

FREDERICKSBURG
ECONOMIC
DEVELOPMENT
AUTHORITY

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ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)
Monday, February 14, 2011
Courtyard by Marriott Hotel, Conference Room
620 Caroline Street
Joe Wilson, Chairman

The Economic Development Authority of the City of Fredericksburg, Virginia Regular Meeting was held on Monday, February 14, 2011, beginning at 9:30 a.m. in the Conference Room at Courtyard by Marriott Hotel, 620 Caroline Street, Fredericksburg, VA.

EDA MEMBERS PRESENT. Joe Wilson, Chairman, presiding. Chris Hornung, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill.

ABSENT. Rick Pullen

ALSO PRESENT. Kutak Rock, LLP: Chuck Shimer; **LibertyTown Arts Workshop:** Dan Finnegan; Roy Jarnnecke; **The Free Lance-Star:** Emily Battle; **Patch.Com:** Michael Theis; **EDA Counsel:** Blanton Massey; **Department of Economic Development and Tourism:** Director, Karen Hedelt; Economic Development Manager, Richard Tremblay; and Marketing and Information Specialist, JoAnn Locklair.

DETERMINATION OF QUORUM. Amy LaMarca, Secretary, determined that a quorum was present.

AGENDA.

There being no changes to the agenda Amy LaMarca made a motion to approve the agenda as submitted. It was seconded by Mary Jane O'Neill and passed by the following recorded votes. Ayes (6). Joe Wilson, Chris Hornung, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None.

PRESENTATION.

Chairman Wilson introduced Jeff Sadler, Program Manager, of the Virginia Main Street Program who gave a presentation on the "Main Street Program" and answered questions.

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APPROVAL OF MINUTES.

Regular Meeting Minutes of January 10, 2011

Upon the motion by Mary Jane O'Neill, seconded by Amy LaMarca, the minutes were approved as submitted: Ayes (5) Chris Hornung, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). Chris Hornung abstained because he was not present at the meeting.

Special Meeting Minutes of January 10, 2011 – Bus Trip to Williamsburg

Upon the motion by Mary Jane O'Neill, seconded by Amy LaMarca, the minutes were approved as submitted: Ayes (5) Joe Wilson, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). Chris Hornung abstained because he was not present not present at the meeting.

CONSENT AGENDA.

Amy LaMarca moved and Mary Jane O'Neill seconded to approve the consent agenda. The motion passed unanimously.

CHAIRMAN'S REPORT.

EDA Bond Attorneys – Change of Law Firm. Chuck Shimer informed the Board that he and George Scruggs have moved from Troutman Sanders to the Katak Rock law firm in Richmond, Virginia effective January 24, 2011. He gave a brief introduction about Kutak Rock. Mary Jane O'Neill made a motion to transfer the EDA files from Troutman Sanders over to Katak Rock law firm. It was seconded by Amy LaMarca and passed by the following recorded votes. Ayes (5) Joe Wilson, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None. Chris Hornung abstained.

CLOSED SESSION.

Amy LaMarca made a motion that the EDA adopt Resolution No. 11-04 to convene a closed meeting under the Virginia Freedom of Information Act in order to discuss confidential proprietary records voluntarily provided by a local arts business pursuant to a promise of confidentiality and used by the EDA for business retention and tourism development, under Virginia Code Section 2.2-3711.A.(40). It was seconded by Chris Hornung and passed by the following recorded votes. Ayes (6): Joe Wilson, Chris Hornung, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None.

Whereupon the members went into closed session. [CLOSED MEETING IS HELD-NO MINUTES ARE KEPT; NO VOTES ARE TAKEN.]

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After the closed meeting, the Chairman, Joe Wilson, declared the EDA back in open session.

A motion was made by Amy LaMarca, seconded by Chris Hornung, to adopt Resolution No. 11-05, and attach said Resolution to the minutes of this meeting, confirming under Virginia Code Section 2.2-3712.D, that the 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, that such closed meeting was conducted in conformity with Virginia law, and that the Authority certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law under Virginia Code Section 2.2-3705.6.3 were discussed in such closed meeting, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Authority.

The motion was passed by the following recorded votes: Ayes: (6). Joe Wilson, Dana Herlong, Mary Jane O'Neill, Chris Hornung, Amy LaMarca and Michael Colangelo. Nays: None (0).

Dana Herlong then moved to adopt Resolution No. 11-06, pertaining to the Performance Agreement with LibertyTown Arts Workshop, and to attach said Resolution and the Performance Agreement to the minutes of this meeting, with the addition of Section 8.4 to the Performance Agreement to read as follows: "The EDA acknowledges that Dan Finnegan has submitted a written request that his confidential proprietary records be kept confidential by the EDA now and in the future, and the EDA has agreed to that request and hereby agrees to continue to keep confidential all his confidential proprietary records submitted under this Agreement now and in the future. "

The motion was seconded by Amy LaMarca and passed by the following recorded votes. Ayes (6) Joe Wilson, Chris Hornung, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None.

TREASURER'S REPORT:

Michael Colangelo, Treasurer, reported that First Union Market Bank CD #521 is up for renewal on March 29, 2011. He stated at this time he is still comparing rates and will not have an action plan until the next meeting.

OLD BUSINESS: None.

NEW BUSINESS.

- a. *Castiglia's Italian Restaurant, Performance Agreement*** – Richard Tremblay reported on February 8, 2011, City Council authorized the City Manager to execute a \$26,500 performance and incentive for Castiglia's renovation and outdoor seating expansion. Mr. Tremblay stated as with other Tourism Zone incentive agreements, the EDA is a party to the agreement and functions as a conduit for the performance grant to the business owner with the funds appropriated by Council. Staff recommends approval of the resolution authorizing the Chairman to execute a performance agreement with Onofrio Castiglia, doing business as, Castiglia's Italian Restaurant, the City of Fredericksburg and the City of Fredericksburg Economic Development Authority, for tax incentives in the Downtown/Princess Anne Street Tourism Zone. Mary Jane O'Neill made a motion to approved Resolution No. 11-02 as presented authorizing the Chairman to execute the Performance Agreement for Castiglia's Italian Restaurant. It was seconded by Amy LaMarca and passed by the following recorded votes. Ayes (6) Joe Wilson, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None.
- b. *Fredericksburg Regional Alliance Funding*** – Karen Hedelt reported that the City is requesting EDA help with monetary support to the Fredericksburg Regional Alliance (FRA). She noted that in the past several years the City has been very grateful that the EDA has agreed to share equally in the City's portion of the funding required by the FRA. She stated currently the agreement is for each locality to pay \$1.00 per capita for their donation to FRA. She also indicated that FRA has good private partnerships as well. At the request of City Council, Ms. Hedelt asked the Board to consider sharing the dollar per capita for a total of \$11,500. Amy LaMarca made a motion to approve the 2012 funding of \$11,500 to the FRA. It was seconded by Mary Jane O'Neill and passed by the following recorded votes. Ayes (6) Joe Wilson, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None.
- c. *St. Patrick's Day Event*** – Ms. Hedelt reported that Capital Ale House is proposing to other restaurants and entertaining entities in the downtown area to have a St. Patrick Day promotion that would encourage charitable donations. Amy LaMarca made a motion to allocate up to \$1,050.00 for an incentive program to get restaurants participation for the St. Patrick's Day Event. It was seconded by Mary Jane O'Neill and passed by the following recorded votes. Ayes (6) Joe Wilson, Amy LaMarca, Dana Herlong, Michael Colangelo and Mary Jane O'Neill. Nays (0). None.

COMMITTEE REPORTS. None.

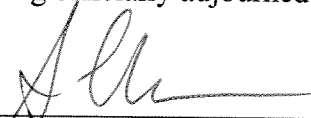
STAFF REPORT.

Richard Tremblay reported on the following:

- a. Grant applications are due on March 1 and will be passed out at the March 14 meeting.
- b. Met with the budget committee and still working on the FY2011/2012 budget to be presented at the March meeting.
- c. Ken Powell, Powell, Stone & Youngberg, LLC, presentation on Tax Increment Financing has been rescheduled to the April 11th meeting.
- d. The day trip to Staunton is on March 14. The bus will leave at 8:00 a.m. and return by 5:00 p.m.
- e. Working on a proposed schedule for Main Street Program.
- f. Mary Washington Healthcare bonds is still working on financial details.
- g. Business Appreciation Event will be held in the first week of May.

BOARD MEMBERS COMMENTS . None.

ADJOURNMENT. There being no further business to come before the Economic Development Authority at this time, Chairman Wilson declared the meeting officially adjourned at 11:40 a.m.



Amy LaMarca, Secretary