

MINUTES OF THE ANNUAL 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 Annual Meeting to order at 8:00 a.m., on Friday, November 15, 2013 in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Arthur Henderson, Chair
Alonzo R. Bell, Jr.
Wendy Drucker
Cary B. Epes
Cassandra P. Greene
C. Gary Minter
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

Tom Herbert, Vice-Chair, excused

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary
Sharon Baker, Recording Secretary

Also present:

Rob Churchman, Cherry Bekaert LLP
Greg Miller, Cherry Bekaert LLP
Bruce Hoogstraten, National Aerospace Support Team (NAST)
Paul Hirsch, Madison Government Affairs
Collie Owens, City Attorney
Robert Pealo, Assistant City Attorney
Jerri Wilson, Legislative Analyst

Mr. Henderson opened the meeting by welcoming everyone.

Draft FY 2013 EDA/IDA Audit Presentation

Mr. Henderson asked for the Draft FY 2013 EDA/IDA Audit Presentation and introduced Mr. Churchman, Partner, Cherry Bekaert LLP. Mr. Churchman greeted the Board and advised that they were receiving handouts which provided required communication and summarized results of the audit. Mr. Churchman reported that they found no weaknesses in internal controls, no non-compliance issues with laws and regulations, and no audit adjustments, or uncorrected misstatements were noted. They had no disagreements with management and they encountered no difficulties in performing the audit. Mr. Churchman reported that they had an excellent working relationship with management as they conducted the audit and he commended management for its hard work. He briefly highlighted future accounting and reporting changes effective FY 2014, as outlined in the handout provided to the Board. He offered to answer any questions. Mr. Churchman responded to a few questions from Board members. Mrs. Kingston suggested that in order to afford Board members more time to review and absorb the audit specifics for FY 2013, authority be delegated to the Executive Committee to approve the audit. She commended Zoe Lumpkin and Keith Ferguson for the excellent staff work in audit preparation.

Mr. Henderson asked for a motion to delegate authority for approval of the FY 2013 EDA/IDA Audit to the Executive Committee. Mr. Bell so moved and Ms. Drucker seconded the motion, which passed unanimously on a roll call vote.

National Aerospace Support Team (NAST) Update Presentation

Mr. Henderson asked for the National Aerospace Support Team (NAST) Update Presentation and introduced Mr. Hoogstraten, Executive Director. Mr. Hoogstraten greeted the Board and presented a brief PowerPoint presentation. Mr. Hoogstraten reported that NAST, a non-profit volunteer advocacy organization funded by local municipalities that staffs a 25-person volunteer board and retains representation in Washington DC, has continued to advance its mission to preserve and grow the NASA Langley Research Center (LaRC). Mr. Hoogstraten noted that the economic benefit to the area from Langley is second only to the Navy. He briefly summarized the importance of LaRC, including that LaRC generates over \$2 billion in overall

economic output, and that the Hampton Roads area benefits from \$900 million in economic output and 10,000 jobs generated by Langley. Mr. Hoogstraten talked about NAST's approach to advocacy both on a national level and on a Hampton Roads/state level. He reported that the LaRC Program had developed a 20-Year Center Revitalization Plan and that the objective of this plan was to assure that the center infrastructure is sustainable for the long-term by building new facilities and laboratories and refurbishing and replenishing older ones. Mr. Hoogstraten reported that they were currently working to solicit potential partners to form a Public Private Partnership (PPP) to implement an Advanced Composites Project (ACP) within NASA's Aeronautics Research Mission Directorate. Mr. Hoogstraten summarized some of NAST's major accomplishments from 2000 to 2012 and briefly noted NASA's Aeronautics budget. Mr. Hoogstraten responded to questions from the Board. Mr. Henderson asked if there were any further questions. There were no further questions.

Secretary/Treasurer's Report

Mr. Henderson asked for the Secretary/Treasurer's Report. Mrs. Kingston noted that after considerable research and collaboration, she was pleased we were prepared to move forward with another project that would continue to put City Center on the map as an environmentally-conscious place. She informed the Board that Development staff, as well as staff from Parks, Recreation & Tourism, the Marriott and Harvey Lindsay, were often asked whether electric vehicle charging stations were available on-site. She noted that currently, we had been unable to identify any electric vehicle charging stations available to the general public anywhere in Hampton Roads. She also noted that most existing charging stations are proprietary and cannot be accessed by the traveling public. Mrs. Kingston reported that the installation of open-to-the-public charging stations throughout City Center would be a first for the region. She reported that staff and Harvey Lindsay had identified locations for two charging stations within each of the three EDA-owned City Center garages. Mrs. Kingston stated she was requesting a Motion to authorize funding, in an amount not to exceed \$30,000, for the installation of electric vehicle charging stations within the EDA-owned City Center parking garages.

Mrs. Kingston stated she had some great news about our UVA/VT Joint Educational Center and reported that on October 16th, Chris Morello had given a presentation on the evolution of City Center to students enrolled in

Virginia Tech's Local Government Manager Certificate program, a graduate-level credit course offering with an instructor originating lectures from Falls Church. She reported that until October 16th, Peninsula students had been driving to Virginia Beach to receive the class, while all necessary certifications were being sought for the Newport News Center. Mrs. Kingston noted that that particular class was the inaugural launch of the Newport News Joint Center's capability to both receive and originate lectures and electronic presentation materials to and from eight different Virginia Tech locations. Mrs. Kingston reported that UVA students can now use the same technology, and students enrolled in either University's program that had been traveling to Virginia Beach or Richmond for such classes could now take them in Newport News.

Mrs. Kingston reported that on October 29th, a very successful panel discussion on the topic of crowdfunding was held at the UVA/VT Joint Educational Center. She noted that the event was co-sponsored by the University of Virginia and the EDA, and featured panelists from the University of Virginia, Operation Homefront and Ash Burton Labs. She reported that all three entities had an opportunity to share their experiences with the use of crowdfunding in the arenas of educational research, non-profit fundraising and the entrepreneur/small business market, as well as best practices. Mrs. Kingston reported the floor was then opened to the approximately 40 attendees for a Q&A session. She reported that we had received very positive feedback from both attendees of the event, and University of Virginia staff.

Mrs. Kingston reported that on October 30th, staff met with City Center retailers, merchants and members of the hospitality community to provide updates on the City Center at Oyster Point Entertainment District. She noted that the group was also briefed on the City's Tourism Zone program.

Mrs. Kingston reported that a "Tour of Hampton Roads" networking event was held in Norfolk, on November 6th, at the offices of S.L. Nusbaum Realty. She reported the event was hosted by Hampton Roads Networking Super Group, and offered a variety of real estate professionals and developers the opportunity to "tour" and talk with representatives of Hampton Roads localities about project opportunities in their respective cities. She reported that Sam Workman, Chris Morello and Robin Boyd represented Newport News at the event.

Mrs. Kingston reminded the Board that we would be celebrating the Commissioning of the Newport News Shipbuilding Apprentice School on Friday, December 6th. She reported that staff had been working diligently with the Shipyard and Armada Hoffer to plan the event. Mrs. Kingston advised that the ceremony would start at 11:00 a.m., immediately followed by a reception and tours. She also noted that shuttle service would be provided from City Hall, as well as City Center, for their convenience. Mrs. Kingston advised the Board to expect an invitation by email.

Mrs. Kingston also reminded the Board that Hampton Roads' most anticipated holiday event was just around the corner. She advised that on Friday, December 6th, Newport News would hold the 10th Annual Hollydazzle from 6:00 p.m. to 9:00 p.m. in City Center. She reported to celebrate the 10th anniversary of the event, several additional special effects had been added to the 8:45 p.m. fireworks display.

Mrs. Kingston advised the Board that at their places was a copy of the 2012-2013 Peninsula Council for Workforce Development (PCFWD) Annual Report. She noted PCFWD had been a valued partner over the years, and we were delighted with its continued success in promoting job creation and growth in our community.

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.

Mr. Henderson asked for a motion to authorize funding, in an amount not to exceed \$30,000, for the installation of electric vehicle charging stations within the EDA-owned City Center parking garages. Mr. Epes so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Assistant Secretary's Report

Mr. Henderson asked for the Assistant Secretary's Report. Ms. Croushore advised the Board the Committee Schedule was in their package and noted relevant details. She also advised that the December Board meeting was being rescheduled from its regularly scheduled date to Wednesday, December 11th at 8:00 a.m.

Madison Government Affairs Consultant Report

Mr. Henderson asked for the Madison Government Affairs Consultant Report. Mr. Hirsch reported that the House and Senate budget conferees had met on Wednesday, November 12th, to discuss a potential budget deal. He reported that under the deal reached to end the government shutdown, conferees were expected to reach an agreement by December 13th.

Mr. Hirsch briefly noted other relevant legislative and administrative activities.

At 8:54 a.m. Mr. Epes 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. Minter and it passed unanimously on a roll call vote.

At 9:33 a.m. the EDA/IDA Board returned to open session following a certification motion by Mr. Epes 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 approve the sub-sublease of 635 square feet of retail space in Fountain Plaza Two to Chip Tiffany (and/or his designated business entity), for the purpose of relocating his existing established hair salon, for a term of 39 months, with one 3-year renewal option, at an initial rental rate of \$18.00 per square foot, payable monthly,

and an annual rent escalation of \$1.00 per square foot. The sub-sublease proposal also included the payment by Mr. Tiffany of \$6.00 per square foot, payable monthly, for CAM charges, 3 months of rent abatement to allow for the renovation and refurbishment of the subleased space for the proposed use, and EDA reimbursement of up to \$5,000 of completed, qualified, receipted renovation and refurbishment expenses incurred and paid by Mr. Tiffany. All documentation of the sub-sublease transaction to be subject to the review and approval of legal counsel. Mr. Minter so moved and Ms. Drucker seconded the motion, which passed unanimously on a roll call vote.

Committee Chair's Reports

Mr. Minter presented the Conference Center Marketing Committee Chair's Report, which required no ratification by the Board. 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. Minter presented the Executive Committee Chair's Report, which was ratified by the Board and passed unanimously on a roll call vote. Ms. Drucker presented the Marketing 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.

Election of Officers

Mr. Henderson called for nominations from the floor for Chair of the EDA/IDA Board for 2014. Ms. Drucker moved to nominate Tom Herbert for Chair. Mr. Minter seconded the motion. Mr. Epes moved to close the nominations for Chair. Ms. Drucker seconded the motion, which passed unanimously on a roll call vote.

Mr. Henderson called for nominations from the floor for Vice-Chair of the EDA/IDA Board for 2014. Mr. Bell moved to nominate Wendy Drucker for Vice-Chair. Mr. Minter seconded the motion. Ms. Greene moved to close the nominations for Vice-Chair. Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

Mr. Minter moved to elect Tom Herbert as Chair and Wendy Drucker as Vice-Chair of the EDA/IDA Board for Calendar Year 2014. Mr. Epes seconded the motion, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of October 11, 2013

Mr. Henderson asked for a motion that the Minutes of the Regular Meeting of October 11, 2013 be approved. Mr. Epes so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Unfinished Business

Mr. Henderson asked for any unfinished business. Mrs. Kingston provided an overview of the need that had arisen related to the City Center at Oyster Point Entertainment District Tourism Project for the assignment of certain development rights under the Second Amended and Restated Development Agreement, dated February 21, 2005, between Newport News Town Center, L.L.C. and the EDA.


Mr. Henderson asked for a motion to approve the request of Newport News Town Center, L.L.C. (NNTC), NNTC III and NNTC IV to assign all remaining development rights under the Second Amended and Restated Development Agreement between NNTC and the EDA, dated February 21, 2005, to NNTC IV, with such assignment excluding the rights to the Lot 6A-7 theatre/restaurant parcel which rights will remain with NNTC III. Mr. Bell so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

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 9:43 am.



Florence G. Kingston
Secretary/Treasurer

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors

FROM: Chair, Conference Center Marketing Committee

SUBJECT: Chair's Report

DATE: November 15, 2013

The Conference Center Marketing Committee met at 8:00 am on Wednesday, October 16, 2013 in the Marriott Board Room. Craig Hillyard was introduced as the new General Manager. Mr. Hillyard and Connie Brewer, Director of Sales and Marketing, reviewed conference center marketing efforts for the prior two quarters. Discussion centered around group focus, social catering focus, and e-commerce focus activities and strategies. A room and lobby renovation will commence in January 2014.

The next meeting for the committee is scheduled for January 15, 2014.



C. Gary Minter, Chair

[CGM:cum]

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Date, Time and Location: October 16, 2013 at 8:00 a.m., Newport News Marriott at City Center

Members Present: Gary Minter, Cindy Brouillard, Neil Burns, Bill Hudgins, Craig Hillyard

Members Absent: Maureen Coon

ECONOMIC DEVELOPMENT AUTHORITY INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Design Review Committee

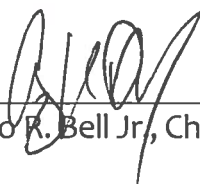
SUBJECT: Chair's Report

DATE: November 15, 2013

The Design Review Committee met on Tuesday, October 22, 2013. The Committee considered a request by Old Dominion Utility Services, on behalf of property owner ISF USA, LLC, for approval of a site plan and landscape plan for a new water service extension through 190 Enterprise Drive between Ft. Eustis property and Enterprise Drive right-of-way 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 Committee also considered a request by SIGNMedia Inc., on behalf of Diversified Properties of VA, LLC, for approval of scaled color renderings for two (2) proposed internally illuminated ground mounted monument signs that will replace the two existing signs and one (1) proposed new non-illuminated ground mounted monument directory sign at 895 Middle Ground 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 items detailed in this report require Board ratification today.



Alonzo R. Bell Jr., Chair

ARB:sch

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Date, Time and Location: October 22, 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, Robb Mann, Elizabeth Smith

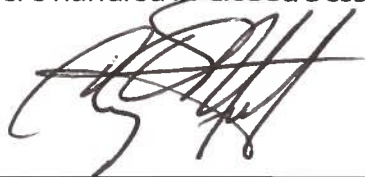
Members Absent: Michael Carpenter, Teresa Nettles, Sylvia Weinstein

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Executive Committee
SUBJECT: Chair's Report
DATE: November 15, 2013

The Executive Committee met on October 21st. The Committee approved a waterline easement to Old Dominion Utilities Services, Inc., under a portion of an existing IDA-owned railroad easement on 190 Enterprise Drive in Oakland Industrial Park to facilitate a Fort Eustis waterline project, endorsed by Newport News Waterworks, to provide redundant water service and enhanced water service security for Joint Base Langley-Eustis.

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



Thomas P. Herbert, Chair

TPH:clc

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Date, Time and Location: October 21, 2013 at 11:30 a.m. at Fountain Plaza One, 701 Town Center Drive, Suite 800, Newport News, VA

Members Present: Alonzo Bell, Arthur Henderson, Tom Herbert, Gary Minter

Members Absent: None

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

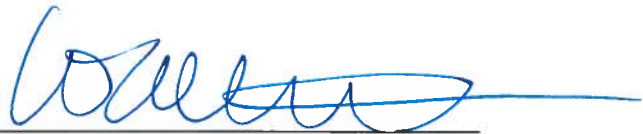
TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: November 15, 2013

The Marketing Committee met on October 31, 2013. Staff reviewed the success of the recent State of the City luncheon, and the Committee conducted a brainstorming exercise to solicit feedback to forward to the steering committee. Marketing Committee members and their colleagues were pleased, and all agreed that the event should be held annually by the Virginia Peninsula Chamber of Commerce.

The Committee reviewed and unanimously passed the Marketing line-item budget for fiscal year 2014.

Staff reviewed recent outreach events, including participation in the University of Virginia's crowdfunding panel discussion and a presentation to the Newport News Rotary Club.

This report does require Board ratification.



Wendy Drucker, Chair

WD:rn

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Date, Time and Location: October 31, 2013 at 10:30 a.m. at 11824 Fishing Point Drive, Newport News, VA 23606

Members Present: Wendy Drucker, Gary Minter, Don Blankenship, Faye Gargiulo, Gary Hunter, John Miller

Members Absent: Tom Herbert, Mary Aldrich

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: November 15, 2013

The Revolving Loan Fund Committee (Committee) met on Monday, October 28, 2013. Committee action and staff discussion are highlighted below:

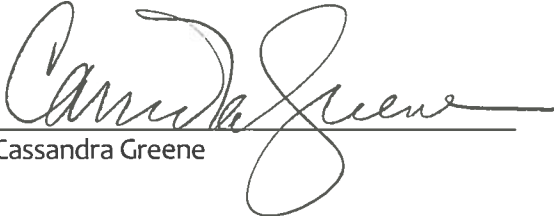
The Committee reviewed the financial statements for the period ending September 30, 2013.

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

- The FIG request for \$30,000 from LLL Investment Group, LLC for exterior finishes and materials, exterior lighting, painting and prep, roofing, and windows/doors at 10359 Warwick Boulevard was recommended for approval with a unanimous vote.
- The FIG request for \$27,075 from Chin S. Chu for ornamental brick columns, decorative aluminum fencing, and new windows at 2120 Wickham Avenue was recommended for approval with a unanimous vote.

The Committee approved both FIG requests and is asking the Board to ratify Committee actions.

The Committee was informed that the 4th Wednesday in November is the day before the Thanksgiving Holiday and thus no meeting will be scheduled. If a meeting is needed the committee will be polled.


Cassandra Greene

CG:tw

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Date, Time and Location: October 28 at 3:00 PM at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cassandra Greene, Wendy Drucker and Cary Epes

Members Absent: Susan Harris