



## REGULAR MEETING MINUTES

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, September 11, 2024.

### **1. CALL TO ORDER**

Mr. Rowley, Chair, called the meeting to order at 9:05 AM, emphasizing the necessity for all members and staff to declare any conflicts of interest with the agenda items. No conflicts were stated.

A quorum was present and accounted for.

#### **Members**

Jack Rowley, Chair  
Jeff Roosa, Secretary  
Janette Holland  
Frank Porcelli

#### **ED/EDA Staff Present**

Liz Barber  
Savannah Wimbush

#### **Also Present**

Paul Santay  
Kristin Maxon  
Chanel Evans (VABCC)  
Sonya Keeve (VABCC)

Mr. Rowley introduced Mr. Porcelli, the newest member of the EDA appointed to the Falmouth District. Mr. Porcelli stated that as a former business owner and alumni of UMW, his technology background could be useful to the EDA.

Mr. Rowley also mentioned Mr. Daryl Weedeman, who was recently appointed to the EDA's Garrisonville District, was unable to attend the meeting due to a previously scheduled family commitment. He stated that Mr. Weedeman is the COO of the Rappahannock Goodwill Industries.

### **2. APPROVAL OF MINUTES**

Mr. Rowley entertained a motion to approve the minutes from the July 12 meeting. Ms. Holland pointed out an error regarding the spelling of her first name on page 1 of the minutes. Mr. Roosa made a motion to accept the amended minutes, which was seconded by Ms. Holland, passing unanimously. **APPROVED 4-0**

### **3. PUBLIC PRESENTATIONS**

- a. The Virginia Black Chamber of Commerce (VABCC) presented information on a Business Accelerator Grant. Ms. Evans presented the Business Accelerator Program



grant funding as a request for monetary support. She mentioned that black women are entering the entrepreneurial space at a rate of 50% more than entrepreneurs of other races, but they are finding challenges with access to capital, staffing, coaching and mentorships. VABCC provides programming, training, information, community, and mentoring to support small business owners, focusing on long term growth. 40% of the VABCC members are based in Stafford County. This program is in its second year and will help 150 business owners over 6 cohorts in the topics of business strategy, government contracting, marketing, and other topics. The request was for a \$10,000 grant over a two-year period (\$5,000 for 2024, and \$5,000 for 2025) to support the program's administrative support, marketing and a system standpoint to fund the accelerator. They shared several success stories resulting from this program, including one from Ms. Keeve's business; a podcast.

Mr. Roosa asked about the reach of the VABCC Chamber. Ms. Evans responded that it was a statewide Chamber, serving the entire Commonwealth. Mr. Roosa also asked about training synergies with other Chambers, economic development organizations, etc. Ms. Evans replied their partnerships are with a number of similar entities that includes joint programming.

Mr. Rowley asked if the VABCC is a 501 c 3. Ms. Evans stated that it is a 501 c 6, to which Ms. Barber noted that all Chambers fall into that 501 c 6 designation. Mr. Rowley confirmed with Mr. Payne to ensure that financial support to a 501 c 6 would be permitted, to which Mr. Payne confirmed that it would be. The EDA members thanked VABCC for the presentation, and the members requested the option to discuss this funding request further in the agenda. Mr. Rowley asked where the program would be based, and Ms. Evans responded that the program would be a virtual platform, along with an in-person component for graduation and a pitch competition. She also mentioned that Chamber membership is not required to take part in the accelerator. Mr. Rowley asked about their budget and Ms. Evans replied she would provide a copy.

Ms. Holland requested the total number of members within their organization, and Ms. Evans responded with 1,200 members. She also responded with the total number of participants in the previous year's pilot program, which included 2 cohorts of 25 members each. Ms. Holland also requested a copy of the program's budget, and Ms. Evans stated that an email will follow with that information.

Mr. Porcelli asked about a breakdown of industry of types of businesses that are Chamber members, and Ms. Evans responded she didn't have specific percentages, but she could share that if requested.

Ms. Evans requested a letter of commitment by September 30 to be included in the GO Virginia grant as a sponsor/supporter.

Mr. Rowley stated that the VABCC presentation was fantastic and thanked them for their report. The EDA did not vote on the VABCC funding request.



- b. Stafford County Economic Development Update- Ms. Barber mentioned some additional handouts that are now included in the binders, which included an updated roster and organizational chart. She also mentioned some staffing shortages within the department, leaving the department at 2 staff members instead of 5. She anticipates fully filling the 3 open positions by 6 weeks and building the team.

Ms. Barber mentioned that the retail strategy report has completed a “boots on the ground” analysis for mapping of the available retail locations. The full report should be arriving in October.

Ms. Barber also mentioned that she will be presenting in closed session to the Board of Supervisors in the coming week to gauge the Board’s interest in offering a potential incentive program for two full-service, sit-down restaurant concepts at the Courthouse Rd interchange.

Mr. Rowley added that if the Board has any reluctance to support an incentive program, the EDA may have interest in finding a way to support this, whether that’s financial support or otherwise.

Mr. Roosa asked if EDA members would be permitted to attend the closed session meeting, since they would be party to the pass through, should this be approved. Ms. Barber stated that they would not be able to attend at this point in the discussion, but as further details are provided and guidance is provided by the Board of Supervisors, the EDA would be read-in if they would be party to an agreement down the line.

Mr. Roosa asked Ms. Barber about the ability to have Retail Strategies’ present direct to the EDA in-person at a Board Meeting. Ms. Barber stated that the preliminary report would be given to staff directly, and she was unsure of the constraints of the contract, since they are based in Atlanta. Ms. Barber stated that this could be a topic of discussion from the department’s perspective at the Joint Board/EDA meeting in November.

Ms. Barber gave an update on her attendance of the VEDP Brownfield Grant Restoration webinar. She reviewed the handout as provided in the agenda package. She mentioned that the potential for a brownfield grant could be valuable for the county-owned RV Parkway property. This grant is a 1:1 match, and Ms. Barber suggested hiring an engineering firm that would assist in applying for this grant on behalf of the EDA.

Ms. Barber reported on the request from Stafford Education Foundation’s for the EDA to sponsor the upcoming golf tournament by creating a team.

Finally, Ms. Barber reported that she will be joining the Leadership Fredericksburg Class of 2025 cohort, which begins in September. She mentioned that she was excited about the connections it will bring in the region.



- c. Fredericksburg Regional Alliance- Mr. Curry Roberts was unable to attend due to illness and rescheduled his presentation for the next month's meeting.
- d. Reports from the Public- Ms. Kristin Maxon presented some general concerns. She mentioned she had a challenge downloading the minutes from the previous month. She also mentioned some errors in the previous month's agenda packets, and the importance of protecting the Testbed monitors from inclement weather conditions. Ms. Maxon reminds the Board that the Downtown Stafford project has not been completed, and Aquia Town Center remains vacant. She also mentions that the EDA's timeline on the website is out of date. Finally, she thanked the Treasurer (Mr. Rowley) for covering the Secretary position while that position was vacant.

Mr. Rowley asked Ms. Barber to work on the updated timeline on the website, and Ms. Barber stated she would communicate that request to Linzy, since website updates are part of her contract with the EDA.

#### **4. TREASURER'S REPORT**

- a. Mr. Rowley presented the Treasurer's Report on behalf of Mr. Jett, who was unable to attend the meeting. Mr. Rowley stated that the income and expenditures were all ordinary.

Mr. Porcelli raised a query about the cash accounts and asked if they were interest bearing or if there were opportunities to collect interest. Mr. Rowley responded that, as shown in the statements, the Stifel accounts are investment accounts that bear interest. He also mentions that a reimbursement for the GO Virginia grant should be arriving in the amount of \$70,000. Ms. Barber confirms that the check had recently arrived and was deposited to LinkBank. Mr. Rowley also summarizes the EDA's normal outflows, which average \$30,000 per month.

Mr. Rowley entertained a motion to accept the Treasurers Report. Mr. Roosa moved to accept the Treasurer's Report and Ms. Holland seconded, passing unanimously.

**APPROVED 4-0**

#### **5. SECRETARY'S REPORT**

- a. Report by the Secretary- No report by the secretary, Mr. Roosa.
- b. Marketing & Events Update- Ms. Browne was unable to attend the meeting. Ms. Barber used this opportunity to summarize some of the economic development department's newest events that are currently being implemented. The first is SPARK Hours. This monthly event is designed to provide pop-up office hours to serve the business community, and the location rotates to districts in alphabetical order, and hours vary to best accommodate working adults. The first event was hosted at Zibibbo in the Aquia District and brought 7 people to the event. The next event will be held at Jen's Pizza Den in the Falmouth District.

The next event hosted by the department will be the "How to Do Business in Stafford" event. This event will be hosted by the economic development department and will partner with the Stafford Procurement department. The purpose of this event will be to



assist Stafford businesses to learn the process so they may have the opportunity to win Stafford County contracts, keeping the money awarded in Stafford.

## **6. CHAIRMAN'S REPORT**

- a. Former Chair Recognition Event- Mr. Rowley suggested having a luncheon to honor the previous chairman, Mr. Howard Owen, at Zibibbo. He asked for feedback from the group. Hearing none, he stated he'd move forward with scheduling the event for October.
- b. Location of Meetings- Mr. Rowley stated that though the Board Chambers are luxurious accommodations, it can make any virtual meetings challenging due to lack of cameras and screens. He suggested moving meetings back to the Testbed so the Owl cameras could be utilized. He requested feedback from the group. Mr. Roosa stated that the space isn't as conditioned for visitors or speakers from the public, and there are challenges with parking. Ms. Wimbush suggested that we bring the Owl cameras/equipment to the Board Chambers to attempt to configure them in the space in place of moving the location of the meetings. Mr. Rowley was agreeable to make this effort to improve virtual meeting quality for the virtual attendees.
- c. Discussion of Grants- Mr. Rowley stated that Ms. Browne and Ms. Morgan are knowledgeable about government grants, and Mr. Rowley stated that he would like to hear more from them at the next meeting about potential grant opportunities.

## **7. COMMITTEE & WORKING GROUP REPORTS**

- a. Loan Committee- Ms. Barber initiated the Loan Committee discussion updating on current loan activities, referring to the August loan payment report. She highlighted three specific loans that are delinquent: Santana Holdings, Next Level Mosaic, and Vitae Visual.
  - 1) Next Level Mosaic- At last month's EDA meeting, the Board approved sending a letter of default to the stakeholders. Ms. Barber reported that, due to the letter of default being sent, the loan has since been caught up and is up to date. At the time of the default letter, they were 3 months behind on payments by about \$6000. The payments have been set up for future automatic payments via ACH. Ms. Barber made a request on behalf of Mr. Patrick Hudson, one of the 3 parties to the agreement with Next Level Mosaic. He has requested a 6-month interest only payment option, which would run from October 2024-March 2025, with regular payments resuming April 2025. Ms. Barber summarized some of the company's challenges, which included some alleged embezzlement of EDA loan funds, and the company's business plans to get the business up and running due to their situation. Mr. Rowley asked Ms. Barber's opinion, and Ms. Barber recommended moving forward with the interest only option, since they have continued to communicate with the EDA and have recently caught the loan up to date.  
Mr. Roosa asked about the ability to collect on the loan if they continued to default on their payments. Mr. Payne stated that there are personal guarantees, so notice of default would happen first, then the Board would review and determine whether to move forward with suit. Mr. Roosa asked that Ms. Barber communicate the expectations very clearly the potential of the EDA collecting in full if default occurs again.



Mr. Rowley entertained a motion to approve the 6-month interest only payment. Mr. Roosa made a motion to accept the 6-month interest only option for Next Level Mosaic, with the understanding that Ms. Barber will communicate to the parties that future defaults will result in legal action to collect the loan balance. Ms. Holland seconded, passing unanimously. **APPROVED 4-0**

- 2) Santana Holdings- Ms. Barber reported that the default letter was prepared by Hirschler and served to all the registered addresses for the business owner. She did note that the business location was unable to be served since the location was vacant. She asked Mr. Payne to report to the EDA on the legal grounds they have to collect on this defaulted loan. Mr. Payne reported that his firm will proceed to file suit against the borrower in Virginia. Should they not appear, they will domesticate the suit in Marland. This will allow them to place a lien on property, should she ever buy or sell property. Mr. Rowley confirmed that the interest will continue to accrue.

Mr. Rowley entertained a motion to allow legal counsel to file suit against Santana Holdings on behalf of the EDA. Mr. Roosa made a motion and Ms. Holland seconded, passing unanimously. **APPROVED 4-0**

- 3) Vitae Visual- Ms. Barber stated that there was a written request for loan deferment for one month (October) by the borrower. She stated that Mr. Josh Summits, previous Stafford County staff member, had requested a deferment previously, which the EDA approved. To date, Vitae Visual is one month behind on their payments due to an ACH reversal due to insufficient funds.

Mr. Porcelli asks what guardrails are in place to avoid future loans that may lack in quality to better protect the EDA. Ms. Barber reiterated that the loan underwriting will be done differently in the future than it has in the past, and no underwriting decisions will be done in house going forward.

Mr. Rowley entertained a motion to deny the loan deferment request and to approve sending a letter of default to Vitae Visual. Mr. Roosa made a motion and Ms. Holland seconded, passing unanimously. Mr. Payne asked staff to send all information pertinent to this letter. **APPROVED 4-0**

- b) Business Resource Committee- Ms. Barber concluded that no applications were received since the last meeting. Mr. Rowley confirmed the same.
- c) Property Group- Ms. Barber concluded that no applications were received since the last meeting. Mr. Rowley confirmed the same.
- d) Technology Committee- Mr. Roosa mentioned that this report might have covered some of the outcomes of the FRA presentation, but since Mr. Curry Roberts was unable to attend this meeting to make the update, there was nothing new to report at this time.

## **8. OLD BUSINESS**

- a) Loan Servicing Contract and/or Loan Underwriting- Ms. Barber stated the EDA has been working with Locus Capital in years past, and Locus had recently stated that they



are no longer offering loan servicing options and will not be renewing their agreement with the EDA. During the meeting in which they informed staff of this decision, they recommended an organization called Bridging Virginia (BV), a not-for-profit organization out of Richmond, VA that provides loan servicing and loan underwriting services. Ms. Barber detailed that she and Mr. Rowley had worked diligently together on a scope of work with BV, and that EDA legal counsel had just provided a draft agreement for use by the EDA for to potentially enter into an agreement with Bridging Virginia. Ms. Barber reiterated the services that Bridging Virginia provides, which would include not only loan servicing (processing payments, billing loan parties, applying payments, amortization schedules, etc.), but they would also be able to offer loan underwriting services as well. This would mean that staff could provide the financials and loan application to BV, and they would provide an unbiased opinion and recommendation to the loan committee on each loan application made.

Mr. Roosa asked about the costs to work with BV. Ms. Barber stated that the cost to contract with them would be slightly less, at a rate of \$75 per loan per month (instead of \$85 per loan per month as paid to Locus). The \$1200 loan underwriting costs could be passed onto the loan recipient as a closing cost for loans that are approved by the EDA. Loan underwriting would be only charged on an as-needed basis.

Ms. Barber asked the EDA to consider the complications of having a loan program, in general, since the risk is high. She stated that most businesses that apply for the loan with the EDA could get a better rate elsewhere, and the EDA may only be getting subpar candidates as a result. Mr. Rowley used Emrey Mill Urgent Care as an example of a well deserved and positive outcome loan recipient. Ms. Barber communicated that the costs to maintain the loans as outweighing any financial income, which she felt was not communicated properly to the EDA in the past.

Mr. Rowley requested approval from the EDA Board for him to sign the agreement after full review and vetting of the agreement. Mr. Payne reiterated that the agreement is routine and includes indemnification and routine clauses to protect the EDA and is based on the scope of work that was negotiated by Mr. Rowley and Ms. Barber with BV.

Mr. Rowley entertained a motion to allow him to sign the loan servicing and underwriting agreement on behalf of the EDA. Mr. Roosa made a motion and Mr. Porcelli seconded, passing unanimously. **APPROVED 4-0**

- b) Appoint Members to Committees- Mr. Rowley mentioned that he had thoughts on suggested committee members, and some new reiterations of the committees. He suggested that the loan committee be made up of himself and Ms. Holland; the business resource committee be comprised of Mr. Jett and Mr. Weedeman; the technology committee include Mr. Roosa and Mr. Porcelli; and the research committee be made up of Mr. Wilson and Mr. Rowley. The purpose of the EDA research committee would be to explore what other EDA's and economic development organizations are doing, similar issues, and future concepts to potentially incorporate. Mr. Rowley felt that this new committee, designed to replace the property group, would run for a few months but would likely not be permanent. He stated that this could be tabled for an additional



month. Ms. Holland stated that she likes the idea of observing what works for other EDA's and incorporating those concepts.

Mr. Rowley also suggested that a strategic planning session take place at the start of the new year.

Further discussion and decisions were tabled for next month's discussion.

- c) Joint BOS/EDA Meeting, Potential Agenda Items- Mr. Rowley summarized how the past meetings have been organized, including the dates, times, topics, meals and locations. He discussed his idea of each committee giving an update at the meeting. As a new group, he felt that this type of presentation would work best for a transitioning EDA.

Mr. Roosa suggested a different approach in that the EDA Board Members use the time to ask for the suggested priorities from the Board of Supervisors so the EDA can work to align with the County's 2040 Strategic Priorities. He mentioned the importance of the synergy of the Board of Supervisors, the economic development department and the EDA. Ms. Barber updated the EDA on the strategic priorities that affect her department, the timelines that have been set by the Board of Supervisors, and how they apply to the EDA. Specifically, the economic development department's strategic plan, to take place in 2025, should be completed in April. In that strategic plan, she has asked the strategic planner to provide recommendations to the EDA on how they can support the county's/department's strategic plan. In April, once this plan is published and approved by the Board of Supervisors, it would be very important for the department and EDA to work very closely to implement these strategies collaboratively. Mr. Roosa agreed that he feels this approach makes the most sense, to keep the goals aligned with the county's strategic plan.

Mr. Rowley stated that he has discussed the EDA's goals to several Supervisors, and in general, he stated that the goals are vague. Ms. Barber stated that she feels there is a lack of understanding between what the EDA and the department each do. She also suggested providing the "basics", including the organizational chart, and to provide an Annual Impact Statement of what the EDA has accomplished over the past year, which could include number of loans, grants, business events, number of event attendees, and other community impacts. Mr. Roosa stated he'd like to work with Ms. Browne on creating the impact statement.

It was reiterated that November 12 is the date for the Joint EDA/Board of Supervisors meeting. Ms. Barber suggested that the EDA provide an update at the Joint Meeting on the budget request to the Board of Supervisors, since it would provide a chance to speak on the budget request in person to better make the case.

Mr. Roosa suggested that each of the EDA members provide ideas for topics for the Joint Meeting to Ms. Barber so she can compile that list to include in the agenda package for the October meeting. He suggested a date of September 30 to send those items to Ms. Barber via email. Ms. Barber also mentions she'll add staff recommendations at the bottom of the list.





Mr. Rowley also updated the EDA on the Falmouth Bridge expansion letter. He stated that he spoke with Chair Bohmke from the Board of Supervisors, and the reiterated the importance of the expanded bike lane on both sides of the bridge to provide safe transit between the county and the city. Ms. Barber updated the status of the letter and stated that she and Mr. Roosa would work together on drafting the letter, which was approved by the EDA Board signature in the last board meeting.

Mr. Roosa suggested a rotational calendar be provided by Ms. Browne each month, so EDA members can sign up to attend EDA events, and to also use it to hold one another accountable for being involved. Ms. Barber suggested a simple sign-up sheet that could be passed around by Ms. Browne at each monthly meeting. The Veterans Business Bootcamp event was used as an example of an event that would be smart to sign up for to ensure EDA representation.

Ms. Barber also stated that Ms. Browne is seeking a new moderator for the November Beer & Business event.

Ms. Barber also stated that she would work with Ms. Browne on Outlook Calendar reminders. She also mentioned the "Mark Your Calendar" section of the agenda to show upcoming events to help EDA members to mark their calendars.

## **9. NEW BUSINESS**

No new business was conducted.

## **10. CLOSED SESSION**

The group agreed there were no topics for closed session.

## **11. ADJOURNMENT**

Mr. Rowley concluded the discussion by thanking everyone for their valuable input. Mr. Rowley then formally adjourned the session. Mr. Roosa made a motion to adjourn, and Ms. Holland seconded. The motion passed unanimously. The meeting was adjourned at 11:16 AM.

**APPROVED 4-0**

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Jeff Roosa".

Jeff Roosa,  
EDA Secretary