Battle. The motion passed with Pat O'Leary, Lorna Wallen, Dexter Montgomery, Andrew Taylor, Cheryl Kenny, and Terence Battle each voting aye. Harry Horning abstained from the vote due to his absence from the August 2 meeting. (Motion passed 6 ayes, 0 nays, 1 abstention)*

TREASURER'S REPORT: Treasurer's Monthly Financial Report: Dexter Montgomery, Secretary/Treasurer, called attention to the Treasurer's Report for the month ending August 31, 2021.

Reviewing the Treasurer's Notes portion of the report, Mr. Montgomery highlighted the following:

- Items 3 and 4 reiterate that IGNITE grant funds have not been transferred due to the technical issue with the Mobius software system.
- Item 7 notes that the administrative fee and application fee for the Landing at Mason's Bridge project were received on August 2.
- Item 6 states that Munificent Group was invoiced \$31,069.24 for its loan payment and interest due on September 4. On September 3, the payment was received via wire transfer to the IDA's account.

- Item 10 enumerates the additional 132 checks processed by Donna Flory this month. These additional checks resulted in an additional payment to Ms. Flory.
- \$67.00 returned to the IDA from its lawyer was deposited into the checking account. It is likely overpayment of a filing fee or other administrative fee. Currently, \$857.46 is shown as a receivable related to legal fees.
- Ms. Flory provided Nikki Smith at DED with changes to the attachments for the Route 1 Refresh Performance Agreement. These revisions will be used for future performance agreements.
- Through a September 10, 21 email, IDA members received a list of 7 specific expenses that would normally be paid by check. These expenses will be paid utilizing FVCbank's Bill Pay service.

Dexter Montgomery made a motion to accept the Treasurer's Report, including approving payment of the 7 specific expenses utilizing FVCbank's Bill Pay service. The motion was seconded by Harry Horning 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)

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 Scryb Lawsuit – As stated by Ms. Winn, the Memorandum package has been provided to the County Executive's office for review by the BOCS.

Update on Attendance at Events Related to the IDA's Prince William Chamber of Commerce Business Development Vision Sponsorship/Other Community Events/Other Outreach – Mr. O'Leary, Mr. Montgomery, and Ms. Kenny, will attend the Chamber's September 17 Mega Networking Event. The IDA will not host a display table but will use this benefit at a future Mega Event. Mr. Montgomery and Mr. Battle will attend the Chamber's Partner's Breakfast on September 30.

Mr. Montgomery and Mr. Battle attended the Chamber's Evening with the President of George Mason University. Ms. Wallen attended the National Leadercast Event. Presentations were made available to attendees for a limited time following the event.

There was discussion of an IDA Facebook page. It was suggested that the IDA inquire about including a link to its website on DED's Facebook page. Ms. Barbee will ask DED about this possibility.

Several IDA members have met with their County Supervisor to review IDA activities. Mr. O'Leary asked IDA members who had not recently briefed their Supervisor to do so as time allows.

Mr. O'Leary noted that Kaiser Permanente is building a large medical center in the Occoquan District. He will ask if there are any opportunities for revenue bonds for this project.

IDA members will utilize business cards as they attend various events. At the suggestion of Ms. Flory, Ms. Barbee contacted Deem Printing in Manassas. Deem can provide individual cards at a cost of \$140.00 or 1000 generic cards for \$80.00. It was agreed that individual cards will be ordered. The term "Director" will be added and the IDA's legal name will be used.

NEW BUSINESS (not covered at the beginning of meeting)

Discussion of the IDA's Vision and Mission – In 2019, prior to the events of early 2020, Mr. O'Leary had discussed holding a meeting with the Board of County Supervisors (BOCS). Last month, Mr.

O'Leary followed up with BOCS Chair Ann Wheeler about the possibility of a dinner meeting between the BOCS and the IDA. Chair Wheeler suggested waiting until the COVID-19 situation is under better control.

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

The next Regular Meeting of the PWC Industrial Development Authority is scheduled for Monday, October 4, 2021 via ZOOM video conference.

There being no further business to come before the IDA, the meeting was adjourned at 7:57pm on the motion of Dexter Montgomery, seconded by Lorna Wallen.

APPROVED: October 4, 2021