

FREDERICKSBURG
**ECONOMIC
DEVELOPMENT**
AUTHORITY

706 Caroline Street
Fredericksburg, VA 22401

(540) 372-1216
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ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

May 21, 2018

8:30 a.m. • EDA Special Meeting
City Hall, Large Conference Room
715 Princess Anne St.
Fredericksburg, VA

The Economic Development Authority of the City of Fredericksburg, Virginia met in special session on Monday, May 21, 2018 beginning at 8:30 a.m. in the Large Conference Room at City Hall.

EDA MEMBERS PRESENT. Bob Carter, Chairman, presiding. Will Mackintosh, Beth Black, Tom Crimmins, Joe Wilson, Mitzi Brown and Bill Beck.

ABSENT. None.

ALSO PRESENT. EDA Counsel: Blanton Massey; Department of Economic Development and Tourism: Bill Freehling, Director; Angela Freeman, Business Development Manager; Amy Peregoy, Economic Development Specialist.

DETERMINATION OF QUORUM. Mitzi Brown.

AGENDA. .

MOTION by Mitzi Brown, seconded by Bill Beck, the agenda was approved: Ayes (7); Nays (0).

PUBLIC COMMENTS. None.

TREASURER'S REPORT. The financial statement and budget report for April 2018 were accepted and filed with the minutes.

Chair Carter reviewed overall grants and city supported projects.

ACTION ITEMS. None

CLOSED SESSION.

Ms. Brown moved for the adoption of Resolution 18-12 the expansion or development of a business, for the purpose of discussion or consideration of records excluded from FOIA pursuant to subdivision 3 of Virginia Code §2.2-3705.6, the discussion or consideration of which records may be held in a closed meeting under subsection A.40 of Virginia Code §2.2-3711, which records are confidential proprietary records, voluntarily provided by a private business pursuant to a promise of confidentiality requested by the private business and granted by a public body, to-wit: Economic Development Authority, used by the City for business development, to-wit: relating to the consideration of a loan to aid in the development of a real estate project in the City of Fredericksburg, Va. and the discussion and consideration of memoranda, working papers or other records, to-wit: a financial

analysis, relating to the foregoing private business that is considering locating in Virginia, which financial analysis was prepared by such public body, where competition or bargaining is involved and where, if such records are made public, the financial interest of the public body would be adversely affected. Seconded by Bill Beck and passed by the following recorded votes: Ayes (7); Nays (0).

Where upon the members went into closed session.

Upon coming out of closed session, a motion was made by Ms. Brown, to adopt Resolution No. 18-13, certifying the proper conduct of the closed session. Seconded by Bill Beck; the motion was passed: Ayes (7); Nays (0).

A motion was made by Bill Beck, seconded by Beth Black, the EDA and Liberty Place Partners, LLC have agreed to enter into a certain Loan Agreement and Promissory Note on file with the City's Department of Economic Development and Tourism the terms of which have been reviewed and approved by EDA counsel, that the EDA hereby agrees to enter into the aforesaid Loan Agreement and Promissory Note and authorizes and directs the EDA Chair, Robert Carter and EDA Secretary, Mitzi Brown, to take any and all action reasonably necessary to carry out the intent of Resolution 18-14 on behalf of the EDA the motion was passed: Ayes (7); Nays (0).

ADJOURNMENT. There being no further business to come before the Economic Development Authority at this time, Chair Carter declared the meeting officially adjourned at 9:18 a.m.


Mitzi Brown, Secretary

**Resolution 18-12 for Economic Development Authority to Hold Closed Meeting Under
The Virginia Freedom Of Information Act**

Date of Adoption: May 21, 2018

Proposed by: Brown
Seconded by: Beck

Vote: Ayes: 7; Nays: 0

Resolved that the Economic Development Authority convene a closed meeting under the Virginia Freedom of Information Act in order to discuss:

Personnel – specific City officers, appointees, or employees, for the purpose of considering such person's assignment, appointment, promotion, performance, demotion, salary, disciplining, or resignation, under Virginia Code §2.2-3711.A.1

Real Property -

the acquisition of real property

for the purpose of discussing acquisition of real property for a public purpose, specifically, the expansion of an existing recreation facility, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Economic Development Authority, under Virginia Code 2.2-3711(A)(3).

the disposition of publicly held real property,

Business Development -

the expansion or development of a business,

for the purpose of discussion or consideration of records excluded from FOIA pursuant to subdivision 3 of Virginia Code §2.2-3705.6, the discussion or consideration of which records may be held in a closed meeting under subsection A.40 of Virginia Code §2.2-3711, which records are confidential proprietary records, voluntarily provided by a private business pursuant to a promise of confidentiality requested by the private business and granted by a public body, to-wit: Economic Development Authority, used by the City for business development, to-wit: relating to the consideration of a loan to aid in the development of a real estate project in the City of Fredericksburg, Va. and the discussion and consideration of memoranda, working papers or other records, to-wit: a financial analysis, relating to the foregoing private business that is considering locating in Virginia, which financial analysis was prepared by such public body, where competition or bargaining is involved and where, if such records are made public, the financial interest of the public body would be adversely affected.

Legal Matters -

actual litigation specifically, _____

_____ with legal counsel, where such consultation in open session would adversely affect the negotiating or litigating posture of the Economic Development Authority, **OR**

probable litigation with legal counsel, staff, or consultants, where (1) litigation has been specifically threatened or on which the Economic Development Authority or its counsel has a reasonable basis to believe will be commenced by or against a known party, and (2) such consultation in open session would adversely affect the negotiating or litigating posture of the Economic Development Authority, **OR**

legal matters, _____, with counsel, where such matters require the provision of legal advice, under Virginia Code §2.2-3711.A.7.

Other – (Specify subject matter, purpose of discussion, and applicable Code Section)

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RESOLUTION 18-13 CERTIFICATION OF CLOSED EDA MEETING

IT IS HEREBY RESOLVED by the Economic Development Authority of the City of Fredericksburg, Virginia, as follows:

WHEREAS, the Authority has convened a closed meeting under Virginia Code §2.2-3711.A.40, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D of the Code of Virginia requires a certification by this Authority that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law (Chapter 37 of Title 2.2) were heard, discussed or considered in such closed meeting, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting by the Authority.

Date of Adoption: May 14, 2018

AYES: 7

NAYS: 0

CERTIFICATION:

Secretary's Certificate

I, the undersigned, certify that I am the Secretary for the Economic Development Authority of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution 18-13 duly adopted at a meeting of the Economic Development Authority held on May 21, 2018, at which a quorum was present and voted.

Given under my hand and the official seal of the Economic Development Authority of the City of Fredericksburg, Virginia.

Date: June 11, 2018


Secretary, EDA

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RESOLUTION NO. 18-14 REGULAR EDA MEETING

Proposal by: Beck
Seconded By: Black

RE: Loan to Liberty Place Partners, LLC

WHEREAS, Liberty Place Partners, LLC (the Developer”) proposes to build an office condominium in the City block bordered by William, Winchester, Amelia and Douglas Streets and presented to the EDA their floor plans and financing (the “Project”), and

WHEREAS, the building will include much needed public parking for this area of the City, and

WHEREAS, the Developer has requested an eighteen-month bridge loan from the EDA which constitutes additional equity which the Developer’s primary first trust lender requires, and

WHEREAS, the Developer has presented to the EDA a “Loan Agreement and Promissory Note” and the EDA has prepared a “Term Sheet” setting forth modifications and other terms to be included in the final loan documents before disbursing the EDA’s funds to the Developer’s lender to be disbursed as draws by the Developer’s lender,

NOW, THEREFORE, RESOLVED, that the EDA hereby agrees to make a loan to the Developer in the amount of one million dollars and to enter into a revised loan agreement and a negotiable promissory note secured by a second deed of trust on the Project substantially as modified by the Term Sheet, all three of which preliminary documents shall be attached to the minutes of the EDA, subject to review and approval of final loan documents by the EDA chair, EDA secretary and legal counsel for the EDA, and authorizes and directs the EDA Chair, Robert Carter, and EDA Secretary, Mitzi Brown to take any and all action reasonably necessary to carry out the intent of this resolution on behalf of the EDA.

Date of Adoption: May 21, 2018

AYES: 7

NAYS: 0

CERTIFICATION:

Secretary’s Certificate

I, the undersigned, certify that I am the Secretary for the Economic Development Authority of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution 18-14 duly adopted at a meeting of the Economic Development Authority held on May 21, 2018, at which a quorum was present and voted.

Given under my hand and the official seal of the Economic Development Authority of the City of Fredericksburg, Virginia.

Date:

June 11, 2018

Mitzi Brown
Secretary, EDA