

MINUTES OF THE REGULAR MEETING OF THE ECONOMIC DEVELOPMENT
AUTHORITY OF THE CITY OF NEWPORT NEWS, VIRGINIA AND THE INDUSTRIAL
DEVELOPMENT AUTHORITY OF THE CITY OF NEWPORT NEWS, VIRGINIA

Mr. Herbert called the meeting to order at 8:00 a.m., on Friday, January 10, 2014 in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Tom Herbert, Chair
Wendy C. Drucker, Vice-Chair
Alonzo R. Bell, Jr.
Cary B. Epes
Cassandra P. Greene
Arthur P. Henderson, Jr.
C. Gary Minter
Florence G. Kingston, Secretary/Treasurer, ex-officio
James M. Bourey, City Manager, ex-officio

Legal Counsel:

Raymond H. Suttle, Jr., Esquire
Conway H. Sheild, III, Esquire

Staff:

Cherry Croushore, Assistant Secretary
Sharon Baker, Recording Secretary
Matt Johnson, Business Retention Coordinator,
Department of Development

Also present:

Amy Parkhurst, Hampton Roads Economic Development Alliance
Shawn Avery, Peninsula Council for Workforce Development
Paul Hirsch, Madison Government Affairs
Collie Owens, City Attorney
Robert Pealo, Assistant City Attorney

Mr. Herbert opened the meeting by welcoming everyone.

Quarterly Hampton Roads Economic Development Alliance Report

Mr. Herbert asked for the Quarterly Hampton Roads Economic Development Alliance Report. Ms. Parkhurst reported that during the last quarter Hampton Roads Economic Development Alliance (HREDA) hosted 6 prospect visits to our region and completed 10 marketing missions resulting in 97 one-on-one appointments, of which 88 were with corporate executives and 9 were with site selection consultants. Ms. Parkhurst reported HREDA had conducted a highly successful marketing mission in Germany and Switzerland with participation by Newport News staff, which included meetings with corporate headquarters executives of Newport News companies.

Ms. Parkhurst reported that HREDA had hosted a special event in Richmond for the Virginia Economic Development Partnership (VEDP), as part of our initiative to exchange information and build relationships with VEDP staff.

Mr. Herbert asked if there were any questions. There were no questions.

Quarterly Peninsula Council for Workforce Development Report

Mr. Herbert asked for the Quarterly Peninsula Council for Workforce Development Report. Mr. Avery reported that in the fiscal year 1st and 2nd quarters, Peninsula Council for Workforce Development's (PCFWD) One Stop Cafés had served 6,000 people.

Mr. Avery reported the Governor's Office had provided \$125,000 in funding to Thomas Nelson Community College (TNCC) to explore the possibility of establishing an Advanced Integrated Manufacturing Center, with committee work now underway.

Mr. Avery reported PCFWD would be hosting the annual Youth Career Expo on February 10, 2014 in partnership with the Virginia Peninsula Chamber of Commerce at the Hampton Roads Convention Center from 7:30 a.m. to 4:30 p.m. He reported that they were expecting 2,800 students to be in attendance, of which 1,200 were expected to be from Newport News.

Mr. Avery reported that the Disney Institute hosted by PCFWD at the Hampton Roads Convention Center is scheduled for March 13, 2014. He reported that 230 registrations have been received to date and that 350 attendees were expected.

Mr. Avery reported that PCFWD is preparing a "State of The Workforce Report." The report will be presented at a workforce summit in April.

Quarterly Business Retention Report

Mr. Herbert asked for the Quarterly Business Retention Report. Mr. Johnson greeted the Board and stated that once again in 2013 we had seen the importance of building upon existing business relationships in growing the City's economic base, not only in terms of major announcements, but also in terms of job creation and capital investments.

Mr. Johnson reported that he had recently participated in a webinar sponsored by the Virginia Economic Development Partnership, focusing on best practices for business retention and expansion efforts. One of the trends identified was the need to find ways to share information with a large number of businesses on a frequent basis. Mr. Johnson discussed various methods of communication with the business community. Mr. Johnson stated that as always, our ultimate goal was to reach businesses, share information about the programs in place to assist and incent business investment, and look for opportunities to help businesses grow and overcome challenges.

Mr. Johnson stated that he continued to appreciate the support of the EDA/IDA Board and looked forward to another great year in 2014. He offered to answer any questions. There were no questions.

Secretary/Treasurer's Report

Mr. Herbert asked for the Secretary/Treasurer's Report. Mrs. Kingston wished everyone a Happy New Year and stated she was confident that 2014 would bring another successful year for the work the EDA/IDA does for the citizens of Newport News.

Mrs. Kingston stated she was very pleased to reintroduce to the Board former graduate intern Derek Perry, who began work as our newest Project Development Coordinator on December 16th. She stated that Derek's return was another great example of our successful graduate internship program. Mrs. Kingston noted that Derek worked with us as a Graduate Intern over the summer last year before returning to Blacksburg to finish on-campus academic work in pursuit of a double Master's Degree in both Public Administration and in Urban & Regional Planning, with graduation expected in May. She noted Derek brought practical experience in numerous areas.

Mrs. Kingston advised the Board that on Wednesday, January 29th, Newport News would be hosting the Urban Land Institute Hampton Roads' quarterly Community Breakfast at the Newport News Marriott at City Center. She advised that staff was

preparing a presentation on the use and benefits of Tourism Zones in Newport News. She noted the meeting was scheduled to begin at 7:30 am, and requested that Board members advise if they wished to attend.

Mrs. Kingston advised that the Hampton Roads Economic Development Alliance would be holding its Annual Luncheon and Business Meeting on January 30th at the Chesapeake Conference Center. She encouraged Board members to attend and hear about business recruitment activities over the past year and plans for 2014. She noted that in addition, Darryl Gosnell, HREDA President and CEO, would be making a brief update presentation to our City Council during its January 28th afternoon Work Session.

Mrs. Kingston advised the Board that the Monthly Financial Statements were in their package. She noted a few highlights, and then stated she would be happy to answer any questions. There were no questions.

Mr. Bourey reported he had taken a tour of the Canon Virginia, Inc. facility on January 9th. He reported he had also had the opportunity to visit BOSH Global headquarters recently. Mr. Bourey noted that the City continued to work in a positive relationship with the Virginia Arts Festival.

Mr. Bourey reported he had arranged for a representative from Pace Communications who writes and publishes feature stories in airline in flight magazines to visit Newport News to potentially do an article on the airport and air service in Newport News.

Assistant Secretary's Report

Mr. Herbert asked for the Assistant Secretary's Report. Ms. Croushore advised the Board the Committee Schedule was in their package and noted relevant details.

Madison Government Affairs Consultant Report

Mr. Herbert asked for the Madison Government Affairs Consultant Report. Mr. Hirsch reported that the House and Senate had passed a National Defense Authorization Act (NDAA) in December, including funding of a \$51M Barracks project for Fort Eustis. He noted that funding should be contained in the FY 14 Omnibus Appropriations Act, scheduled for January consideration.

Mr. Hirsch reported that he had accompanied City Manager Jim Bourey on a visit to Fort Eustis, where they met with Colonel Galbraith and staff and received briefings and updates. He reported they had also been briefed by the 128th Aviation Brigade, formerly U.S. Army Aviation Logistics School, on current activities and future requirements.

Mr. Hirsch reported Governor-Elect McAuliffe had nominated retired Admiral John Harvey to be Virginia Cabinet Secretary for Veterans Affairs & Homeland Security. He noted Admiral John Harvey previously headed the Virginia Installations and Defense Activities Commission.

At 8:34 a.m. Ms. Drucker moved that the EDA/IDA Board go into closed session in accordance with VA Code Section §2.2-3711.A: Real Estate (3) discussion or consideration of the acquisition of real property for a public purpose or of the disposition of publicly held real property where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; (5) discussion concerning a prospective business or industry for the expansion of an existing business or industry where no previous announcement has been made of the business or industry's interest in locating or expanding its facilities in the community; and/or (7) consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. The motion was seconded by Mr. Bell and it passed unanimously on a roll call vote.

At 9:03 a.m. the EDA/IDA Board returned to open session following a certification motion by Ms. Drucker in accordance with VA Code Section §2.2-3712(D) at the conclusion of any meeting, the public body holding such meeting shall immediately reconvene in an open meeting and shall take a roll call or other recorded vote to be included in the minutes of that body. The motion was seconded by Mr. Bell and it passed unanimously on a roll call vote.

Mr. Herbert asked for a motion to authorize an Expansion/Relocation Cost Reduction Incentive Agreement by and between the EDA and Target Flavors, Inc., and its affiliates (Target), in connection with Target's intent to purchase the property at 251 Enterprise Drive in Oakland Industrial Park (Property) and relocate certain operations to the Property to include a planned capital investment in real property improvements and machinery and tools of at least \$1.5 million and the creation of at least 15 new jobs, and to waive the IDA's right of repurchase of the Property, subject to the prior review and approval of all documentation by legal counsel. Mr. Bell so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Committee Chair's Reports

Ms. Drucker presented the Marketing Committee Chair's Report, which required no ratification by the Board. Ms. Greene presented the Revolving Loan Fund Committee Chair's Report, which was ratified by the Board and passed unanimously on a roll call vote. Mr. Bell presented the South Newport News Committee Chair's Report, which required no ratification by the Board.

Approval of Minutes of the Regular Meeting of December 11, 2013

Mr. Herbert asked for a motion that the Minutes of the Regular Meeting of December 11, 2013 be approved. Mr. Bell so moved and Mr. Minter seconded the motion, which passed on a roll call vote with one abstention.

Unfinished Business

Mr. Herbert asked for any unfinished business. Mrs. Kingston stated there was no unfinished business.

New Business

Mr. Herbert asked for any new business. Mrs. Kingston stated there was no new business.

Mr. Herbert asked if there were any other matters to be considered today. There were no other matters.

There being no further business to come before the Board, Mr. Herbert adjourned the meeting at 9:08 am.



Florence G. Kingston
Secretary/Treasurer

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: January 10, 2014

The Marketing Committee met on December 19, 2013. The Committee was briefed on efforts to improve transportation infrastructure within Copeland Industrial Park, in conjunction with the Liebherr expansion project, and related use of state Economic Development Access Program funding for this purpose.

Staff provided a recap of the recent Apprentice School Grand Opening event. Committee members commented on the quality, coordination and execution of the event, and how impressed they were with the new facilities at the Apprentice School.

Committee members asked about the success of the 2013 Hollydazzle event. Staff shared that the organization team was set to debrief at a later date, but that all indications were that this year's event was well-attended and various aspects of the event ran relatively smoothly.

This report does not require Board ratification.



Wendy Drucker, Chair

WD:mej

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Date, Time and Location: December 19, 2013 at 10:30 a.m. at 11824 Fishing Point Drive, Newport News, VA 23606

Members Present: Wendy Drucker, Gary Minter, Don Blankenship, Faye Gargiulo, Gary Hunter, John Miller

Members Absent: Tom Herbert, Mary Aldrich

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

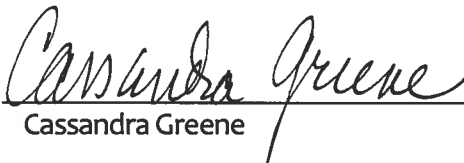
TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: January 10, 2014

The Revolving Loan Fund Committee (Committee) met on Wednesday, January 8, 2014. Committee action and staff discussion are highlighted below:

Staff presented three (3) FIG Program requests to the Committee:

- The FIG request for \$30,000 from Lloyd Julian for exterior finishes and materials at 421 Denbigh Boulevard was recommended for approval with a unanimous vote.
- The FIG request for \$30,000 from York County Investors, LLC for parking lot paving improvements at 710 Industrial Park Drive was recommended for approval with a unanimous vote.
- The FIG request for \$30,000 from 5901 Investors, LLC for canopy/awning, exterior finishes and materials and paving at 5901 Jefferson Avenue was recommended for approval with a unanimous vote.

The Committee approved all 3 requests and is asking the Board to ratify Committee actions relating to the FIG approvals.


Cassandra Greene

CG:tw

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Date, Time and Location: January 8, 2014 at 9:00 AM at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA
Members Present: Cassandra Greene, Cary Epes, Arthur Henderson and Susan Harris
Members Absent: none

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, South Newport News Committee
SUBJECT: Chair's Report
DATE: January 10, 2014

The South Newport News Committee met on Tuesday, January 7, 2014. Development Department and Newport News Redevelopment and Housing Authority staff, Tricia Wilson, Sandra Walker and Alisa Winston, ~~respectively,~~ ^{Also} delivered a presentation on the City's Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Programs. The presentation contained information about how the City has, and continues to, use these programs to fund a wide range of activities including economic development, community service activities and particularly the building, buying, and rehabilitation of affordable housing for renting and homeownership to lower income citizens throughout the City. Committee members were pleased to learn of how the City has implemented these programs in various parts of the City, most notably in the Southeast Community, and specifically in the Madison Heights neighborhood.

There are no items in today's report that require Board ratification.



Alonzo R. Bell, Jr., Chair

ARB:mar

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Date, Time and Location: January 7, 2014, 4:00 PM, City Hall, Department of Development Conference Room-3rd Flr

Members Present: C. Gary Minter, Carl Burt, Cassandra P. Greene and Richard Coleman.

Members Absent: Effie Ashe, Alonzo Bell and Troy Smith, Jr.