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. Henderson called the meeting to order at 8:00 a.m., on Tuesday, July 2, 2013 in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

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

Legal Counsel:

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

Staff:

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

Also present:

George Consolvo, Kaufman and Canoles, IDA Bond Counsel
Alexander Scarola, Greenberg Traurig, LLP, Bond Counsel for the Rappahannock Hall at Christopher Newport University, LLC
Doug Hornsby, Esquire, CEO of Christopher Newport University Real Estate Foundation
William L. Brauer, Executive Vice President, Christopher Newport University
Neil A. Morgan, Former City Manager, Retired
Mr. Henderson opened the meeting by welcoming everyone.

Request by Rappahannock Hall at Christopher Newport University LLC, Whose Sole Member is the Christopher Newport University Real Estate Foundation for IDA Authorization of its Student Housing Revenue Bonds, in an Amount Not to Exceed $55,000,000, for the Benefit of Rappahannock Hall at Christopher Newport University LLC, Whose Sole Member is the Christopher Newport University Real Estate Foundation and Recommending City Council Approval of the IDA Bond Issue

Mr. Henderson opened the Public Hearing of the Industrial Development Authority of the City of Newport News, Virginia (the “Authority”), on behalf of the City of Newport News, Virginia, at 8:04 a.m. on July 2, 2013 in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia 23606, for the purpose of receiving comments on a proposed Bond Issuance by the Authority for the benefit of Rappahannock Hall at Christopher Newport University, LLC, whose sole member is the Christopher Newport University (CNU) Real Estate Foundation. Mr. Henderson asked Mr. Scarola, Bond Counsel for Rappahannock Hall at Christopher Newport University, LLC, to address the Board. Mr. Scarola explained the matter before the Board was to request that the Authority issue its Student Housing Revenue Bonds in an amount not to exceed $55,000,000 (the “Bonds”) to assist in (a) financing or refinancing the construction and equipping of an approximately 250,000 square-foot residence hall at Christopher Newport University, containing 457 student rooms (named Rappahannock River Hall) and an adjacent 95,000 square-foot parking garage, located at 12401 Warwick Boulevard, Newport News, Virginia; (b) funding a reserve fund for the Bonds, if required; (c) paying interest on the bonds, if any, during construction and for a period not exceeding one year after completion of such construction and (d) paying the costs of issuing the Bonds (collectively, the “Project”).
Mr. Scarola advised the Board that he had been in contact with Mr. Consolvo, IDA Bond Counsel and Mr. Suttle, IDA Legal Counsel, regarding the bond matter. He asked if there were any questions on the nature and location of the Project being financed and the reasons for the issuance of the Bonds by the Authority. There were no questions.

Mr. Henderson asked for comments from the public. No members of the public spoke in opposition of the Bonds or the financing of the Project.

Mr. Henderson asked for a Motion to close the Public Hearing. Mr. Herbert so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Mr. Henderson asked for a motion approving IDA Resolution Number 7-1 as presented. Mr. Epes so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Presentation of Resolution of Appreciation to Neil A. Morgan

Mr. Henderson stated next on the agenda was the presentation of the Resolution of Appreciation to Neil A. Morgan for his service as City Manager of the City of Newport News. Mr. Morgan joined Mr. Henderson as he read the Resolution of Appreciation before formally presenting it to Mr. Morgan. The Board, staff and meeting attendees gave Mr. Morgan a standing ovation. Mr. Morgan greeted the Board and stated he was very appreciative of the EDA/IDA Board’s recognition. He stated he was very proud of the accomplishments listed in the Resolution, and noted that it involved a team effort. Mr. Morgan thanked everyone and said his involvement with the EDA/IDA was dear to his heart and he wished the Board and staff the best of luck moving forward.

Quarterly Hampton Roads Economic Development Alliance Report

Mr. Henderson asked for the Quarterly Hampton Roads Economic Development Alliance Report. Mr. Cook greeted the Board and reported that the Hampton Roads Economic Development Alliance (HREDA) had conducted marketing mission activities in New Jersey, Germany, Chicago, Dallas, France, Italy and the UK. He reported HREDA had participated in the Paris Air Show with the Newport News/Williamsburg International Airport, and stated it was a very successful event. Mr. Cook reported that HREDA had 21 site visits from companies to Hampton Roads through June and had opened 26 new projects calendar year-to-
date. He reported that HREDA had announced project Cosentino, a $2.2 million project consisting of a 160,000 square-foot warehouse in the City of Hampton’s Copeland Industrial Park. He reported Cosentino North America was a fabricator and distributor of natural surface stones. Mr. Cook reported that HREDA’s recruitment activities had resulted in 217 on-site appointments with corporate decision makers and consultants. He reported HREDA had hosted the Virginia Economic Development Partnership’s (VEDP) Red Carpet Event which brought Business Development staff to Hampton Roads to showcase our assets and local businesses. He reported HREDA had hosted a quarterly business update breakfast in Richmond for VEDP as well, and stated it was well-attended and informative. Mr. Henderson asked if there were any questions. There were no questions.

**Quarterly Workforce Development Report**

Mr. Henderson asked for the Quarterly Workforce Development Report. Mr. James reported that the Peninsula Council for Workforce Development (PCFWD) was hosting several Summer camps at the Workforce Development Center, which included an App Development Camp with ECPI educating youths on different computer applications called “That’s My App.” He reported this camp was being held on the ECPI Campus and was targeted toward rising 9th through 12th graders. In addition, they had a Healthcare Camp, and a Career Exploration Camp, which included field trips to the Port Authority, 1st Advantage Credit Union, MCI and the Marriott. Mr. James reported PCFWD would also be holding weekly camps at the Youth Career Cafe and that Chick-fil-A had volunteered to provide a guest speaker and assistance to youths learning to write resumes. He reported PCFWD had updated its website to be more user-friendly. Mr. James reported that in September PCFWD would be reinstating the 12-week government contracting seminar, and noted that they also were planning to bring the Disney Institute back in March 2014. Finally, Mr. James noted PCFWD had closed its finances for the fiscal year, and he was glad to share that the level of private sector financial support was greater than public sector financial support. Mr. Henderson asked if there were any questions. There were no questions.

**Quarterly Business Retention Report**

Mr. Henderson asked for the Quarterly Business Retention Report. Mr. Johnson greeted the Board and reported he had recently attended a meeting of the Seafood Industrial Park tenants, hosted by Harbormaster, Doreen Kopacz. He reported that during this meeting he reminded attendees of different incentives
available, including Enterprise Zone incentives and the Commercial Real Property Tax Abatement (CRPTA) program, while George Schraudt presented a review of the Façade Improvement Grant (FIG) program, encouraging their participation.

Mr. Johnson reported that numerous business leaders had mentioned how much they enjoyed this year’s Business Appreciation events and stated we had another very successful year connecting Newport News businesses and celebrating their successes, achievements and importance. He thanked the Board for continuing to be supportive of Business Appreciation event activities.

Mr. Johnson reported that due to the recent addition of the UVA/VT Center here in Newport News, we are able to offer another significant workforce education and training resource for companies in the City. He reported that several collaborative meetings had taken place between representatives from University of Virginia and Virginia Tech with companies and organizations such as PCFWD, HREDa, Canon, Jefferson Lab, Continental, and Riverside, with additional meetings scheduled to take place over the next few weeks. Mr. Henderson asked if there were any questions. There were no questions.

Secretary/Treasurer’s Report

Mr. Henderson asked for the Secretary/Treasurer’s Report. Mrs. Kingston thanked Cindy Rohlf for her service as Interim City Manager, which would be ending soon as new City Manager Jim Bourey would come on board July 16th. She noted that Cindy had been instrumental in advancing several EDA/IDA projects during her tenure as Interim City Manager.

Mrs. Kingston advised the Board to mark their calendars for August 12th, 4:00 – 6:30 pm She reported that staff is working with officials from the University of Virginia and Virginia Tech to plan an opening event for the eagerly awaited Peninsula higher education center, and noted that in the coming weeks they would receive an invitation with additional details.

Mrs. Kingston reported that the Virginia Department of Housing and Community Development had issued data regarding Virginia Enterprise Zone grants for grant year 2012. She reported that approximately $1.9 million in a combination of Job Creation Grants and Real Property Investment Grants had been received by 28 Newport News businesses. Notably, Newport News had the highest level of
utilization of the program in the state, leveraging the most grant dollars and boasting the largest number of qualifying businesses.

Mrs. Kingston reported that on June 13th, Toby Keith visited Newport News and gave his stamp of approval to the Toby Keith's I Love This Bar & Grill in City Center. She reported that during the grand opening celebration, Toby Keith welcomed his fans and autographed a guitar which will be displayed in the restaurant.

Mrs. Kingston reported that City Center continued to be a popular venue, and was the site of a Farmer's Market on Thursdays from 10:00 am to 2:00 pm. She reported there would be diverse musical offerings at the Fridays @ the Fountain concerts during July and listed the dates and entertainers. She noted the free concerts were from 5:30 – 8:00 pm and food and beverages were available for purchase. Mrs. Kingston reported that the Family Films by the Fountain Series would begin on Saturday nights in August.

Mrs. Kingston reported that the 4th of July Stars in the Sky event would take place at Victory Landing Park (end of 23rd Street at the James River). She reported the event would begin at 7:00 pm, with free children's rides. Mrs. Kingston reported food vendors would be on-site selling a variety of items. Entertainment would be provided by the US Air Force Heritage of America Band from 8:00 to 9:30 pm. A spectacular fireworks show by the internationally award-winning fireworks company Pyrotecnico would light up the sky over the James River at 9:30 pm.

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.

Assistant Secretary's Report

Mr. Henderson asked for the Assistant Secretary's Report. Ms. Croushore advised the Board that the Committee Schedule was in their package.

Madison Government Affairs Consultant Report

Mr. Henderson asked for the Madison Government Affairs Consultant Report. Mr. Hirsch reported that the House and Senate took action this week on the
Transportation & HUD Appropriations Bill to fund the Departments of Transportation and HUD.

Mr. Hirsch reported that the House passed HR 2231, the Offshore Energy & Jobs Act, which included language introduced by Representative Scott Rigell to pave the way for developing Virginia’s coastal energy. Mr. Hirsch reported that Senators Mark Warner and Tim Kaine co-authored a joint op-ed with Mr. Rigell in the Virginian-Pilot touting the economic benefits of offshore energy. He reported the bill would now go to the Senate for consideration.

Mr. Hirsch reported the Senate approved a measure to make changes to the immigration law. He reported it would give a path to citizenship to some 11 million undocumented immigrants, dramatically boost border security, and create a new work-visa program for future immigrants.

Mr. Hirsch reported the FY 2014 Advanced Individual Training (AIT) Dormitory project is proceeding through the Authorization and Appropriations Process. He reported this was Phase III of dorm construction and would bring on-line another 200-person facility at a cost of $50 million.

Mr. Hirsch reported that Fort Eustis was quite pleased with the Route 105 bridgework construction, noting that it had not substantially interfered with traffic coming on or leaving the base.

Finally, Mr. Hirsch reported Joint Base Langley-Eustis had a new commander, Colonel William Galbraith.

At 8:45 a.m. Mr. Herbert 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. Epes and it passed unanimously on a roll call vote.

At 9:27 a.m. the EDA/IDA Board returned to open session following a certification motion by Mr. Herbert 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. Minter and it passed unanimously on a roll call vote.

Mr. Henderson asked for a motion to authorize the acquisition of 5867 Jefferson Avenue at a purchase price not to exceed the City-assessed value of $272,800, from record owner Neil E. Pickett or his heirs and assigns, to facilitate expansion of the IDA-owned parcel located at 5849 Jefferson Avenue which currently houses the City Warehouse, offices and storage for the Police and Fire Departments, as well as the regional Animal Shelter which is currently under construction, subject to legal counsel review and approval. Mr. Herbert so moved and Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

Printpack, Inc. – Approval of Fourth Amendment to Lease Between the Industrial Development Authority of the City of Newport News, Virginia (IDA) and Printpack, Inc., and Extension Agreement Related to Bank of America Bond Financing

Mrs. Kingston provided a brief overview of the details of the proposed lease and bond modifications. Mr. Henderson asked for a motion to authorize the modification of the IDA – Printpack, Inc. Lease Termination Date to September 28, 2018 and the Series 2003 Bond Maturity Date to September 1, 2018 with all other terms, conditions and payments to remain the same and to authorize and direct the Chair, Vice Chair, and Secretary/Treasurer to execute any and all documents and take such further actions as necessary with documentation prepared and reviewed by IDA bond counsel and IDA general counsel. Mr. Epes so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Committee Chair’s Reports

Mr. Bell presented the Design Review Committee Chair’s Report, which was ratified by the Board and passed unanimously on a roll call vote. Mr. Herbert presented the Executive Committee Chair’s Report, which was ratified by the
Board and passed unanimously on a roll call vote. 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.

Approval of Minutes-June 7, 2013 EDA/IDA Board Meeting

Mr. Henderson asked for a motion that the Minutes of the EDA/IDA Board Meeting held June 7, 2013 be approved. Mr. Minter so moved and Mr. Herbert seconded the motion, which passed unanimously on a roll call vote.

Unfinished Business

Mr. Henderson asked for any unfinished business. Mrs. Kingston reported the closing on the Ferguson land sale had occurred on Friday, June 28th.

Mr. Henderson advised the Board that as the Authorities' representative for the Newport News Sister Cities organization, he would like to invite fellow Board members to join him at the Sister Cities Breakfast on July 31st at the Christopher Newport University David Student Center, from 8:00 to 9:00 am.

New Business

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

Mr. Henderson 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. Henderson adjourned the meeting at 9:41 am.

Florence G. Kingston
Secretary/Treasurer

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TO: Board of Directors

FROM: Chair, Design Review Committee

SUBJECT: Chair's Report

DATE: July 2, 2013

The Design Review Committee met on Thursday, June 20, 2013. The Committee considered a request by SignMedia, Inc., on behalf of the property owner, 600 Thimble Shoals, LLC, for approval of a scaled color rendering and digitally enhanced photograph of one internally illuminated building mounted sign for the University of Virginia and Virginia Tech, at 600 Thimble Shoals Boulevard, in Oyster Point of Newport News. The request required a waiver of the Oyster Point, Section One Regulations and Restrictions to allow a second mounted sign on the building face. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

The item detailed in this report requires Board ratification today.

Alonzo R. Bell Jr., Chair

Date, Time and Location: June 20, 2013 at 8:00 a.m., Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Alonzo R. Bell, Jr., Cary B. Epes, Thomas P. Herbert, Michael Carpenter, Teresa Nettles, Elizabeth Smith, Sylvia Weinstein

Members Absent: Robert Mann
TO: Board of Directors

FROM: Chair, Executive Committee

SUBJECT: Chair’s Report

DATE: July 2, 2013

The Executive Committee met on June 18th. The Committee authorized a Purchase and Sale Agreement between the EDA and W. M. Jordan Company, Inc. or its assigns (Jordan) related to the EDA’s sale to Jordan of an approximately 0.51644-acre parcel comprising a portion of the area commonly known as Hogan Drive, for the agreed upon purchase price of $65,000, and subject to conveyance of the 0.51644-acre parcel to the EDA by the City, with all documentation to effectuate the transaction subject to the review and approval of legal counsel. A plat of the parcel is attached for convenience of reference.

The Committee’s remaining items were handled in Closed Session. This report requires Board ratification.

Thomas P. Herbert, Chair

TPH:clc

Date, Time and Location: June 18, 2013 at 12:00 p.m. at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Alonzo Bell, Tom Herbert, Gary Minter

Members Absent: Arthur Henderson
TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair’s Report
DATE: July 1, 2013

The Revolving Loan Fund Committee (Committee) met on Monday, July 1, 2013. Committee action and staff discussion is highlighted below:

Staff presented two (2) FIG Program requests to the Committee.

- The FIG request for $6,634 from Master Land Holdings for improvements to the canopy/awning, building mounted signage and new storefront at 5833 Jefferson Avenue was recommended for approval with a unanimous vote, and one abstention.

- The FIG request for $5,250 from William E. Smith for a new parking lot overlay at 11122 Jefferson Avenue was recommended for approval with a unanimous vote.

Staff presented a pictorial review of the completed FIG Projects, which reflected before and after pictures.

This concludes the Committee report and the Board is asked to ratify the Committee actions relating to the FIG approvals.

Cassandra Greene, Chair

Date, Time and Location: July 1, 2013 at 12:30 PM at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA
Members Present: Cassandra Greene, Cary Epes, and Susan Harris
Members Absent: Wendy Drucker and Howard Manly
TO: Board of Directors

FROM: Chair, Revolving Loan Fund Committee

SUBJECT: Chair’s Report

DATE: July 1, 2013

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- The FIG request for $6,634 from Master Land Holdings for improvements to the canopy/awning, building mounted signage and new storefront at 5833 Jefferson Avenue was recommended for approval with a unanimous vote, and one abstention.

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Staff presented a pictorial review of the completed FIG Projects, which reflected before and after pictures.

This concludes the Committee report and the Board is asked to ratify the Committee actions relating to the FIG approvals.

Cassandra Greene, Chair

CG:tw

Date, Time and Location: July 1, 2013 at 12:30 PM at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cassandra Greene, Cary Epes, and Susan Harris

Members Absent: Wendy Drucker and Howard Manly