

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

Ms. Drucker called the meeting to order at 8:00 a.m. on Friday, March 4, 2016, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Wendy C. Drucker, Chair  
C. Gary Minter, Vice Chair  
Cary Epes  
Cassandra P. Greene  
Arthur P. Henderson  
Thomas P. Herbert  
Jennifer S. Smith-Brown  
James M. Bourey, City Manager, ex-officio  
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

None

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary  
Janice Jones, Recording Secretary  
Derek Perry, Senior Economic Analyst

Also present:

Mark Butcher, General Manager, Newport News Marriott at City Center  
Collins Owens, City Attorney  
Robert Pealo, Senior Assistant City Attorney

Ms. Drucker opened the meeting by welcoming everyone.

Introduction of Mark Butcher, Newport News Marriott at City Center General Manager

Mrs. Kingston advised that Mark Butcher, the new General Manager of the Newport News Marriott at City Center was in attendance. She reminded the Board that Crestline Hotels & Resorts manages both the privately-owned hotel as well as the EDA-owned conference center. She said that Mr. Butcher's background with the Macon, Georgia Marriott City Center lent itself extremely well to his new position in Newport News. She noted that while in Macon, his oversight included management of three large facilities, including a 130,000-square-foot convention center, a 9,000-square-foot arena, and an historic auditorium with seating for 2,600. She informed the Board that Mr. Butcher was accustomed to working closely with the public sector, and she invited him to say a few words.

Mr. Butcher thanked Mrs. Kingston for the introduction. He agreed that his prior experience in Macon, Georgia had been a terrific opportunity to become engaged as a partner with the community, serving on several boards, and collaboratively working towards the success of the community as a whole. He noted that since joining the Newport News Marriott, several high-profile business events had been hosted at the facility. He explained that the Marriott hosts many community-oriented social events, including weddings, fundraisers and family reunions. He said that they had recently partnered with the Children's Hospital of the King's Daughters Children's Miracle Network to donate one dollar for each breakfast that is served.

Mr. Butcher stated that the Newport News Marriott Conference Center is rated in the top 100 of all of Marriott hotels for its focus on exceptional service. He updated the Board on the current and planned renovations for the hotel lobby, conference center and guest rooms that are planned to be completed in 2016.

Façade Improvement Grant (FIG) Update Presentation

Ms. Drucker asked for the Façade Improvement Grant (FIG) Update Presentation. Mrs. Kingston informed the Board that Derek Perry, Department of Development Senior Economic Analyst, would provide a brief presentation on the FIG Program to highlight the success of this very popular and impactful grant program. Mr. Perry reminded the Board that the FIG Program was a local grant program, established in 2012, and funded by the City and the EDA for eligible external property improvements. The FIG program has been used by businesses small and large, existing and new. He stated that the goal was to aid businesses

and commercial property owners within Newport News to improve the aesthetics of commercial properties City-wide.

Mr. Perry said that grants were available for up to \$30,000 dollars, with a required 1 to 1 match, or a 3 to 1 match if the property was located in an Enterprise Zone. He advised that businesses of all sizes completing various types of improvements have applied for the grant, with some grants as low as \$600 and others up to the \$30,000 maximum. He told the Board that properties must be at least 10 years old, must be tax-generating, and zoned commercial or industrial in order to qualify for FIG monies. He stated that the FIG was an effective process and excellent example of interdepartmental coordination and collaboration.

Mr. Perry explained that the grant process begins with Development staff, comprised of Carol Meredith, Tricia Wilson and himself, who receive and review applications prior to meeting with the full FIG Team, comprised of Christine Mignogna from Codes Compliance, Susan Kassel from Engineering, and Flora Chioros and Claudia Cotton from Planning. The Team ensures the proposed improvements meet City codes and ordinances and the guidelines of the FIG program. The FIG Team meets with applicants to help refine and enhance the caliber and extent of projects and to provide valuable hands-on guidance and direction to the grant applicant. The Revolving Loan Fund Committee approves FIG projects and recommends them to the EDA Board for ratification. There have been 78 grant applications approved since 2012, providing a total of \$1,837,207 in grants leveraging \$7,168,059 in private investment – a grant funding ratio of 26%.

Mr. Perry presented a slide show mapping the locations of FIG projects throughout the City, highlighting a well-dispersed, City-wide usage of the program. He also presented before and after photos of several FIG projects. He noted that in addition to an active marketing campaign, frequently grants were marketed by “word-of-mouth,” as business owners would share with their neighboring businesses how they had received assistance. He said that the program was as much about building relationships as it was about the improvement to the aesthetics of the business corridors in the City, and that he was very proud to be a part of the program.

Mrs. Kingston advised that the FIG program had helped to strengthen interdepartmental relationships among FIG Team members, and that the improvements had made positive impacts throughout the City. Ms. Greene noted that the FIG program was a huge public relations tool that helped businesses navigate local regulations. Mrs. Kingston thanked the Board for their support of the FIG Program.

Printpack, Inc. Expansion Project

Ms. Drucker asked for the Printpack, Inc. expansion project report. Mrs. Kingston reminded the Board that on January 26<sup>th</sup>, the Printpack expansion had been announced by the Governor. She noted that the company currently employs over 400 people, plans to add 60 new jobs and invest \$31.2 million over a 5-year period. She said that Printpack would be receiving \$150,000 from the Commonwealth Development Opportunity Fund (COF), \$200,000 from the Virginia Investment Partnership (VIP), as well as Enterprise Zone benefits and Virginia Jobs Investment (VJIP) funding for workforce. She noted that the IDA would be responsible for the required \$150,000 COF match.

Mrs. Kingston stated that the Newport News IDA would provide a local incentive of \$1.2 million based on planned new jobs and investment over a 5-year period, which would be delivered as a discounted purchase price of the existing facility. She noted that Printpack had submitted a site plan for the 150,000-square-foot expansion, beginning with a minimum 75,000 square feet as phase one. She reported that we plan to convey an adjacent City-owned 2.9 acres in order to support the expansion project, and that City Council would consider action to convey the 2.9 acres to the IDA, authorize execution of the required COF agreement and appropriate the \$150,000 COF grant at its March 22<sup>nd</sup> meeting. She reminded the Board that City Council was also a party to the COF Agreement. She stated she would be seeking Board action for approval of the Printpack Agreement of Purchase and Sale, the local Expansion/Relocation Cost Reduction (ERCR) Incentive Agreement, and the COF Agreement, subject to legal counsel review and City Council taking related actions at its March 22<sup>nd</sup> meeting.

Mr. Workman noted that staff had recently met jointly with Printpack representatives, Laura Godbolt, Economic Development Manager from the Virginia Port Authority and Toi Wilson, Project Manager with Virginia Economic Development Partnership, to discuss the VJIP Workforce and Port incentive program mechanics for Printpack.

Ms. Drucker asked for a Motion to authorize that certain Agreement of Sale by and between the IDA and Printpack, Inc., in connection with Printpack's planned expansion and significant investment in the City of Newport News, subject to the review and approval of all documentation by IDA Legal Counsel. Mr. Herbert so moved and Mr. Minter seconded the motion, which was approved unanimously on a roll call vote.

Ms. Drucker asked for a Motion to authorize that certain Expansion/Relocation Cost Reduction (ERCR) Incentive Agreement by and among the IDA, Printpack, Inc. and Printpack Holdings, Inc., in connection with Printpack's planned expansion and significant investment in the City of Newport News, subject to the review and approval of all documentation by IDA Legal Counsel. Mr. Minter so moved and Mr. Herbert seconded the motion, which was approved unanimously on a roll call vote.

Ms. Drucker asked for a motion to authorize that certain Commonwealth's Development Opportunity Fund Performance Agreement by and among the IDA, the City of Newport News and Printpack, Inc., in connection with Printpack's planned expansion and significant investment in the City of Newport News, subject to approval by the City Council of the City of Newport News, and subject to the review and approval of all documentation by IDA Legal Counsel. Mr. Minter so moved and Mr. Herbert seconded the motion, which was approved unanimously on a roll call vote.

#### Secretary/Treasurer's Report

Ms. Drucker asked for the Secretary/Treasurer's report. As Mrs. Kingston was experiencing some difficulty with laryngitis, Ms. Croushore presented the report on her behalf. She reported that the first annual reporting for the ERCR agreement with Continental Automotive Systems, Inc. had been received. She said that the reported capital investment and jobs creation figures significantly exceeded the investment requirements for Phase I and that during calendar year 2015, Continental had made capital investments of over \$37.6 million and created 89 new positions. She noted that this was a very positive first step for Continental's expansion.

Ms. Croushore advised that the Department of Development would be sponsoring a "How to Start Your Own Business" workshop on Tuesday, April 5<sup>th</sup>, from 8:30 a.m. to 1:00 p.m., at 700 Town Center Drive, in the James Room on the first floor of the Fountain Plaza Two building. She said that Debra Farley, Associate Executive Director of the Hampton Roads Small Business Development Center, would serve as the presenter along with a representative from Fulton Bank. She noted that a representative from the City's Purchasing Department would be there to discuss how to do business with the City, as well as Tricia Wilson and Shakir Johnson from the Department of Development, who would be there to share information on Newport News business assistance programs.

Ms. Croushore enumerated some of the 2016 Special Events at City Center. She said that the St. Patrick's Day Party, Cinco in the City and the Oyster Roast were returning this year with a starting time of 6:00 p.m. and that the April 24<sup>th</sup> Color Me Rad race was in its 5<sup>th</sup> year, and expected 10,000 in attendance.

Ms. Croushore noted that the Fridays at the Fountain would begin June 3<sup>rd</sup> and continue every Friday through August 26<sup>th</sup>. She said that also returning this year would be the World Arts Celebration on May 21<sup>st</sup>, presented by the Virginia Arts Festival, and the Brazilian Festival on September 17<sup>th</sup>, presented by Tucanos. She advised that both of these events would build upon the positive momentum from last year's events. She stated that the Virginia Arts Festival would bring the 4<sup>th</sup> Annual Memorial Day Concert back to City Center with a performance by the U.S. Air Force Heritage of America Band.

Ms. Croushore advised that the Farmers Market at City Center would run from May 5<sup>th</sup> through September 29<sup>th</sup> from 10:00 a.m. until 2:00 p.m. every Thursday. She said that there were many other events still taking shape, and as they did, we would be happy to provide additional details. She noted that the Board had been provided a summary of the events.

Ms. Croushore informed the Board that the Monthly Financial Statements were in their packages. She deferred to Mrs. Kingston, who noted a few highlights and offered to answer questions. There were no questions.

Ms. Croushore offered the City Manager an opportunity to comment. Mr. Bourey reported that the Hampton Roads Economic Development Alliance (HREDA) had selected Rick Weddle, from Orlando, Florida, as the new President and CEO. He said that one of Mr. Weddle's missions would be to increase support from the private sector, and that Mr. Weddle would begin his work with HREDA in April.

Mr. Bourey advised that the City had begun to negotiate a contract with W.M. Jordan to move the SCOT facility. He stated that the goal would be to present a proposal to City Council that meets the budgeted amount as soon as possible, explaining that moving the SCOT facility was important to the progress of Tech Center development and Jefferson Lab expansion.

Mr. Bourey said that his recommended 2017 budget would be finalized in the next several days.

Mr. Bourey reported on One City Marathon events, beginning with the Health and Wellness expo Friday, March 11<sup>th</sup> from noon to 7:00 p.m., at the Denbigh Community Center. He said that the celebration would continue at the Friday Night Kick-Off, located at the Downing-Gross Cultural Arts Center, from 5:00 p.m. to 8:00 p.m. He further noted that on Saturday, March 12<sup>th</sup>, the Health and Wellness Expo would continue at the Denbigh Community Center from 10:00 a.m. to 5:00 p.m., with the Family Fit and Fun Day following at King-Lincoln Park from 12:00 p.m. to 3:00 p.m., and ending the day with a pasta dinner at the Marriott at City Center, where Roger Brown would be the keynote speaker. He stated that on Sunday, March 13<sup>th</sup>, the Marathon race events would begin at 7:00 a.m. and conclude at the Victory Arch. He noted that there would be a One City Celebration from 8:00 a.m. to 2:00 p.m. at Victory Landing Park.

Mr. Bourey provided a brief airport summary report that Delta had upgraded its planes and seating and that the Airport plans to consolidate security into one checkpoint in order to increase efficiency and allow room for expansion of airline service with larger aircraft. He noted that the Airport had seen positive movement with the City's reduction in the airplane personal property taxes, noting an additional 14 planes were now stationed at the Airport. He stated that new hangars would also be built to house the larger number of planes at the Airport.

Mr. Bourey concluded his report by emphasizing that the World Arts Celebration on May 21<sup>st</sup> would be a wonderful opportunity to experience different cultures, food, and music.

Ms. Drucker asked if there were any questions. There were none.

#### Assistant Secretary's Report

Ms. Drucker asked for the Assistant Secretary's Report. Ms. Croushore advised the Board that the Committee Meeting Schedule was in their package and noted relevant details. She provided copies of the March edition of the Oyster Pointer to the Board and noted that there were articles about Tech Center and the START Peninsula Event.

#### Madison Government Affairs Consultant Report

Ms. Drucker advised the Board that the Madison Government Affairs Report was in written format and asked if there were any comments or questions. There were none.

At 8:50 a.m., Mr. Minter moved for the Authority to go into closed meeting pursuant to VA Code Section §2.2-3711.A: Real Estate (3), Prospective Business (5) for the following purposes and subjects: (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, the subject of which is a proposed property disposition located in the northern section of the City and a proposed property acquisition located in the northern section of the City; and (5) Discussion concerning a prospective business or industry or 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, the subject of which is prospective businesses interested in locating in the central section of the City, an unannounced expansion of an existing business located in the central section of the City and an unannounced expansion of an existing business located in the southern section of the City. Mr. Herbert seconded the motion, which was ratified by the Board with six votes, Mr. Epes having departed the meeting.

At 10:00 a.m., the EDA/IDA Board returned to open session following a certification motion by Mr. Minter in accordance with VA Code Section §2.2-3712(D) that to the best of each member's knowledge: (D) (i) only public business matters lawfully exempted from open meeting requirements under this chapter; and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Mr. Henderson seconded the motion, which passed unanimously on a roll call vote.

#### Committee Chair's Reports

Ms. Drucker called for the Committee Reports. Mr. Herbert presented the Design Review Committee Report, which was ratified by the Board and passed unanimously on a roll call vote. Mr. Minter presented the Executive Committee Report, which was ratified by the Board with five votes, Ms. Drucker having abstained. Ms. Greene presented the Marketing Committee Report, which did not require Board ratification.

#### Approval of Minutes of the Regular Meeting of February 5, 2016

Ms. Drucker asked for a Motion that the Minutes of the Regular Meeting of February 5, 2016 be approved. Mr. Minter so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.



Unfinished Business

Ms. Drucker asked for any unfinished business. Mrs. Kingston asked Ms. Meredith to provide an update on the progress of Jim's Local Market at Brooks Crossing. Ms. Meredith noted that the building was progressing nicely, with the exterior completely enclosed and roof completed in preparation for equipment to be installed.


Mrs. Kingston added that in addition to construction, staff had been working through the first draw under the New Markets Tax Credit financing facility.

Ms. Meredith advised Board members that hard-hat construction tours of the grocery store site, coordinated at a time that would have the least impact on site work, will be offered in late March or early April. Mr. Bourey added that he felt the timing on the tour would be essential, so that visitors could visualize the final project.

New Business

Ms. Drucker asked for any new business. Mrs. Kingston stated there was no new business.

There being no further business to come before the Board, Ms. Drucker adjourned the meeting at 10:10 a.m.



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Florence G. Kingston  
Secretary/Treasurer



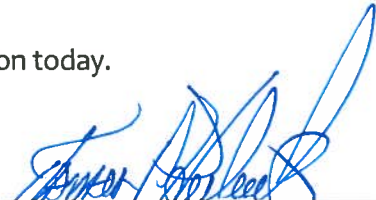
ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors  
FROM: Chair, Design Review Committee  
SUBJECT: Chair's Report  
DATE: March 4, 2016

The Design Review Committee met on February 18, 2016. The Committee considered a request by Draper Aden Associates, on behalf of Municipal Partners, LLC, for approval of a site plan, landscape plan and digital rendering of new building construction located at 2 Bayport Way in Jefferson Center for Research and Technology. Upon review, the request passed with eight votes in favor and Ms. Nettles abstaining, subject to all applicable City codes and regulations.

Staff provided the Committee with information on three administrative approvals granted since the last meeting. The first approval was a sign face change for El Tapatio, LLC, located at 615 Thimble Shoals Boulevard in Oyster Point of Newport News. The next approval was a tenant sign change package for Wine & Design located at 707 Mariners Row, Suite 102 in City Center at Oyster Point. The last approval was a major tenant sign change package for Regus located at 11815 Fountain Way in City Center at Oyster Point.

The items in this report require Board ratification today.



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Thomas P. Herbert, Chair

CBE:mej

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Date, Time and Location: February 18, 2016, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cary B. Epes, Thomas P. Herbert, Jennifer S. Smith, Alonzo Bell, Jr., Jim MacDougall, Robb Mann, Teresa Nettles, Bryan Trainum, Elizabeth Willis

Members Absent: Alex Delgado, Sylvia Weinstein



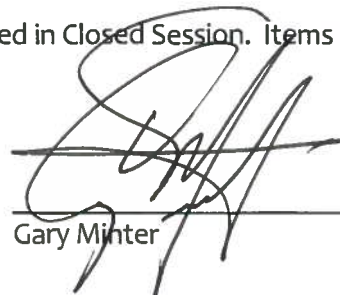
ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors  
FROM: Chair, Executive Committee  
SUBJECT: Chair's Report  
DATE: March 4, 2016

The Executive Committee met on February 18<sup>th</sup>. The Committee authorized IDA funding and execution of a contract with Denbigh Construction Company, Inc. to provide demolition and construction of a parking lot associated with 11008 Warwick Boulevard, in an amount not to exceed \$725,000, which included the proposal amount plus a contingency, to advance the UPS Project, with all necessary documentation subject to legal counsel review and approval.

The Committee also authorized a subdivision of approximately 2.942 acres of a larger 10.63-acre, EDA-owned property addressed as 11760 Rock Landing Drive, to facilitate development of a medical office facility for use by a pediatric physician subgroup of Children's Medical Group (Children's Hospital of the King's Daughters), with the final subdivision plat subject to review and approval by legal counsel.

The Committee's remaining items were handled in Closed Session. Items in this report require Board ratification.

  
\_\_\_\_\_  
Gary Minter

GM:clc

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Date, Time and Location: February 18, 2016, at 8:45 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cassandra Greene, Tom Herbert, Gary Minter

Members Absent: Wendy Drucker



ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors  
FROM: Chair, Marketing Committee  
SUBJECT: Chair's Report  
DATE: March 4, 2016

The Marketing Committee met on February 18, 2016. Staff distributed copies of the 2015 EDA/IDA Annual Report. Committee members commended staff on the excellent quality and presentation of the Report.

The Committee was reminded of upcoming special events, including the Newport News One City Marathon, to be held March 11<sup>th</sup> – 13<sup>th</sup> and the Ashley Furniture Homestore Ribbon Cutting taking place on March 16<sup>th</sup>. The Committee received the 2016 City Center monthly events listing.

The Chair initiated a discussion about strategic communications and expanded marketing techniques through enhancement of the EDA website and social media promotion. Members agreed to pursue further discussion and recommendations for action in the coming months.

This report does not require Board ratification.



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Cassandra Greene, Chair

CPG:sj  
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Date, Time and Location: February 18, 2016 at 10:30 a.m., 11820 Fountain Way, Suite 301, Newport News, VA 23606

Members Present: Cassandra Greene, Gary Hunter, Gary Minter

Members Absent: Mary Aldrich, Don Blankenship, Wendy Drucker, Faye Gargiulo, John Miller