ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

Monday, November 10, 2008 Conference Room 218 (Second Floor) City Hall 715 Princess Anne Street Fredericksburg, VA

The Economic Development Authority of the City of Fredericksburg, Virginia met in regular session on Monday, November 10, 2008, beginning at 12:00 noon in Conference Room 218 (second floor), City Hall, Fredericksburg, 715 Princess Anne Street, Fredericksburg, Virginia.

Present. Conrad Warlick, Dana Herlong, Joe Wilson, Chris Limbrick and Chris Hornung.

Absent. Mary Jane O'Neill and Rick Pullen

Also Present: Fredericksburg Regional Alliance: Gene Bailey, Linwood Thomas; and Todd Gillingham; J. Brians Taproom: Bill Hyland and John VanSant; City Manager, Phil Rodenberg; Attorney, Blanton Massey; The Free Lance-Star: Pam Gould; City Department of Planning: Erik Nelson; Councilman: Matt Kelly; Attorney, Blanton Massey; Department of Economic Development and Tourism: Marketing and Information Specialist: JoAnn Locklair.

Determination of a Quorum.

Ms. Herlong, Assistant Secretary, determined that a quorum was present.

Approval of Agenda.

Chairman Warlick asked for changes, additions, or deletions to the agenda. Chairman Warlick added the following items:

- Item 6b under Treasurer's Report Signature Cards
- Item 9d under Old Business Grant Criteria
- Item 10b under New Business Matter of information from Joe Wilson

Mr. Wilson made a motion to approve the agenda as amended. It was seconded by Mr. Limbrick and passed by the following recorded votes. Ayes (5). Conrad Warlick, Dana Herlong, Joe Wilson, Chris Limbrick, and Chris Hornung. Nays (0). None.

Approval of Minutes.

Regular Meeting Minutes of October 20, 2008.

Ms. Herlong made the motion to approve the October 20, 2008 regular meeting minutes. Motion was seconded by Mr. Hornung and passed by the following recorded votes. Ayes (4). Conrad Warlick, Dana Herlong, Joe Wilson, and Chris Hornung. Nays (0). None. Mr. Limbrick abstained from voting because he did not attend the October 20, 2008 meeting.

Chairman's Report.

Fredericksburg Regional Alliance (FRA) Gene Bailey – Chairman Warlick turned the meeting over to Mr. Bailey, President of the Fredericksburg Regional Alliance. Mr. Bailey wanted to make sure he has the correction contact information for EDA members in order to extend invitations (see attachment). Staff was directed to send a copy of the most recent directory of the members to the Alliance. Mr. Bailey gave a report on the Alliance annual meeting for those who were unable to attend (see attachments for items that he addressed).

Grant Request – Bill Hyland – Chairman Warlick stated that this request was tabled at the last meeting due to lack of sufficient information to make a decision. He turned the meeting over to Mr. Hyland and Mr. VanSant who gave a brief overview of the project. This item was tabled for the December 8th meeting for action.

Treasurer's Report.

Mr. Hornung noted that the financial statement for September 2008 was emailed to the members of the EDA. Chairman Warlick directed Mr. Wilson, Assistant Secretary of the EDA, to file the Treasurer's Statement with the minutes.

Mr. Hornung reported that he met with Mr. Limbrick, former Treasurer, last week to go over the duties of the Treasurer, where the funds are, and past practices of managing the funds.

Mr. Hornung recommended that an annual budget be created. Chairman Warlick asked if Mr. Hornung would prepare a preliminary budget for the December 8th meeting.

Mr. Hornung reported that Union Bank is offering a current 15-month yield on CD's at 4.12. He stated that he would be checking on other bank rates for a higher yield.

Mr. Hornung asked for a motion to approve the following checks:

- Check in the amount of \$450.00 to A. Blanton Massey for FOIA Research
- Check in the amount of \$1,025.00 to A. Blanton Massey for procedures necessary to

obtain signatures to SWM Deed of Dedication and drafting commendation resolution for Mr. Gullette

Mr. Wilson made the motion to approve the checks. Motion was seconded by Mr. Limbrick and passed by the following recorded votes. Ayes (5). Conrad Warlick, Dana Herlong, Joe Wilson, Chris Hornung, and Chris Limbrick. Nays (0). None.

Signature Cards.

Mr. Hornung brought commercial signature cards from PNC Bank (formerly known as The National Bank of Fredericksburg) and Union Bank to officially change over authorized signers for FY 2008/2009. The signers are: Ms. O'Neill, Secretary; Joe Wilson, Assistant Secretary; and Mr. Hornung, Treasurer.

Mr. Limbrick asked for a motion to transfer funds from the Money Market Account at PNC Bank to the checking account at Union Bank and Trust in order to cover expenses for grants and invoices that have been approved. Ms. Herlong made a motion to transfer \$72,000 from the Money Market Account at PNC to the checking account at Union Bank and Trust. Motion was seconded by Mr. Limbrick and passed by the following unanimously recorded votes. Ayes (5). Conrad Warlick, Dana Herlong, Chris Limbrick, Joe Wilson, and Chris Hornung. Nays (0). None.

Committee Report.

There was no committee report at this meeting.

Staff Report.

Chairman Warlick asked Mr. Rodenberg who is the Staff Liaison for the EDA. Mr. Rodenberg informed the Authority that Ms. Locklair is staff support to the EDA for their meetings. Ms. Hedelt is the Interim Director of the Department of Economic Development and Tourism and will probably assign Kim Schill to attend the EDA meetings. Mr. Rodenberg stated that the only change that has taken place is that Ms. Hedelt has been named Interim Director. He stated that the department's activities would have to be scrutinized and staff will move forward with as much as they can handle, given that they are down a staff person.

New Standard Operating Procedures for Economic Development Authority Bond Issuances.

Mr. Rodenberg briefed the Authority concerning a memorandum for new standard operating procedures for Economic Development Authority bond issuances to be considered for possible action today (see attachment). Discussion followed on adopting a formal process. Mr. Rodenberg noted that the City prefers the EDA to hold its bank qualified loan capacity for the City's projects first and foremost. Mr. Rodenberg stated that he would send City plans for projects to the Authority.

Old Business.

Deed of Dedication for Stormwater Management Pond - Mr. Massey reported that Mr. Robinson's signature has still not been received, and he would follow up with a call to Mr. Robinson.

Leadership Fredericksburg – The Board reviewed the Leadership Fredericksburg's request for sponsorship of \$2,500. Chairman Warlick reported that Ms. Spears from the Chamber of Commerce sent him the Leadership Fredericksburg Sponsorship Options (see attachment). Chairman Warlick recommended that Leadership Fredericksburg fill out the criteria addressed in "Section 3 – Non-Profit Grant Program Description" in the revised Grant Criteria and resubmit to the Authority. Staff was directed to notify Ms. Spears that the Board voted on November 10, 2008 that an application must be submitted for all requests.

Fredericksburg Area Museum and Cultural Center – The Board reviewed the grant request from the Fredericksburg Area Museum. Chairman Warlick recommended that the Museum fill out the criteria addressed in "Section 3- Non-Profit Description" in the revised Grant Criteria and resubmit to the Authority. Staff was directed to notify the Museum that the Board voted on November 10, 2008 that an application must be submitted for all requests.

Grant Criteria - Chairman Warlick discussed the following revisions to the Grant Criteria:

- Clean up the background to make it easier to read
- o Grant applications received three times a year--March 1, June 1, and October 1. All final determinations will be made by the EDA Board and applicants will be notified in writing of the Board's decision.
- Add Section VII Spells out what a Grant Application must include.

Mr. Wilson made a motion approve the revisions to the Grant Criteria. Motion was seconded by Mr. Hornung. Further discussion included a change on page 5, Section III. to state "to assist local non-profit organizations or governmental entities". Motion passed by the following

unanimously recorded votes. Ayes (5). Conrad Warlick, Dana Herlong, Chris Limbrick, Joe Wilson, and Chris Hornung. Nays (0). None.

New Business.

Consideration of financial assistance for historic signage on the George Street Corridor – Mr. Nelson, City of Fredericksburg Senior Planner, gave a brief presentation on a proposal for George Street Wayside Exhibits. He stated the City is asking the EDA to consider financial assistance for this project. The request is for \$5,500 for three panels. Discussion followed with the Board recommended that the City submit an application for this request.

Matter of Information – Mr. Wilson brought to the Authority's attention an opportunity for the EDA to participate. He stated that he was approach by Mark Newton who is having a Blue Grass Festival Homecoming at Maury Field on Saturday, September 19, 2009. He stated that all of the proceeds from this event will be donated to the James Monroe High School Athletic Fund. Mr. Wilson asked the EDA to give the grant request serious consideration.

Adjournment.

There being no further business to come before the Economic Development Authority at this time, the meeting adjourned at 1:45 p.m.

Joe Wilson, Assistant Secretary

ECONOMIC DEVELOPMENT AUTHORITY FINANCIAL STATEMENT SEPTEMBER, 2008

UNION BANK & TRUST COMPANY - CHECKING and CD's

1-Year Jumbo CD - #0153000745 • Interest Rate 2.60%, Annual Percentage Yield 2.63%	
Balance at 8/31/2008 Interest	\$ 105,884.41 233.81
Balance at 9/30/2008	\$ 106,118.22
1-Year Jumbo CD - #0153000370 • Interest Rate 2.60%, Annual Percentage Yield 2.63%	
Maturity Date - 4/14/09 Balance at 8/31/2008 Interest	\$ 105,884.41 233.81
Balance at 9/30/2008	\$ 106,118.22
1-Year Jumbo CD - #0153000087 • Interest Rate 2.60%, Annual Percentage Yield 2.63% Maturity Date - 4/14/09	
Balance at 8/31/2008 Interest	\$ 105,884.41 233.81
Balance at 9/30/2008	\$ 106,118.22
12-Month CD - #0153000184 • Interest Rate 3.7%, Annual Percentage Yield 3.76% Maturity Date - 1/14/09	
Balance at 8/31/2008 Interest	\$ 53,047.63 166.24
Balance at 9/30/2008	\$ 53,213.87
13-Month Special CD - #0153553442 • Interest Rate 4.57%, Annual Percentage Yield 4.67% Maturity Date - 2/17/09	
Balance at 8/31/2008 Interest	\$ 102,690.09 397.49
Balance at 9/30/2008	\$ 103,087.58
13-Month Special CD - #0153553450 • Interest Rate 4.57%, Annual Percentage Yield 4.67% Maturity Date - 2/17/09	
Balance at 8/31/2008 Interest	\$ 51,345.04 198.75
Balance at 9/30/2008	\$ 51,543.79
13-Month Special CD - #0153553469 • Interest Rate 4.57%, Annual Percentage Yield 4.67%	
Maturity Date - 2/17/09 Balance at 8/31/2008 Interest	\$ 51,345.04 198.75
Balance at 9/30/2008	\$ 51,543.79

ECONOMIC DEVELOPMENT AUTHORITY FINANCIAL STATEMENT SEPTEMBER, 2008

6-Month CD - #0153553477 • Interest Rate	2.33%, Annual Percentage Yield 2.36% Maturity Date - 12/17/08	
Balance at 8/31/2008 Interest	many back and the second	\$ 51,175.96 101.27
Balance at 9/30/2008		\$ 51,277.23
6-Month CD - #0153553485 • Interest Rate	2.33%, Annual Percentage Yield 2.36% Maturity Date - 12/17/08	
Balance at 8/31/2008 Interest		\$ 51,175.96 101.27
Balance at 9/30/2008		\$ 51,277.23
6-Month CD - #0153553493 • Interest Rate	2.33%, Annual Percentage Yield 2.36% Maturity Date - 12/17/08	
Balance at 8/31/2008 Interest		\$ 51,175.96 101.27
Balance at 9/30/2008		\$ 51,277.23
6-Month CD - #0153553515 ◆ Interest Rate	2.33%, Annual Percentage Yield 2.36% Maturity Date - 12/17/08	
Balance at 8/31/2008 Interest		\$ 25,587.97 50.64
Balance at 9/30/2008		\$ 25,638.61
	2.33%, Annual Percentage Yield 2.36% Maturity Date - 12/17/08	
Balance at 8/31/2008 Interest		\$ 25,587.97 50.64
Balance at 9/30/2008		\$ 25,638.61
Union Bank Checking Account - 332013812	2 ● Average Rate/Cycle Days 1.69%	
Balance at 8/31/2008 Revenues:		\$ 8,324.43
Deposit - Application Fee for Eagle Village, Interest Expenditures	LLC (UMW)	1,000.00 1.42
Odoba Mexican Grill Sonya B. Costanzo		(101.97)
Balance at 9/30/2008		\$ 9,223.88

ECONOMIC DEVELOPMENT AUTHORITY FINANCIAL STATEMENT SEPTEMBER, 2008

PNC - MONEY MARKET ACCOUNT - 5528183741 Interest Rate 3.85%, Annual Percentage Yield 3.92%

Balance at 8/31/2008 Revenues: Deposit - Bond Issuance Fee - MediCorp Health System Obligated Group, Series 2007 Deposit - Bond Issuance Fee - MediCorp Health System Series 2002B	\$ 107,845.86 81,200.00 43,333.33
Interest	285.82
Expenditures: None	
Balance at 9/30/08	\$ 232,665.01
PNC - CHECKING ACCOUNT - 5528062392 Average Rate/Cycle Days .15%	
Balance at 8/31/08 Revenues:	\$ 5,199.19
Interest	0.64
Expenditures: None	 0.00
Balance at 9/30/2008	\$ 5,199.83
TOTAL EDA CASH BALANCE at 5/31/2008	 1,029,941.32