

ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

**Monday, February 9, 2009
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, February 9, 2009, 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, Mary Jane O'Neill (arrived at 12:20 p.m.), Joe Wilson, Rick Pullen, and Chris Hornung.

Absent. Chris Limbrick

Also Present: Arts Commission: Kevin Bartram; **City Manager:** Phil Rodenberg; **Attorney,** Blanton Massey; **The Free Lance-Star:** Emily Battle; **Department of Economic Development and Tourism: Interim Director:** Karen Hedelt; **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. The following change was made:

- Item 8e – Delete Business Prospect

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

Approval of Minutes.

Regular Meeting Minutes of January 12, 2009.

Ms. Herlong made the motion to approve the January 12, 2009 regular meeting minutes. Motion was seconded by Mr. Hornung and passed by the following recorded votes. Ayes

(5). Conrad Warlick, Dana Herlong, Joe Wilson, Rick Pullen, and Chris Hornung. Nays. (0)
None.

Chairman's Report.

Freedom of Information Act - Chairman Warlick addressed Mr. Lawrence's request for materials of the last meeting on January 12, 2009. Chairman Warlick presented information on an e-mail sent by Mary Smith, Clerk of Council, on July 10, 2008, informing Mr. Lawrence that he owes \$13.46 for a FOIA request done in July of 2008. He stated the city expects payment of this amount before it processes future requests. Chairman Warlick said that materials would not be furnished until the bill is paid. Some of the Board members discussed their concerns and staff was directed to explore this issue and report to the Authority at the next meeting.

Thank you letter from Brian Hyland - Chairman Warlick reported that the EDA received a letter from Mr. Hyland thanking the Authority for their grant award. Mr. Hyland stated if the EDA needs a meeting space or a stage for a public presentation, he would be thrilled to be the host.

Fredericksburg Area Museum and Cultural Center Brick Program - Chairman Warlick asked the Board if they would be interested in participating in the brick program. He explained the cost of the bricks is \$200.00 each and the location of the bricks would be placed along the path in front of the museum. Ms. Herlong made a motion to buy a Fredericksburg Economic Development Authority JumpStart! brick to support their effort. Motion was seconded by Mr. Hornung and passed by the following recorded votes. Ayes (5). Conrad Warlick, Dana Herlong, Mary Jane O'Neill, Rick Pullen, and Chris Hornung Nays (1). Joe Wilson.

Treasurer's Report.

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

Meeting with Glenn Kinard – Mr. Hornung reported on the meeting with Mr. Kinard from PNC Bank. He also informed the Authority that PNC rates average $\frac{3}{4}$ to one percentage point lower than most competing banks on CD rates and Money Market Accounts. He suggested that the Authority keep the sum of \$100,000 in the PNC money market account until he has a chance to research rates at other local banks.

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Mr. Rodenberg, City Manager, recommended in the past that the Authority have an adopted investment policy and suggested that now is the time to revisit the policy. Mr. Rodenberg offered for the EDA to piggyback with the City. Mr. Hornung stated that he would explore the City's investment policy.

Mr. Hornung reported on the following:

- UBT CD ending in 184 matured on January 14, 2009 and was transferred to UBT Money Market in the amount of \$53,873.41.
- Ms. O'Neill made the motion to renew the CDs ending in 442, 450, and 469 totaling \$207,000 plus an additional \$12,500.00 from Union Bank Money Market Account for two 5-month or 12-month CDs based on our fiscal policy and yield. Motion was seconded by Mr. Pullen and passed by the following recorded votes. Ayes (6). Conrad Warlick, Mary Jane O'Neill, Dana Herlong, Rick Pullen, Joe Wilson, and Chris Hornung. Nays (0). None.

Preliminary Budget - Mr. Hornung reported that he will present a draft budget at the next meeting.

Mr. Pullen made a motion to approve a check in the amount of \$87.85 to Camille's for today's lunch. Motion was seconded by Ms. O'Neill and passed by the following recorded votes. Ayes (6). Conrad Warlick, Mary Jane O'Neill, Dana Herlong, Joe Wilson, Rick Pullen, and Chris Hornung. Nays (0). None.

Committee Report.

There was no committee report at this meeting.

Staff Report.

Fredericksburg Roundtable – Ms. Schill reported on the Fredericksburg Roundtable held on February 3. She said they had a great turnout and thanked Mr. Hornung for his excellent presentation. She informed the Board that the meetings are scheduled the first Tuesday of the month, beginning 8:00 a.m. at Frederick's Restaurant. The next meeting is scheduled for March 3 and the guest speaker will be Meghann Cotter from MICAH.

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Arts Commission – Ms. Schill introduced Kevin Bartram, Vice Chairman of the Arts Commission, who gave an update on the Commission. Mr. Bartram told the Board that the Commission is working on a survey and cultural inventory to determine what is out in the Fredericksburg community in terms of the arts. He said the inventory will be for art organizations, patrons of the arts, and businesses, and will include cultural assets and needs. He stated that they are hoping to launch the online survey in April 2009. In addition, a report would be provided to City Council about the state of the arts in Fredericksburg. He also noted that the Commission wants to make Fredericksburg a cultural destination and is very interested in partnering with the EDA.

Downtown Economic Development Commission – Ms. Schill updated the Board on the February 5th meeting. She stated that a representative from the Main Street Program of Virginia came to the meeting and posed several good ideas. She informed the Authority that the Commission is going to be working closely with Main Street in the future, and the next step is to assemble a board for this organization.

Princess Anne Corridor Team Updated – Ms. Schill reported that the team met on January 21 to discuss acquiring options on properties within the Princess Anne Corridor. The Authority had a lengthy discussion concerning the properties and recommended that Staff provide more information at the next meeting.

Fredericksburg Expo and Conference Center (FECC) – Ms. Hedelt briefed the Board on the status of the Fredericksburg Expo and Convention Center. She explained to the Authority that the Expo is in financial distress due to the economy, and their status as a privately held firm affects its capacity to compete with public funded entities. She reported the City has an incentive fund that they have been using for the Expo. She said the City is asking the Authority to (1) agree to serve as a conduit for the \$39,762 left in the fund and (2) consider matching the City's money dollar-for-dollar to extend assistance to the Expo. She also told the Authority that the cancellation of business would be very damaging to the environment as a whole and would adversely affect the Kalahari project (see attachments).

Chairman Warlick indicated that the EDA has already agreed to serve as a conduit for the City in regards to the Expo.

Following discussion, Mr. Pullen made a motion that the EDA approve \$40,000 to subsidize the Fredericksburg Expo and Convention Center. In addition, the Fredericksburg Economic Development Authority be used as a conduit for City Council to pass similar funds to subsidize the Expo Center with the understanding that the city funds would be expended first at the rate of \$15,000 per month. After city funds have been exhausted, the EDA approved funds

would be disbursed. Motion was seconded by Mr. Wilson and passed by the following recorded votes. Ayes (5). Conrad Warlick, Mary Jane O'Neill, Dana Herlong, Rick Pullen, and Joe Wilson. Nays (0). None. Mr. Hornung abstained due to a conflict of interest.

Marketing Study – Ms. Schill reported that she will be meeting in March with the major Central Park owner, The Rappaport Cos., to discuss vacancies in Central Park. She stated that she will report back to the EDA after the meeting in March.

Ms. Schill presented information on doing a marketing study to get feedback from the EDA. Discussion followed on marketing the city. Chairman Warlick directed staff to explore doing a market study and report back to the EDA.

Work Session with City Council on March 10, 2009 – Ms. Hedelt informed the Board that City Council would like to schedule a work session with the EDA on March 10 to discuss some of the priorities of the city to include goals and initiatives and the JumpStart! program.

Old Business.

Grant Criteria Review – There was no update at this meeting. Ms. Herlong and Ms. Schill indicated the next step is to create a score sheet for events and the arts to include the cap and criteria.

Chairman Warlick asked the Board to send comments and suggestions to Ms. Herlong and Ms. Schill.

New Business.

Resolution 09-01 for Economic Development Authority to Hold a Closed Meeting – Ms. O'Neill made a motion under Resolution 09-01 for the Economic Development Authority to hold a closed meeting under the Virginia Freedom of Information Act for the discussion of Personnel Matters for the position of legal counsel performance and compensation under the Virginia Freedom of Information Act, Virginia Code §2.23711(A)(1). Motion was seconded by Mr. Hornung and passed by the following recorded votes. Ayes (6). Conrad Warlick, Mary Jane O'Neill, Dana Herlong, Rick Pullen, Joe Wilson and Chris Hornung. Nays (0). None.

Ms. O'Neill made a motion to return to the regular meeting. Motion was seconded by Mr. Pullen and passed by the following recorded votes. Ayes (6). Conrad Warlick, Mary Jane O'Neill, Dana Herlong, Rick Pullen, Joe Wilson, and Chris Hornung. Nays (0). None.

Resolution 09-02 Approved Certification of Closed Meeting

Ms. O'Neill resolved that the Economic Development Authority has convened a closed meeting, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act under Virginia Code §2.2-3712.D. Ms. O'Neill made the motion to adopt Resolution 09-02 dated February 9, 2009. Motion was unanimously passed by the following recorded votes. Ayes (6). Conrad Warlick, Mary Jane O'Neill, Dana Herlong, Rick Pullen, Joe Wilson, and Chris Hornung. Nays (0). None.

No action was taken as to the matter discussed in closed session.

Chairman Warlick directed Ms. O'Neill, Secretary of the EDA, to file Resolutions 09-01 and 09-02 with the minutes.

Adjournment.

There being no further business to come before the Economic Development Authority at this time, the meeting adjourned at 2:25 p.m.



Mary Jane O'Neill, Secretary