

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE TOWN OF FRONT ROYAL & COUNTY OF WARREN,
VIRGINIA dba ECONOMIC DEVELOPMENT AUTHORITY (EDA)**

At a regular meeting of the Board of Directors of the Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia, dba Economic Development Authority held on Friday, May 19, 2023, at 8:30 AM at the Warren County Government Center, Caucus Room, 220 N. Commerce Avenue, Front Royal, VA 22630, and streamed online.

Call to Order:

Prior to roll call, Mr. Ashworth stated that he is attending remotely from Delaware while on vacation. There were no objections to his remote participation. Mr. Jenkins further stated that Mr. MacDougall will be arriving shortly.

Mr. Jenkins called the meeting to order with the following roll call:

Jenkins, present; Walter, present; Townshend, present; Martin, present; Wolfe, here, Ashworth, present. Ms. Vicky Cook was also in attendance.

Approval of Agenda:

Mr. Petty recommended that the approval of Minutes be delayed to the next meeting due to delays, there were no objections.

On a motion by Mr. Wolfe, seconded by Mr. Townshend, and the following vote, the agenda was adopted as amended.

Jenkins, Aye; Walter, Aye; Townshend, Aye; Martin, Aye; Wolfe, Aye; Ashworth, Aye.

Reports:

- **Executive Committee:** Mr. Jenkins stated that he had no executive report that could be discussed in open session.
- **Avtex Ad Hoc Update:** Ms. Martin stated that Ms. Pandak will have a meeting with the EPA on May 19th and discussion of an easement will be discussed in closed session, and still moving forward to the June 30th date for transfer to the County.
- **EDA Office Records and Re-location:** Mr. Walter stated that they are waiting for the tenant to decide what they want and what will be conveyed in the lease and will move forward from there.
- **Asset Committee Report:** Ms. Martin stated that because they had two members who were remote, they were unable by law to have their meeting on May 18th. Parties were notified and they intend to reschedule.

Mr. MacDougall joined the meeting remote at this time and announced that he is attending from Ghana on a work trip for the next few days. There were no objections to him presenting remotely.

- **Finance Committee:** Mr. Wolfe did not have anything specific to present but stated he has worked with Mr. Petty on financials and the small business loan committee is scheduled to meet the following Tuesday. Mr. Petty then stated that the current schedule is structured for the small business loan committee is to meet every two weeks, finalizing the application detail, and seeking USDA approval, and the hope is to have applications out in the public by July 1st.

Mr. Walter asked for clarification if one member of the EDA Board attends the meetings for the Small Business loan advisory committee meeting, that does not constitute a Small Business loan committee meeting. Ms. Pandak stated that if only one EDA Board member is there then does not make it a proper meeting, and they can meet without the EDA.

Mr. Walter then asked about the process for how the EDA makes decisions based on the advisory committee's recommendations. Mr. Wolfe stated that he liked the idea of having one of the advisory committee members come to the EDA Board to avoid the middle step and streamline the process. Mr. Jenkins echoed Mr. Wolfe's idea of having a committee member attend the EDA meetings, and he also expects loan committee members to be much more familiar with the applicant and their business than the remaining members.

Mr. Petty then presented a screenshot of the most up to date tracking spreadsheet and will meet with Finance in the upcoming week to work on the year end close out. And stated that by next month there will be a more detailed look at the revenue and expenditures for the year end close. Mr. Wolfe asked if this information has been shared with any members of the press so that people can see the dollar figure for recoveries. Mr. Petty stated that he has received emails from the press and will share the financial information at the end of the meeting and redact any information that may be confidential. Mr. Wolfe stated that there are 17.5 million dollars that have been recovered or are in recovery in the appeals process and emphasized the importance of letting the public know of said recoveries through the lawsuit process.

Mr. Jenkins asked about the interest income for the RBEL/IRP loans and why it comes out as a negative total. Mr. Petty stated that he is unsure as to why it shows as a negative and believes that the Finance Department has been working on the information for the new budget but it is not a negative dollar amount.

Mr. Walter asked, from the General Ledger, if the electronic service/water/sewer/utilities etc. were all from Kendrick Lane. Mr. Petty stated that it is cumulative total from other properties.

Board Member Updates:

Ms. Martin stated that on June 1st from 10:00 AM to 12:00 PM there is the Workforce Development program at the Community Center and Mr. Petty has met with Blue Ridge Technical, Shenandoah University, Laurel Ridge etc.

Mr. Jenkins asked if there was an estimate of how many people are attending. Mr. Petty stated that he spoke to the Chamber of Commerce and Laurel Ridge about doing some cross promotion as well as working with County Social Media.

Mr. Townshend stated that he saw an article in the 'Royal Examiner' that advertised applications for the Front Royal EDA, and asked what interactions if any the EDA has with the Town counterpart. Mr. Jenkins stated that when they were established, the EDA reached out with an offer to coordinate and try to develop some mutual ground rules to conduct Economic Development. They are currently not up and running and have not gotten passed approval of their by-laws etc. However, if the time comes that they do get up and running then the same offer will be presented again.

Old Business:

Mr. Jenkins stated that the MOU between the EDA and the County for Support Services; a revised draft was provided back on Monday and he asked Mr. Petty if there was a timeline to receive a finalized copy back from the County to be presented. Mr. Petty stated that they are working on staff comments as of now and will be sent to legal once that is completed.

Mr. Jenkins looked for a 'head nod' that if MOU feedback was given within the next two weeks, a special meeting would be called to review the final draft for approval or defer to the June meeting. Mr. Townshend opted for deferment due to upcoming business travels. Mr. Ashworth opted for the special meeting to get the process moving and give more time to make any final adjustments before the June meeting. Mr. MacDougall opted for the special meeting to expedite the process as well.

New Business:

Mr. Jenkins spoke regarding the Support Agreement, which is an annual statement of the EDA's continued support for the Loan Agreement and the bank for the outstanding loans with First Bank and Trust. The Board members commented that it was not in the meeting packet and due to the board not being able to properly review the agreement, there was no vote at this time, and it will be discussed in the June meeting.

Closed Session:

Ms. Pandak read the meeting into closed session at 9:23 AM. On a motion made by Ms. Martin, seconded by Mr. Townshend, and the following vote, the meeting went into closed session.

Jenkins, Aye; Walter, Aye; Townshend, Aye; MacDougall, Aye; Ashworth, Aye; Martin, Aye; Wolfe, Aye

- A. 2 matters - Discussion of disposition of publicly held real property where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, Stephens Industrial Park, Avtex redevelopment, and legal advice related thereto, pursuant to Va. Code § 2.2-3711.A.3 and 8.
- B. 2 matters - Consultation with legal counsel 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, EDA vs Jennifer McDonald et al, EDA v. Town of Front Royal et al, pursuant to Va. Code § 2.2-3711.A.37 and 8.

Ms. Pandak read the meeting out of closed session at 12:11PM. On a motion by Mr. Wolfe, seconded by Mr. Walter and the following vote, the Board certified and exited closed session:

Jenkins, Aye; Walter, Aye; Townshend, Aye; MacDougall, Aye; Ashworth, Aye; Martin, Aye; Wolfe, Aye

Adjournment:

On a motion by Mr. Townshend, seconded by Mr. Walter, and the following vote, the meeting was adjourned at 12:12 PM