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DEVELOPMENT
AUTHORITY

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ECONOMIC DEVELOPMENT AUTHORITY MINUTES (EDA)

May 11, 2020

8:30 a.m. • EDA Special E-Meeting
City Hall, City Council Chambers
715 Princess Anne St.
Fredericksburg, VA

The Economic Development Authority of the City of Fredericksburg, Virginia met in regular session on Monday, May 11, 2020 beginning at 8:30 a.m. in City Council Chambers at City Hall.

Chair Black read the following statement, this meeting is being held electronically by telephone, pursuant to City Council Ordinance 20-05, an Ordinance to Address Continuity of City Government during the pendency of a Pandemic Disaster.

EDA MEMBERS PRESENT. Beth Black Chair, presiding. Will Mackintosh (late), Lee Murray, Suzy Stone, Mitzi Brown, Bill Beck and Chris Waller.

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 Bill Beck, seconded by Lee Murray, the agenda was approved by roll-call vote: Ayes (6); Nays (0); Absent from Meeting (1).

PUBLIC COMMENTS. Chair Black asked Ms. Peregoy if there were any public comments submitted prior to today's meeting via the instructions on the published agenda. Ms. Peregoy stated, no public comments were received.

APPROVAL OF MINUTES.

MOTION by Bill Beck, seconded by Chris Waller the minutes from the March 9, 2020 regular meeting, March 23, 2020 special meeting and April 13, 2020 regular meeting were approved: Ayes (6); Nays (0); Absent from Meeting (1).

TREASURER'S REPORT. Mr. Murray presented the April 2020 budget and financial statement. Mr. Murray reviewed line items noting budget cuts were made for the COVID-19 grant program. Filed with the minutes.

OLD BUSINESS. EDA Grant Taskforce Update – Ms. Brown presented an overall update on the second round of the COVID-19 Emergency Grant Program. After businesses became compliant with the City of Fredericksburg, 24 grants were approved under the same criteria and scoring. Additional funding for a total of \$51,600 is required.

MOTION by Lee Murray, seconded by Bill Beck, the board approved to allocate \$51,600 for the additional 24 grants by roll-call vote: Ayes (6); Nays (0); Absent from Meeting (1).

Mr. Mackintosh joined the meeting.

NEW BUSINESS. EDA Board Nomination Committee. Chair Black stated in June new officers would be elected therefore an EDA Board Nomination Committee will present a Slate of Officers to the board. Mitzi Brown and Bill Beck accepted.

COMMITTEE REPORTS.

- a. **Parking Improvement Committee** – Mr. Beck noted Mr. Fawcett sent a letter stating he had spoken with Ann Glave of Fredericksburg VA Main Street regarding designating temporary parking for curb-side pick-up.
- b. **Branding Committee** – No update.
- c. **Strategic Investments Committee** – No update.
- d. **Workforce Development Committee** – Ms. Brown requested Ms. Freeman update the board during Staff Report.
- e. **Loan Committee** – Mr. Waller reported three applications are in process. The first application is pending for further information from the borrower. The second application was denied. The third application has entered underwriting.
- f. **Chatham Bridge Rehab Committee** – No update.

STAFF REPORT. Mr. Freehling mentioned the next steps for the COVID-19 relief efforts. Mr. Freehling prefers the discussion take place during Board Member Comments. Ms. Freeman gave background per Ms. Brown's request on Workforce Development with virtual reality training center for K-12 and businesses, a call with the CEO of EON has not been scheduled. Germanna Community College (GCC) held a virtual meeting. GCC will most likely not be opening in the Fall but will host Workforce Training in smaller numbers, 5 or less and help provide students with apprenticeships with businesses. Chmura will be completing a revised analysis on the impact of COVID with a phased reopening. Regional effort to explore a partnership for City K-12 to have hands on experiences, "hands on learning" scheduled for next year. A new technology recycling business will provide 50-100 jobs in the Industrial Park with an application coming before the Planning Commission and Public Meetings in June.

CHAIR'S REPORT. Chair Black stated the strength of the City and its citizens is remarkable. To City Manager Baroody, members of Council and all City Staff your leadership is an example for the entire Commonwealth. This community has heard its stories of city staffers offering to give up their hours and their pay to protect the jobs of their co-workers during the furlough. That is a tremendous statement about the belief in your leadership and their commitment to push this City forward. And to the EDT, we know emotions are high and temperatures are short particularly when dealing with the awarding of grants. To members of this office especially Ms. Peregoy we know there is incredible pressure put on you and we thank you for your commitment to the EDA's emergency grant program.

BOARD MEMBERS COMMENTS. Mr. Mackintosh stated a large transformational investment in the City's economy for the next round. He understands there has been some discussion with the City giving the EDA the

Visitor Center property for \$750,000 to lease back for a \$1 per year for 5 years. The EDA would sell it in order to recoup the investment. This crisis can make a transformational change in the City's economy.

Mr. Murray stated the City Council would agree to deed the property for \$750,000 for COVID-19 grants to businesses. It is a dead asset. It can be turned liquid and go to the businesses quickly. Neat idea which is a win win across the board. The biggest stumbling block with different individuals and where he needs your help with this hurdle, how this money can be advocated? Not handing out checks as before but thinking outside the box. An idea is to have a gift card program for 22401. A match, with the purchase of \$100 you get \$150 with the EDA subsidizing \$50 to keep business open. We need to think of other ideas. Good opportunity for EDA and City to potentially help businesses keep their doors open. It would mean tax revenue for the City as well.

Chair Black agreed the tax revenue is critical for the City.

Ms. Brown stated the curve of the recovery is not yet known. Emergency grant programs 1.0 and 1.5 are complete but 2.0 is needed in a transformative way. City Council should pull together on this with the EDA and become creative. Explore all opportunities.

Ms. Waller stated to give the gift cards a catchy name such as Fred Bucks. The program will have merit if it helps businesses and the City. He offered assistance with the structure and to market the program.

Ms. Stone stated she is all for it in some capacity.

Mr. Beck stated the gift card program would be terrific. To state the Visitor Center is a dead asset is alarming. He never objected to moving the Visitor Center. He does object to the City giving it away without a plan. It can be a transformative part of history if it is done in conjunction with a positive plan. The City should not move away from tourism.

Mr. Murray stated the dead asset term is his accounting term. This plan has nothing to do with the operations of the Visitor Center.

Mr. Beck stated it would be the perception of businesses and citizens of the City moving away from its tourism efforts. It needs to be a clear plan in conjunction with other efforts.

Mr. Mackintosh echoed what Ms. Brown stated. He does have hesitations with spending all of the funds now. Keep the powder dry. We don't want the financial resources to be exhausted if needed later. Mr. Mackintosh asked Chair Black what her vision is moving forward.

Chair Black stated this EDA is creative and has to be willing to pivot with businesses. A new way to move forward. Our normal from before no longer exists. What are we going to do to shake it up and survive? There are big questions. We are exactly the right board to pivot and come up with creative ideas. It is not going to be easy. It will take long hours. We can figure this out with more sub-committees and jump right back in. We are going to grow and survive, it is what we do.

ADJOURNMENT. There being no further business to come before the Economic Development Authority at this time, Chair Black declared the meeting officially adjourned at 9:10 a.m.


Mitzi Brown, Secretary