

REGULAR MEETING MINUTES

March 8, 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, March 8, 2024.

1. CALL TO ORDER

This meeting was called to order by Mr. Howard Owen at 9:05 AM. A quorum was present and accounted for.

Members

Howard Owen, Chairman
Jack Rowley, Treasurer
Marlon Wilson - Virtual
Jeff Roosa

ED/EDA Staff Present

Liz Barber
Dale Hendon
Linzy Browne
Josh Summits
Christine Mulrooney

Also Present

Jim Stover, Stafford County Airport
Sarah Oldaker, George Washington Regional Commission
Jennifer Morgan, RIoT

Mr. Roosa discloses that a private entity he is involved with directly supports Virginia Technology services such as the Virginia Smart Community Test Bed. Mr. Roosa clarifies that he is not involved with any of those actions, but wished to speak up for the board's information.

2. APPROVAL OF MINUTES

A. February 9, 2024 Regular Meeting Minutes: Mr. Owen opened up the discussion on the minutes. Mr. Rowley indicates that there is an error on page 5 regarding a vote for support of the Business Acumen Series. Mr. Hendon recommended a vote to amend the February 9th 2024 minutes to record a unanimous vote for the EDA's financial support of the series. Mr. Rowley made a motion to approve the minutes with the amendment. Marlon seconded.

VOTE: 4-0 Approved

3. PUBLIC PRESENTATIONS

- A. Jim Stover, Stafford Regional Airport: Mr. Stover provided an update to the EDA on the Stafford Regional Airport. Mr. Stover announced that there are 26,000 annual flight operations in and out of the airport facilities. Mr. Stover states that the department of aviation is currently assessing competitors to update the economic impact study which was last

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completed in 2017, the new impact report will be ready the earliest in 2025. Mr. Stover states the Runway Extension Project is complete. Mr. Stover states that T-Hangar 5 has been completed and as soon as economic conditions change they will invest in more hangars. Mr. Stover states that future projects within the next 6 years are estimated at \$14 million and 98% of that will come from the federal government or the state government. The remaining 2% will be supplied by capital raised by the airport. Mr. Stover goes into details regarding future projects and reaffirms that none of these require tax dollars from the county. Mr. Stover briefly mentions some community outreach being conducted such as the fire department training and emergency procedures coordination, Air Fest, Charity Run, R-Board Waste Collection, Via Colori, Langley Flight Foundation, and the STEM Program Concept.

- a. Mr. Rowley asks for additional information regarding a drone facility. Mr. Stover responds by saying there have been a few inquiries for building a drone facility, but no further action has occurred beyond these inquiries.
 - b. Mr. Owen asks if the runway maximum length is 6,000ft. Mr. Stover says that is correct.
 - c. Mr. Rowley asks how the EDA financed aviation repair company is performing. Mr. Stover states that they are very active and expanding.
 - d. Mr. Rowley asks why there has been a pause in the construction of new hangars. Mr. Stover states that current interest rates and the price of construction goods are the cause of a pause.
 - e. Mr. Roosa asks how the Stafford Airport prices are remaining competitive. Mr. Stover responds that with the combination of the price of gasoline, property tax and the cost of leasing space, the Stafford Airport remains competitive in the region. Mr. Stover further states that with the introduction of data region wide, the airport did raise some select service fees.
 - f. Mr. Wilson asks if the airport has considered FAA grants for new hangars. Mr. Stover says those funds cannot be used for hangars.
- B. Sarah Oldaker, George Washington Regional Commission (GWRC): Ms. Oldaker briefly explains she is in attendance to discuss the creation of a comprehensive economic development strategy (CEDS) document for the PD16 region in order to qualify for EDA federal grant funds in the future. There is a lengthy process and information that needs to be gathered in order to meet criteria for future federal EDA grants, and the CEDS document will help them to meet those goals. The GWRC is meeting with each of the 5 regional economic development authorities in the coming months, and will eventually request that each contribute \$10,000 to the development of the CEDS that will serve as the grant match. Ms. Oldaker states that each county will have representatives on the committee responsible for the development of the plan in collaboration with a consultant. Ms. Oldaker provide some examples of ways grant money is currently spent by other EDA's in the county such as a technical center and additional airport hangars.
- a. Mr. Owen asks if commercial entities will be part of the stakeholders. Ms. Oldaker answers that both public and private sector entities will be involved.
 - b. Mr. Owen asks if this is something that the Fredericksburg Regional Alliance has already conducted in the past. Ms. Oldaker responds that the FRA has not done this before and this region has never had a strategic plan of this magnitude.
 - c. Mr. Owen asks if this would require additional assistance from the EDA or each economic development department in each county. Ms. Oldaker responds by saying they are introducing this to each EDA first, and they will return in the future with a formal funding request.
 - d. Mr. Rowley asks if there will be a written proposal involved. Ms. Oldaker states that this was solely an informative presentation and there will be more details in the following month.

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- C. Liz Barber, Stafford County Economic Development Report:
- a. Destination Stafford: Mrs. Barber states that the Destination Stafford RFP is public and closes on June 5th. Mr. Summits and Mr. Peppersack both worked collaboratively to collect around 150 different developer contacts to expand the reach for this RFP.
 - b. RV Parkway: Mrs. Barber provides a brief update on RV Parkway. She explains that an engineer and surveyor are working to gather data for what the county needs for the roadway and sewer line easements. The cost to complete the work is \$10,000. Mrs. Barber passes a question onto the EDA to see if the board will reimburse the county from the proceeds of the sale on the expenses for the easements.
 - i. Mr. Rowley asks for more clarification on the reimbursement question. Mrs. Barber clears some confusion by stating previously owed monies were directed towards property assessment, but not towards expenses for the easements. Mrs. Barber states she will expand more on this in the next meeting as an agenda item.
 - c. Stafford County EDA MOU: Mrs. Barber states that the draft is still currently in progress but should be finished soon.
 - d. CPACE: Mrs. Barber provides a brief explanation of this program. She states that it is similar to a bridge loan capability for anything that can cover up to 35% of land value on a project as long as there is an energy efficiency or stormwater improvement element. She states that this is made available through state legislature, however the county would need to opt in to the program. In Mrs. Barber's meeting with the executive director for this program, the executive director explained that the only downside to this program is the potential for it to be politicized. Mrs. Barber states that the City of Fredericksburg and every Northern Virginia county has opted in to this program so she will work to implement this.
 - i. Mr. Roosa asks what county authority would authorize this. Mrs. Barber states the board of supervisors.
 - ii. Mr. Rowley states that the Board of Supervisors may have discussed this before and not moved forward. Mrs. Barber acknowledges the possibility of this.
 - e. Virginia Economic Development Partnership Webinar: Mrs. Barber provides information regarding a webinar for the impact of economic development in the Commonwealth of Virginia and encourages members of the EDA to attend.
 - f. Retail Strategies: Mrs. Barber states that an RFP should be submitted within the next few weeks. Mrs. Barber explains that it has been encouraged the procurement department the importance of that the contract be awarded prior to the end of the current fiscal year.
 - g. Staffing Updates: Mrs. Barber states that interviews for the permanent director have taken place and the applicants are currently waiting on a decision to be announced.
 - h. EDA Budget Request: Mrs. Barber states that during the County Administrator Budget meeting she was notified that the EDA budget request has not been included in the current draft of the budget that was publicly presented on February 20th.
 - i. Mr. Owen asks if the County Administrator has interest in fiscally supporting the EDA. Mrs. Barber states that, to her knowledge, the board of supervisors were presented the information by the county administration at the board retreat, and they chose to not include the request in the preliminary budget.
 - ii. Mr. Rowley asks if the Board of Supervisors considered the reimbursement for the easement regarding RV Parkway when making this decision. Mrs. Barber states that it is up to the EDA to determine how they'd like to respond.
 - iii. Mr. Rowley asks if Mike Morris or Paul Santay can provide more information at the next meeting. Mr. Owen follows up by stating it was encouraged by

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county staff to submit a budget request and that he was disappointed with the way a previous director presented this. Mr. Owen expresses his disappointment that the budget request is not being included.

- iv. Mr. Rowley expresses that some feedback would be helpful so that the EDA is aware of what information the county needs in order to include the budget proposal moving forward. Mrs. Barber states that she will discuss this with county administration to learn more and will report back what she has learned.
- v. Mr. Rowley states that he has great confidence in Mrs. Barber's ability to get the EDA some of the answers they are looking for.

4. TREASURER'S REPORT

A. Financial Reports

- a. Mr. Rowley presented the financial statements. Mr. Rowley further states that there is \$23,000 of checks from Christmas that have not been cashed yet, and when those have been cashed that issue will alleviate. Mr. Rowley reminded the board that the EDA's audit suggested moving the investment dollars to a Virginia qualified depository, the which Stifel does not qualify. Mr. Rowley reads a note he forwarded to Don Newlin regarding EDA reinvestments of \$250,000 into low-interest rate conditional funds and the auditor's recommendation that those investments be in Virginia qualified depositories. Mr. Rowley states that there are 2 other CD's that do not meet this requirement but they will be reinvested in accordance with this recommendation when those CD's mature.

Mr. Rowley moved that the EDA accept the Treasurer's report. Mr. Owen seconded.

VOTE: 4-0 Approved

5. SECRETARY'S REPORT

A. Marketing Update.

- Business Acumen Series: Ms. Brown states that the EDA has been promoting the Business Acumen Series with the first one being held March 15 with already 3 people registered. These events will be hosted at both the Stafford and UMW Dahlgren Campuses.
- Ribbon Cuttings: Ms. Brown mentions that there was a ribbon cutting for Brooks Appliance Repair and there is a scheduled ribbon cutting for Black Rifle Coffee Company with some others scheduled in May.
- Beer & Business: Ms. Brown states that the next Beer & Business event is sponsored by ExpressTech who also requested that the event be rescheduled to May 8 from May 15th. Ms. Brown states that a sponsors have been secured for Beer & Business events through February 2025.
- Business Appreciation Reception: Ms. Brown states that a title sponsor has been secured however there is still a need to secure a \$4,000 sponsorship for refreshments. There are currently 116 people registered and applications for business awards close on February 29th with a selection committee meeting on March 28th. Ms. Brown encourages the EDA to register and attend.
- AJGA Golf Tournament: Ms. Brown states that the EDA has previously agreed to a \$25,000 annual commitment. She reported that the removal of the pro-am doesn't really affect the funding request to the EDA. Ms. Brown mentioned that Lisa Logan from the Stafford County tourism department suggested that the EDA choose 2

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charities to which the event proceeds will go. Ms. Brown also mentions that Ms. Logan recommended that a EDA member consult with Stafford Fire/Rescue Squad for their preferred charity, because they have volunteered their time for the past three years to be present at the golf tournament for the entire duration. Mr. Owen asks if the Fire and Rescue have their own association that a member could make their charity of choice. Ms. Brown states that Ms. Logan is in the process of reaching out to gather that information. Ms. Brown also states that the sooner the EDA decides on charities the easier it will be to get sponsors. Mr. Owen requested that a staff member bring a list of local charities to be considered at the next meeting.

6. CHAIRMAN'S REPORT

- A. ARPA RFP: Mr. Owen states that he received a thorough email from Mrs. Barber regarding ARPA grant funding that the EDA received to be used for a workforce grant. Mr. Owen states that there were about nine different points that needed to be addressed in regards to the RFP to bring it into federal procurement compliance. Mr. Owen briefly goes through the context of ARPA funds in relation to the EDA and the difficulties that stalled the process.
 - a. Mrs. Barber briefly provides an explanation regarding the federal procurement requirements for the RFP, and the difficulty the EDA is experiencing is understandable since their day-to-day rules when it comes to the procurements is not usually as complex. However, the ARPA grant funds and their subrecipients are held to a different standard that the EDA must comply.
 - b. Mr. Hendon states that there have been no funds exchanged yet, the only thing available is a signed MOU to exchange the funds. The Board of Supervisors has not provided any funds to the EDA.
 - c. Legal Counsel recommends to Mr. Owen that the EDA motion to terminate the MOU dated December 2023 and that the EDA did not receive the funds contemplated under section two of the MOU. The EDA further finds that the county can utilize those pledge funds for its intended purposes.

Mr. Owen motions to terminate the MOU and to acknowledge that the EDA did not receive \$72,000 in ARPA funds, and the county can utilize those funds accordingly. Mr. Roosa seconds.

VOTE: 4-0 Motion Carries

- B. Regionalism Update: Mr. Owen provides the EDA with a printed PowerPoint supplied by the Chamber of Commerce for informative purposes.
 - a. Mr. Owen mentions that he is working on an update to the EDA regarding the economic impact of a Buc-ees proposed at the 630 interchange. Mrs. Barber provides public knowledge to the EDA that Buc-ee's has submitted their conditional use permit application. Once a proper check has been submitted the process will begin and then public hearings will likely begin 4-6 months afterwards.
- C. AWS: Mr. Owen provides an update regarding upcoming meetings with AWS's community engagement staff and some in-person discussions about community improvement initiatives that they are interested in being involved with. These meetings are scheduled for the coming week.
- D. Mr. Owen publicly states that legal counsel is devoid from conflicts of interest based on information known to all parties involved with the EDA.
 - a. Legal counsel appends this point and states that in his 20 years of experience with the EDA, there has been only one conflict of interest he is aware of which he was not representing the EDA, of which he recused himself to avoid conflict.

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7. COMMITTEE REPORTS

- A. Loan Committee (D Davis, J Rowley, J Summits)
- a. Mr. Summits states that the only thing of note on loan payments is a NSF payment on Santana Holdings which was paid a few days later. Mr. Summits states loan interest paid YTD is \$5,600 with \$44,000 sitting in the revolving loan pool.
 - b. Mr. Summits contacted legal counsel on a matter with Next Level Mosaic to work through loan matters. A more in-depth update will be provided at the next EDA meeting.
 - i. Mr. Rowley asks for clarification on this issue. Legal counsel recommends closed session for this topic.
 - c. Mr. Summits states that he is expecting another loan application towards the end of March.
- B. Business Resources Committee (J Rowley, P Jett, L Barber)
- a. Mr. Rowley states that the committee met on February 28th to further discuss the items assigned to the committee during the strategic planning session. Mr. Rowley discusses three separate outcomes from this meeting: Seed funding, jumpstarting businesses, and the value of proffers. Mrs. Barber states that to better align with the Board of Supervisors strategic plan that the EDA should make steps to implement programs that align with the Board of Supervisors strategic plan.
 - b. Mr. Rowley states that the committee agrees that businesses that pay high wages and need skilled labor should be supported.
- C. Property Group (H Hagerman) - No Report
- D. The Technology Committee (M Wilson, J Roosa and D Hendon)
- a. Mr. Owen provides a thanks to Mr. Roosa and Mr. Wilson for compiling a comprehensive document and presentation for the board in regards to the Testbed.
 - b. Mr. Roosa presented the findings of the technology committee on the Virginia Smart Community Testbed.
 - c. Mr. Roosa asks if there is a current Economic Development strategic plan. Mrs. Barber answers by saying the plan is a priority and will be updated next year.
 - d. Mr. Roosa concludes his presentation by providing goals that the EDA can pursue in accordance with his findings, and provided metrics for each goal to determine if they have been met in support of the Virginia Smart Community Testbed.
 - e. Mr. Roosa asks what the timeline is for construction is to begin on the roadway near the current Testbed building. Mrs. Barber says the current timeline is about 2 years.
 - f. Mrs. Morgan thanks the committee for the presentation and recommends that they communicate with the VIPC to discuss additional thoughts on the continuation of the Testbed.
 - g. Mr. Rowley suggests an EDA workday to collaborate on strategy regarding this with the technology committee, county administration and the department.

8. OLD BUSINESS

Mr. Owen states that there is no old business.

9. NEW BUSINESS

- A. Electing New Secretary: Mr. Owen provides a thanks to Mr. Hendon for his efforts in assisting the EDA and begins discussion on electing a new Secretary. Mr. Owen nominates Mrs. Barber as EDA secretary. Mrs. Barber declines stating she does not feel comfortable being a signatory on EDA accounts, but does assure the EDA that the appropriate staff can still support the EDA with the predetermined duties of the Secretary. Mrs. Barber states that county administration

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also is not comfortable with county staff assuming those roles and responsibilities. Mr. Owen asks if there is a letter from the county stating this. Mrs. Barber states there is no letter, but she would decline the nomination regardless of county administration's formal take due to the risk it would put her in as a staff member and the fiduciary responsibilities required as Secretary.

- a. Legal counsel provides information to Mr. Owen that the Treasurer has the ability to assume the roles of the Secretary, per the EDA bylaws. Mr. Owen tables this topic for further discussion.
- B. VBSRP Site Development Grant Application: Mr. Summits provides information regarding an active VEDP grant application in collaboration with a developer for the Virginia Business Site Readiness Program (VBSRP). If this grant were to be awarded, it would come back to the EDA board two more times for action: once for an agreement to be presented and signed, and then for an MOU. Mr. Owen asked who the applicant would be. Mr. Summits answered the EDA. Mr. Owen asked what the project would be. Mr. Summits answered a 2,000,000 sq. ft. light industrial project. Mr. Summits continues to explain that the developer of this project would be NorthPoint, who would provide the \$51 million match to the \$12.3 million grant request. Mr. Summits apologizes for bringing this topic to the board after the application has been submitted and cites continuous changes in leadership as a cause.
 - a. Legal counsel indicates that NorthPoint is a client, therefore he will be avoiding a conflict of interest by recusing himself opining the MOU.

Mr. Owen motions to acknowledge the VBSRP grant application submitted by the economic development staff.

VOTE: 4-0 Approved

10. EXECUTIVE SESSION

VOTE: 4-0 Approved

The EDA Board went into Executive Session in accordance with Section 2.2 – 3711.A.3, et al of the Code of Virginia 1950, as amended. The EDA pursuant to proper motion and unanimous vote intends to hold its closed session to discuss matters related to Section 2.2-3711.A.3, 4 & 5.

11. ADJOURNMENT

The next regular EDA meeting will be held on April 12, 2024 at 9AM in the Stafford County Government Center, 1300 Courthouse Rd, Stafford, VA 22554.

MINUTES APPROVED BY:



Howard Owen
EDA Chairman

MINUTES SUBMITTED BY:



Jack Rowley
EDA Treasurer