

## **Press Release: Update on Litigation between the Town of Front Royal and the EDA**

The Town of Front Royal provides an update on the ongoing litigation with the Front Royal Warren County Economic Development Authority (EDA).

Earlier this year, the Town of Front Royal intensified its efforts to settle the ongoing litigation between it and the EDA. The parties adopted a proposed settlement plan involving discussions between the Mayor, the EDA Chair, and the financial teams of both the Town of Front Royal and Warren County, adhering to a specific timeline. The goal was to address and resolve all outstanding claims efficiently.

This process became extremely intricate because of missing critical EDA documents, which is attributed to the misconduct of former EDA Executive Director, Jennifer McDonald, and the lack of required EDA audits. The missing EDA records relate to projects including Leach Run Parkway, West Main Extended, the Avtex property, and industrial parks.

During her tenure as Executive Director of the EDA following the end of the Town's operational involvement in 2012, McDonald used insufficient financial oversight by the EDA Board to misappropriate vast sums intended to benefit the residents of both the Town of Front Royal and Warren County. Her actions were not just a betrayal of the institutions she served, but also a grievous affront to the public's trust, which necessitated legal proceedings to ensure accountability.

The legal proceedings flowing from McDonald's misdeeds have been ongoing for several years. The local community, as both town residents and county taxpayers, has already shouldered substantial legal costs. In order to prevent further financial strain on the citizens and in recognition of the actual amounts remaining in dispute between the Town of Front Royal and the EDA, the Town of Front Royal has decided to nonsuit its lawsuit against the EDA. This move is intended to save public funds and reflects our commitment to the community's welfare. We hope this gesture will be met with a similar commitment from the EDA.

The Town remains hopeful that this decision will lead to a constructive response from the EDA. Though challenges remain, including unresolved Town of Front Royal interests in public trust properties, currently for sale or under contract, and ongoing projects, the Town is optimistic that all parties can come together to find amicable and efficient solutions.