

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, September 2, 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 B. Epes
Cassandra P. Greene
Thomas P. Herbert
Arthur P. Henderson
Jennifer S. Smith-Brown
James M. Bourey, City Manager, ex-officio
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

None

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary
Janice Jones, Recording Secretary

Also present:

Kristen Jones, Dixon Hughes Goodman, Manager
Leslie Roberts, Dixon Hughes Goodman, Partner
Mark Butcher, Newport News Marriott at City Center, General Manager
Lori Coyne, Newport News Marriott at City Center, Director of Sales and Marketing
Collins Owens, City Attorney
Robert Pealo, Senior Assistant City Attorney

Ms. Drucker opened the meeting by welcoming everyone.

Newport News Marriott at City Center

A. Conference Center Marketing 2015 Expense Review

Ms. Drucker asked for the Conference Center Marketing 2015 Expense Review. Ms. Jones, Assurance Manager for Dixon Hughes Goodman (DHG), reported that DHG had been engaged by the Economic Development Authority of the City of Newport News, Virginia (EDA) to perform procedures related to the marketing expenses incurred by the Marriott Hotel and Conference Center under the Joint Marketing Agreement during calendar year 2015.

Ms. Jones advised that DHG reviewed a schedule of the majority of the actual expenses incurred for conference center marketing during 2015 under the Joint Marketing Agreement, which amounted to \$301,240. It was determined that the expenses were incurred and were appropriately spent for the purposes of marketing and that DHG confirmed the documentation supporting the marketing expenses during the period of 01/01/2015 - 12/31/2015 had been reviewed, with no exceptions noted.

Ms. Jones asked if there were any questions and there were none. Ms. Drucker thanked Ms. Jones for her report.

B. Conference Center 2015 Activity Review

Ms. Drucker asked for the Conference Center 2015 Activity Review. Mr. Butcher reported that the Newport News Marriott at City Center was the only full-service Marriott on the Peninsula hosting corporate events, civic events and corporate announcements, as well as hosting visiting dignitaries from the United States and abroad. He stated that the Marriott directly contributed over 235 jobs, not including an additional indirect impact on jobs. He noted that guest satisfaction had improved from last year's ranking, placing the hotel in the top third of all Marriott hotels worldwide and that event satisfaction for operation of the Conference Center had improved as well, ranking in the top 100 of all Marriott hotels worldwide. Mr. Butcher noted that these ratings and experiences give guests more reasons to return to the Newport News Marriott at City Center.

Mr. Butcher advised that staff would be committed to building on its successes and that renovation would continue throughout the hotel and conference center. He stated that the

Conference Center renovations were 90% complete, with the changes well-received by guests and event clients. He noted outdoor patio upgrades were anticipated by fall, that suites and concierge lounge renovations had just been completed.

Mr. Butcher stated that the Ferguson Center for the Performing Arts continued to provide a wonderful entertainment venue contributing to the demand for guest rooms, and that the Marriott had hosted six events for Jefferson Lab, one with over 200 guests in attendance for a weeklong conference. He noted that when rooms and conference center spaces were booked to capacity, the hotel utilizes relationships with City Center partners to creatively accommodate the overflow business. He reported that the Marriott had partnered with surrounding businesses and organizations including the Peninsula Youth Leadership Alliance, Wine & Design in City Center and Tradition Brewing. He said that Marriott staff was proud of the improved guest experiences, increased revenues, corporate partnerships and collaborative efforts with local businesses, events and civic groups.

Mr. Butcher answered several questions and Ms. Drucker thanked him for his report. Mr. Bourey commended the Marriott staff for their excellent service and quality food.

Approval of EDA/IDA Post-Issuance Compliance Procedures Manual

Ms. Drucker asked for the EDA/IDA Post-Issuance Compliance Procedures Manual item. Mrs. Kingston noted that the EDA/IDA issued public securities from time-to-time to provide funding for capital projects or to refinance debt previously issued for capital purposes. She said that the Authorities also issued debt on behalf of other organizations (“Borrowers”) eligible to use the proceeds of tax-exempt financing (i.e. CNU, Riverside Health Care, etc.), known as “conduit debt issues”, of which these securities were typically tax-exempt obligations. She explained that in order for the Authorities and the Borrowers to treat the interest on the obligations as exempt from federal income tax, the Authorities and the Borrowers were required to comply with federal tax laws and related federal regulations. She advised that with each new issue of tax-exempt bonds, the Authorities are required to file with the IRS an IRS Form 8038, which requires the Authorities to certify that each of the Authorities had established written procedures to monitor compliance with the requirements of the IRS Code in such areas as arbitrage rebate compliance, private business use and private payment rules and continuing disclosures concerning debt service ability. She told the Board that the Authorities had engaged PFM, the City and EDA/IDA Financial Advisors, to assist in the development of a Post-Issuance Compliance Procedures Manual for the Authorities.

Mrs. Kingston advised that the purpose of the Manual was to set forth administrative procedures to ensure ongoing compliance with all applicable federal laws, rules, bond covenants and continuing disclosure agreements contained in the Authorities' existing and future tax-exempt bond issues. She noted that the Manual would be reviewed and updated periodically to ensure that it reflected current compliance requirements and that the periodic training of staff would be conducted to successfully implement the program. She stated that the Director of Development would be designated as the Chief Compliance Officer and would have the responsibility for the administration and supervision of the Authorities' post-issuance compliance management program. She noted that there would be a Post-Issuance Compliance Team that included an Assistant Director of Development, the Financial Services Administrator, the Manager of Special Development Projects, a representative from the City Finance Department, a representative from the City Budget Department, the Business Development Specialist and a Department of Development Accountant. She said that the Chief Compliance Officer would periodically review the Post-Issuance Compliance Procedures Manual for compliance and would periodically report on compliance to the Authorities' Directors. She told the Board that the City had adopted a similar policy and procedures program, developed with the assistance of PFM, for City tax-exempt issues, although the Authorities' program was more detailed due to the Authorities' role as a conduit for debt issuance.

Ms. Drucker asked for a motion to approve the EDA/IDA Post issuance Compliance Procedures Manual as presented. Mr. Herbert so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Secretary/Treasurer's Report

Ms. Drucker asked for the Secretary/Treasurer's report. Mrs. Kingston reported that the IDA would be completing its due diligence and purchase of Sherwood Shopping Center from Sherwood Associates, LLC. She noted that once this transaction was complete, the IDA would need to provide for management of the shopping center and that Abbitt Management, LLC, the current managing agent of the shopping center, had agreed to continue property management and administration of the shopping center on the IDA's behalf, commencing at closing. She advised that this would not apply to the adjacent former Kazis property that the IDA recently acquired. She stated that Abbitt's management agreement would be for an initial term of one year, after which it would convert to a month-to-month term, with a management fee of 4% of the monthly gross receipts and that during the first year, the IDA could terminate the management agreement, for cause, with 60 days notice. She told the Board the advantage of maintaining continuity of management would benefit the IDA and

would establish a framework for the management of Sherwood Shopping Center when the IDA completes the acquisition process. She stated that she would be seeking a motion to authorize a management agreement with Abbitt Management, LLC to continue to provide property management services for Sherwood Shopping Center for an initial term of one year, commencing upon the closing of the IDA's acquisition of the property, at a management fee of 4% of monthly gross receipts, subject to all documentation being reviewed and approved by IDA Legal Counsel.

Mrs. Kingston noted that Newport News-Oyster Point Hotel, LLC (NNOPH) was the ownership entity of the Newport News Marriott at City Center hotel and that they were in the process of refinancing following the recent \$5 million hotel renovation. She said that the new \$21 million, 15-year mortgage would be held by USAA Life Insurance Company. She reminded the Board that the EDA had executed various agreements with previous mortgage lenders and was being requested to do the same for the refinancing transaction. She advised that the EDA and NNOPH were the parties to the management agreement for the operations of both the hotel and the conference center, which responsibility was handled by a management entity, and there were numerous documents which pertain to those operations. She stated that she would be seeking a motion to authorize the Chair to execute (i) a Consent to the Collateral Assignment of the Conference Center Management Contract and Security Agreement by Newport News-Oyster Point Hotel, LLC to USAA Life Insurance Company, (ii) an Acknowledgment of the Collateral Assignment of Marketing Agreement and Security Agreement by Newport News-Oyster Point Hotel, LLC to USAA Life Insurance Company, (iii) Consent to Collateral Assignment of Parking Agreement and Security Agreement by Newport News-Oyster Point Hotel, LLC to USAA Life Insurance Company, and (iv) a Certificate to the lender, USAA Life Insurance Company, certifying representations and warranties regarding the City Center Hotel and Conference Center Condominium Owners Association, Inc., all in connection with the refinance of the loan on the Newport News Marriott at City Center, subject to EDA Legal Counsel review.

Mrs. Kingston advised that on August 23rd, several of our Board members, City Council members and staff attended a Regional Forum on Economic Development, convened by the Presidents of William & Mary, Old Dominion University and Virginia Commonwealth University. She said that the afternoon event, was held at William & Mary with approximately 200 attendees from academia and the public and private sectors, focused on growing Virginia's economy and included a discussion on the GO Virginia initiative.

Mrs. Kingston stated that on August 25th, the Hampton Roads Economic Development Alliance (HREDA) hosted an all-day Economic Development Workshop at the Virginia Modeling, Analysis and Simulation Center in Suffolk. She noted that the President/CEO, Rick Weddle, led an excellent program which provided a comprehensive analysis of historical data and current conditions and outlined a strategy for the Alliance moving forward. She said that the workshop was very well-attended and included a Mayor's Reception and City Manager panel, led by our own City Manager Jim Bourey, who was currently serving as Vice President of the organization.

Mrs. Kingston reported that the City, in collaboration with the United States Environmental Protection Agency (EPA) and the Southeast CARE Coalition, would be sponsoring a Newport News Revitalization Forum on September 14th from 8:00 a.m. to 4:00 p.m. at the Downing-Gross Cultural Arts Center. She noted that the forum was a part of the United States EPA's "Making a Visible Difference in Communities Initiative", which focuses on supporting communities, especially in environmentally overburdened, underserved and economically distressed areas. She told the Board that the forum would be free, but registration was encouraged and invited Board members interested in attending to contact Tricia Wilson for registration.

Mrs. Kingston noted that in September, the Virginia Velocity Tour would travel the Commonwealth to shine a spotlight on the entrepreneurs building Virginia's 21st century economy, and would include tours, talks and pitch competitions with over \$100,000 in prizes. She said that the Tour, in partnership with Governor Terry McAuliffe, the Secretary of Commerce and Trade, Virginia Velocity, Village Capital and other local partners across the Commonwealth, would be in Hampton Roads on September 21st beginning in Newport News. She told the Board that they would receive invitations to an EDA-sponsored kick-off breakfast, to be held at 8:00 a.m. at Whole Foods Market, hosted by Jeff Johnson of the Tech Center Corporate Research Center and our staff, and featuring a panel discussion with local entrepreneurs. She explained that the Tour would continue with visits to Hampton and Norfolk, with a final Hampton Roads stop in Virginia Beach to include a pitch competition and reception (free and open to the public) at the Virginia Aquarium.

Mrs. Kingston reported that the EDA had been offered the opportunity to serve as a partner in the Commonwealth of Virginia's inaugural Cyber-Physical Systems Summit, an event organized by Secretary of Technology, Karen Jackson, in concert with Jefferson Lab, in an effort to elevate Virginia, to be held at Jefferson Lab September 20th to 22nd. She said that Virginia would be driving the Cyber Security agenda by hosting a national-level conversation on the emerging and critical topic of cyber-physical systems including autonomy, Internet of

Things (IoT), critical infrastructure and medical devices. She noted that the three-day event would feature facilitated roundtable discussions and panels and plenary presentations by cyber experts, with 30 confirmed speakers, including Governor Terry McAuliffe. She advised that a detailed schedule and registration information could be found at www.cyberva.virginia.gov.

Mrs. Kingston said that this year's START Peninsula Event would be held at Thomas Nelson Community College at the Workforce Development Center from Friday, November 4th through Sunday, November 6th. She reminded the Board that this event was a "Shark Tank" style of business competition that featured speakers and panels over the course of the weekend, with the goal of creating and growing new businesses. She noted that this year's core planning team, chaired by Hampton Economic Development, included staff from Newport News and all Peninsula localities, as well as the Virginia Peninsula Chamber of Commerce, and our regional business incubator directors, including Jeff Johnson with the Tech Center Corporate Research Center. She stated that as we look to continue to build and diversify our regional economy and promote entrepreneurship, we are excited to be a key part of START Peninsula. She said that more information about START Peninsula could be found at www.startpeninsula.com.

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 offered the City Manager an opportunity to comment. Mr. Bourey emphasized that at its work session, HREDA announced that the organization plans to set aggressive targets for job growth over the next five years and that measurable job growth was the change that would be utilized to reinvigorate private investment growth in the region. He reported that he visited the new Discovery STEM Academy, formerly Magruder Elementary, and was extremely impressed. He also advised that CIP work sessions would be on-going for the next several months and that the SCOT relocation negotiations had been moving forward, with anticipated finalization in the next few months. He said that the STEP closing ceremonies were held last week and that the program had made an inspirational difference in many participants' lives. He noted that the City is preparing an integrated, online target communications program (EnerGov by Tyler Technologies) that would change the communications culture of the City between City Departments and the public.

Mr. Bourey advised that the City had been working with the new owners of City Center to help invigorate businesses, with one of the improvements being the addition of angled parking where feasible. He also told the Board that as we visit with local businesses, discussions would include an initiative to recruit and retain engineers and other highly technically trained individuals.

Ms. Drucker asked if there were any questions. There were none and she thanked Mr. Bourey for his comments.

Ms. Drucker asked for a motion to authorize a Management Agreement with Abbitt Management, LLC to continue to provide property management services for Sherwood Shopping Center for an initial term of one year, commencing upon closing of the IDA's acquisition of the property, at a management fee of 4% of monthly gross receipts, subject to all documentation being reviewed and approved by IDA Legal Counsel. Mr. Minter so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Ms. Drucker asked for a motion to authorize the Chair to execute (i) a Consent to the Collateral Assignment of the Conference Center Management Contract and Security Agreement by Newport News-Oyster Point Hotel, LLC to USAA Life Insurance Company, (ii) an Acknowledgment of the Collateral Assignment of Marketing Agreement and Security Agreement by Newport News-Oyster Point Hotel, LLC to USAA Life Insurance Company, (iii) a Consent to Collateral Assignment of Parking Agreement and Security Agreement by Newport News-Oyster Point Hotel, LLC to USAA Life Insurance Company, and (iv) a Certificate to the lender, USAA Life Insurance Company, certifying representations and warranties regarding the City Center Hotel and Conference Center Condominium Owners Association, Inc., all in connection with the refinance of the loan on the Newport News Marriott at City Center, subject to EDA Legal Counsel review. Mr. Epes so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

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 8:40 a.m., Ms. Smith-Brown moved for the Authority to go into a 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 proposed property dispositions located in the central and southern sections of the City and proposed property acquisition located in the southern 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 and southern sections of the City. Mr. Herbert seconded the motion, which passed unanimously on a roll call vote.

At 9:35 a.m., the EDA/IDA Board returned to open session following a certification motion by Ms. Smith-Brown 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.

Tech Center Corporate Research Center

A. Incentive Contribution Agreement by and between the EDA and W.M. Jordan Development, LLC

Mrs. Kingston noted that development of the Tech Center Corporate Research Center (CRC) continued to move forward, with the next steps being infrastructure improvements to Hogan Drive and design and construction of Building One at Tech Center, the first research and office building in the CRC development. She outlined the planned Hogan Drive infrastructure improvements, and stated that these improvements would not only provide a gateway entrance to Building One at Tech Center and the CRC, but also would enhance access for Jefferson Lab employees and visitors.

Mrs. Kingston advised that an Incentive Contribution Agreement by and between the EDA and W.M. Jordan Development, LLC was a necessary next step to advance the CRC project. She noted that the Incentive Contribution Agreement provided for an EDA incentive

contribution of \$5,309,490, subject to City Council appropriation of funding, and outlined the responsibilities of the Developer and EDA related to the Hogan Drive infrastructure improvements and Building One at Tech Center. Mrs. Kingston stated that she would be asking for a motion to authorize an Incentive Contribution Agreement by and between the EDA and W. M. Jordan Development, LLC, based upon W. M. Jordan's construction of Building One at Tech Center, in order to facilitate the expense of the engineering, planning, design and construction of Hogan Drive improvements in the amount of \$5,309,490, subject to City Council appropriation of funds and all necessary documentation being reviewed and approved by EDA Legal Counsel.

B. Conveyance of IDA-Owned Parcels at 700 Oyster Point Road and 730 Oyster Point Road to the EDA

Mrs. Kingston stated that the next Tech Center item would be the authorization of the conveyance of IDA-owned parcels at 700 Oyster Point Road and 730 Oyster Point Road to the EDA. As a precursor to a Memorandum of Understanding (MOU) between the EDA and Developer for development of the CRC, it is prudent to consolidate parcels that are City-owned or IDA-owned into EDA ownership to facilitate land assembly and future land transactions necessary for the CRC and Jefferson Lab growth. She stated that she would be asking for a motion to convey the 2.58-acre, IDA-owned parcel addressed as 700 Oyster Point Road, and 6.64-acre, IDA-owned parcel addressed as 730 Oyster Point Road, to the EDA, together with all covenants and conditions associated with both properties, for the purpose of facilitating land assembly and transactions anticipated in association with the proposed Tech Center corporate research development, and subject to all documentation being reviewed and approved by legal counsel.

Ms. Drucker thanked Mrs. Kingston for the overview she provided on these items, and asked for a motion to authorize that certain Incentive Contribution Agreement by and between the EDA and W. M. Jordan Development, LLC, based upon W. M. Jordan's construction of Building One at Tech Center, in order to facilitate the expense of the engineering, planning, design and construction of Hogan Drive improvements in the estimated amount of \$5,309,490, subject to City Council appropriation of funds and all necessary documentation being reviewed and approved by EDA Legal Counsel. Mr. Minter so moved and Mr. Herbert seconded the motion, which passed unanimously on a roll call vote.

Next, Ms. Drucker asked for a motion to convey the 2.58-acre, IDA-owned parcel addressed as 700 Oyster Point Road, and 6.64-acre, IDA-owned parcel addressed as 730 Oyster Point Road, to the EDA, together with all covenants and conditions associated with both properties, for the purpose of facilitating land assembly and transactions anticipated in association with the proposed Tech Center corporate research development, and subject to all documentation being reviewed and approved by legal counsel. Mr. Herbert so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Expansion/Relocation Cost Reduction Enterprise Zone Incentive Agreement by and between the EDA and Davis Boat Works, Inc. DBA Fairlead Boatworks

Mrs. Kingston advised that an Expansion/Relocation Cost Reduction (ERCR) Enterprise Zone Incentive Agreement by and between the EDA and Davis Boat Works, Inc. DBA Fairlead Boatworks (Fairlead) was being recommended. The ERCR would provide an Enterprise Zone incentive of \$190,000 to Fairlead, which Fairlead would use to demolish the existing and construct a new paint storage facility on its Seafood Industrial Park (SIP) site, in anticipation of City-led environmental remediation on the property. The ERCR incentive of \$190,000 is based on Fairlead's performance targets of 25 new jobs and \$1.5 million in capital investment.

Mrs. Kingston stated that she would be asking for a motion to authorize that certain Expansion/Relocation Cost Reduction Enterprise Zone Incentive Agreement by and between the EDA and Davis Boat Works, Inc. DBA Fairlead Boatworks (Fairlead) linked to Fairlead's cooperation with required environmental remediation activities and its planned investment of approximately \$1.5 million and job creation of approximately 25 new jobs at its facilities in the Seafood Industrial Park in the City of Newport News, subject to review and approval by EDA Legal Counsel. Mrs. Kingston noted that this action supports a long-standing business in the SIP and helps it to position itself for a broader range of government and commercial repair work.

Ms. Drucker asked for a motion to authorize that certain Expansion/Relocation Cost Reduction Enterprise Zone Incentive Agreement by and between the EDA and Davis Boat Works, Inc. DBA Fairlead Boatworks (Fairlead) linked to Fairlead's cooperation with required environmental remediation activities and its planned investment of approximately \$1.5 million and job creation of approximately 25 new jobs at its facilities in the Seafood Industrial Park in the City of Newport News, subject to the review and approval by EDA Legal Counsel. Mr. Minter so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

First Amendment to Declaration of Fountain Plaza One Condominium

Mrs. Kingston reminded the Board that at its July Board meeting, the EDA approved a Master Parking Agreement for City Center at Oyster Point. She advised that one main component of the agreement was a restructuring of the EDA's prior parking maintenance contribution, from a formula which was generally based upon occupied square footage, to a new contribution formula based upon total square footage. She noted that Fountain Plaza One was not covered under the original parking maintenance contribution agreement and that a separate maintenance agreement existed based upon ownership percentage between the EDA (as owner of the Garage Unit) having a 62% responsibility for any necessary maintenance and/or repairs to specific areas contiguous with the Fountain Plaza One Building, and the Fountain Plaza One Condo Owners Association having a 38% responsibility. She said that the action being presented would be to authorize an amendment to reflect the new arrangement. She noted that Board members had Resolution 16-7 before them which outlined the proposed amendment.

Ms. Drucker asked for a motion to adopt Resolution 16-7 as presented. Mr. Minter so moved and Ms. Greene 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 with a 6-0-1 vote, Ms. Drucker having abstained. Mr. Minter presented the Executive Committee Report, which did not require Board ratification. Ms. Greene presented the Marketing Committee Report, which did not require Board ratification. Mr. Epes presented the Revolving Loan Fund Committee Report, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of August 5, 2016

Ms. Drucker asked for a motion that the Minutes of the Regular Meeting of August 5, 2016 be approved. Mr. Herbert so moved and Mr. Minter seconded the motion, which passed with a 6-0-1 vote, Ms. Drucker having abstained.

Unfinished Business

Ms. Drucker asked for any unfinished business. Mr. Henderson thanked Board Members and staff for their support of the Sister Cities' recent fundraising Breakfast. Mrs. Kingston stated there was no further unfinished business.

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 9:57 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: September 2, 2016

The Design Review Committee met on August 29th. The Committee considered a request by Drucker & Falk, on behalf of Goodfarb Family Virginia Virby, LLC, for approval of digitally-enhanced photographs of proposed exterior building modifications at 700 Thimble Shoals 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 next item considered was a request by Fine Signs, on behalf of 808 Triton LLC, for approval of scaled renderings and digitally-enhanced photographs of proposed building-mounted sign and freestanding externally-illuminated monument sign at 808 Triton Court 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 third item considered was a request by Scotty Signs on behalf of Extreme Restoration, contract purchaser of the property at 809 City Center Boulevard from NPN Building II, Inc., for approval of scaled renderings and digitally-enhanced photographs of proposed internally-illuminated, building-mounted sign and freestanding monument sign face change 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 also entertained a pre-design discussion requested by ARCI Architects on behalf of CARS, LLC, for review and comments related to a preliminary site plan, landscape plan, scaled building elevations and digital renderings of proposed exterior modifications and site improvements for the Governor's Inn at 741 Thimble Shoals Boulevard in Oyster Point of Newport News. Committee members provided comments on the proposed design, which will be utilized by the developer's architect to refine plans for formal submission and consideration by the Committee on a subsequent meeting agenda.

The three items in this report on which the Committee took action require Board ratification today.



Thomas P. Herbert

TPH:kpw

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Date, Time and Location: August 29, 2016, at 2:00 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Tom Herbert, Cary Epes, Jennifer Smith-Brown, Alonzo Bell, Jr., Teresa Nettles, Elizabeth Willis

Members Absent: Alex Delgado, Sylvia Weinstein, Bryan Trainum, Robert Mann

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Executive Committee
SUBJECT: Chair's Report
DATE: September 2, 2016

The Executive Committee met on August 19th. The Committee was briefed on the need for the Post-Issuance Compliance Procedures Manual, which the Board took action on earlier in today's meeting.

The Committee was also advised that in the course of undertaking the previously approved roof and HVAC work at the ARC Building, concealed and fairly extensive damage under the existing roof membrane was discovered, necessitating a change order to the contract with Brazos Urethane. Funding, in an amount not to exceed \$50,000, was approved to fund the change order, with a contingency.

The Committee's remaining items were handled in Closed Session. This report does not require Board ratification.



Gary Minter

GM:clc

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Date, Time and Location: August 19, 2016, at 11:30 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cassandra Greene, Tom Herbert, Gary Minter

Members Absent: Wendy Drucker

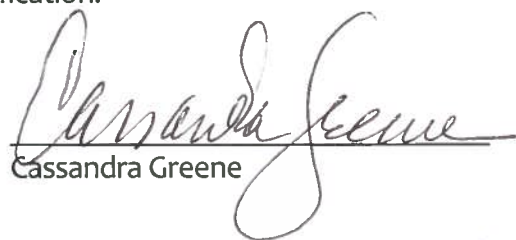


ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: September 2, 2016

The Marketing Committee met on August 18th. The Committee continued its discussion of "Magnificent 7" initiatives and how its marketing efforts could work in tandem with the City's goals in order to achieve shared outcomes. Staff shared a video of a focus group of young professionals who offered their thoughts and ideas to make Newport News more appealing. The video was followed by discussion on how the City's current tagline, "Where Great Things are Happening" aligns with the ideas presented by the focus group. Members noted that the video contained stimulating ideas.

This report does not require Board ratification.



Cassandra Greene

CG:sdj

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

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

Members Absent: Wendy Drucker

ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: September 2, 2016

The Revolving Loan Fund Committee met on August 24th. Committee members were provided financial statements for the Newport News Capital Fund (NNCF) for the period ending June 30, 2016. Staff presented two Façade Improvement Grant (FIG) Program requests:

- FIG request for \$16,602.50 from BJS Properties for accessibility/ADA compliant projects, exterior painting including prep, hardscape improvements, landscaping, paving and ramp improvements at 11832 Canon Boulevard; and
- FIG request for \$30,000 from Hamkund Corporation for canopy/awning, exterior finishes and materials, exterior lighting and roofing at 13508 Warwick Boulevard.

These FIG requests were each unanimously approved, and require Board ratification.



Cary Epes

CE:tlc

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Date, Time and Location: August 24, 2016, at 12:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA
Members Present: Cary Epes, Susan Harris, John Lunsford, George Knight, Jennifer Smith-Brown
Members Absent: Arthur Henderson