

FREDERICKSBURG
**ECONOMIC
DEVELOPMENT
AUTHORITY**

706 Caroline Street
Fredericksburg, VA 22401

(540) 372-1216
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ECONOMIC DEVELOPMENT AUTHORITY (EDA) MINUTES
September 11, 2023
8:30 a.m. • Regular Meeting
Executive Plaza, 601 Caroline St., Third Floor

The Economic Development Authority of the City of Fredericksburg, Virginia met in regular session on Monday, September 11, 2023 beginning at 8:30 a.m. at the Executive Plaza, 601 Caroline St., Third Floor.

EDA MEMBERS PRESENT. Will Mackintosh Chair, presiding. Beth Black, Suzy Stone, Mitzi Brown, Kevin Hughes, Anita Crossfield and Susan Richey.

ABSENT. None.

ALSO PRESENT. Micah Ecumenical Ministries: Meghann Cotter; **Fredericksburg Parent:** Leigh Anne Van Doren; **Public:** Dexter Mason; **Fredericksburg City Police:** Officer Monahan; **EDA Counsel:** Jackson Key; **Department of Economic Development and Tourism:** Bill Freehling, Director; Amy Peregoy, Economic Development Specialist; MC Morris, Assistant Director of Tourism; Victoria Matthews, Tourism Stadium and Sales Manager.

DETERMINATION OF QUORUM. Susan Richey.

AGENDA.

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

PUBLIC COMMENTS. Mr. Dexter Mason, owner of Dexter All in One, came before the board in regards to his InvestFXBG loan. He stated he appreciated the opportunity. He disclosed his payments have been overdue. The current default was due to theft. The default is being resolved. He apologized for the inconvenience. He gave an overview of his accounts receivable. Mr. Mason stated Ms. Peregoy has been amazing to work with during the loan payment process.

PRESENTATION. Jeremiah Community Presentation. Chair Mackintosh introduced Ms. Cotter. Ms. Cotter thanked the board. She discussed the following: downtown homelessness, low number of homeless compared to other cities, personal disabilities, costs, national monetary averages, support services, purpose resources, vocational rehabilitation, and catastrophic loss of relationships.

Ms. Black stated she feels the EDA can help solve a problem. There have been more conversations of the Micah Headquarters being relocated from downtown. As the board considers purchasing property or buildings take into consideration a better location for Micah to serve the population to include workforce development aspect.

Ms. Richey asked about customized employment. Ms. Cotter stated it is a strategy of a discovery process. Find out what the person likes to do and place them in the environment where there will be ideal conditions of employment.

Mr. Hughes stated the nexus of economic development and helping the homeless makes sense. He asked about grants. Ms. Cotter stated they apply for all grants and now new market tax credits for Jeremiah Community. Mr. Hughes asked about communication with local businesses and their participation. Ms. Cotter stated they continue to work with all businesses.

Chair Mackintosh thanked Ms. Cotter for the presentation.

CLOSED SESSION.

Ms. Richey moved for adoption of Resolution 23-13, the Economic Development Authority of the City of Fredericksburg, Virginia convene a closed meeting pursuant to Virginia Code 2.2-3711(A)(7) for the purpose of consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, specifically to discuss litigation for InvestFXBG loan default.

MOTION by Susan Richey, seconded by Beth Black: Ayes (7); Nays (0).

Where upon the members went into closed session.

Upon coming out of closed session.

MOTION by Susan Richey, to adopt Resolution 23-14, certifying the proper conduct of the closed session. Seconded by Beth Black: Ayes (7); Nays (0).

MOTION by Beth Black, seconded by Anita Crossfield, to continue good faith conversations with InvestFXBG loan recipient Dexter All In One and execute a settlement agreement in regards to loan default: Ayes (6); Nays (0); Abstain (1-Richey).

CLOSED SESSION.

Ms. Richey moved for adoption of Resolution 23-15, the Economic Development Authority of the City of Fredericksburg, Virginia convene a closed meeting pursuant to Virginia Code 2.2-3711(A)(6) for the purpose of discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, specifically for a sports tourism opportunity.

MOTION by Susan Richey, seconded by Mitzi Brown: Ayes (7); Nays (0).

Where upon the members went into closed session.

Upon coming out of closed session.

MOTION by Susan Richey, to adopt Resolution 23-16, certifying the proper conduct of the closed session. Seconded by Suzy Stone: Ayes (7); Nays (0).

MOTION by Beth Black, seconded by Suzy Stone, to authorize the Chair to pursue discussions and finalize an agreement with a sports team with a portion of concession sales to the EDA and require the team to make three social media posts that promote Fredericksburg, VA: Ayes (7); Nays (0).

APPROVAL OF MINUTES.

MOTION by Mitzi Brown, seconded by Susan Richey the minutes from the June 12, 2023 regular meeting and the minutes from the June 30, 2023 special meeting were approved: Ayes (5); Nays (0); Abstain (2-Hughes, Crossfield).

TREASURER'S REPORT. Ms. Black reviewed the June & July activity. The budgets and financial statements will be filed with the minutes.

OLD BUSINESS. Visitor Center Discussion. Mr. Freehling stated things are moving forward with the purchaser. During the due diligence it was discovered in the 1940s-1960s an auto repair and dry cleaner were located on the Visitor Center Parking lot. A Phase II Environmental Site Assessment is required to test the soil for contaminants. The purchaser requested the EDA pay \$11,951. A proposal has been accepted by the purchaser to move the closing to January 8, 2024 to recover the cost. A contract amendment will be drafted to extend the closing date.

MOTION by Beth Black, seconded by Kevin Hughes to extend the closing date and amend the agreement for the sale of the Visitor Center to cover the Phase II Environmental Study and authorize the Chair to execute the agreement: Ayes (6); Nays (0); Abstain (1-Stone).

NEW BUSINESS.

a. UMW Corporate Sponsorship Agreement – Mr. Freehling stated the sports tourism investment agreement has been reviewed by staff, the tourism committee and legal counsel.

MOTION by Susan Richey, seconded by Beth Black, to authorize the Chair to execute the corporate sponsorship agreement with the University of Mary Washington: Ayes (7); Nays (0).

b. Freedom of Information Act, Conflict of Interest Act & Committee Reviews – Mr. Key reviewed requirements of the board in regards to FOIA, COIA and committee reviews. There was a brief discussion regarding current committees.

c. Grant Program – Chair Mackintosh noted Ms. Peregoy drafted the grant program from former programs and meet with board members. Chair Mackintosh made edits to the final draft.

Ms. Brown requested the contact information be changed to Grants Administrator.

Ms. Richey asked Mr. Key if he reviewed the final draft of the program. Mr. Key stated he has not reviewed this last draft.

Ms. Black stated there needs to be a division of what the EDA does and what the city states the EDA can do which has been made clear with this program

Ms. Richey stated to maintain the EDA is not an arm of the city.

The board thanked Ms. Peregoy.

MOTION by Mitzi Brown, seconded by Beth Black, to formally adopt the grant program as presented with the recommended change of contact to Grants Administrator and authorize the Chair to work with Ms. Peregoy to create a grant application form from the program document: Ayes (7); Nays (0).

COMMITTEE REPORTS

a. Parking Improvement Committee – Meeting postponed.

b. Strategic Investments Committee – No update.

c. Workforce Development Committee – Ms. Richey stated a meeting is scheduled with UMW to discuss workforce projects.

d. InvestFXBG Loan Committee – No update.

e. City Relations Committee – Chair Mackintosh reported a recent meeting with Mayor Greenlaw, Dr. Duffy, Mr. Baroody, Mr. Freehling, Ms. Morris and Ms. Peregoy. The meeting was an overall discussion on economic development.

f. Tourism Committee – No update.

g. Main Street Committee – Ms. Brown informed the board Chris Allen is the interim executive director. He is doing a phenomenal job very energetic and catching up. He is working very hard and bringing new initiatives.

STAFF REPORT. Mr. Freehling discussed the following: Economic Development breakfast is tomorrow morning, good progress on the EDT office and Visitor Center with reports to City Council and the Planning Commission.

CHAIR'S REPORT. Chair Mackintosh would like the EDA to consider hiring hourly assistance for Ms. Peregoy. The funding request is \$5,000 a year. Ms. Peregoy will hire and supervise this person.

MOTION by Beth Black, seconded by Kevin Hughes, to allocate \$500 a month for a new part-time position devoted to the needs of the EDA: Ayes (7); Nays (0).

Chair Mackintosh noted he received a phone call last week from Ernisha Hall. Ms. Hall is applying for a grant from Go Virginia. Support is needed for the Virginia Black Chamber of Commerce's EBE Accelerator Pilot Program. Chair Mackintosh understands there is not a financial match. A letter of support and a board member would be on the advisory board. Mr. Hughes volunteered.

MOTION by Beth Black, seconded by Susan Richey, to authorize the Chair to execute the letter with the following changes: eliminate first three bullet points and add the Economic Development Authority pledges to function in an advisory capacity helping to achieve development and implementation of EBE Accelerator Pilot Program: Ayes (7); Nays (0).

BOARD MEMBERS COMMENTS. Ms. Black mentioned she has attended two meeting of the Renwick Working Group. There is nothing official on paper so this is not official word, but the project could be \$25M.

ADJOURNMENT. There being no further business to come before the Economic Development Authority at this time, Chair Mackintosh declared the meeting officially adjourned at 11:32 a.m.


Susan Richey, Secretary

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RESOLUTION 23-13
CERTIFICATION OF CLOSED ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF FREDERICKSBURG, VIRGINIA MEETING

Proposed by: Richey

Seconded by: Black

RE: RESOLUTION 23-13 FOR THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF FREDERICKSBURG, VIRGINIA TO CONVENE A CLOSED MEETING UNDER THE VIRGINIA FREEDOM OF INFORMATION ACT TO CONSULT WITH LEGAL COUNSEL PERTAINING TO LITIGATION FOR INVESTFXBG LOAN DEFAULT.

WHEREAS, the Virginia Freedom of Information Act authorizes public bodies to hold closed meetings for certain limited purposes.

NOW THEREFORE, BE IT RESOLVED that the Economic Development Authority of the City of Fredericksburg, Virginia convene a closed meeting pursuant to Virginia Code 2.2-3711(A)(7) for the purpose of consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body, specifically to discuss litigation for InvestFXBG loan default.

DATE OF ADOPTION: September 11, 2023

VOTE: AYES: 7 NAYS: 0

CERTIFICATION:

Secretary's Certificate

I, the undersigned, certify that I am the Secretary of the Economic Development Authority City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 23-13 duly adopted at a meeting of the Economic Development Authority meeting held September 11, 2023, at which a quorum was present and voted.

Date: 10/09/23

Susan Richey
Secretary, Economic Development Authority
of the City of Fredericksburg, Virginia

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RESOLUTION 23-14
CERTIFICATION OF CLOSED ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF FREDERICKSBURG, VIRGINIA MEETING

Proposed by: Richey

Seconded by: Black

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

WHEREAS, the Economic Development Authority of the City of Fredericksburg, Virginia has this date convened a closed meeting under Virginia Code 2.2-3711(A)(7), pursuant to an affirmative recorded vote adopting **Resolution 23-14** 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 Economic Development Authority of the City of Fredericksburg, Virginia 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: September 11, 2023

VOTE: 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 23-14 duly adopted at a meeting of the Economic Development Authority held on September 11, 2023, 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: 10/09/23

Susan Richey
Secretary, Economic Development Authority of the
City of Fredericksburg, Virginia

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RESOLUTION 23-15
CERTIFICATION OF CLOSED ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF FREDERICKSBURG, VIRGINIA MEETING

Proposed by: Richey

Seconded by: Brown

RE: RESOLUTION 23-15 FOR ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF FREDERICKSBURG, VIRGINIA TO CONVENE A CLOSED
MEETING UNDER THE VIRGINIA FREEDOM OF INFORMATION ACT TO
DISCUSS AND CONSIDER INVESTMENT OF PUBLIC FUNDS FOR SPORTS
TOURISM OPPORTUNITY.

WHEREAS, the Virginia Freedom of Information Act authorizes public bodies to hold closed meetings for certain limited purposes.

NOW THEREFORE, BE IT RESOLVED that the Economic Development Authority of the City of Fredericksburg, Virginia convene a closed meeting pursuant to Virginia Code 2.2-3711(A)(6) for the purpose of discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, specifically for a sports tourism opportunity.

DATE OF ADOPTION: September 11, 2023

VOTE: AYES: 7 NAYS: 0

CERTIFICATION:

Secretary's Certificate

I, the undersigned, certify that I am the Secretary of the Economic Development Authority City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 23-15 duly adopted at a meeting of the Economic Development Authority meeting held September 11, 2023, at which a quorum was present and voted.

Date: 10/09/23

Susan Richey
Secretary, Economic Development Authority
of the City of Fredericksburg, Virginia

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RESOLUTION 23-16
CERTIFICATION OF CLOSED ECONOMIC DEVELOPMENT AUTHORITY OF THE
CITY OF FREDERICKSBURG, VIRGINIA MEETING

Proposed by: Richey

Seconded by: Stone

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

WHEREAS, the Economic Development Authority of the City of Fredericksburg, Virginia has this date convened a closed meeting under Virginia Code 2.2-3711(A)(6), pursuant to an affirmative recorded vote adopting **Resolution 23-16** 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;

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DATE OF ADOPTION: September 11, 2023

VOTE: AYES: 7 NAYS: 0

CERTIFICATION:

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

Date: 10/09/23

Susan Richey
Secretary, Economic Development Authority of the
City of Fredericksburg, Virginia