



## **REDI Board of Directors Annual Meeting**

### **MINUTES**

**July 25, 2024, 8:00 am.**

### **Hybrid Zoom/In-Person Meeting**

**REDI Office, 51 Monroe Street, PE20, Rockville, MD**

**Board attendees virtual:** Richard Alvarez, LaVonne Torrence Berner, Nikhil Bijlani, Angela Chaney, Bei Ma, Carla Merritt, Suzanne Osborn, Michael Scott, Morgan Sullivan, Cliff Veirs, Justin Yang

**Board attendees in person:** Monique Ashton, Marji Graf, Kelly Groff, Alton Henley, Jeff Mihelich, Todd Pearson, Susan Prince, Nancy Regelin

**Absent Board Members:** Nick Fullenkamp, Bill Tompkins

#### **Other in-person attendees:**

Staff: Cindy Rivarde, Richelle Wilson, Danette Nguyen, Yesenia Cruz, Amanda Bosland, Zeinna Estrada

#### **Other Virtual attendees:**

Ricky Barker (Director of Community Planning and Development Services), Rhonda Devan (Devan Consulting), Dave Gottesman (Assistant City Manager), Karen Kalantzis (MWBC Frederick Business Consultant)

**Meeting Called to Order by:** Nancy Regelin

1. Call to Order, Welcome and Remarks.....Nancy Regelin

Nancy Regelin called the meeting to order at 8:03 a.m., and welcomed the new City Manager, Jeff Mihelich.

- a. Ms. Regelin thanked Susan Prince for her four years as Board Chair and her service as a board member and Vice Chair prior to that. Ms. Regelin acknowledged Ms. Prince’s leadership, which included navigation of the pandemic. Ms. Prince was presented with a gift and engraved acknowledgment of service.
- b. Ms. Rivarde notes that REDI will request renewal terms for the following Class 3 board members: Nick Fullenkamp, Nikhil Bijlani, Marji Graf, and Bill Tompkins. This is expected to go to Mayor and Council on September 30<sup>th</sup>. Terms run from October 1.
- c. The Nominating Committee presented two names for consideration as Board Members: CJ Overly with Boston Properties, and Dan Mallon (formerly on the Board) now with PharmaJet. Mr. Mallon recently returned to the area. Resumes were provided in the Board packet.

**ACTION: Marji Graf made a motion for the approval of Dan Mallon and CJ Overly in joining the Board and moving the appointment request to Mayor and Council. The motion was seconded by Todd Pearson and passed unanimously.**

The Nominating Committee is continuing to interview.

2. Operational Items

- a. **Action: Approval of Minutes (June)**.....Nancy Regelin

**ACTION: Bei Ma made a motion to approve the June minutes. The motion was seconded by Todd Pearson and passed unanimously.**

- b. Treasurer’s Report.....Todd Pearson/Rhonda Devan

- i. Review of Financials through June- End of Year

Mr. Pearson presented the financial review. He reported that total cash funds are approximately \$1.285 million. With average monthly expenses of about \$180,000, REDI has approximately six months of coverage with unrestricted funds, and seven months when all funds are considered. Total expenditures for FY24 are around \$2.167 million. So far, 89% percent of anticipated revenue was received. Mr. Pearson noted that anticipated funding from Prince George’s County and MCEDC was not awarded. Total assets for 2024 are \$1.95 million, down from \$2.36 million the prior year, largely due to changes in accounting for the office lease and a reduction in Small Business Impact funds.

The financials now include a monthly cash flow chart, as requested by the Finance Committee. This chart shows that REDI experiences cash spikes primarily when it receives funding from the City of Rockville twice a year. At various points during the year, cash flow dips below zero, indicating a need to carefully manage funds to cover those periods.

Mr. Pearson addressed the budgeted deficit for the Maryland Women’s Business Center (MWBC), which was projected at \$143,000 but ended up around \$242,000 due to cuts from MCEDC. However, \$244,626 was carried over from FY23 – funds received before FY24 but planned to be spent in FY24. After accounting for these carryover funds, MWBC closed the year with a surplus of \$2,218.

ii. Timing for Annual Audit by SnyderCohn

Ms. Regelin communicated that the financial audit by SnyderCohn has begun, and the Finance Committee and the Board will review it in October.

iii. Presentation of FY2025 budget

Ms. Devan presented the FY25 proposed budget to the Board, noting that she separated Economic Development and MWBC budgets for clarity. This was done because the two SBA grants operate on different fiscal years from the organization, which makes tracking more complex. The budget is balanced, meaning projected expenses do not exceed expected revenue.

Economic Development is anticipated to have \$1,673,960 in revenue, including the funding from the City of Rockville, carryover of County grant funds for Rock East, and other program revenue. The budget is balanced.

For the MWBC, Ms. Devan explained that \$300,000 is received from the SBA, which requires a 100% match. The total projected revenue for the FY25 proposed budget is \$894,915.

**ACTION: Alton Henley made a motion to approve the FY25 budget. The motion was seconded by Marji Graf and passed unanimously.**

c. FY 25 Strategic Plan and Goals .....Nancy Regelin

Ms. Regelin referred to the Board Retreat, where the Board developed key strategic focuses for FY25 as follows: 1) life and bio sciences industry sector, 2) small-scale manufacturing, 3) clean technology as an emerging cluster, and 4)

small business support across all the business centers in the City, including securing funding for MWBC programming.

**ACTION: Morgan Sullivan made a motion for the approval of the FY 25 Strategic Plan and Goals. The motion was seconded by Susan Prince and passed unanimously.**

- d. Annual Report – staff are working on the FY24 Annual Report and plans to submit it to the City Manager and Mayor and Council prior to the end of August.
- e. Joint Meeting of REDI Board and Mayor and Council.

The first annual joint meeting of the Board with Mayor and Council will be held in October, with the City Manager confirming the date. Ms. Regelin mentioned interest in starting a working group to prepare the Board on how present Economic Development and current issues. Ms. Groff, Ms. Prince, Mr. Pearson, and Ms. Regelin noted they would like to participate. Mr. Mihelich requested that material be presented to him prior to the meeting. The Mayor asked that REDI provide a comparison of Rockville to other jurisdictions, highlighting challenges and opportunities.

3. Presentations

- a. No Presentations.

4. CEO Report.....Cindy Rivarde/Richelle Wilson/Danette Nguyen/Amanda Bosland

- a. Economic Development (Please see staff report for full details)
  - i. Business Retention, Expansion, Attraction/Placemaking
    - 1. Life Science Branding Project – the consultant is presenting logo designs.
    - 2. Business Visits/Openings
      - Ms. Wilson communicated to the Board that there has been an uptake in retail movement within the city. One of the latest business visits was with a creative company called Viva Creative. The company hosted and provided an overview of some of their larger projects and services they offer, which cater to both local and national clients. Ms. Rivarde noted that Viva Creative’s location could serve as an excellent potential meeting venue for the Board and potential venue for events to support the local business environment.
      - A delegation from Cameroon visited the city, and REDI presented information on business attraction and retention efforts.

- 3. Rock East small manufacturing initiative – REDI is retaining 37 Oaks to provide technical assistance to a first cohort.
- ii. Marketing
  - 1. Explore Rockville/Rockville Rewards/Global Bites – The Global Bites Fest report is in progress. The Rockville Rewards program is winding down, with reports in progress and upcoming changes, including digital card sales. REDI is hosting the Montgomery County Black Collective as they present their Consumer Mastermind Financial Literacy Series. Please refer to staff updates for further information.
- iii. Small Business Support/MWBC
  - 1. Staff will be attending the annual AWBC conference and will be presenting on two panels: 1) retail incubators and 2) maximizing grant funds.
  - 2. Shop Local
 

Ms. Nguyen informed the Board that the 5-year anniversary of Shop Local will be held on September 6th at 4 p.m., and invitations will be sent out. Additionally, the ribbon-cutting celebration for the Savage Mill location is scheduled for August.
  - 3. BSU Programming
 

The BSU WBC is concluding their childcare business incubator program with a graduation on August 21<sup>st</sup>.
  - 4. Frederick micro grant program
 

The Creative Capital micro grant is extended through December 31<sup>st</sup>. To date, 17 grants have been awarded and 2 more applications have been received.

5. Strategic Items

- a. Incentive Committee.....LaVonne Torrence Berner
 

Ms. Berner stated the incentive committee has started reviewing the most recent applications and expects to make awards within the next month.
- b. Marketing Committee .....Bei Ma
 

Ms. Ma had no additional updates.
- c. MWBC Advisory Board .....Nancy Regelin
 

Ms. Regelin had no additional updates.
- d. Bio Committee .....Justin Yang
 

Mr. Yang announced that the Bio Committee is planning to meet in the coming weeks to discuss the committee’s direction for the new fiscal year, with a focus on Bio as a key metric. The meeting will also cover plans for the next Bio Boost event, which is tentatively scheduled for October. Further updates will be provided as they become available.

6. Brief Partner Updates:

- a. Greater Rockville Chamber of Commerce .....Marji Graf
 

Ms. Graf informed the Board that the State of the City Address is scheduled for September 17th. Additionally, the 2024 Business & Community Expo will be held

on October 10th, featuring space for 70 vendors. The Chamber is organizing an Economic Development panel in October and a Real Estate panel in November. The Rockstar Rewards event will take place on November 7th, and Ms. Graf encouraged the Board to recommend businesses for nomination.

- b. City of Rockville.....Mayor Ashton/Jeff Mihelich  
 Mayor Ashton welcomed the new City Manager, Jeff Mihelich and outlined key priorities: economic development, housing, and public safety. Recent discussions have focused on housing, specifically on supply, demand, affordability, and tenant protection. A follow-up workshop, potentially in September, will explore these issues further, including support for both tenants and landlords. Progress has been made with several housing projects, including Twinbrook Quarters, which is currently in the pre-leasing phase.
- c. Montgomery County EDC.....Bill Tompkins  
 Mr. Tompkins was not present.
- d. Visit Montgomery .....Kelly Groff  
 Ms. Groff informed the Board that Visit Montgomery was awarded an Economic Development Administration grant, which will significantly impact their fiscal year 2025 with grant management and programming. One of the grants will fund the MOCO Eats Food and Beverage Showcase, an event designed to highlight the County's culinary diversity and promote travel and tourism. The goal is to break even or generate revenue to sustain future events. The showcase is scheduled for March 30 - 31, 2025, in Rockville. She also discussed the new sports tourism board that the County is convening, and the board discussed the importance of sports as an economic driver.
- e. Maryland Department of Commerce .....Carla Merritt  
 Ms. Merritt informed the Board that the governor has recently issued several executive orders, some of which focus on housing initiatives for youth and individuals within specific income brackets. As part of these efforts, he has allocated significant funding to the Department of Housing and Community Development (DHCD) to support these programs.

**The meeting adjourned at 9:18 a.m.**

**Upcoming Important Dates:**

**No August Meetings**

- Executive Committee Meeting**.....September 10, 4:30 p.m.
- Finance Committee Meeting**.....September 10, 5:30 p.m.
- State of the City**.....September 17, 8:30 a.m.
- Board Meeting**.....September 26, 8:00 a.m.