



Economic Development Authority Special Meeting Agenda

February 17th, 2021 ❖ 7:00 pm

NOTICE: This meeting was held pursuant to and in compliance with the Virginia Freedom of Information Act, Section 2.2-3708.2 and state and local legislation adopted to allow for continued government operation during the COVID-19 declared emergency. All participating members will be present at this meeting through electronic means. All members of the public may view this electronic meeting via the meeting link listed above and in the City's website calendar.

Public comments were submitted to vweiner@fallchurch.org until 8:00 pm on 2/16/2021. All comments will be provided to the Economic Development Authority members and comments received by the deadline will be read during the meeting.

- **Call to Order: 7:03 pm**
- **Roll call and virtual meeting notice:**
 - EDA Members Present:** Vice Chair Brian Williams, Jim Coyle, Edward Saltzberg, Sandra Kiersz, Matthew Quinn, Erin Messner
 - Student Liaisons Present:** Rex Crespin
 - Student Liaisons Absent:** James Trombo
 - City Staff Present:** Jim Snyder, Val Weiner, Becky Witsman, Dana Lewis, Susan Finarelli, Nancy Lewis, Kiran Bawa, Carol McCoskrie, Wyatt Shields
 - Public Attendees:** Letty Hardi, Phil Duncan, Tim Stevens, Joshua Shokoor, Andrea Caumont, Bob Young, Nick Benton
- **Discussion of potential land banking opportunity**
 - **PowerPoint to help guide discussion:**
<https://www.fallschurchva.gov/DocumentCenter/View/14089/DRAFT-Virginia-Village-Presentation>
 - **Please visit this link for the a video recording of the meeting:**
<https://www.fallschurchva.gov/webcasts>
 - City staff presented a proposal for the EDA to acquire the 302 Shirley St. quad building using its Land Banking Funds. Please see the above linked PowerPoint for details on the proposal.
 - City staff Jim Snyder and Kiran Bawa presented the value of the acquisition overall and two financing options for the potential acquisition. Please see the linked PowerPoint and/or video for more details on the proposal.

- The EDA agreed that the property presents a great opportunity for land banking because of its potential for redevelopment in the long-term and potential to preserve affordable housing in the short-term. Housing Commission Chair Joshua Shokoor also expressed support for the project.
- The EDA stressed the desire for the Housing and Human Services Department to manage the property's operations/management company's needs. The Housing and Human Services Staff member Nancy Lewis commit to managing the property's operations if the EDA were to purchase it.
- There was discussion as to whether it is the best use of the landbanking funds and asked whether Council would reimburse the investment, to allow the EDA to continue to invest in similar projects.
 - City Council member Letty Hardi was supportive of this idea, but could not commit to reimbursement without confirmation from other Council members.
 - It was noted that The Young Group, who put the property under contract, will not benefit financially in any capacity in assigning the contract to the EDA. The City Attorney continues to review all documentation to ensure this is the case.
- **A resolution was presented to the EDA for a vote and review;**

“Whereas, 302 Shirley became available for purchase,

Whereas, bids on the property had to be made very quickly;

Whereas, The Young Group obtained a contract to purchase the property, and got a contract to purchase property,

Whereas, the property is included in the South Washington Street Corridor POA as desirable for public acquisition for purposes of potential redevelopment, based on its strategic location near Big Chimney's Park, proximity to another City-owned property, and three properties owned by Atlantic Realty;

Whereas, The Young Group has offered to assign their contract for sale of the Property to the EDA,

Whereas, EDA has funds sufficient for down payment,

Whereas, income produced by the property can pay mortgage and operating expenses,

Whereas, the property is a sound Land Banking investment,

Whereas, there is a commitment to move property management responsibilities to Housing and Human Services Department,

Whereas, the EDA will be consulted on any changes to lease terms as new leases and renewals are necessary,

Whereas, the EDA can expect there will be consideration of a reimbursement to refresh the Land Banking fund in order to continue investing in the future,

Therefore, be it resolved by the EDA of Falls Church that the;

EDA will move \$100,000 in COVID Fund back to Land Banking fund,

EDA will agree to accept an assignment of the contract held by the Young Group to acquire the property,

EDA will agree to agreed upon financing option of a x, incur debt, and make a down payment,

EDA will reimburse the Young Group for deposit for purchase of the Property (\$25,000) plus an appraisal fee (\$1,200),

EDA will agree to fund a property management contract for a fee not to exceed 10% of net revenue,

EDA authorizes the EDA authorizes the City Manager to execute the documents necessary to acquire the property and authorize payment. “

- Two changes were recommended:
- The text **“EDA authorizes the City Manager to execute the documents necessary to acquire the property and authorize payment”** was changed to **“EDA authorizes the EDA Vice Chair to execute the documents necessary to acquire the property and carry out the above authorized transactions. “**
- The EDA agreed to change **“ EDA will agree to agreed upon financing option of a x, incur debt, and make a down payment, “** to **EDA agrees to finance the property acquisition with a 35% down payment, mortgaging the remaining balance as amortized over 30 years at a 4% interest rate, with either a balloon payment or refinancing of an approximate balance of \$475,000 at the end of ten years.”**
- Jim Coyle motioned to adopt the resolution with the changes, seconded by Matt Quinn. The resolution passed unanimously.
- Meeting Adjourned: 8:40 PM