

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

Mr. Herbert called the meeting to order at 8:00 a.m. on Friday, October 2, 2015, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Thomas P. Herbert, Chair
Wendy C. Drucker, Vice Chair
Cary Epes
Cassandra P. Greene
Arthur P. Henderson
C. Gary Minter
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

James M. Bourey, City Manager, ex-officio
Jennifer S. Smith, Excused

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary
Janice Jones, Recording Secretary

Also present:

Amy Parkhurst, Senior Vice President, HREDA
Matthew James, President, PCFWD
Collins Owens, City Attorney
Robert Pealo, Assistant City Attorney

Mr. Herbert opened the meeting by welcoming everyone.

Quarterly Hampton Roads Economic Development Alliance Report

Mr. Herbert asked for the Quarterly Hampton Roads Economic Development Alliance (HREDA) Report. Amy Parkhurst, HREDA Senior Vice President, reported that from July through September HREDA hosted six prospect visits to the region. She added that during this quarter, HREDA staff conducted seven marketing activities which resulted in 26 meetings with corporate decision makers, 42 meetings with site selection consultants, and generated 23 new contacts with prospective future prospects. Ms. Parkhurst stated that Charles McDowell, HREDA's consultant in the United Kingdom for the past 10 years, visited Hampton Roads this summer, meeting with each of the localities to re-familiarize himself with targeted industries and local assets in order to market Hampton Roads to U.K. companies. She reported that in September, HREDA staff, in conjunction with the Virginia Port Authority and the Virginia Economic Development Partnership, participated in a series of informational sessions and networking events with 12 site selectors focused on maritime, logistics and the ports of Hampton Roads. She noted that Newport News EDA had participated in the networking sessions. She advised that Newport News Development staff would be traveling to Europe with HREDA at the end of October on a follow-up mission with companies that were screened at trade shows earlier this year. She said they would visit the companies' headquarters and hold face-to-face discussions.

Ms. Parkhurst answered several questions, and Mr. Herbert thanked her for her report.

Quarterly Workforce Development Report

Mr. Herbert asked for the Quarterly Workforce Development Report. Mr. James reported that the Peninsula Council for Workforce Development celebrated its 10th Annual Meeting last month and provided copies of PCFWD's Annual Report publication to the Board. He highlighted a few points of the publication, noting that HREDA had been aggressive with talent development to improve the Workforce Pipeline, steering emerging talent toward successful careers with programs like the

STEP program and strengthening employer partnerships through programs such as the Disney program.

Mr. James said that 8,000 customers visited the One Stop Career Center during the quarter. He advised that PCFWD had completed a 3-year health care grant in conjunction with the Southside that offered advanced healthcare education, training and job placement assistance. He noted that PCFWD's SHARE (Sharing How Access to Resources Empowers) program had recruited over 300 unemployed volunteers to serve at entry level positions that connected them with services to get them back to work. He explained that the Youth Career Café had been successful with over 5,000 students this quarter. Mr. James also noted that 40 school Guidance Counselors were taken on a tour of employers in the area so that they might be better prepared to assist students next year with job placement.

Mr. James reported that Karen Jackson, Secretary of Transportation, had met with over 50 young women to introduce them to the STEM Program that encourages young women to enter into the fields of science, technology, engineering and mathematics. He noted that the Employer Partnerships with WHRO would be launching Workforce Readiness Skills online this month and that the first modules would be free. He advised that PCFWD, in conjunction with its partners - Hampton Convention and Visitor Bureau, Newport News Tourism Development Office and Newport News Hospitality Association, would begin their Customer Service training October 22nd, 26th and 27th in order to help fill some employer vacancies and to assist with replacement jobs.

Mr. Herbert asked if there were any questions. There were no questions, and Mr. Herbert thanked him for his report.

Quarterly Business Retention Report

Mr. Herbert asked for the Quarterly Business Retention Report. Mr. Johnson reported that he had begun business visitations together with Sam Workman and these meetings had been productive interactions, some generating information on potential future growth plans. He stated that he had attended a course offered by the Virginia Institute for Economic Development, which provided insight into some of the

fundamentals of economic development and had afforded him the chance to network with other economic development professionals from around the state.

Mr. Johnson reported that he is participating in Newport News business associations such as the Denbigh Warwick Business Association and the Downtown Newport News Merchants and Neighbors Association. He said that staff had met to explore the creation of a Young Professionals Initiative, a collaborative effort between Newport News, Hampton and the Virginia Peninsula Chamber of Commerce, with the goal of attracting, recruiting, and retaining young professionals to the Peninsula. He reported that he and Mr. Workman had also met with Mike Kuhns, President and CEO of the Virginia Peninsula Chamber of Commerce, to discuss ways to build future partnerships and collaborations. Mr. Johnson informed the Board as an early calendar note that the 2016 Annual Business Appreciation Luncheon had been scheduled for June 7th at the Newport News Marriott, and that the Business Appreciation golf outing at Deer Run would be confirmed for a date later in June.

Mr. Herbert asked if there were any questions. There were no questions, and Mr. Herbert thanked him for his report.

Secretary/Treasurer's Report

Mr. Herbert asked for the Secretary/Treasurer's Report. Mrs. Kingston introduced the Board to a new member of Development's staff, Saejin Connor, who is filling the new Accountant II position. She said that Saejin had spent 19 years working for Yorktown Naval Weapons Station Federal Credit Union, which merged with 1st Advantage Federal Credit Union in 2013, as Accountant and Chief Financial Officer. She noted that Saejin had most recently worked for Peninsula ASAP in an Accounting position, and held an Associate Degree in Accounting. She informed the Board that Saejin would report to Zoe Lumpkin, providing much needed relief in our Financial Services area.

Mrs. Kingston said that she would also like to welcome Matt Johnson back to the Development team as a Senior Project Coordinator. She told the Board that staff is happy to have Matt re-join the team in this capacity and would benefit from his breadth of knowledge and relationships developed during his time as Business Retention Coordinator.

Mrs. Kingston also advised the Board that Derek Perry has accepted a promotion within the Department, filling the vacant Senior Economic Analyst position effective October 1st. She noted that Derek has been with the Department for two years as a Project Coordinator. She informed the Board that he held both a Master of Public Administration and a Master of Urban and Regional Planning from Virginia Tech. She explained that Derek would be moving to the Marketing office, and that staff would begin the process of filling his vacated Project Coordinator position.

Mrs. Kingston reported that the City would be preparing to go to the general obligation bond market in November, and would be meeting with representatives of the bond rating agencies in October. She advised that staff had been involved with the preparations and she would participate in the rating agency meetings. She explained to the board that PFM (Public Financial Management) served as the City's Financial Advisor, and they had recommended that the City's Series 2015 Bond Issuance include approximately \$4.7 million in refunding bonds. She stated that the \$4.7 million of bonds to be refunded would be EDA Series 2006 Bonds with maturity dates between July 1, 2017 and July 1, 2031 with rates ranging from 4.0% to 5.0%, and that anticipated net present value savings on the refunding were estimated at approximately \$375,000.

Mrs. Kingston told the Board that copies of a Resolution and Escrow Deposit Agreement, prepared by Don Gurney of Hawkins Delafield & Wood, the City's Bond Counsel, and reviewed by EDA Bond Counsel and EDA Legal Counsel, were at their places. She explained that EDA authorization of these documents would be required to effectuate the advance refunding and redemption portion of the City's proposed Series 2015 Bond Issuance. She said that the Resolution outlined the transaction and the Escrow Deposit Agreement established the duties and procedures of the escrow agent of the EDA Series 2006 Bonds. She advised the Board that she would be seeking a motion to approve Resolution No. 15-5, as presented, authorizing the advance refunding and redemption of all or a portion of Economic Development Revenue Bonds Series 2006, dated June 29, 2006, and authorizing the execution and delivery of an Escrow Deposit Agreement by and among the EDA, the City of Newport News, Virginia and U.S. Bank National Association, as Escrow Agent.

Mrs. Kingston reminded the Board that the State of the City luncheon would be on Tuesday, October 20th, at noon at the Marriott. She noted that the EDA was as a sponsor of the event, and appreciated the Board's recent responses regarding their attendance.

Mrs. Kingston reminded the Board of the upcoming START 4.0 Event, a 54-hour "mosh pit of business" to be hosted in Newport News this year and held at the Applied Research Center November 13th-15th. She noted that staff had been busy since March leading a regional team including each Peninsula locality, the Tech Center, business incubator leaders, and the Peninsula Chamber to plan this exciting weekend long event. She advised that Peninsula START would be in its 4th year and is designed to build the entrepreneurial business community through a mini Shark Tank style of business competition with several speakers and panels over the course of the weekend. She encouraged the Board to attend, particularly the Friday evening kick-off and the Sunday evening Awards and Keynote Speaker events. She noted there would be fantastic food throughout the weekend compliments of numerous Newport News restaurants.

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

Mrs. Kingston said that the City Manager sent his regrets for his inability to attend the Board Meeting since he was attending the ICMA (International City Manager's Association) conference.

Mr. Herbert asked for a motion to approve Resolution No. 15-5, as presented, authorizing the advance refunding and redemption of all or a portion of Economic Development Revenue Bonds Series 2006, dated June 29, 2006, and authorizing the execution and delivery of an Escrow Deposit Agreement by and among the EDA, the City of Newport News, Virginia and U.S. Bank National Association, as Escrow Agent. Mr. Minter so moved and Mr. Epes seconded the motion, which was approved unanimously on a roll call vote.

Assistant Secretary's Report

Mr. Herbert 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 advised that the January 2016 EDA Board meeting would be held on Friday, January 8th.

Madison Government Affairs Consultant Report

Mr. Herbert advised the Board that the Madison Government Affairs (MGA) Report had been provided in written format, and asked if there were any comments or questions. Mrs. Kingston commented that MGA had been very helpful and diligent in promoting NNWIA's Airport Aviation Center for Excellence as well as working to get any federal funding that might be obtained for the Center. She stated that MGA often goes far beyond the services detailed in the EDA's contract with them, and she and the City Manager greatly appreciate their services.

At 8:30 a.m., Ms. Greene 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), Competition (6) 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 proposed property dispositions in the Central section of the City; (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, a prospective business interested in locating in the northern section of the City and an unannounced expansion of an existing business located in the northern section of the City; and (6) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, the subject of which is a grocery store in the southern section of the City. Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

At 9:00 a.m., the EDA/IDA Board returned to open session following a certification motion by Ms. Greene in accordance to 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. Ms. Drucker seconded the motion, which passed unanimously on a roll call vote.

Committee Chair's Reports

Mr. Herbert called for the Committee reports. Mr. Epes presented the Design Review Committee Report, which was ratified by the Board and passed unanimously on a roll call vote. Ms. Drucker presented the Executive Committee Report, which was ratified by the Board and passed unanimously on a roll call vote. Mr. Minter presented the Marketing Committee Report, which did not require Board ratification. Ms. Greene presented the Revolving Loan Fund Committee Report, which was ratified by the Board and passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of September 4, 2015

Mr. Herbert asked for a Motion that the Minutes of the Regular Meeting of September 4, 2015 be approved. Mr. Minter so moved and Mr. Epes seconded the motion, which passed unanimously on a roll call vote.

Unfinished Business

Mr. Herbert asked for any unfinished business. Mrs. Kingston explained that she was seeking the Board's approval to transfer the New Markets Tax Credits legal services in connection with the Brooks Crossing Grocery Store Project in the Southeast Community from Bryan Cave LLP to Blank Rome LLP.

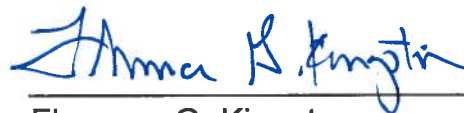
Mr. Herbert asked for a Motion to amend the EDA's prior authorization related to engagement of specialized New Markets Tax Credits legal services in connection with the Brooks Crossing Grocery Store Project in the Southeast Community, to include consent to transfer the representation from Bryan Cave LLP to Blank Rome LLP to

maintain continuity of the primary attorney providing services to the EDA, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel. Mr. Minter so moved and Mr. Epes seconded the motion, which was approved unanimously on a roll call vote.

New Business

Mr. Herbert asked for any new business. There was none.

There being no further business to come before the Board, Mr. Herbert adjourned the meeting at 9:22 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: October 2, 2015

The Design Review Committee met on September 17, 2015. The Committee considered a request by Scotty Signs, on behalf of Macha, LLC, for approval of a scaled color elevation and digitally enhanced photograph of a proposed non-illuminated monument sign at 723 Blue Crab Road 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 second item considered was a request by Onelife Fitness, on behalf of NPN Building, LLC, for approval of a scaled color rendering and digitally enhanced photographs of a proposed internally-illuminated, building-mounted sign, and a scaled color rendering and digitally enhanced photograph of a proposed internally-illuminated monument sign at 815 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 received a report from staff concerning two administrative approvals granted in September by the Secretary/Treasurer. Both administrative approvals were for data node antennas, requested by GDN Sites, on the EDA-owned parking structure addressed 11860 Merchants Walk in City Center at Oyster Point.

The items detailed in this report, which were voted upon by the Committee, require Board ratification today.


Cary B. Epes, Chair

CBE:dep

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Date, Time and Location: September 17, 2015, 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., 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: October 2, 2015

The Executive Committee met on September 15th. The Committee authorized an increase in expenditure authority levels of the Secretary/Treasurer to \$15,000, the Chair/Vice-Chair to \$30,000 and the Executive Committee to \$60,000. The Committee also authorized EDA cost-sharing with the City and the City's Stormwater Division toward equipment purchases necessary to maintain grass cutting and ditch maintenance services, with the EDA's share in an amount not to exceed \$31,000.

An educational presentation on New Markets Tax Credits (NMTC) was provided, with an opportunity for questions. The presentation was well-received.

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



Wendy Drucker

WD:clc

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Date, Time and Location: September 15, 2015, at 12:00 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Wendy Drucker, Tom Herbert, Gary Minter

Members Absent: Arthur Henderson

ECONOMIC DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Marketing Committee

SUBJECT: Chair's Report

DATE: October 2, 2015

The Marketing Committee met on September 17, 2015. Committee members were briefed on the upcoming Start! Peninsula 4.0 event, to be hosted by the City of Newport News, November 13-15 at the Applied Research Center. Start! Peninsula is a weekend-long business education conference and "Shark Tank"-style competition for start-up entrepreneurs who wish to pitch their business ideas and receive valuable coaching.

Howell Creative Group reviewed performance statistics for the EDA website. The site received about 1,300 unique visitors per month (an increase for the first and second quarters of 2015), and 88% of visitors found the site by looking specifically for "Newport News Economic Development."

Staff presented a summary of the Business Appreciation BBQ and Golf events. All agreed that it was a well-attended and enjoyed event, and businesses look forward to next year's events.

Other upcoming events were noted, including the Virginia Brazilian Festival (September 19), State of the City Luncheon (October 20), and the One City Marathon (March 13).

This report does not require Board ratification.



Gary Minter, Chair

GM:rnb

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Date, Time and Location: September 17, 2015 at 10:30 a.m., 11820 Fountain Way, Suite 301, Newport News, VA

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

Members Absent: Wendy Drucker, Faye Gargiulo



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: October 2, 2015

The Revolving Loan Fund Committee (Committee) met on September 28, 2015.

Staff presented two (2) Façade Improvement Grant (FIG) Program requests:

- The FIG request for \$6,979 from NPN Building LLC (Onelife Fitness) for replacement of signage at 815 City Center Boulevard was recommended for approval with a unanimous vote.
- The FIG request for \$30,000 from Domestic Virginia Partnership (Domestic Fuels and Lubes, Inc.) for roofing, window/doors, windows and cornice flashing at 17439 Warwick Boulevard was recommended for approval with a unanimous vote.

Board ratification of the Committee's actions relating to the FIG approvals is needed today.



Cassandra Greene, Chair

CPG:tlc

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Date, Time and Location: Sept. 28, 2015 at 12:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cassandra Greene, Cary Epes, Arthur Henderson, Susan Harris

Members Absent: George Knight