

REGULAR MEETING MINUTES

September 8, 2023

The regular meeting of the Economic Development Authority (EDA), of Stafford County, Virginia, was held at the Board of Supervisors Chambers, 1300 Courthouse Rd, Stafford, VA 22554 with a virtual option on Friday, September 8, 2023.

1. CALL TO ORDER

This meeting was called to order by Mr. Jack Rowley at 9:00 AM. A quorum was present and accounted for.

Members

Howard Owen, Chairman, Absent
Heather Hagerman, Vice-Chairman, Attending Virtually
Jack Rowley, Treasurer
Price Jett
Danielle Davis
Marlon Wilson
Jeff Roosa

ED/EDA Staff Present

Josh Summits
Dale Hendon
Linzy Browne
Kyle Allwine
Savannah Carabin
Charlie Payne

Also Present

Jennifer Morgan	RIoT
Michael Morris	Deputy County Administrator, Stafford County
Dr. Pamela Yeung	Chair, Stafford County Board of Supervisors

2. APPROVAL OF MINUTES

A. August 11, 2023 Regular Meeting Minutes

Mr. Rowley opened up the discussion on the minutes. Mr. Hendon requested a change in section 10 of the draft minutes to remove a reference to Mr. Griffin. Mrs. Davis moved to address a clerical by error removing a reference to "Mr. Griffin." The motion was seconded and Mr. Rowley called the question.

VOTE: 6-0 Approved

3. PUBLIC PRESENTATIONS

- A. There was not a representative present from the FXBG Advance so Mr. Rowley moved forward with the agenda.
- B. Ms. Jo Knight, Aqua Realty, came later in the meeting to address the EDA. Ms. Knight shared

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her thanks for receiving Stafford Business of the Year. Ms. Knight also mentioned Downtown Stafford and encouraged the EDA to help pursue credibility. She suggested that there should be greater support from the Board of Supervisors to give the EDA the tools needed to succeed. She added additional comments to encourage the EDA and the County to support the growth and credibility of the County and EDA.

4. CHAIRMAN'S REPORT

- Mr. Rowley noted a contract in the package with Hendon Family LLC and Dale Hendon to serve as a contractor for the EDA. Mr. Rowley clarified with Mr. Payne that no further action was needed on this item.
- Mr. Rowley welcomed Mr. Allwine who was recently appointed by Stafford County to serve as Director of the Economic Development Department.
- Mr. Rowley generally discussed and reminded fellow members about the upcoming joint meeting with the Board of Supervisors on September 19th. Mr. Jett stated that he would not be able to attend due to a prior obligation.

5. TREASURER'S REPORT

A. Current Financials

- Mr. Rowley stated some general concerns regarding the financial statements which were not provided when the agenda package was originally issued. Mr. Rowley stated that it was primarily due to the transition in personnel and he will meet with the EDA bookkeeper and Mr. Hendon to help ensure more timely reporting.
- Mr. Rowley stated that in July the EDA paid the final portion of the \$550,000 pledge to Germanna.
- Mr. Rowley asked for a report from Mr. Hendon on the interest rates of the current EDA accounts. Mr. Hendon noted that he would provide that to Mr. Rowley and asked for clarification to determine what level of financial decisions the Treasurer can make in order to optimize finances if there is a need for a decision that cannot or should not wait between meetings. Mr. Rowley noted that as long as we are looking toward insured assets like a money market, there is no need for a motion or decision at this time.

Mr. Rowley requested a motion to approve the treasurer's report. Following a proper motion and a second, the report was accepted unanimously.

VOTE: 6-0 Approved

B. Review of Proposed FY24 Budget

- Mr. Roosa shared a question regarding line 71000 "Local Industry Support" in the proposed budget. Mr. Roosa requested an explanation of the approximately 45% percent reduction from FY23 at \$230,000 (estimated) to FY24 at \$100,000. Mr. Hendon stated that this particular line item saw significant expansion over the past few years as more community organizations requested funding from the EDA. One major factor in coming to this proposed amount was to make sure the budget was balanced for the year while still providing the EDA flexibility in providing funding for community efforts.
- Ms. Davis had further questions regarding the EDA's budget and the impact on Tourism. Ms. Davis stated that she felt several requests for funding in the past were tourism-related. Mr. Hendon stated that while there were and are

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several requests that may come to the EDA that are Tourism-related, like the AJGA tournament, those budgets are separate from the EDA. The Tourism Office has maintained a sponsorship program, but the Tourism Office funding has no direct relationship or impact on the EDA budget. The Tourism budget was, however, maintained by the Economic Development Department in the past, and removing the personnel from the office had significant impacts on capacity.

- Mr. Roosa requested some additional clarification on why \$100,000 was specifically targeted as the number for line 71000. He requested to know if it was mapped to specific economic growth opportunities for this year or if it was based on the previous year's expenses. Mr. Hendon responded that it was primarily based on previous expenses keeping in mind there was a significant increase in expenditures from this line in the last two years. Another factor was adjusting numbers to balance the budget.
- Mr. Rowley asked that Mr. Allwine review this proposed budget and offer feedback at the next meeting.

C. Verbal Audit Update

- Mr. Rowley asked Mr. Hendon to share an update on the audit. Mr. Hendon stated that things are moving forward though at a slower pace than he would like. He has been in communication with the Auditor and it is a high priority for the upcoming month with a November completion still in sight.

6. **SECRETARY'S REPORT**

- A. **Marketing & Events Update.** In Ms. Browne's absence, Mr. Hendon shared the update. Mr. Hendon noted that: 1) The August Beer and Business event included over 80 registrants and over 60 attendees. The event was sponsored by Virginia Credit Union and was hosted by the Friends of the Rappahannock at Barley Naked. 2) The next beer and business will be held at Potomac Pointe Winery on November 16 sponsored by Sunset Cruises of Stafford. Mr. Hendon noted that he wants to disclose that he is a part owner and operator of this company. 3) The upcoming Veterans Business Bootcamp currently has 10 registrants and Ms. Browne has communicated with the SBDC regarding opportunities to expand the audience through the VA, 4) On ribbon cuttings, there is one going on today at McLane in Stafford with Corgi Clay and Art Cart scheduled soon. 4) The annual Business Appreciation Reception planning is kicking off now. Members should be on the lookout for details as soon as we nail down a location.
- B. It was noted that due to the change in the regular meeting venue, an updated meeting calendar was included in the agenda package.
- C. Ms. Morgan provided an update from RIoT and background on RIoT in general. Ms. Morgan also shared an update on attendance at Bagels and Business which has had over 100 registrants with 37 attendees through this year. The next Foundations program will occur in October and businesses are encouraged to register. RIoT has kicked off its latest cohort in Stafford. RIoT is also partnering with the Smart Cities Connect Conference this year to have members of the current cohort pitch their smart city solution on a national stage. Finally, RIoT will be hosting a roundtable in Stafford with the Canadian Embassy around technology companies looking to develop markets in the United States. Mr. Hendon mentioned that the Smart Cities conference has been a great success for Stafford in the past and has led directly

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to businesses locating here. Mr. Hendon suggested we explore opportunities to expand that success. After a question from an EDA member, Ms. Morgan clarified that this was the 3rd cohort in Virginia from RIoT.

- D. Included in the package was an update on the Juneteenth event the EDA sponsored. There was no comment from EDA membership regarding this item.
- E. Also shared with the EDA was a report regarding the economic impact of the AJGA tournament. Mr. Hendon noted there was over \$400,000 in total economic impact with over \$12,000 to be contributed to the local charities identified for this effort. Tourism and Ms. Browne are looking to the October meeting as a potential opportunity for the check presentation.
- F. Mr. Hendon also noted a letter of intent submitted to NOAA with the EDA as the lead applicant to support coastal mitigation efforts. This project is a partnership with the Testbed and other entities. Mr. Hendon stated that this grant would require no match from the EDA. Mr. Rowley asked about the potential benefit to Stafford for this effort. Mr. Hendon stated there are a few benefits including the general benefit of making our inland waterways smarter to support coastal resilience in other areas. By enabling this we will support the Commonwealth as a whole. We will also see the benefit of companies who will be involved in this effort seeing Stafford as a leader in providing solutions and some will choose to locate here. For the EDA's direct benefit, there will be approximately \$250,000 in revenue positive activity as a result of this grant.

7. COMMITTEE AND WORKING GROUP REPORTS

A. Loan Committee (*H Owen, D Davis, J Summits*)

Mr. Summits shared the following:

- Mr. Summits passed around two memos from companies to be considered for loan funding.
- The first application is from Santana Holdings LLC, d.b.a. College Hunks Hauling and Junk Removal. They are requesting a microloan in the amount of \$50,000. The committee did vote 2-1 to move this forward to the full EDA. There were questions regarding the residence of the owners and details regarding the capitalization on the loan.

There was a motion to approve the loan. Following a second, the loan was approved with Mr. Rowley casting the dissenting vote.

VOTE: 5-1 Approved

- The second application is from Embry Mill Primary and Urgent Care. The applicant came back to request a microloan for \$50,000. Mr. Summits addressed a concern regarding the number of guarantors on the loan. Mr. Summits continued that the need for the loan is due to some delays in the insurance billed reimbursements. Ms. Davis asked Mr. Summits to suggest expanding operating hours to service the community members better.

Mr. Rowley requested a motion to approve the loan. Following a proper motion and a second, the loan was approved unanimously.

VOTE: 6-0 Approved

B. Germanna Group (*J Rowley*)

- Mr. Rowley shared an update regarding construction efforts and Center Street

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and events occurring with Germanna.

- There was additional discussion regarding workforce generally and initiatives including a UMW partnership with neighboring school systems regarding the lab school. It was suggested that we invite Ms. Towery to present regarding this new program in the future.
- C. Property Group (D Hendon, H Hagerman, J Rowley)
- Mr. Summits stated that County Staff is working through the RV Parkway rezoning application and he believes the property will be on the upcoming September 27 planning commission agenda.
- D. Broadband Expansion (*D Hendon, M Wilson*)
- Mr. Wilson stated that he and Mr. Hendon continue to look at funding options and he hopes we can bring in a group to present in the future.
8. **OLD BUSINESS**
- A. Community Organization Support Process. Mr. Rowley shared that there is a process and plan in the agenda package for consideration. Due to come concerns shared by Ms. Davis, this item was passed by until the next meeting.
- B. Mr. Rowley requested Mr. Hendon share details regarding the draft ARPA MOU as passed by the County. Mr. Roosa inquired about the use of “shall” in the MOU as it applies to expend funds. Mr. Hendon stated that he will share the RFP with the full EDA for review prior to releasing it so the requirements and deliverables are clear from the contractor.

There was a motion provided by Mr. Wilson and a second to approve the MOU.

VOTE: 6-0 Approved

9. **NEW BUSINESS**

10. **EXECUTIVE SESSION:**

No executive session was held.

10. **ADJOURNMENT**

There being no further business before the EDA, the EDA did adjourn at approximately 10:34A.M. The next Regular Meeting will be in-person at the Virginia Smart Community Testbed and is scheduled for October 6, 2023.

MINUTES APPROVED BY:



Howard Owen
EDA Chairman

MINUTES SUBMITTED BY:



Dale Hendon
EDA Secretary