

ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

**Monday, December 8, 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, December 8, 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, Rick Pullen, and Chris Hornung.

Absent. Mary Jane O'Neill

Also Present: J. Brian's Taproom: Brian Hyland and Jon Van Zandt; **Attorney,** Blanton Massey; **The Free Lance-Star:** Pam Gould; **City Department of Planning:** Erik Nelson; **Department of Economic Development and Tourism: Marketing and Information Specialist:** JoAnn Locklair, **Economic Development Manager:** Kimberly Schill.

Determination of a Quorum.

Mr. Wilson, 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 10b under New Business – Update on Blue Grass Festival Homecoming
- Item 5c under Chairman's Report – Information on thank you notes received from various groups
- Item 5d under Chairman's Report – Meeting Schedule for 2009

Mr. Wilson made a motion to approve the agenda as amended. It was seconded by Ms. Herlong and passed by the following recorded votes. Ayes (6). Conrad Warlick, Dana Herlong, Joe Wilson, Chris Limbrick, Rick Pullen, and Chris Hornung. Nays (0). None.

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Approval of Minutes.

Regular Meeting Minutes of November 10, 2008.

Mr. Wilson made the motion to approve the November 10, 2008 regular meeting minutes. Motion was seconded by Mr. Hornung and passed by the following recorded votes. Ayes (5). Conrad Warlick, Dana Herlong, Joe Wilson, Chris Limbrick and Chris Hornung. Nays (0). None. Mr. Pullen abstained from voting because he did not attend the November 10, 2008 meeting.

Adjourned for lunch at 12:30 p.m.

Mr. Warlick called the meeting back to order at 1:00 p.m.

Chairman's Report.

Distribution of Packets – Chairman Warlick informed the Board, if information for the EDA cannot be emailed, Ms. Locklair will email the members to come and pick up the information at her office.

Capital Ale House – Chairman Warlick stated that the EDA received a letter from Capital Ale stating that they have completed the façade improvements. The Board approved a grant up to \$25,000.00 for façade improvements on February 21, 2008. A letter along with a check in the amount of \$25,000.00 will be sent to them.

Meeting Schedule for 2009 – Chairman Warlick asked the members of the Board to mark their calendars for the 2009 EDA meetings.

Thank you letters– Chairman Warlick reported that the EDA received the following thank you letters highlighting:

- **High Speed Rail** - contribution of \$5,000.00
 - Seeing record ridership.
 - Working to expand Amtrak service along the Richmond-Fredericksburg-Washington rail Corridor.
 - Amtrak has recommended and Virginia's Department of Rail and Public Transportation (DRPT) has identified funding for an additional north and south train between Richmond and Washington, stopping in Fredericksburg. The funding is for a three-year trial run.

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- Working with the Virginia General Assembly to create a study to locate a long-term funding source for the additional passenger rail service.
- Passenger Rail Investment and Improvement Act, which authorized \$2.1 billion for investment in passenger rail corridors, has passed Congress and signed by the President.
- Received a Sponsors List.

- **Fredericksburg Area Museum and Cultural Center** – a \$10,000.00 grant for the renovation of the handicap entrance of the former first Virginia Bank Building.
 - For the next meeting, Staff is directed to request an information sheet for the bricks.

Treasurer's Report.

Mr. Hornung noted that the financial statement for October 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 summarized the EDA account balances (see attached Fredericksburg EDA Account Balances). He reported that five CDs' totaling \$206,000.00 are expiring on December 17, 2008.

Mr. Hornung made a motion to renew the CDs that are expiring this month in the amount of \$206,000.00 into an eleven month CD with Union Bank & Trust. In addition, reduce the money market account balance to \$100,000.00 and put the surplus amount of \$133,000.00 into a combination of an 11-month or six-month CDs. Motion was seconded by Mr. Pullen and passed by the following unanimously recorded votes. Ayes (6). Conrad Warlick, Dana Herlong, Chris Limbrick, Joe Wilson, Rick Pullen, and Chris Hornung. Nays (0). None.

Mr. Hornung made a motion to approve the following checks:

- Check in the amount of \$575.00 to Network Title, Inc. for Stormwater Management Deed
- Check in the amount of \$50.00 to A. Blanton Massey for his work on the Hazel Hill Audit
- Check in the amount of \$25,000.00 to Ale House of Fredericksburg, LLC (Capital Ale House)

Motion was seconded by Ms. Herlong and passed by the following unanimously recorded votes. Ayes (6). Conrad Warlick, Dana Herlong, Chris Limbrick, Joe Wilson, Rick Pullen, and Chris Hornung. Nays (0). None.

Mr. Hornung informed the Board that two bond issuance checks were received: University of Mary Washington – Eagle Village in the amount of 13,337.50 and Hazel Hill Apartments – Series 2004 in the amount of \$10,187.50. Both checks were deposited in PNC Money Market Account.

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Client Representative Letter to Robinson, Farmer, & Cox - Mr. Hornung made a motion to approve the Client Representative Letter to Robinson, Farmer, Cox and Associates (EDA Auditors) for the 2008 Financial Report as presented (see attachment). Motion was seconded by Mr. Limbrick and passed by the following recorded votes. Ayes (6). Conrad Warlick, Rick Pullen, Chris Limbrick, Chris Hornung, Dana Herlong, and Joe Wilson. Nays (0). None.

Creation of an Annual Budget – Mr. Hornung reported that he would present a preliminary budget at the next EDA meeting on January 12, 2009.

Committee Report.

There was no committee report at this meeting.

Staff Report.

Building Permits – Ms. Schill reported that the staff of the Planning and Building & Development Services Departments are conducting a review of the development plan approval process. The staff is using a "Six Sigma" approach to map out the steps in the approval process, to look at eliminating redundancy, delays, layovers in inboxes, and identify anticipated times of review that developers can expect.

Downman House Update - Ms. Schill informed the Board that an RFP was done for the purchase and restoration of the Historic Downman House and Idlewild Properties. She stated that the proposals received did not match what the city is looking for so the city is entertaining selling the Downman House and putting the Idlewild Properties on hold.

Fredericksburg Roundtable – Ms. Schill invited the Board to attend the first Fredericksburg Roundtable on January 6th, beginning at 8:00 a.m. at Fredericks Restaurant on Princess Anne Street. This event will take place the first Tuesday of every month and will be hosted by the Fredericksburg Regional Chamber of Commerce. She stated that Phil Rodenberg will be the guest speaker for the January meeting.

JumpStart! Mixed Use Ordinance – Ms. Schill reported that the new proposed Mixed Use Ordinance will go before the Planning Commission at a Public Meeting on December 10, 2008, beginning at 7:30 p.m. in Council Chambers, City Hall. She indicated the new mixed use ordinance will help the redevelopment of the Princess Anne Street corridor and the Eagle Village Project.

Ms. Herlong also addressed a text amendment concerning parking to be discussed at the Planning Commission meeting. Ms. Herlong stated that this is a major issue about parking downtown and requested staff to follow this issue and update the Authority accordingly.

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VECTEC Program – Ms. Schill passed out a handout on the VECTEC Program (see attachment). She indicated that this is a matching grant program that helps businesses become more web based to do online services. She stated that a representative from this program will be speaking at the Fredericksburg Regional Alliance Pro's meeting in January. Ms. Schill said she will report back to the Board.

Ms. Schill updated the board on the Arts Commission. Ms. Herlong requested that staff report on a regular basis what the Arts Commission is doing.

The Board requested that the Chairman of the Arts Commission be invited to the May 11th EDA meeting to discuss their strategic plan.

Old Business.

Grant Request for George Street Wayside Exhibits – Mr. Nelson presented the revised City one-time grant request of \$5,000.00 to install three wayside exhibits along George Street. Mr. Wilson made a motion to approve the grant request in the amount of \$5,000.00 to install three wayside exhibits along George Street. Motion was seconded by Mr. Pullen and passed by the following recorded votes. Ayes (6). Conrad Warlick, Rick Pullen, Chris Limbrick, Chris Hornung, Dana Herlong, and Joe Wilson. Nays (0). None.

Grant Request - Brian 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. Van Zandt to answer questions concerning the revised information to the Board. Discussion followed with the following recommendations: to package the alley and stage as one project and to be specific on how the EDA funds are to be used. This item was tabled for the January 12th meeting for action.

Grant Criteria – Ms. Schill recommended that the grant criteria be more specific under the for-profit section to state what the EDA is willing to fund. The grant criteria also need to state the recipients will receive the grant money once the work is completed.

New Business.

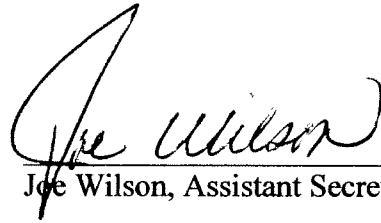
IRS Audit of Fredericksburg Affordable Housing, L.P. (Hazel Hill Apartments) and appointing an agent to handle request – Mr. Massey informed the Board Fredericksburg Affordable Housing, L.P. (Hazel Hill Apartments) is being audited by the IRS. Mr. Pullen made the motion to appoint Mr. Shimer, EDA's bond attorney, full authority to take any and all action necessary on behalf of the EDA in consultation with the Chairman. Motion was seconded by Mr. Hornung and unanimously approved.

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There will be no charges to the EDA. The bond documents states that the borrower will pay all expenses.

Adjournment.

There being no further business to come before the Economic Development Authority at this time, the meeting adjourned at 2:05 p.m.



Joe Wilson, Assistant Secretary

**ECONOMIC DEVELOPMENT AUTHORITY
FINANCIAL STATEMENT
OCTOBER, 2008**

UNION BANK & TRUST COMPANY - CHECKING and CD's

**1-Year Jumbo CD - #0153000745 • Interest Rate 2.60%, Annual Percentage Yield 2.63%
Maturity Date - 4/14/09**

Balance at 9/30/2008	\$	106,118.22
Interest		226.78

Balance at 10/31/2008	\$	106,345.00
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**1-Year Jumbo CD - #0153000370 • Interest Rate 2.60%, Annual Percentage Yield 2.63%
Maturity Date - 4/14/09**

Balance at 9/30/2008	\$	106,118.22
Interest		226.78

Balance at 10/31/2008	\$	106,345.00
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**1-Year Jumbo CD - #0153000087 • Interest Rate 2.60%, Annual Percentage Yield 2.63%
Maturity Date - 4/14/09**

Balance at 9/30/2008	\$	106,118.22
Interest		226.78

Balance at 10/31/2008	\$	106,345.00
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**12-Month CD - #0153000184 • Interest Rate 3.7%, Annual Percentage Yield 3.76%
Maturity Date - 1/14/09**

Balance at 9/30/2008	\$	53,213.87
Interest		161.39

Balance at 10/31/2008	\$	53,375.26
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**13-Month Special CD - #0153553442 • Interest Rate 4.57%, Annual Percentage Yield 4.67%
Maturity Date - 2/17/09**

Balance at 9/30/2008	\$	103,087.58
Interest		386.15

Balance at 10/31/2008	\$	103,473.73
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**13-Month Special CD - #0153553450 • Interest Rate 4.57%, Annual Percentage Yield 4.67%
Maturity Date - 2/17/09**

Balance at 9/30/2008	\$	51,543.79
Interest		193.07

Balance at 10/31/2008	\$	51,736.86
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**13-Month Special CD - #0153553469 • Interest Rate 4.57%, Annual Percentage Yield 4.67%
Maturity Date - 2/17/09**

Balance at 9/30/2008	\$	51,543.79
Interest		193.07

Balance at 10/31/2008	\$	51,736.86
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**ECONOMIC DEVELOPMENT AUTHORITY
FINANCIAL STATEMENT
OCTOBER, 2008**

**6-Month CD - #0153553477 • Interest Rate 2.33%, Annual Percentage Yield 2.36%
Maturity Date - 12/17/08**

Balance at 9/30/2008	\$	51,277.23
Interest		98.20

Balance at 10/31/2008	\$	51,375.43

**6-Month CD - #0153553485 • Interest Rate 2.33%, Annual Percentage Yield 2.36%
Maturity Date - 12/17/08**

Balance at 9/30/2008	\$	51,277.23
Interest		98.20

Balance at 10/31/2008	\$	51,375.43

**6-Month CD - #0153553493 • Interest Rate 2.33%, Annual Percentage Yield 2.36%
Maturity Date - 12/17/08**

Balance at 9/30/2008	\$	51,277.23
Interest		98.20

Balance at 10/31/2008	\$	51,375.43

**6-Month CD - #0153553515 • Interest Rate 2.33%, Annual Percentage Yield 2.36%
Maturity Date - 12/17/08**

Balance at 9/30/2008	\$	25,638.61
Interest		49.10

Balance at 10/31/2008	\$	25,687.71

**6-Month CD - #0153553507 • Interest Rate 2.33%, Annual Percentage Yield 2.36%
Maturity Date - 12/17/08**

Balance at 9/30/2008	\$	25,638.61
Interest		49.10

Balance at 10/31/2008	\$	25,687.71

Union Bank Checking Account - 332013812 • Average Rate/Cycle Days 1.69%

Balance at 9/30/2008	\$	9,223.88
Revenues:		
Interest		1.56
Expenditures		
Nader's Grocery (City Subs)		(74.89)

Balance at 10/31/2008	\$	9,150.55

**ECONOMIC DEVELOPMENT AUTHORITY
FINANCIAL STATEMENT
OCTOBER, 2008**

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

Balance at 9/30/2008	\$ 232,665.01
Revenues:	
None	
Interest	541.93
Expenditures:	
None	
Balance at 10/31/08	<u>\$ 233,206.94</u>

PNC - CHECKING ACCOUNT - 5528062392
Average Rate/Cycle Days .15%

Balance at 9/30/08	\$ 5,199.83
Revenues:	
Interest	0.66
Expenditures:	
None	<u>0.00</u>
Balance at 10/31/2008	<u>\$ 5,200.49</u>
TOTAL EDA CASH BALANCE at 10/31/2008	<u><u>1,032,417.40</u></u>

EDA Financial Statement - October 31, 2008 (12-1-08)