

ECONOMIC DEVELOPMENT AUTHORITY  
OF THE  
CITY OF MANASSAS  
April 17, 2019

**DETERMINATION OF QUORUM**

**MEMBERS PRESENT:** Mark T. Olsen, Chairman  
Denise Harrover  
Holmes Steele Smith  
Miguel Pires, Secretary  
Thomas O. Murphy

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

**MEMBERS ABSENT:** Gary Jones, II, Vice-Chairman  
Scott Hepburn, Treasurer

**OTHERS PRESENT:** None

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**

Secretary Miguel Pires presented the Minutes of the March 19 meeting and asked if there were any comments. Denise Harrover made a motion to approve the March minutes which was seconded by Tom Murphy. There being no further discussion Chairman Olsen asked the Secretary to call the roll.

Smith – AYE  
Olsen – AYE  
Pires - AYE  
Murphy – AYE  
Harrover - AYE

The motion passed 5-0.

**FINANCIAL REPORTS**

In the absence of Treasurer Scott Hepburn, Patrick Small presented the City Treasurer's Report and bank statement for March. He noted there were no debits and two deposits representing an interest payment in the amount of \$178.86 and a quarterly payment from Buchanan for \$412,115.56. Mr. Small pointed out that the ending

balance of \$934,139.91 was inflated because the quarterly payment had not been immediately transferred out to the City. He noted that the April statement would reflect that transfer as well as the payment to the City for expenses incurred by it on behalf of EDA which had been approved in March.

Denise Harrover made a motion to accept the March City Treasurer's Report which was seconded by Miguel Pires. There being no further discussion Chairman Olsen asked the Secretary to call the roll.

Smith – AYE  
Olsen – AYE  
Pires - AYE  
Murphy – AYE  
Harrover – AYE

The motion passed 5-0.

### **NEW BUSINESS**

None.

### **OLD BUSINESS**

Patrick Small presented the First Amendment to Cooperation Agreement for Manassas Gateway. He reiterated the terms of the original agreement and stated that the Amendment was specific to the sale of the hotel parcel only. While the original agreement required EDA to remit all sales proceeds from each transaction at Manassas Gateway, the amendment would allow EDA to retain \$350,000 of the sales proceeds to pay the final incentive guaranteed to Holladay. The incentive is outlined in a separate Performance Agreement and is based on the difference between the assessed value of the real estate and the real estate as improved for a period of three years. While the actual amount of the incentive is unknowable because it is dependent on the timing of the construction and assessments and the value placed on the improvements during the assessment process, it is expected to be considerably less than \$350,000. Mr. Small pointed out that the amendment contained a provision to allow EDA to request that City Council allow it to retain any unused funds at the end of the incentive period. After brief discussion, Denise Harrover moved that the First Amendment to Cooperation Agreement for Manassas Gateway be approved which was seconded by Tom Murphy. Chairman Olsen asked the Secretary to call the roll.

Smith – AYE  
Olsen – AYE  
Pires - AYE  
Murphy – AYE  
Harrover – AYE

The motion passed 5-0.

The second item under Old Business was consideration of an EDA Performance Agreement with Manassas Gateway Hotel, LLC. The Performance Agreement commits EDA to making an annual cash grant to the hotel developer equal to the difference in the amount of taxes paid by the developer on the assessed value of the real estate at Closing and the assessed value of the real estate as improved during construction and stabilization of the project. The term of the grant is 3 years. Mr. Small noted that the Amendment to the Cooperation Agreement just approved by EDA would be the source of funds to comply with the Performance Agreement and that, because of the funds being made available by Council to the EDA in advance, City Council would not be a party to the Performance Agreement. Denise Harrover moved that EDA approve the Performance Agreement with Manassas Gateway Hotel, LLC and authorize the Chairman to sign it subject to City Council approving the First Amendment to Cooperation Agreement for Manassas Gateway which was seconded by Tom Murphy. There being no further discussion Chairman Olsen asked the Secretary to call the roll.

Smith – AYE  
Olsen – AYE  
Pires - AYE  
Murphy – AYE  
Harrover – AYE

The motion passed 5-0.

### **CLOSED SESSION**

None

### **ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:50PM.