

FREDERICKSBURG
ECONOMIC
DEVELOPMENT
AUTHORITY

706 Caroline Street
Fredericksburg, VA 22401

(540) 372-1216
(540) 372-6587 Fax

ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

May 14, 2012

City Hall, Large Conference Room (Second Floor)
715 Princess Anne Street
Fredericksburg, VA

The Economic Development Authority of the City of Fredericksburg, Virginia met in regular session on Monday, May 14, 2012, beginning at 8:30 a.m. in the Large Conference Room (Second Floor) at City Hall.

EDA MEMBERS PRESENT. Joe Wilson, Chairman, presiding. Chris Hornung, Tom Crimmins, Bob Carter and Amy LaMarca.

ABSENT. Steve D'Lugos and Michael Colangelo.

ALSO PRESENT. Worrell Management Group: Linda Worrell; **EDA Counsel:** Blanton Massey; **Department of Economic Development and Tourism:** Karen Hedelt, Director; Richard Tremblay, Assistant Director for Economic Development; Amy Peregoy, Marketing and Information Specialist.

DETERMINATION OF QUORUM. Joe Wilson determined that a quorum was present.

PUBLIC COMMENTS. Linda Worrell, Worrell Management Group, spoke to the board regarding her recent trip to Richmond, Virginia. She shared information on the riverfront, shopping and art galleries.

Chairman Wilson informed the board that City Council has included \$200,000 in its FY2013 budget for the Riverfront Park design plans. Ms. Hedelt updated the board on the creation of the RFP which will include broadening the scope to include the Masonic Lodge property.

AGENDA.

Upon a motion by Tom Crimmins, seconded by Bob Carter, the agenda was approved as presented: Ayes (5); Nays (0).

APPROVAL OF MINUTES. Regular Meeting Minutes April 9, 2012

Upon a motion by Tom Crimmins, seconded by Chris Hornung, the minutes were approved as presented: Ayes (5); Nays (0).

Joint Meeting Minutes with EDA Citizen Advisory Committee of April 9, 2012

Chairman Wilson commented on the positive discussions during the joint meeting and thanked Linda Worrell as the facilitator. Board members offered comments.

Upon a motion by Chris Hornung, seconded by Tom Crimmins, the minutes were approved as presented: Ayes (5); Nays (0).

CONSENT AGENDA. None

TREASURER'S REPORT.

Mr. Carter presented the April financial statement with no discussion from the board.

Upon a motion by Bob Carter, seconded by Amy LaMarca, the financial statement and budget were approved: Ayes (5); Nays (0).

Action Items. None

CHAIRMAN'S REPORT.

Chairman Wilson thanked staff for the Retail Quarterly Report that was distributed.

Chairman Wilson mentioned Linda Arnold will be leaving the area on June 26th; her retail shop Monkee's will remain open. Ms. Arnold is currently the president of DRMI. Edwin Wyant has been asked to act as president, he is currently the treasurer. Ms. Hedelt will be meeting with Scarlett Pons on the Main Street program update.

Chairman Wilson informed the board that there were no updates regarding Oktoberfest.

COMMITTEE REPORTS.

Amy LaMarca briefed the board on the tourism and technology zones incentive meeting. George Solley suggested the two zones be discussed separately. The committee will continue to meet and would like to start a networking program for small technology businesses and government contractors. HUBZones will also be discussed during these meetings.

Mr. Tremblay noted a tourism zones advisory committee will be meeting soon.

Mr. Crimmins and Mr. Colangelo will update the board on the riverfront discussions during the June EDA meeting.

OLD BUSINESS.

Strategic Plan Update, April 9, 2012 Special Session - Linda Worrell

Ms. Worrell gave an overview of the joint meeting to the board and provided a summary of proposed action steps. Ms. Worrell addressed the following: public awareness of the EDA's role within the community and the EDA's involvement with the Main Street program. Mr. Crimmins requested an agenda item to discuss these issues at the June EDA meeting.

Mr. Carter reminded the board of the Leadership Fredericksburg project and the need to address their survey results regarding the downtown area. Mr. Carter congratulated Amy Perego on her upcoming graduation from this year's class.

Ms. Worrell reviewed the grant program and the expansion of technology and tourism zones. Chairman Wilson and Mr. Hornung requested a work session of the EDA be scheduled to discuss grant criteria and funding.

River silt, Sophia Street's development vision and support of tourism marketing incentives were also discussed.

The board approved the Strategic Plan Update Summary and Recommended Action Steps dated May 14, 2012 by unanimous consent.

NEW BUSINESS.

- a. **General-Keydet, Inc. (Happy Clam), 1017 Sophia Street, Downtown Tourism Zone Performance Agreement** - Mr. Tremblay presented an amendment to extend the opening deadline which City Council has approved.

Upon a motion by Bob Carter, seconded by Chris Hornung, the EDA approved the extension to June 30th. Ayes (5); Nays (0).

- b. **Barnes & Noble, 1220 Carl D. Silver Parkway, Central Park Tourism Zone Performance Agreement** - Mr. Tremblay presented the incentive agreement approved by City Council.

Upon a motion by Bob Carter, seconded by Amy LaMarca, the EDA approved the incentive agreement: Ayes (5); Nays (0).

BOARD MEMBERS COMMENTS.

Mr. Wilson requested the board's support of the upcoming VMRC permit extension for the Celebrate Virginia gondola.

Upon a motion by Bob Carter, seconded by Amy LaMarca, the EDA approved the EDA's support of permit extension for the CVA gondola: Ayes (4); Nays (0). Chris Hornung abstained from the vote.

Chairman Wilson requested an update of the slavery museums current tax situation. Mr. Hornung suggested the board get an update from the Treasurer's office. The attorneys representing the slavery museum have requested and received approval to establish a payment plan.

STAFF REPORT.

Mr. Tremblay noted the FY2013 budget would be drafted for the board's review at the June meeting. Amy Peregoy will be graduating from the Leadership Fredericksburg program on Friday, May 18, 2012.

BOARD MEMBERS COMMENTS. - CONTINUED

Mr. Carter addressed the board of the upcoming board elections. The board appointed a nomination committee of Joe Wilson as Chair and Richard Tremblay. The committee nominated the following slate of officers for the June 11, 2012 EDA meeting:

Chris Hornung – Chairman
Tom Crimmins – Vice Chair
Bob Carter – Treasurer
Amy LaMarca – Secretary
Richard Tremblay – Assistant Secretary

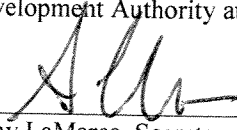
Ms. LaMarca and Richard Tremblay will schedule another meeting of the technology zones advisory committee.

Chairman Wilson addressed the river sediment issue and informal discussions of citizens. Political assistance would be needed from the city and Stafford County in order for dredging of the river to move forward.

Chairman Wilson suggested that a meeting be arranged between Mark Whitley, Assistant City Manager, Chris Hornung and Tom Crimmins to discuss funding options for Main Street

ADJOURNMENT.

There being no further business to come before the Economic Development Authority at this time, Chairman Wilson declared the meeting officially adjourned at 10:12 a.m.



Amy LaMarca, Secretary

FREDERICKSBURG
ECONOMIC
DEVELOPMENT
AUTHORITY

MOTION: CARTER
SECOND: HORNING

May 14, 2012
Regular Meeting
Resolution No. 12-14

AUTHORIZING THE CHAIRMAN TO EXECUTE A PERFORMANCE AGREEMENT AMENDMENT WITH GENERAL-KEYDET, INC., THE CITY OF FREDERICKSBURG AND THE FREDERICKSBURG ECONOMIC DEVELOPMENT AUTHORITY, FOR TAX INCENTIVES IN THE DOWNTOWN/PRINCESS ANNE STREET TOURISM ZONE

ACTION:

DATE OF ADOPTION: May 14, 2012

WHEREAS, the City Council adopted Ordinance 07-31 on July 10, 2007, establishing the “Downtown/Princess Anne Street Corridor” as a Tourism District, as amended by Ordinance 10-33 adopted by City Council on October 26, 2010, by authority of Virginia Code §58.1-3851. The purpose of the District is to provide economic incentives and regulatory flexibility for eligible business entities which will attract visitors from the Fredericksburg region, make a substantial investment, and create new jobs. The new and expanded businesses that participate in this Tourism Zone will enhance the revitalization efforts in the historic heart of the City;

WHEREAS, Fredericksburg Comprehensive Plan (2007) identifies the Downtown as a “Key Area,” “critical to the economic health and well-being of Fredericksburg.” The Comprehensive Plan’s Downtown Goals include the protection of the character of Fredericksburg’s historic area and city center environment, to preserve a sense of place, promote economic strength, and ensure the City’s continuing appeal to residents, business people, and visitors. The Comprehensive Plan includes a Downtown Policy to encourage development of “destination” activities and unique uses downtown, and a Downtown Initiative to pursue innovative financing strategies to encourage and facilitate development in the downtown, including the establishment of the tourism zone;

WHEREAS, General-Keydet, Inc. is establishing a restaurant at 1017 Sophia Street with indoor seating for approximately 49 people in substantial accordance with its Incentive

Application dated December 6, 2011 (“the Restaurant”). This location lies within the City’s Downtown/Princess Anne Street Corridor Tourism District;

WHEREAS, City Council adopted Resolution No. 12-04 at its January 10, 2012 meeting authorizing the City Manager to execute, deliver and carry out the terms of the Agreement on behalf of the City of Fredericksburg, which agreement was executed on March 14, 2012; and

WHEREAS, the restaurant subsequently requested an amendment to the agreement to extend the deadline for opening from April 29, 2012 to June 30, 2012; and

WHEREAS, City Council adopted resolution No. 12-24 at its April 10, 2012 meeting authorizing the City Manager to execute the amendment on behalf of the City of Fredericksburg; and

WHEREAS, the EDA wishes to authorize the Chairman to execute the Amendment to the Agreement for General-Keydet, in which the EDA functions as the conduit for the performance grant.

NOW, THEREFORE, BE IT RESOLVED that the EDA authorizes the Chairman to execute, deliver and carry out the terms of the amendment entitled, “Performance Agreement Amendment, City of Fredericksburg, Fredericksburg Economic Development Authority and General-Keydet, Inc.” on behalf of the EDA, in substantially the form submitted for approval.

Votes:

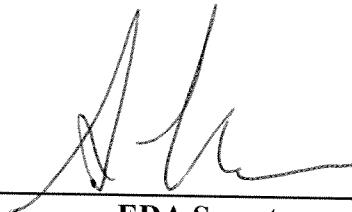
Ayes: 5

Nays: 0

Absent from Vote: 2

Absent from Meeting: 2

CERTIFIED COPY:



EDA Secretary

FREDERICKSBURG
**ECONOMIC
DEVELOPMENT**
AUTHORITY

MOTION: CARTER

SECOND: LAMARCA

**May 14, 2012
Regular Meeting
Resolution No. 12-15**

RE: AUTHORIZING THE CHAIRMAN TO EXECUTE A PERFORMANCE AGREEMENT WITH BARNES & NOBLE BOOKSELLERS, INC., THE CITY OF FREDERICKSBURG AND THE FREDERICKSBURG ECONOMIC DEVELOPMENT AUTHORITY, FOR TAX INCENTIVES IN THE CELEBRATE VIRGINIA SOUTH/CENTRAL PARK TOURISM ZONE

ACTION:

DATE OF ADOPTION: May 14, 2012

WHEREAS, City Code Chapter 22, Article V, Division 2, established the Celebrate Virginia South/Central Park Tourism Zone, by authority of Virginia Code §58.1-3851. The purpose of the Tourism Zone is to provide economic incentives and regulatory flexibility for eligible business entities which will attract visitors from the Fredericksburg region and beyond, make a substantial investment, and create new jobs. The goal of the Celebrate Virginia South/Central Park Tourism Zone is to create a distinct retail shopping, entertainment, or recreational experience, with opportunities unlike those available at other Interstate exits or shopping centers in the region.

WHEREAS, the Fredericksburg Comprehensive Plan (2007) identifies the Central Park area as both an important local and regional shopping area for residents and as a major economic resource for the City. It is important to the City that this area remains economically viable for the long-term future, that traffic and access is provided in a safe and efficient manner and that this business district continues to develop in a high quality manner that reflects well on the City image. The Comprehensive Plan calls upon the City to promote the highest quality of new development or redevelopment in order to promote long-term sustainability of the area and to help assure that this area remains economically viable over time.

WHEREAS, Barnes & Noble Booksellers proposes to open a bookstore and coffee shop at 1220 Carl D. Silver Boulevard, the space formerly occupied by Borders Bookstore ("the Bookstore"). Barnes & Noble, Booksellers, Inc., a Fortune 500 company, is among the

world's largest bookseller and is a nationally regarding bookselling brand. The company is a leading content, commerce and technology company that endeavors to provide customers easy and convenient access to books, magazines, newspapers and other content across its multi-channel distribution platform. As of April 30, 2011, the company operates 705 retail bookstores in regional shopping malls, major strip centers and freestanding locations in 50 states.

WHEREAS, the City Manager negotiated a Performance Agreement, whereby the City and the Fredericksburg Economic Development Authority will provide certain incentives to Barnes & Noble in exchange for its operation of the bookstore and coffee shop; and

WHEREAS, City Council adopted Resolution No. 12-23 at its April 10, 2012 meeting authorizing the City Manager to execute, deliver and carry out the terms of the Performance Agreement on behalf of the City of Fredericksburg; and

WHEREAS, The EDA wishes to authorize the Chairman to execute the Agreement with Barnes & Noble, in which the EDA functions as the conduit for the performance grant

NOW, THEREFORE, BE IT RESOLVED that the Fredericksburg Economic Development Authority authorizes the Chairman to execute, deliver and carry out the terms of the Performance Agreement entitled, "Performance Agreement, City of Fredericksburg, Fredericksburg Economic Development Authority and Barnes & Noble Booksellers, Inc.," on behalf of the EDA, in substantially the form submitted for approval.

Votes:

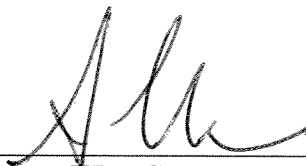
Ayes: 5

Nays: 0

Absent from Vote: 2

Absent from Meeting: 2

CERTIFIED COPY: _____



EDA Secretary

FREDERICKSBURG
**ECONOMIC
DEVELOPMENT
AUTHORITY**

MOTION: Bob Carter

**May 14, 2012
Regular Meeting
Resolution No. 12-16**

SECOND: Amy LaMarca

**RE: RESOLUTION OF THE FREDERICKSBURG ECONOMIC
ECONOMIC DEVELOPMENT AUTHORITY IN SUPPORT
OF THE CELEBRATE VIRGINIA GONDOLA PERMIT
EXTENSION BY THE VIRGINIA MARINE RESOURCES
COMMISSION**

ACTION: ADOPTED 4-0-1

DATE OF ADOPTION: May 14, 2012

WHEREAS, the Celebrate Virginia South tourism campus is a major part of the City of Fredericksburg's future economic development and growth, and

WHEREAS, Celebrate Virginia South is a city designated Tourism Zone, and

WHEREAS, the Kalahari hotel and water park resort at Celebrate Virginia South is on hold as it seeks financing in the current challenging economy, and

WHEREAS, the planned gondola across the Rappahannock River, now on hold until the tourism campus is further developed, will be a signature attraction for Celebrate Virginia South visitors, and

WHEREAS, the gondola has the full support of the city by virtue of its prior approval of an air rights lease and permit, and

WHEREAS, the project developer, the Silver Companies, has made application to the Virginia Marine Resources Commission for an extension of the state permit for the gondola which is scheduled for its May 22 meeting,

NOW, THEREFORE, BE IT RESOLVED that the Fredericksburg Economic Development Authority does hereby express its support for the extension of the gondola permit by the Virginia Marine Resources Commission.

Votes:

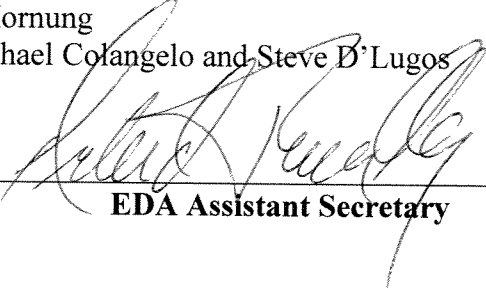
Ayes: Bob Carter, Tom Crimmins, Amy LaMarca and Joe Wilson

Nays: None

Absent from Vote: Chris Hornung

Absent from Meeting: Michael Colangelo and Steve D'Lugos

CERTIFIED COPY: _____


EDA Assistant Secretary