

REGULAR MEETING MINUTES

January 12, 2024

The regular meeting of the Economic Development Authority (EDA), of Stafford County, Virginia, was held at the George L. Gordon Jr. Government Center, 1300 Courthouse Rd, Stafford, VA 22554 with a virtual option on Friday, January 12, 2024.

1. CALL TO ORDER

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

Members

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

ED/EDA Staff Present

Charlie Payne
Joey Peppersack
Josh Summits
Liz Barber
Dale Hendon
Linzy Browne

Also Present

Jennifer Morgan	RIoT
Mikel Manchester	RIVERE
Tom Snyder	RIoT
Rachel Newberry	RIoT
Laura Sellers	Stafford County Planning Commission

2. APPROVAL OF MINUTES

- A. December 1, 2023 Regular Meeting Minutes. Mr. Owen opened up the discussion on the minutes. Mr. Rowley noted several follow-up items that need tracking and requested that the group be sure to do so. Ms. Hagerman moved to approve the minutes for both as submitted Mr. Jett provided a second.

VOTE 7-0 Approved

- B. December 22, 2023 Regular Meeting Minutes. Mr. Owen opened up the discussion on the minutes. Ms. Hagerman moved to approve the minutes for both as submitted Mr. Wilson provided a second.

VOTE 7-0 Approved

3. PUBLIC PRESENTATIONS

- A. Ms. Manchester representing the RIVERE offered a brief update to the EDA regarding their ongoing plans to locate their ecological center in the region. She also noted RIVERE's engagement with the Testbed and RIoT's entrepreneurial programming offered by Stafford. Ms. Manchester specifically requested the EDA's support and participation with an upcoming GoVA grant application they intend to submit and requested a letter of intent from the EDA to support that application and seed funding to hire a grant writer.
- B. Ms. Barber Updated the EDA on several aspects of the Economic Development Department's activities. She noted that they will share the results of the survey following a presentation to the Board of Supervisors in the coming months. She also stated that the RFP for Destination (Downtown) Stafford is open. The County has received one reply at this time. Ms. Barber also notified the EDA that the County has drafted two versions of an MOU between the County and EDA. The intent is to share both drafts with the EDA as the first step for comment and review. Finally, Liz introduced Joey Peppersack to the EDA Directors as the recently hired Economic Development Specialist.

4. TREASURER'S REPORT

- A. Current Financials
 - Mr. Rowley noted that there was no unusual income or expenses this month.
 - Mr. Rowley asked the Directors to draw their attention to the balance sheet. Mr. Rowley noted that the combined total of cash and assets year over year. He stated that the EDA needed to consider the declining assets in the EDA accounts and this highlights the importance of the funding request to the Board of Supervisors.

Mr. Jett moved that the EDA approve the treasurer's report. Following a 2nd by Ms. Hagerman, the report was approved unanimously.

VOTE: 7-0 Approved

B. **Fiscal Year 2023 Audit**

- Mr. Hendon pointed to the completed audit report in the agenda package for fiscal year 2023.
- Overall, the audit was completed as early as it had ever been while there was significant overall change in the Economic Development Department, Department staff, EDA Directors and leadership, and the level of County support for operational efforts. Though it would have been nice to conclude it earlier and with better results, it is still a solid overall report.
- Mr. Hendon noted the MD&A in the document and how this is a critical statement to add context to the audit report and inform the public as to the financial activity of the EDA.
- The EDA should be aware of two findings:
 - The first is a compliance issue where upon auditing cash balances, it was noted that Stifel, which is used by the Authority to hold a money market account and CDs (broadly the investment holdings) is not identified as a public depository by the Virginia Department of the Treasury. Mr. Hendon noted that the accounts in

Stafford County Economic Development Authority

question were the holdings at Stifel and that these accounts were opened in 2015. Mr. Hendon shared concerns that this is now an issue after the EDA had been through an annual audit each year after this account was opened. The EDA's compliance and action plan for this finding is specified in the audit report.

- Mr. Hendon also noted that the EDA must be sure we clarify and maintain the segregation of duties when processing credit card statements. These procedures and roles to pay credit card statements have been addressed already.
- Mr. Rowley asked to expand on Mr. Hendon's statements. He clarified that the funds we have at Stifel are FDIC-insured and that he has been in contact with Stifel.

Mr. Hendon asked Mr. Owen to entertain a motion to accept the fiscal year 2023 audit. Ms. Davis provided a motion and Ms. Hagerman gave a 2nd.

VOTE 7-0

5. **SECRETARY'S REPORT**

- A. Marketing & Events Update. Ms. Browne shared that the next Beer and Business will be at full-distance brewing on February 7th. Ms. Browne requested the EDA hold April 24th on the calendar for the Business Appreciation Reception and the venue selected is the Riverside Center for the Performing Arts. The EDA will be seeking sponsorships to cover the expenses of the BAR and will be developing applications for the annual business awards. There are 3 upcoming ribbon cuttings over the next few weeks. Ms. Browne noted that on 1/30 there will be a regionalism event hosted by the Fredericksburg Regional Chamber. Mr. Owen noted that the EDA will cover the registration fees and encouraged EDA Directors to go. This is an extension of the Lexington trip earlier in 2023. Ms. Browne flagged a conversation with Embrey Mill tentatively where they are exploring an event to attract businesses to that development. Ms. Browne noted that on 1/18 the Military Affairs Council will be hosting an event and Mr. Roosa, Mr. Rowley, and Ms. Davis have been invited and may attend. Ms. Browne is also working with Ms. Ball with the SBDC for event planning purposes during 2024.
- B. Ms. Morgan and Mr. Hendon provided a GoVA grant update for the EDA as to the implementation, Foundations Program, and the planning grants. Mr. Hendon highlighted the success of the program leveraging a minimal amount of cash to provide services through RIoT, establish the Testbed, and fund marketing support. Ms. Morgan noted that the RIoT helped enable several entrepreneurial programs and shared the metrics and results of those programs. Mr. Owen shared his compliments regarding the success of these programs and emphasized the need to continue and expand these programs through the Testbed. Mr. Roosa asked if there was a way to quantify the tax revenue impact of these efforts. Ms. Browne stated that, at a recent conference, she spoke to at least 25 businesses interested in accessing these programs and we have the opportunity to attract them to Stafford. Mr. Snyder noted that RIoT sincerely looks forward to continuing the partnership in Virginia.
- C. Mr. Hendon noted that the ARPA Workforce Marketing RFP is out on the street. We are working on a marketing program for that RFP and will report back to the EDA as it progresses.
- D. Mr. Hendon brought forward a list of expenses from the Christmas Tree Lighting seeking approval for all expenditures from the event. Mr. Hendon noted that Mr. Owen had covered two expenses from his personal account due to the length of time required to process a check and a low credit limit on the credit card the total is estimated to be \$6,400. With the addition of that expense, the Ms. Hagerman moved that we accept the expenses as amended with Mr. Wilson providing a 2nd. During the discussion, Mr. Roosa noted that there are expenses listed for Dr. Yueng and asked if this should be of concern. Mr. Hendon stated that these expenses

Stafford County Economic Development Authority

are part of the reason we are bringing this to the EDA to verify they are approved. Mr. Rowley and other members requested a final report of expenses once all payments were reconciled.

6. CHAIRMAN'S REPORT

- A. Mr. Owen noted that the EDA passed and all parties have signed a performance agreement with Amazon Web Services and the County for the location of one or more data centers within Stafford County. He desired to express that Mr. Payne did not represent the EDA in the matter and the EDA hired separate Counsel. Mr. Owen expressed his support for the joint effort and is excited to see this investment in Stafford County.
- B. Mr. Owen noted he received an email from the FRA to schedule a meeting with First Line Technology and complimented the staff for scheduling a meeting with the company quickly. Mr. Summits stated that agenda items are coming up on the BOS agenda related to the RV Parkway property.
- C. Mr. Owen brought up the Log Cabin Restaurant and a request received by the EDA to help fund the addition of a barrier at the location. Mr. Rowley stated that he understands the County is meeting with the business owner and discussing the issue. Ms. Barber suggested that she would be able to take ownership of the issue and communicate with Mr. Rowley regarding developments.
- D. Mr. Owen brought up the Moncure Elementary School property and a recent email received from the County. Mr. Owen clarified that the EDA is not necessarily seeking the property, but is seeking to support the redevelopment of the property.
- E. Mr. Owen noted that the former Director, Mr. Rowley, he had submitted a Community Partner Funding Request to the County to support EDA operations. At this moment the EDA funds the audit, marketing, a porting of the Testbed staff, counsel, and secretary with no general fund expenditures to support the EDA. Mr. Owen also noted that the EDA hired a separate attorney to review the AWS performance agreement. Due to the declining funds in the EDA account, this is an important effort.
- F. Mr. Owen asked Ms. Barber for an update on the retail development consultant. She stated that there is no significant update, but this is an effort staff intends to follow up on over the next month or two.
- G. Mr. Owen asked about a blanket NDA between the County and EDA to allow for the disclosure of business prospects to the full EDA. Ms. Barber stated that this is likely best included as a feature of the MOU.
- H. Mr. Owen also requested staff continue to push and pursue a CPACE ordinance for Stafford.

7. COMMITTEE AND WORKING GROUP REPORTS

- A. Loan Committee (*H Owen, D Davis, J Summits*)
 - Mr. Summits reported that all accounts were paid on time in December. To date, the EDA has loaned approximately \$500,000 in total to local businesses. There is one active application and another company is looking at the STIL program. Ms. Davis inquired about recent loan applications and requested a bit more information/clarity on applications that are denied for administrative reasons. On Mosaic, Mr. Summits wanted to note that facilities are being built and they are targeting a ribbon cutting soon.
- B. Business Resources (*J Rowley, P Jett, L Barber*)
 - Mr. Rowley noted that they do not have any complete applications. They did receive an inquiry from the Ferry Farm Pool, the Business Acumen Series, Grace Chapter No. 239, Order of the Eastern Star of VA-PHA.
- C. Property Group (*H Hagerman*)
 - Ms. Hagerman stated that she would send out an information sheet on CPACE about how it will be helpful and impactful to businesses. Ms. Hagerman also noted that the

Stafford County Economic Development Authority
EDA members should contact their BOS counterpart.

D. Broadband Expansion (*D Hendon, M Wilson, J Roosa*)

- Mr. Roosa and Mr. Wilson shared their reports. At this time, unless we are looking to engage a group or a contractor to support broadband expansion grant applications, the broadband effort will generally be at a standstill. Concerning the Testbed, things continue to transition and there is an ongoing strategy discussion. Mr. Roosa mentioned a presentation he would like to share with Howard and Liz along with some questions as they approach the next steps.

8. **OLD BUSINESS**

9. **NEW BUSINESS**

10. **EXECUTIVE SESSION**

11. **ADJOURNMENT**

There being no further business before the EDA, the EDA did adjourn at approximately 10:30 A.M. The next Regular Meeting will be in person at the Stafford County Government Center, 1300 Courthouse Rd, Stafford, VA 22554.

MINUTES APPROVED BY:



Howard Owen
EDA Chairman

MINUTES SUBMITTED BY:



Dale Hendon
EDA Secretary