

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, April 1, 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
Thomas P. Herbert
James M. Bourey, City Manager, ex-officio
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

Arthur P. Henderson, excused
Jennifer S. Smith-Brown, excused

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary
Janice Jones, Recording Secretary
Shakir Johnson, Business Retention Coordinator

Also present:

Matthew James, President, Peninsula Council for Workforce Development
Collins Owens, City Attorney
Robert Pealo, Senior Assistant City Attorney
Jerri Wilson, Legislative Analyst

Ms. Drucker opened the meeting by welcoming everyone.

Quarterly Business Retention Report

Ms. Drucker asked for the Quarterly Business Retention Report. Mr. Johnson advised that during the first quarter of 2016, he had participated in the annual Youth Career Expo held at the Hampton Roads Convention Center on March 23rd. Over 2,500 high school students from six greater Peninsula schools and surrounding areas participated. He stated that mentors discussed with students some of the workforce and business opportunities that exist in Newport News, and that some students had reviewed our EDA Annual Reports and asked questions about specific projects that caught their attention.

Mr. Johnson advised that Development staff was partnering with the Virginia Peninsula Chamber of Commerce (VPCC) in the creation of a young professionals' group that would meet on the 4th Thursday of each month at the VPCC. He noted that the group had chosen to name the initiative "Bridge" representing its efforts to connect emerging leaders with practical wisdom and meaningful professional relationships. He stated that initial meetings included diverse industry representatives and were well-attended.

Mr. Johnson stated that he had recently attended a presentation on ExporTech--- a technical assistance program offered through the Department of Commerce that helps businesses develop and implement an international growth strategy. He noted that ExporTech had launched its pilot program in the Hampton Roads region, with the goal of getting local economic development organizations involved in connecting export resources directly to the businesses that need their services. He told the Board that ExporTech was a promising resource for Development to assist companies that are interested in exporting products or services.

Mr. Johnson reported that he had met with a team of Regional Economic Liaison's from the U.S. Department of Veterans Affairs who serve under a program called the Veterans Economic Communities Initiative (VECI). He said that their mission was to support the economic success of Veterans by bringing together community partners at the local level, and noted future partnership opportunities in connecting transitioning service members to local employers.

Mr. Johnson reminded the Board that on Tuesday, April 5th, the Department of Development would be sponsoring a "Starting Your Own Business" workshop in conjunction with the Small Business Development Center, at 700 Town Center Drive, in the James Room on the first

floor of the Fountain Plaza Two building. He said that participants would be provided with an overview of components that help lead to a successful business start-up and would be given an introduction to topics such as business plans, financing, marketing and legal structures. He noted that the workshop would be free to anyone interested in attending and that the registration link was on the EDA website.

Mr. Johnson advised that the START 2016 Core Team had its initial meeting recently. He noted that the host locality for 2016 would be Hampton and updates would be reported to the Board as planning progressed.

Mr. Johnson stated that the business visitation program had continued through the first quarter, with 25 businesses contacted, many of which referred him to other businesses in the area.

Mr. Johnson answered several questions from the Board and Ms. Drucker thanked him for his report.

Secretary/Treasurer's Report

Ms. Drucker asked for the Secretary/Treasurer's report. Mrs. Kingston advised that the Brooks Crossing Project continued to progress. She noted that staff had recently learned of a cost savings opportunity afforded by ordering the remaining light poles to be installed in the last phase(s) of the infrastructure and that authorizing the order and funding would avoid an upcoming manufacturer price increase. She said that she would be seeking a Motion to authorize EDA funding, in an amount not to exceed \$80,000, for the costs of ordering all remaining light poles to be installed in the last phase(s) of the Brooks Crossing Project, which included a small contingency, subject to EDA Legal Counsel review of all necessary documentation.

Mrs. Kingston reported to the Board that after extensive building rehabilitation at 251 Enterprise Drive, Target Flavors planned to begin production operations in May of this year. She said the company had achieved double digit growth in 2015, primarily in the beverage industry. She noted that the company had already exceeded its announced \$1.5 million in real property investment and planned to hire approximately 15 new employees.

Mrs. Kingston advised that Xin Zhao, a scientist who occupied lab space on the second floor of the ARC Building as an employee of William and Mary, recently signed a three-year lease with the EDA to lease Room 243, having 199 square feet. She explained that the lease

commenced on April 1st, contained a two-year renewal option, a rental rate of \$18.00 per-square-foot and a rental increase to \$18.50 per-square-foot during the renewal period, if exercised. She noted that Mr. Zhao developed nano-scale supercapacitor designs that use graphene and was the sole proprietor of "Xin Clean Energy."

Mrs. Kingston stated that the Department of Development was proud to participate in the Youth Career Expo and actively engage with the area's youth, regarding career opportunities, as earlier reported.

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

Mrs. Kingston said that she would like to give the City Manager an opportunity to comment. Mr. Bourey reported that the One City Marathon had 3,041 participants, an approximately 20% increase over last year's marathon. He stated that all events were well-attended and the change of venues enabled the City to feature the Downing Gross Cultural Arts Center and the Denbigh Community Center.

Mr. Bourey advised that the 2017 City Budget was presented to City Council on March 22nd and that there would be two public hearings on April 12th and 14th to discuss the proposed budget. He also noted that the new President and CEO of HREDA, Rick Weddle, would be starting April 18th and would be attending the May EDA Board Meeting.

Mr. Bourey told the Board that he trusted they had received electronic copies of the "Newport News Now" e-newsletter, which would be a new instrument to inform the public about happenings in the City. Board Members responded with a number of positive comments.

Mr. Bourey advised that "Business View Magazine," a multi-platform digital media source, would be featuring Newport News in an upcoming publication that should be six to eight pages. He stated that he felt this would be a positive means to advertise the City of Newport News at no cost.

Mr. Bourey answered several questions from the Board and Ms. Drucker thanked him for his report.

Mrs. Kingston asked Ms. Meredith to update the Board on the upcoming planned "Hard Hat Tour" for Jim's Local Market. Ms. Meredith reported that Board Members would receive an invitation via email for 30 minute tours scheduled for Monday, April 11th, at the construction site, led by Jim Scanlon. She noted that these tours would provide an excellent means to promote this great success.

Ms. Drucker asked for a Motion to authorize EDA funding, in an amount not to exceed \$80,000, for the costs of ordering all remaining light poles to be installed in the last phase(s) of the Brooks Crossing Project, which included a small contingency, subject to EDA Legal Counsel review of all necessary documentation. Mr. Herbert so moved and Mr. Minter seconded the motion, which was approved unanimously on a roll call vote.

Quarterly Workforce Development Report

Ms. Drucker asked for the Quarterly Workforce Development Report. Mr. James advised that One Stop had begun activities at the Peninsula Worklink located on Butler Farm Road in Hampton. He said that Employer Trade and Career Fairs, such as the Hire Peninsula held March 9th at the Newport News Marriott, were scheduled throughout the next quarter as a means to offer employment support of individuals impacted by recent layoffs.

Mr. James noted that the Associated General Contractors of Virginia, Inc. had held a successful Silent Auction event on March 3rd to help fund the New Horizons Regional Education Center, that there were many upcoming partnerships in the Summer Training and Enrichment Program (STEP) and that Development staff were assisting in these efforts.

Mr. James informed the Board of three legislative items he had participated in and thought were positive for economic development activities: the Budget Amendment for Site Improvements, which would fund preparation of development sites prior to prospects' arrival; the \$20 Million New Economy Workforce Credentials Grant Program, in which the State would fund two-thirds of education expenses for credentialing; and the \$36 million GO Virginia Grant /Collaborative Economic Development Incentive, in which localities would receive half of state income tax from collaborative investments.

Mr. James answered questions from the Board and Ms. Drucker thanked him for his report.

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.

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 8:42 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 passed unanimously on a roll call vote.

At 9:19 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. Herbert seconded the motion, which passed unanimously on a roll call vote.

Committee Chair's Reports

Ms. Drucker called for the Committee Reports. Mr. Minter presented the Conference Center Marketing Committee Report, which did not require Board ratification. Mr. Herbert presented the Design Review Committee Report, which was ratified by the Board with four votes, Ms.

Drucker abstaining. Ms. Greene presented the Marketing Committee Report, which was ratified by the Board and passed unanimously on a roll call vote. Mr. Epes presented the Revolving Loan Fund Committee Report, which was ratified by the Board with four votes, Ms. Drucker abstaining.

Approval of Minutes of the Regular Meeting of March 4, 2016

Ms. Drucker asked for a Motion that the Minutes of the Regular Meeting of March 4, 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. There was none.

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 9:26 a.m.



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: April 1, 2016

The Design Review Committee met on March 17, 2016. The Committee considered requests by Tradition Brewing, on behalf of Goodfarb Family Virginia Virby, for approval of a proposed internally-illuminated, building-mounted sign; a proposed internally-illuminated freestanding sign; and proposed exterior improvements including a patio area with fire pit, awning, and non-functioning, decorative fermenting tank at 700 Thimble Shoals Boulevard in Oyster Point of Newport News. Upon review, the Committee voted unanimously to recommend approval of all three requests, subject to all applicable City codes and regulations, with the exception of the decorative fermenting tank. The decorative fermenting tank was recommended for approval, subject to Staff review and approval of the final design and all applicable City codes and regulations.

The next item considered was a request by Kimley-Horn, on behalf of US Fitness, LLC, contract purchaser of the property, for approval of a site plan and landscaping plan for a proposed parking lot addition at 809 City Center Boulevard in Oyster Point of Newport News. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

The Committee was presented with a request by Pennoni, on behalf of Printpack, Inc., for approval of a site plan, landscape plan and digital renderings, for a proposed building expansion at 270 Pickett's Line in Oakland Industrial Park. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

The final items presented to the Committee for approval were requests by Sign Media, on behalf of Swisslog Logistics, Inc., GD Enterprises, and Breeger Properties, LLC, of scaled renderings and digitally-enhanced photographs of proposed non-illuminated, monument signs at 161 Enterprise Drive and 141 Enterprise Drive, in Oakland Industrial Park. Upon review, the Committee voted unanimously to recommend approval of the requests, subject to all applicable City codes and regulations.

The items in this report require Board ratification today.



Thomas P. Herbert, Chair

TPH:mej

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Date, Time and Location: March 17, 2016, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cary B. Epes, Thomas P. Herbert, Alonzo Bell, Jr., Bryan Trainum, Sylvia Weinstein, Elizabeth Willis

Members Absent: Jennifer S. Smith, Alex Delgado, Jim MacDougall, Robb Mann, Teresa Nettles,



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: April 1, 2016

The Marketing Committee met on March 29, 2016. Staff gave an overview presentation on the Façade Improvement Grant (FIG) program. Committee members were complimentary and vowed to spread word of the program to colleagues.

The marketing budget was reviewed and approved.

Staff offered reminders about the upcoming "Getting Started in Newport News" workshop in April, the LPGA Kingsmill Championship sponsorship in May, annual Business Appreciation events in June, and the monthly City Center events calendar.

Members were pleased to learn about the "Newport News Now" daily newsletter and were supportive of this proactive approach to strategic communications to citizens and businesses. The Committee continued its discussion of options and recommendations for implementing a social media and website campaign which will not only promote the EDA/IDA's mission but also extend the overall reach of the City's communications goals.

This report requires Board ratification.



Cassandra Greene, Chair

CPG:rnb

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Date, Time and Location: March 29, 2016 at 3:30 p.m., 11820 Fountain Way, Suite 301, Newport News, VA 23606

Members Present: Cassandra Greene, Mary Aldrich, Don Blankenship, Faye Gargiulo, Gary Hunter, John Miller

Members Absent: Wendy Drucker, Gary Minter



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: April 1, 2016

The Revolving Loan Fund Committee met on March 28, 2016. Staff introduced new Committee member, John Lunsford, to the group.

Staff presented one (1) Façade Improvement Grant (FIG) Program request. The FIG request for \$30,000 from Mishorim Gold Newport News LP (DW Center – former Denbigh Village Shopping Center) for exterior painting, including prep, at 14346 Warwick Boulevard was recommended for approval with a unanimous vote.

This report requires Board ratification.


Cary Epes, Chair

CE: tlc

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Date, Time and Location: March 28, 2016 at 12:00 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cary Epes, Arthur Henderson, George Knight, John Lunsford

Members Absent: Susan Harris, Jennifer Smith-Brown

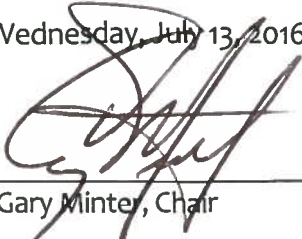


ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Conference Center Marketing Committee
SUBJECT: Chair's Report
DATE: April 1, 2016

The Conference Center Marketing Committee met on Wednesday, March 16, 2016 in the Executive Board Room of the Newport News Marriott at City Center. Marriott staff presented an overview of conference center marketing efforts for the previous quarter. The Committee also received information on e-commerce efforts, partnerships and participations with local and regional entities and upcoming significant conference center bookings.

The next meeting is scheduled for 8:00 am on Wednesday, July 13, 2016.



Gary Minter, Chair

GM:cum

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Date, Time and Location: March 16, 2016, at 8:00 a.m., Executive Board Room, Newport News Marriott at City Center

Members Present: Gary Minter, Cindy Brouillard, Steve Meade

Members Absent: Elizabeth Parker