

ECONOMIC DEVELOPMENT AUTHORITY
OF THE
CITY OF MANASSAS
SPECIAL MEETING
July 7, 2020

DETERMINATION OF QUORUM

MEMBERS PRESENT:

Mark T. Olsen, Chairman
Gary Jones, II, Vice-Chairman
Denise Harrover
Thomas O. Murphy
Scott Hepburn, Treasurer

Theresa Coates Ellis, Council Liaison
W. Patrick Pate, City Manager, *ex-officio*
Patrick J. Small, ED Director, *ex-officio*

MEMBERS ABSENT:

Miguel Pires, Secretary
Sheryl Bass

OTHERS PRESENT:

Olaun Simmons, Legal Counsel

Chairman Mark Olsen called the meeting to order at 7:30PM. The meeting opened with an Invocation and the Pledge of Allegiance. A quorum was present.

MINUTES

Chairman Olsen presented the Minutes of the February 18 meeting and asked if there were any comments. Gary Jones made a motion to approve the February 18 minutes which was seconded by Scott Hepburn. There being no discussion Chairman Olsen asked Vice-Chairman Jones to call the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Chairman Olsen presented the Minutes of the April 28 meeting and asked if there were any comments. Gary Jones made a motion to approve the April 28 minutes which was

seconded by Scott Hepburn. There being no discussion Chairman Olsen asked Vice-Chairman Jones to call the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Chairman Olsen presented the Minutes of the May 23 meeting and asked if there were any comments. Gary Jones made a motion to approve the May 23 minutes which was seconded by Denise Harrover. There being no discussion Chairman Olsen asked Vice-Chairman Jones to call the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

FINANCIAL REPORTS

Scott Hepburn presented the City Treasurer's Reports and bank statement for February. He noted that the deposits included an interest payment in the amount of \$191.34 while the debits reflected a \$15.00 wire fee and an ending balance of \$690,030.01.

Gary Jones made a motion to accept the February City Treasurer's Report which was seconded by Denise Harrover. There being no further discussion Vice-Chairman Jones called the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Scott Hepburn presented the City Treasurer's Reports and bank statement for March. He noted that the deposits included an interest payment in the amount of \$201.48 and a quarterly payment from Buchanan for \$369,357.78 while the debits reflected transferring \$369,342.78 to the City and an ending balance of \$690,246.49.

Gary Jones made a motion to accept the March City Treasurer's Report which was seconded by Denise Harrover. There being no further discussion Vice-Chairman Jones called the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Scott Hepburn presented the City Treasurer's Reports and bank statement for April. He noted that the deposits included an interest payment in the amount of \$141.46 while the debits reflected a \$15.00 wire fee and an ending balance of \$690,372.95.

Gary Jones made a motion to accept the April City Treasurer's Report which was seconded by Denise Harrover. There being no further discussion Vice-Chairman Jones called the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Patrick Small presented the City Treasurer's Reports and bank statement for May stating they had not been included in the agenda package because of when they were received. He noted an interest payment in the amount of \$141.46 and a deposit of \$2,750.00 for an annual administrative fee on an outstanding IRB while the debits reflected a \$19,708.60 payment to the City for EDA expenses as approved at the prior meeting. He stated the ending balance was \$673,529.23.

Gary Jones made a motion to accept the May City Treasurer's Report which was seconded by Tom Murphy. There being no further discussion Vice-Chairman Jones called the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Scott Hepburn presented a balanced FY2021 Operating Budget in the amount of \$500,800.00. Mr. Small noted that \$440,000 of that was the anticipated CARES Act funds programmed for small business grants as well as a repayment to the EDA and HMI for the grants that were given in Historic Downtown for Rent Relief. There was some discussion about various line items before Vice-Chairman Jones made a motion to adopt the FY2021 Budget which was seconded by Denise Harrover. There being no further discussion Vice-Chairman Jones called the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

NEW BUSINESS

Chairman Olsen read the following Commendation recognizing Holmes Smith for his service to the EDA:

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INSERT COMMENDATION***

Chairman Olsen thanked Mr. Smith and presented him with a framed portrait of Liberia Plantation. Mr. Smith made some remarks, specifically expressing his gratitude for having been able to serve on the EDA and for the numerous people with whom he had served during his tenure.

Vice-Chairman Jones made a motion to adopt the Commendation which was seconded by Scott Hepburn with a minor amendment reflecting that when Mr. Smith first joined the EDA, Manassas was a Town and not a City. There being no further discussion Chairman Olsen asked the Vice-Chairman to call the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

OLD BUSINESS

Patrick Small presented a Cooperation Agreement for Small Business Relief Programs Using Cares Act Funds which had already been adopted by City Council. He noted that the Agreement contemplated transferring up to \$400,000 to make small business grants but that if less money was needed then the lesser amount would prevail. He also stated a lesser amount would effectively reduce the EDA budget but that no other action on the budget would be needed. Denise Harrover made a motion to adopt the Agreement which was seconded by Scott Hepburn. There being no further discussion Chairman Olsen asked the Vice-Chairman to call the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Patrick Small stated that on June 30 the application period for CARES Act Grants had closed. He noted receiving nearly 200 applications, of which 115 met the eligibility criteria outright. Mr. Small also stated that 2 members of the EDA, Mr. Pires and Ms. Bass, were associated with businesses that would be receiving awards. The Chairman requested the EDA Attorney and staff ensure that the appropriate Conflict of Interest forms be provided to those members. The largest categories for the types of businesses receiving awards included restaurants, personal service providers and professional service providers as well as retailers and medical service providers. The ineligible businesses include nearly 30 that did not meet the loss requirements and that

15 of those would have if the requirement had been set at 20% or greater. He also pointed out that a few applicants may have incorrectly filled the application out and that all ineligible businesses would be so notified and given an opportunity to appeal.

Mr. Small noted that there were several applications he was requesting an opinion from the EDA regarding including; those who did not have an active businesses license because they were not current on their financial obligations to the City, several applications from a single owner at the same address who was operating more than one business, and a person who had closed their business down in May of 2019 for a medical emergency and had no revenues in that month but who claimed they would have otherwise met the criteria. EDA by consensus agreed to approve the latter application and all applications for multiple businesses. They requested that Mr. Small notify the applicants with outstanding financial obligations that if they clear those up they will be eligible to receive the award.

Mr. Small also noted he had received a request that the names of award recipients be released as public information and that he believed the EDA and/or the City (which will be processing the payments) would be required to do so. The members requested a legal opinion from the EDA and City Attorneys and acknowledged that if they were legally required to do so then the names would become public. They specified that if this were to be the case, then the applicants should be notified in advance and given an opportunity to decline the award.

After discussing and/or resolving all these matters, the members speculated on the low number of applications received when considering how flexibly the program had been designed, the amount of advertising and publication that was done, and the length of time businesses had been given to apply. There was a great deal of discussion about doing an additional round of grants with different qualifying criteria. Mr. Small stated that he was also exploring other possible uses of the funds for undertakings such as job fairs, worker training and employer hiring that might help both employers and workers impacted by the pandemic. Chairman Olsen called the question on the grant applications and Denise Harrover moved for approval of the applications as discussed which was seconded by Scott Hepburn. Chairman Olsen asked the Vice-Chairman to call the roll.

Mark T. Olsen - AYE
Gary Jones – AYE
Scott Hepburn – AYE
Denise Harrover – AYE
Tom Murphy – AYE

The motion passed 5-0.

Tom Murphy called everyone's attention to an email that had been sent out by the City Clerk containing information related to the EDA having to make financial disclosures by August 3rd. Mr. Murphy noted the level of detail and specificity required by the disclosures revealed information about his personal assets and liabilities that made him

very uncomfortable. Several members shared his views and most of the members were concerned about not having been forewarned.

Patrick Small presented the final version of the Strategic Plan and noted that EDA had previously voted to approve the Draft as amended. He asked that if any members noticed anything that had been misrepresented, they should reach out to him.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:30PM.