

MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
| THURSDAY, JUNE 3, 2021 |

A meeting of the Frederick County Economic Development Authority was held on Thursday, June 3, 2021, at 8:00A.M. in the County Administration Building, Board of Supervisors Room, 107 North Kent Street, Winchester, Virginia.

PRESENT: Judy McCann-Slaughter, Bryan Fairbanks, Stan Crockett, Susan Brooks and Heather McKay. Rick Till participated by phone from home for a medical reason and Doug Rinker participated by phone for a personal reason (out of town). Board members present approved their remote participation.

STAFF: Patrick Barker, Allison Dongoski and Donna McIlwee, Frederick County Economic Development Authority; Jay Tibbs, Deputy County Administrator; and Michael Bryan, Attorney

MEETING CALLED TO ORDER: Vice Chairman McKay called the meeting to order at 8:00 a.m.

APPROVAL OF MINUTES

The minutes from the May 6, 2021, meeting were presented.

On motion of Mr. Rinker and seconded by Ms. Brooks, the minutes were approved by the following recorded vote:

| | |
|-----------------------|-------------------------------------|
| J. Stanley Crockett | Aye |
| Susan Brooks | Aye |
| Bryan Fairbanks | Abstain (due to absence at meeting) |
| Heather McKay | Aye |
| Doug Rinker | Aye |
| Judy McCann-Slaughter | Aye |
| Rick Till | Aye |

TREASURER'S REPORT

Mr. Barker submitted the following reports:

Checking Account - Bank of Clarke County as of April 30, 2021 - \$133,885.29
Savings Account - Scott & Stringfellow as of April 30, 2021 - \$1,295,158.35

On motion of Ms. McCann-Slaughter, seconded by Mr. Rinker, the Treasurer's Report was approved by the following recorded vote:

| | |
|-----------------------|-----|
| J. Stanley Crockett | Aye |
| Susan Brooks | Aye |
| Bryan Fairbanks | Aye |
| Heather McKay | Aye |
| Doug Rinker | Aye |
| Judy McCann-Slaughter | Aye |
| Rick Till | Aye |

Mr. Tibbs stated other investment options for the Scott & Stringfellow account are being explored as requested.

THE VILLAGE AT ORCHARD RIDGE, INC. MODIFICATION OF EXISTING EDA ISSUED DEBT

Mr. Barker explained the EDA has the authority to issue revenue bonds to be used in financing the acquisition, construction or equipping of various types of facilities, which in order to qualify, must be a non-profit 501(c)(3) entity or a for-profit "manufacturing facility" as defined by the Internal Revenue Code. The Village at Orchard Ridge construction project was originally financed in December 2014 with approximately \$67,835,000 of tax-exempt bonds. The Village at Orchard Ridge intends to reduce the interest rate on the outstanding balance of the Series 2014A Bonds (\$34.7M) from 6.25% to 6% while, at the same time, extending the final maturity by 5 years from 2044 to 2049. They also intend to reduce the spread on the 10-year MMD interest rate reset value from 500 bps to +320 bps for the remaining amount of Series 2014B Bonds (\$9.4M) while, at the same time, extend the final maturity by 5 years from 2044 to 2049. Existing bondholders would receive an increase in the call protection by 5 years from what is currently included in the bond documents. Both TVOR and its residents will benefit from reduced interest expense over the remaining life of the Series 2014A and 2014B Bonds.

He then introduced Mike Meza, CFO, The Village at Orchard Ridge, and Rick Graff, McGuire Wood, Bond Counsel. Mr. Graff explained the bonds are conduit revenue bonds, which means the EDA only serves as a pass through and has no liability.

Vice Chairman McKay then opened the Public Hearing for modification to existing Series 2014 Bonds for public comment. There were none. The Public Hearing was then declared closed.

Mr. Fairbanks made a motion to accept the modification as presented and to adopt the Resolution of the Economic Development Authority of the County of Frederick, Virginia, approving modifications to the terms of its residential care facility revenue bonds (The Village at Orchard Ridge, Inc.) Series 2014. Motion was seconded by Mr. Crockett and approved by the following recorded vote:



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|-----------------------|-----|
| J. Stanley Crockett | Aye |
| Susan Brooks | Aye |
| Bryan Fairbanks | Aye |
| Heather McKay | Aye |
| Doug Rinker | Aye |
| Judy McCann-Slaughter | Aye |
| Rick Till | Aye |

Related documents are attached to these minutes.

EDA STRATEGY 2021-2022

Mr. Barker stated a summary of responses to several strategic questions presented to EDA Board members at the May meeting were distributed for review. Based on those responses, staff is seeking feedback as to any suggested revisions to the EDA's current mission and main goals as outlined below:

Mission

The EDA's mission is to facilitate economic development efforts for Frederick County through the retention, expansion and attraction of businesses that create high quality jobs and new capital investment resulting in Frederick County as a premier business location and enhancing the quality of life for its citizens.

Main Goals

1. Address current and projected workforce needs by engaging the talent in Frederick County and greater community encouraging their retention and attraction.
2. Enhance Frederick County's business environment to ensure new growth is fostered and existing businesses prosper and make businesses aware of supporting resources.
3. Conduct strategic and measured business attraction efforts to expand the commercial and industrial base and create quality jobs for all citizens.
4. Foster and maintain a pro-business climate by enhancing critical assets and employing business-friendly policies and procedures.

Mr. Rinker stated he felt the exercise at the May meeting was an effective way to educate Board members and make sure we are doing what should be done.

All present agreed the Mission and Main Goals encompass everything we want to do and the direction we have received from the BOS. Both should remain as presented.

VIRGINIA TOURISM CORPORATION'S SPONSORSHIP AGREEMENT FOR THE NORTHERN SHENANDOAH VALLEY'S TALENT STRATEGY MARKETING FUNDS



Mr. Barker explained the Frederick County EDA formed a partnership with other northern Shenandoah Valley localities named Shenandoah Valley Talent Solution Coalition, which previously engaged Development Counsellors International (DCI) to develop a comprehensive talent solutions strategy focused on job seekers, university and community college graduates, and high school students. Based on their research, DCI recommended a strategy including 8+ major marketing tactics, one of which included investment in paid digital and social advertising to reach target audiences. Working with the Coalition, EDA staff applied for and received a competitive grant in the amount of \$10,000 from the Virginia Tourism Corporation's Marketing Leverage Grant program. EDA Project Specialist, Allison Dongoski, has proposed the funding go to a 6-month digital and social media campaign. In order to receive the funds, a sponsorship agreement must be executed with the Virginia Tourism Corporation. Staff is seeking the EDA Board's approval of the agreement and authorization to sign. Mr. Barker also stated that some revisions to the agreement had been received from Mr. Bryan since a copy was distributed to Board members.

Ms. McCann-Slaughter asked Mr. Bryan if there was a need to change the verbiage "date of payment" shown in #4 of the agreement. She also stated this would be a wonderful opportunity to expose summer interns working here, but not living in the area, to what the area offers in hope of attracting them back here permanently. One idea is to have a group activity just for interns. Mr. Barker stated it may be hard to determine where they are working but he will discuss with Ms. Michaels to see how they might be identified.

Ms. Brooks suggested a social media contest for summer interns where they show what they are doing on weekends and share pictures. A prize, such as a free dinner, could be offered as an incentive to participate.

Mr. Fairbanks inquired if the area for targeted audiences will go into West Virginia or just cover the Shenandoah Valley. Ms. Dongoski stated multiple audiences will be targeted.

Mr. Rinker made a motion to execute and sign the Agreement with changes to the verbiage "date of payment" as shown in #4 and the word "material" inserted back into #5. Motion was seconded by Ms. Brooks and approved by the following recorded vote:

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|-----------------------|-----|
| J. Stanley Crockett | Aye |
| Susan Brooks | Aye |
| Bryan Fairbanks | Aye |
| Heather McKay | Aye |
| Doug Rinker | Aye |
| Judy McCann-Slaughter | Aye |
| Rick Till | Aye |



GROCERY STORE ATTRACTION

Mr. Barker stated that, at the May meeting, the EDA Board directed staff to develop and execute a campaign to encourage additional grocery stores to locate in Frederick County. He reported that, over the past month, staff had taken steps towards the creation of this campaign by developing a list of grocery stores to contact, discussing the subject with retail brokers to gain insight into the industry's site location process, identified potential locations in Frederick County, acquired prime demographic information around those locations, developed a letter of introduction and supporting materials for each potential site, and acquired prime demographic information for next closest location of the targeted stores. Staff is seeking feedback on the proposed master list of grocery stores, the proposed Frederick County locations, opening letter and supporting materials. Any suggested revisions will be incorporated with a target date of mid-June for the first mailing. Phone and email outreach will occur approximately one week after the mailing.

After some discussion, it was agreed to add Renaissance Blvd. to the list of Frederick County locations.

Mr. Fairbanks stated he has a good relationship with Albertsons and will attempt to get a contact name and address.

All agreed the proposed letter and supporting material for each location were good and Mr. Barker was directed to proceed.

ADJOURN

There being no further business to come before this Authority, the meeting was adjourned at 9:00 a.m.

Heather McKay
Vice Chairman

Jay Tibbs
Secretary

