

## ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

**Monday, May 11, 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, May 11, 2009, beginning at 12:03 p.m. in Conference Room 218 (second floor), City Hall, Fredericksburg, 715 Princess Anne Street, Fredericksburg, Virginia.

**Present.** Dana Herlong, Mary Jane O'Neill, Joe Wilson (arrived 12:15 p.m.), Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick.

**Absent.** None.

**Also Present: Attorney:** R. Hart Lee; **Rappahannock Area YMCA:** Barney Reiley; **Sun Trust Bank:** Tom Zackery; **VETEC:** Lisa Hull; **City Department of Planning:** Erik Nelson **City Department of Parks, Recreation, and Public Facilities:** Bob Antozzi; **Attorney:** Blanton Massey; **Historic Kenmore & Washington's Ferry Farm:** Franklin Daniels and Julie Rettinger; **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.**

Ms. O'Neill, Secretary, determined that a quorum was present.

### **Approval of Agenda.**

Vice Chair Herlong asked for changes, additions, or deletions to the agenda. Ms. O'Neill made the motion to approve the agenda as submitted. It was seconded by Mr. Warlick and passed by the following recorded votes. Ayes (7). Dana Herlong, Mary Jane O'Neill, Joe Wilson, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None.

### **Approval of Minutes.**

#### ***Regular Meeting Minutes of April 22, 2009.***

Mr. Warlick made the motion to approve the April 22, 2009 regular meeting minutes. Motion was seconded by Mr. Hornung and passed by the following recorded votes. Ayes (5). Dana Herlong, Mary Jane O'Neill, Joe Wilson, Conrad Warlick and Chris Hornung. Nays (0). None. Mr. Limbrick and Mr. Pullen abstained from voting because they did not attend the April 22, 2009 meeting.

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## **CHAIRMAN'S REPORT.**

Vice Chair Herlong recognized two members of the public that were in attendance and allowed them to introduce themselves--Historic Kenmore & Washington's Ferry Farm: Franklin Daniels and Julie Rettinger

***Rappahannock YMCA – Bond Modification*** – Vice Chair Herlong introduced Hart Lee, Barney Reiley, and Tom Zackey who attended the meeting on behalf of the Rappahannock YMCA.

Vice Chair Herlong turned the meeting over to Hart Lee, Bond Attorney for Rappahannock YMCA. Mr. Lee briefed the Board on the bond modification. He noted that this Authority issued a \$10,000,000.00 qualified 501C3 tax-exempt revenue bond in September 2006. He informed the Authority that this bond was slightly amended two years ago and is asking the EDA to approve another amendment that the YMCA and the bank have agreed upon to change the interest rate again and to add a few more covenants and provisions to the bond and the financing agreement. Mr. Massey informed the Board that the EDA Bond Counsel has reviewed the documents. The documents reflect his comments to date and he is satisfied with the form of the Resolution and the current drafts of the Indenture and Loan Agreement to be presented for approval.

Mr. Lee informed the Authority that the Resolution approves the terms of the Second Allonge and the Amendment to the Financing Agreement and authorizes the Chairman and other officers of the Authority to sign them when they are finalized.

Following discussion, Mr. Warlick made a motion to adopt the Resolution. It was seconded by Mr. Limbrick and passed by the following recorded votes. Ayes (7). Dana Herlong, Mary Jane O'Neill, Joe Wilson, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None.

***VECTEC*** – Ms. Schill introduced Ms. Hull, Northern Neck Regional Director of The Virginia Electronic Commerce Technology Center (VECTEC) out of Warsaw, Virginia. Ms. Hull gave a brief overview of the Center. She pointed out the VECTEC's mission and services and indicated they are non-profit. She came before the Authority to ask them to consider an E-Commerce Business Assistance matching grant program for businesses in the City.

Following discussion, the EDA indicated they would consider this program in the future.

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***Riverfront Park Plan*** – Vice Chair Herlong turned the meeting over to Mr. Antozzi and Mr. Nelson who briefed the Authority on the Riverfront Park Plan and presented the City one-time grant request of \$50,000.00 to combine with City funds for an overall project of \$100,000.00 to prepare two vacant lots for use as a public park.

Mr. Antozzi addressed the specific use of EDA funds outlined in the Grant Request.

Ms. O’Neill made a motion to match the City’s funds in the amount of \$50,000.00 to prepare two vacant lots for use as a public park. It was seconded by Mr. Pullen.

After discussion, Mr. Warlick made a motion to table the request until the Authority has the opportunity to discuss the budget. It was seconded by Mr. Hornung and passed by the following recorded votes. Ayes (7). Dana Herlong, Mary Jane O’Neill, Joe Wilson, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None.

***Lafayette Boulevard Corridor Overlay Study*** – Mr. Nelson briefed the Authority about the Lafayette Boulevard Corridor Overlay Study. He noted the following:

- Lafayette Boulevard current plans are going from two lanes to four lanes to carry traffic anticipated in the next 20 to 30 years from Four Mile Fork to Blue Gray Parkway.
- Develop guidelines for the redevelopment of the corridor overlay in the amount of \$28,000,000.
- Long term project will cost approximately \$30-\$40,000,000.00.

After discussion, the Authority tabled this request for the June 8<sup>th</sup> meeting.

***JumpStart! Grant Process*** – Mr. Massey addressed the minor changes to the grant criteria (attached). Mr. Warlick made a motion to approve the changes that have been suggested. It was seconded by Ms. O’Neill and passed by the following recorded votes. Ayes (7). Dana Herlong, Mary Jane O’Neill, Joe Wilson, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None.

Vice Chair Herlong clarified the distribution of the applications. It was recommended that the applications be distributed at the meeting before the final determination meetings in April, July, and November. If an Authority member is not present, the applications will be mailed. Other grant issues that were discussed but not voted on are as follows:

- Need to be more specific about the actual amount granted
- Recommend doing a mechanics lien waiver to be signed by the contractor

- Discuss the Non-Profit Grant Program to assist local non-profit organizations and governmental entities. In this category, the funds have been exceeded and questioned whether the cash grant amounts need to be changed.
- Suggest Grant Criteria not be changed but make it clear that some requests may not fall under the grant criteria but under a separate allocation based on the request. An exception has been to keep the information as is under the Non-Profit Grant Program.

***Thank You Letter from The Free Lance-Star*** – Vice Chair Herlong reported that the EDA received a letter from Nick Cadwallender, Associate Publisher of the Free Lance-Star, thanking the Authority for their grant award.

### **Treasurer's Report.**

Mr. Hornung noted that the financial statement for March 2009 was emailed to the members of the EDA. Vice Chair Herlong directed Ms. O'Neill, Secretary of the EDA, to file the Treasurer's Statement with the minutes.

Mr. Hornung discussed CD Maturities and Opening of New CDs, Update of Current Monetary Positions, Update of EDA Expenditures Spreadsheet, and Update on the Draft Budget. The following were noted:

- On 4/24/09, \$220,000.00 was withdrawn from the UBT MM account to open a 12-month CD at Virginia Commerce Bank (VACB). The APR would be 2.08%, and APY would be 2.10%.
- Current Monetary Positions have been updated to reflect closed CDs and a new CD at VACB. On 4/28/09, \$14, 000.00 was transferred from UBT MM to UBT Checking Account for grants.
- All expenses paid to date have been updated
- Grant amounts updated for Fiscal Year 09
- Business Appreciation Event expenses have been factored in (under miscellaneous expenses for Fiscal Year 09).
- A breakdown of all miscellaneous charges is attached to the spreadsheet.

***Update on Draft Budget*** – Mr. Hornung distributed and discussed the Draft Budget for 2010. Mr. Hornung made a motion to accept the draft budget presented as the budget for Fiscal Year 2010. It was seconded by Mr. Limbrick and passed by the following recorded votes. Ayes (7).

Dana Herlong, Mary Jane O'Neill, Joe Wilson, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None.

**Committee Report.**

*Update on Riverfront Task Force* – The work of the task force was discussed briefly in the Mr. Antozzi and Mr. Nelson presentation of the Riverfront Park Plan.

*Update on Arts Commission* – Mr. Limbrick informed the Board that the Arts Commission is still working on their cultural survey. He said the survey will run through the end of July 31, 2009 before the Commission will start tallying the results.

**Staff Report.**

*Grant Applicants.*

Ms. Schill informed the Board there are two applications to come before the Board today for discussion. They are as follows: Riverfront Park Plan which has already been discussed and the Fredericksburg Heritage Festival Committee.

***Fredericksburg Heritage Festival Committee – Request grant in the amount of \$3,000.00 for the Heritage Day 4<sup>th</sup> of July 2009 Fireworks Event.***

Mr. Hornung made a motion to authorize a \$3,000.00 grant to the Fredericksburg Heritage Festival Committee for the 4<sup>th</sup> of July 2009 Fireworks Event. It was seconded by Mr. Pullen and passed by the following recorded votes. Ayes (7). Dana Herlong, Mary Jane O'Neill, Joe Wilson, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None.

***Shop Local Campaign*** – Ms. Schill briefed the Board on the campaign. She distributed a flyer and discussed the contest for Shop Local. She stated there has been a lot of focus on keeping tax dollars within communities. She indicated studies have shown that for every \$100.00 spent at a local business, \$45.00 goes directly back into the community. She said the contest will start June 1 and continue through the end of September 2009.

Ms. Hedelt informed the Authority that the theme for this year's Business Appreciation Event will be "Shop Local".

***Business Appreciation Event*** - Ms. Schill reminded the Board that the Business Appreciation Event will be held on Thursday, May 14<sup>th</sup> from 5:30 – 7:30 p.m. at the Snowden House, 2600 Mary Washington Boulevard.

**Virginia Industrial Development Authorities Institute Seminar** – Ms. Schill informed the Board that she and Ms. Locklair will be attending the seminar on May 19-20, 2009 and will report back to the Board.

**Old Business.**

Vice Chair Herlong addressed the meeting attendance. She said the rules and regulations in the by-laws states if a member of the Board of Directors misses more than two (2) consecutive regular meetings, the Authority may recommend to City Council that the member be replaced.

She encouraged the members to come to the meetings and to RSVP to Ms. Locklair if they are planning to attend.

**Riverfront Park Development, City of Fredericksburg Grant Request** – Ms. O’Neill made a motion to match the City’s funds in the amount of \$50,000.00 to prepare two vacant lots for use as a public park. It was seconded by Mr. Pullen and passed by the following recorded votes. Ayes (6). Dana Herlong, Mary Jane O’Neill, Chris Hornung, Chris Limbrick, Rick Pullen, and Conrad Warlick. Nays (0). None. Mr. Wilson left at 2:30 p.m. to attend another meeting.

**New Business.**

**Position of Chairperson** – Mr. Massey reported that he checked with Ms. Dooley, City Attorney, on the appointment of a new Chairperson. Ms. Dooley, City Attorney, stated that the Vice Chairman should act as Chairperson until October when the Authority will elect new officers.

Mr. Hornung made a motion to approve four checks:

- Minda Roney, Petty Cash Officer  
Reimbursement for Business Appreciation Event Mailing in the amount of \$92.40
- Billingsley Printing & Engraving, Inc.  
Invitations for Business Appreciation Event in the amount of \$272.00
- A. Blanton Massey & Associates  
Retainer Fee for April and May 2009 in the amount of \$1,000.00
- Camille’s – EDA Meeting in the amount of \$93.66

Motion was seconded by Ms. O’Neill and passed by the following recorded votes. Ayes (5). Conrad Warlick, Mary Jane O’Neill, Dana Herlong, Chris Hornung, and Chris Limbrick. Nays (0). None. Mr. Wilson and Mr. Pullen left to attend another meeting.

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**Adjournment.**

There being no further business to come before the Economic Development Authority at this time, the meeting adjourned at 2:40 p.m.

A handwritten signature in cursive script that reads "Mary Jane O'Neill". The signature is written in dark ink and is positioned above a horizontal line.

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Mary Jane O'Neill, Secretary