

Fredericksburg Economic Development Authority FY 2016 Annual Report

FREDERICKSBURG
ECONOMIC
DEVELOPMENT
AUTHORITY

FREDERICKSBURG
ECONOMIC
DEVELOPMENT
AUTHORITY

The Fredericksburg Economic Development Authority acts as a catalyst for responsible economic development that improves Fredericksburg's quality of life and enhances the city's tax base. City Council appoints the seven members of the EDA, each of whom serves four-year terms. Members during the majority of the 2016 fiscal year were Chris Hornung (chairman), Amy LaMarca (vice chairwoman), Bob Carter (treasurer), Michael Colangelo (secretary), Tom Crimmins, Joe Wilson and Steve D'Lugos.

At the conclusion of FY 2016, Chris Muldrow and Bill Beck were appointed to the EDA, replacing Steve D'Lugos and Chris Hornung, whose terms expired. The two new members began serving on the EDA at the June meeting, which was chaired by Amy LaMarca.

The EDA's funding comes from annual fees derived from the issuance of bonds for qualified borrowers such as Mary Washington Healthcare and the University of Mary Washington Foundation. The EDA receives no city tax dollars. At the conclusion of the 2016 fiscal year, the EDA had approximately \$1.6 million in assets.

Additionally, the EDA advises the City Manager and City Council on fostering economic and industrial development.

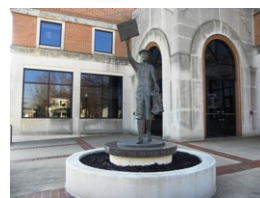
The EDA has ample flexibility on how to pursue its economic development objectives. The Authority currently has several JumpStart! grant programs that focus on the following goals:

- Improving building façades in the downtown commercial district and the city's entry corridors on Princess Anne Street and Lafayette Boulevard
- Helping businesses develop and expand
- Strengthening the city's arts businesses
- Supporting special events that generate economic activity
- Fostering entrepreneurial activity
- Improving e-commerce portals and mobile websites for city businesses

Here is a review of the EDA's popular and successful grants program in FY 2016:

- The EDA approved a \$125,000 grant to Germanna Community College for the creation of the college's Center for Advanced Technology (FredCAT), which is expected to open in FY 2017. The grant will be paid out in five annual installments of \$25,000.
- As part of its efforts to jump-start the Princess Anne Street corridor, the EDA approved two grants totaling \$35,000 that will help Red Dragon Brewery renovate a building at 1419 Princess Anne St. into a microbrewery.
- The EDA made a \$30,000 grant to the Fredericksburg Theatre Ensemble for a performing arts space above Picker's Supply at 902 Caroline St. The upgraded venue will be a home for community theater and live music.
- Spencer Devon Brewing received a \$27,000 grant for an outdoor deck at 823 Caroline St. The grant is contingent on Spencer Devon receiving matching funds through the Virginia Tourism Growth Fund.
- The EDA approved a \$25,000 relocation grant to The Free Lance-Star that played a role in the company's decision to remain in the City of Fredericksburg. The company plans to move to the Central Park Corporate Center in December 2016.
- The EDA was again a key supporter of Fredericksburg VA Main Street Inc. during the fiscal year, providing the organization with \$25,000 in grant funding. EDA Member Tom Crimmins provided important advice and support to Fredericksburg VA Main Street Inc. through his role on the organization's Board of Directors.
- LibertyTown Arts Workshop received a \$25,000 payment from the EDA, the final of five \$25,000 installments. The business is now thriving under new ownership, and the EDA's support has played an important role. LibertyTown also received a \$2,000 grant for a workshop and event held during Art Attack!
- The EDA pledged \$12,000 to the Fredericksburg Arts Commission to help fund the start of a rotating outdoor sculpture exhibit patterned after a successful program in Charlottesville.
- The Hebron family received a pledge of \$10,000 in matching funds toward planned exterior renovations at a key downtown property located at 201 William St.
- The owners of the Princess Anne Building received \$7,236 toward exterior improvements, including brick sidewalks, at 904 Princess Anne St. The project was recognized at the EDA's Business Appreciation event in May as the year's best façade improvement.
- The EDA provided the initial funding to pay for the fabrication and installation of two directional signs in the Battlefield Industrial Park. The EDA's current investment for these signs, \$4,908, will be reduced over time as new businesses purchase the individual spaces on the signs.
- FredXchange received another \$15,000 in support from the EDA, along with a pledge of \$10,000 in fiscal year 2017, to help The Foundry co-working space.

ECONOMIC DEVELOPMENT AUTHORITY JumpStart! Fredericksburg



- The EDA continued to support the Fredericksburg Regional Alliance with \$11,450 in funding. FRA President Curry Roberts gave organization updates to the EDA at two meetings during the fiscal year. The EDA also awarded a \$500 grant to Virginians for High Speed Rail, and \$3,000 toward the Window Wonderland downtown holiday promotion.
- River Rock Outfitter (\$1,500) and DaySmarts LLC (\$2,500) each received grants toward improving their websites.
- Tree Fredericksburg received two grants totaling \$6,010 for seven trees in planters along the wall of the Market Square alley, and 69 trees along Lafayette Boulevard from Willis Street to Kenmore Avenue.
- Among the events sponsored were Made in FredVA (\$3,000), Leadership Fredericksburg (\$2,500), outdoor performances of “A Midsummer Night’s Dream” (\$900), Sandwich Invitational (\$2,000), Rappahannock POPS Orchestra events (\$4,400), Sounds of Summer (\$10,000), an education and health outreach program put on by the Bluemont Concert Series (\$3,500), two art shows at the Dorothy Hart Community Center (\$1,000) and the Fredericksburg Beach Music Blast (\$7,500).
- Sprelly received \$2,400 toward the expense of the required hood in its downtown Fredericksburg eatery.
- Matching façade improvement grants were awarded toward exterior renovations at 400 Princess Anne St. (\$2,500), 611 Caroline St. (\$4,340), 1915 Charles St. (\$3,000), 2601 Princess Anne St. (\$1,500), 2621 Princess Anne St. (\$1,300) and 415 William St. (\$2,000). A \$4,500 grant was approved for Phase II repairs to the historic Silversmith Building at 813 Sophia St., and a \$1,800 grant went to Washington Heritage Museums for repairs and improvements to the Hugh Mercer Apothecary Shop at 1020 Caroline St.
- The EDA also funded an awards program given out at the annual Business Appreciation event in May. The winners of the “Excellence in Business Awards” for 2016 were Agora Downtown Coffee Shop for Entrepreneurial Spirit, River Rock Outfitter for Cooperative Partnership and Community Service, 904 Princess Anne LLC for Exceptional Façade Renovation and Revitalization, and Capital Ale House for Business of the Year.



In FY 2016, the EDA partnered with the City of Fredericksburg on the purchase and resale of the former StellarOne Bank property at 1016 Charles St. In March, the EDA sold the former bank building to an affiliate of Lifecycle Construction Services, which now has its corporate headquarters in the space. The EDA plans to use the proceeds from the Lifecycle sale for future economic development opportunities.



Looking ahead

The following slate of officers was elected for the 2017 fiscal year:

- Amy LaMarca, Chairwoman
- Tom Crimmins, Vice Chairman
- Bob Carter, Treasurer
- Michael Colangelo, Secretary



More information about the EDA – including a description of its grants programs, minutes, agendas and schedules – can be found at Fredericksburgva.com under “Doing Business.”

Karen Hedelt, Bill Freehling, Amy Peregoy and Danelle Rose of the Fredericksburg Department of Economic Development and Tourism (EDT) all provide staff support to the EDA. Fredericksburg attorney Blanton Massey serves as legal counsel.

In FY 2016, EDT Director Karen Hedelt announced her intent to retire at the end of July 2016. City Manager Beverly Cameron retired at the end of FY 2016; Stafford County Deputy County Administrator and Economic Development Director Tim Baroody was named as the new City Manager.

People wishing to contact the EDA can do so through the following EDT staff members, each of whom can also be reached by calling 540-372-1216:

Bill Freehling, Assistant Director for Economic Development
bfreehling@fredericksburgva.gov

Amy Peregoy, Economic Development Specialist
aperegoy@fredericksburgva.gov

Danelle Rose, Administrative Assistant
darose@fredericksburgva.gov