



**REDI Board of Directors Meeting
MINUTES
October 28, 2021, 7:30 a.m.
VIA Zoom**

Board attendees: Richard Alvarez, Nikhil Bijlani, Becky Briggs, Angela Chaney, Dale Cyr, Rob DiSpirito, Marji Graf, Jennifer Hester, Kimberly Kelley, Bei Ma, Dan Mallon, Carla Merritt, Bridget Newton, Suzanne Osborn, Todd Pearson, Susan Prince, Nancy Regelin, Morgan Sullivan, Bill Tompkins.

Absent: Ahmed Ali, Ben Anstrom

Other attendees:

Staff: Cindy Rivarde, Morgan Wortham, Rachele Williams, Karen Kalantzis, Thomas Squire, Amanda Bosland

Others: Michael Scott (Board Nominee), Ken Sonner (Westbanco), Judy Rudolph (Resident), Rhonda Devan (Vault Consulting), David Levy (City of Rockville), Manisha Tewari (City of Rockville), Keith Jennings (Snyder Cohen), Kaitlin Daimler (Snyder Cohen).

1. Call to Order, Welcome, and Remarks

- a. Susan Prince called the meeting to order at 7:35 am.
- b. **ACTION: Dale Cyr made a motion to approve Todd Pearson as the Secretary/Treasurer. Nancy Regelin seconded the motion, which passed unanimously.**
- c. The Nominating Committee interviewed candidates and recommended approval for Michael Scott to join the Board.
ACTION: Kim Kelley made a motion to approve Michael Scott as a member of the Board, which was seconded by Todd Pearson. The motion passed unanimously. The next step will be for Mr. Scott to fill out the Expression of Interest for the City Clerk, and be placed on an agenda for Mayor & Council approval.
- d. The Incentive Review Committee currently includes Dan Mallon, Susan Prince, Kim Kelley, and Daniel Parra. The Nominating Committee recommends that Ken Sonner from Westbanco join the Committee as a member of the banking community.
ACTION: Jennifer Hester made a motion to approve Ken Sonner as a member of the Incentive Review Committee, which was seconded by Bridget Newton. The motion passed unanimously.

- e. Cancellation of December Board Meeting
ACTION: Dan Mallon, made a motion to accept cancel the December Board meeting, which was seconded by Kim Kelley and passed unanimously.
- f. Board Information Packet – Ms. Prince noted that the Executive Committee finalized a Board Information Packet which has a variety of information for board members, duties and responsibilities, and contact information. The packet includes a revised Conflict of Interest policy and Gift Policy.
ACTION: Nancy Regelin motion to adopt the modified Conflict of Interest Policy and the Gift Policy, which was seconded by Bei Ma. The Motion passed unanimously. Ms. Rivarde asked Board Members to review the policies and fill out the acknowledgment form for the Conflicts Policy.

2. Operational Items

- a. Approval of Minutes
ACTION: Todd Pearson made a motion to accept the September 23rd minutes, which was seconded by Nancy Reglin and passed unanimously.
- b. Treasurer's Report
 - i. First Quarter Financials – Todd Pearson presented the first quarter financial overview. He noted that REDI is in a strong cash position and that there are 11.2 months of coverage for expenses. Staff is meeting best practice percentages for tasks with 18% general administrative and 82% programming. REDI has already received 71% of its revenue budget. The Washington Football Team (WFT) funding of \$250,000 is included as restricted funds and will be applied to FY2023. An agreed upon budget for use of the funds is still required with the WFT.
 - ii. Budget Modifications for FY2022 – Rhonda Devan presented the budget modification for FY2022, which now includes the PPP funds and the new funding of \$100,000 granted through MCEDC. In addition, it is proposed that \$60,000 would be moved to reserves. This would make the reserve fund approximately \$260,000, which is on the pay to trying to have 6-9 months of operating expenses in reserve.
ACTION: Bill Tompkins made a motion to adopt the modified budget for FY2022 and Marji Graf seconded the motion, which passed unanimously.

3. CEO Report

- a. Economic Development

Ms. Rivarde noted that Richelle Wilson was on leave, but that they had a successful kick off with the business survey research firm TechnoMetrica. There will be a stakeholder meeting Friday October 29th with business leaders as well as another in November with brokers, The information gathered will inform the themes for the survey planned around January, and six focus groups. It is expected that there will be enough conclusions by the board working session to be able to discuss issues raised. A final report will be presented by the end of the fiscal year.

b. MWBC

Ms. Wortham reported we are at the end of the Federal fiscal year and are submitting reports to SBA by end of October. The new SBA fiscal year has begun, and the workshops and programming are going well. Over 40 attendees participated in the restaurant leadership series. We partnered with the LEDC on a holiday guide to highlight our retail clients and assisted the DC WBC in opening a retail incubator. We are also working on our renewal application for funding with Montgomery County for the Childcare support services.

4. Presentations

a. FY2021 Audit

Keith Jennings and Kaitlin Deimler from SnyderCohn presented their independent audit for Fiscal Year 2021. Mr. Jennings noted that Vault did a great job, and there was much better documentation than the prior year. SnyderCohn will be issuing an unmodified opinion. There's a significant increase in revenue due to the PPP Loan and the CARES Act and other pandemic relief funds that were received. The PPP loan is treated as liability but will be recorded in FY2022 as income once forgiven. Mr. Jennings noted that for tax purposes, the PPP loan will be treated as a grant when it is forgiven. Expenses also increased from the prior year related to COVID programming. Functional expenses meet best practices, and the allocation is reasonable. There was a decrease in consultant funding from the prior year where Eureka Facts was hired to do a research project and we had Carma Fautleroy as an interim Managing Director. Some of the website costs are amortized, and others expensed, as outlined in the notes. Lease obligations include the space lease and some equipment leases for the copier and phones. Restricted net assets include the incentive funds. As usual, they note there is a concentration in funders with the City of Rockville and the SBA. There will be no internal control letter issued this year. Mr. Jennings also noted that there were good finance policies and procedures not in place and commented that the move to using Bill.com was a great choice.

ACTION: Nancy Regelin made a motion to accept and approve the FY2021 Audit, which was seconded by Dale Cyr and passed unanimously.

5. Strategic Items

a. Workforce Education Committee

Dr. Kelley reported that she and Ms. Rivarde have been working strategically and collaboratively across such organizations as USG, MCPS, and Connect DMV determine how we can better impact talent need topics. Connected DMV's federal economic development grant application for equity in education was funded. Dr. Kelley also participated in the MCEDC stakeholder meetings to provide input for the strategic plan the MCEDC is preparing. She is working with Ms. Rivarde to set up a meeting with Gaithersburg economic development to talk about how to work together as well.

b. Nominating Committee

Ms. Prince reported that the Nominating Committee did a lot of great work in interviewing interested candidates and finding ways everyone could participate

with REDI and contribute, even if Board membership was not an ideal fit. Their goal is to leverage the excitement and ideas that community members raise in order to assist in our mission.

c. Incentive Review Committee

Mr. Mallon reported that the Committee will be reviewing a modified application by one of the September applicants that is being converted from a MOVE/expansion application to the SBIF program. The next round will be after the April grant application deadline. The Committee will also be reviewing survey results with Ms. Wilson.

d. Marketing Committee - Becky Briggs

Ms. Briggs reported that Visit Montgomery is working on a new tourism website which will be presented on Friday to Mr. DiSpirito and his team as well as Mayor Newton. Michael Scott will join the Marketing committee.

6. Brief Partner Updates:

a. Rockville Chamber of Commerce

Ms. Graf reminded everyone about the Rockstar Awards on November 4th. On December 13 is their holiday party as well as toy drive. It's where they will be collecting ballots for the new board. There are currently seven seats open on the board.

b. The City of Rockville

Mayor Newton commended REDI for its Annual Report and its Audit Report. At the October 18th meeting, the City gave proclamations for Economic Development Week and for the creation of the Rock East District. She noted that unfortunately Choice Hotel decided to leave the City of Rockville to relocate to Pike & Rose. There are two new large housing projects in for approval – the EYA project near the Shady Grove Metro Station and a multifamily project at 1800 Research Boulevard. Mr. DiSpirito noted that an ordinance was passed on October 25th that streamlined a number of requirements for certain projects that will make Rockville more competitive as a location for business. In particular this will help the repositioning of the Boston Properties life science campus, which is trying to attract a number of life science headquarters to Rockville.

c. MCEDC

Mr. Tomkins circulated MCEDC's Connect the Dots report to the Board, which outlines many actions recommended for the County to take for economic development. MCEDC continues to work on the County comprehensive economic strategy, which is due December 31. Several REDI board members have participated in interviews.

d. Maryland Department of Commerce

Ms. Merritt had an audio issue and was not able to report.

The meeting adjourned at: 8:50a.m.

Upcoming Important Dates:

- Rockville Chamber Rockstar Awards**..... Thursday, November 4
6:00 pm- Manor County
Club
- Executive Committee Meeting** Tuesday, November 9,
4:30 pm
- Finance Committee Meeting**..... Tuesday, November 9,
5:30 pm
- REDI Board Meeting** November 18th, 7:30 am.
- No December Board Meeting**
- Holiday Party** Wednesday, December 8,
5–8 pm.