

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, April 3, 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
Arthur P. Henderson, Jr.
C. Gary Minter
Jennifer S. Smith
Florence G. Kingston, Secretary/Treasurer, ex-officio
James M. Bourey, City Manager, ex-officio

Absent:

Cassandra P. Greene, Excused

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary
Janice Jones, Recording Secretary

Also present:

Rear Admiral Kevin M. Sweeney, USN (Ret.), HREDA Interim President and
Chief Executive Officer
Steve Cook, Hampton Roads Economic Development Alliance
Matt Johnson, Peninsula Council for Workforce Development
Collins Owens, City Attorney
Robert Pealo, Assistant City Attorney
Jerri Wilson, Legislative Assistant, City Manager's Office

Mr. Herbert opened the meeting by welcoming everyone.

Quarterly Hampton Roads Economic Development Authority Report

Mr. Herbert asked for the Quarterly Hampton Roads Economic Development Alliance (HREDA) Report. Mr. Cook informed the Board that March 15th through 17th he and Mr. Workman participated for the third year in the largest seafood trade event in America, the North America Seafood Expo in Boston. He indicated they were guests of Highliner Foods' at their reception, which included many of their suppliers and customers. He noted Highliner's corporate headquarters was one of thirteen seafood businesses within close proximity of the Expo. He further stated they met with several corporate consultants who dealt with clients in the seafood industry and planned to follow up on those contacts. Mr. Cook stated that HREDA staff, along with Development staff, attended the Virginia Specialty Food and Beverage Conference that was held at the Marriott on March 16th – 17th, providing information on the region and programs available to businesses. He emphasized the importance of keeping abreast of the food processing industry which was growing in Virginia.

Mr. Cook informed the Board that Ms. Meredith joined HREDA staff on a marketing mission to the northeast during the week of March 2nd, and that she would also be participating in an upcoming mission to the U.K. the last week of April, primarily to visit aviation-related prospects.

Mr. Cook introduced the new interim President and CEO of HREDA, Rear Admiral Kevin M. Sweeney, USN (Ret.). Mr. Sweeney thanked the Board for the invitation to attend the meeting. He said that he had been busy assessing organization operations and that HREDA would hold a strategic review session with localities in late April to discuss their mission and changes that will better support economic development in the Hampton Roads region.

Mr. Sweeney responded to several questions from Board members, and Mr. Herbert thanked him and Mr. Cook for their reports.

Quarterly Workforce Development Report

Mr. Herbert asked for the Quarterly Workforce Development Report. Mr. Johnson reported that the Peninsula Council for Workforce Development (PCFWD) had held numerous events, including HIRE Peninsula on February 25th and the Military 2 Maritime event on March 27th in Norfolk, that included employers from all of the maritime industries to assist military men and women transition out of their military positions and utilize their acquired skills in private military-related trades.

Mr. Johnson noted upcoming PCFWD events such as the Disney Institute on April 16th at the Newport News Marriott and thanked the Board for their sponsorship of this event. He said that the focus of this year's Institute would be on Disney's approach to quality customer service and said there were still spaces available should any of the Board members or their employees wish to attend. He told the Board that PCFWD was planning its Summer Youth Camp Series this year in partnership with ECPI and Stratford University. Additionally, in February, in a joint effort with ECPI, PCFWD held the HIRE Peninsula event, and despite a couple of inches of snow on the ground, participation by over 70 employers and over 1000 job seekers made the event even more successful than last year's.

Mr. Johnson stated that PCFWD participated in many youth activities, including the Young Entrepreneurs Investors Panel on March 25th in conjunction with the Chamber of Commerce, that produced amazing ideas from Peninsula young men and women. He also advised that they had been working in collaboration with Hampton City Schools on the Next Generation Learning that will be held on April 14th – 16th, with plans to expand the program to other area school districts.

Mr. Johnson reported the Regional Health Care Workforce Meeting would be held on April 8th in conjunction with Opportunity Inc. to review last year's CHMURA report and determine workforce needs of the region's healthcare industry. The meeting would include not only medical employers, but also health care focused schools and universities, to review the report and determine next steps. He noted a very successful healthcare pilot worker training program supported with federal funding, called the Incumbent Worker Program, which assists nurses with a 2-year degree to complete their 4-year degree.

Mr. Johnson informed the Board that the Workforce Investment Act (WIA) would change to the Workforce Innovation and Opportunity Act (WIOA) and should bring some positive changes. He stated that WIOA encourages local workforce investment boards to be more involved with their local school systems, community colleges and economic development partners. He said, that in conjunction with the changes, the Peninsula Workforce Council was in the process of reviewing its strategic planning processes to implement expansion of its outreach programs.

There being no questions from the Board, Mr. Herbert thanked Mr. Johnson for his report.

Quarterly Business Retention Report

Mr. Herbert asked for the Quarterly Business Retention Report. Mr. Workman informed the Board that it had been a very strong quarter with existing business activity, and that he wanted to highlight a few events. He said that on February 12th, staff held a well-attended Business Roundtable for the Seafood Industrial Park (SIP) tenants which covered several topical items relevant to the Park. He advised that the meeting included the City's Purchasing Agent, Gary Sigtler, who spoke about procurement opportunities and how to do business with the City. He said that Development also provided information on Enterprise Zone, Façade Improvement Grant (FIG) and loan programs and encouraged SIP tenants to take advantage of these programs.

Mr. Workman said that on February 20th, Mrs. Kingston, Doreen Kopacz (the City's Harbormaster) and he made a presentation to the Virginia Port Authority (VPA) for a Port Infrastructure Grant. He reminded the Board that Development was seeking funding from this grant program and had submitted an application to VPA for improvements to the SIP's West Bulkhead. Mr. Workman said that their application and presentation were well-received, and while competing with numerous other applicants, they received positive feedback and were hopeful that the project would be funded. He said that they expected to receive the VPA's decision in May.

Mr. Workman reminded the Board that the Business Appreciation Luncheon will be held on June 23rd, followed by the Annual Business Appreciation Golf Tournament on June 30th at Deer Run Park. He said that invitations would be sent in May for these events.

In closing, Mr. Workman said that Development had received many applications for the vacant Business Retention Coordinator position and that interviews would be conducted within the month of April with plans to have a new person on board in May.

There being no questions from the Board, Mr. Herbert thanked Mr. Workman for his report.

Secretary/Treasurer's Report

Mr. Herbert asked for the Secretary/Treasurer's Report. Mrs. Kingston thanked Board members who were able to attend the Special Meeting at Jefferson Lab on March 31st. She advised the Board that the Jefferson Lab Information Session was well-attended and well-received. She said that she was confident that the Board, members of the City Council, Planning Commission, School Board and other attendees appreciated the presentations by representatives of Jefferson Lab, SURA, Virginia Tech and the

Virginia Tech Corporate Research Center. She informed the Board that a lot of positive feedback had been received from those who participated in the Jefferson Lab tour.

Mrs. Kingston said that the Development Department had received word that the Office of the Attorney General had approved the Agreement for the City of Newport News' Transportation Partnership Opportunity Fund (TPOF) Grant of \$1 million for the Liebherr Mining Equipment expansion project, which would be used for road infrastructure improvements. She reminded the Board that this was the final funding component of the project, and would allow the project to move forward with identified and much-needed road improvements for the benefit of not only Liebherr, but also for other businesses within Copeland Industrial Park. She advised that work would begin on City Line Road within the next 30-60 days.

Mrs. Kingston informed the Board that staff participated on March 31st in the Modeling and Simulation (MODSIM) event held at the Virginia Beach Convention Center. She reminded the Board that the EDA was a break sponsor for the event. She noted that this event has historically focused on military and defense applications, but recently had focused more on the health care sector. She advised that several hundred participants attended the two-day event, hearing about advances in modeling and simulation, networking and discussing how our area can further come together to effectively target this industry.

Mrs. Kingston advised the Board that Development staff participated on behalf of the EDA as an exhibitor in the recent Virginia Food & Beverage Educational Conference held at the Marriott. She said that the conference, targeted to manufacturers and other food industry professionals, highlighted a variety of topics including specialty food retailing trends, food safety, product pricing, distribution and promotion. She advised that EDA resource partners at VEDP and HREDA also attended the event.

Mrs. Kingston informed the Board that the Monthly Financial Statements were in their packages. She noted a few highlights, and then answered questions.

Mrs. Kingston said that she would like to give the City Manager an opportunity to comment if he would like to do so, but before yielding the floor, she wanted to commend the Department of Development's One City Marathon Relay Team (the 39ers) – Stephanie Hancock, Zoe Lumpkin, Chris Morello and Marc Rodgers – who did a great job, finishing 23rd out of 82 relay teams!

Mr. Bourey said that he had received a great deal of positive feedback for the Jefferson Lab Information Session and was glad that participants were able to gain valuable insight into the big picture of the Jefferson Lab and Tech Center projects. Mr. Bourey

said he was pleased to report that Newport News Fire Department's ISO rating was upgraded to a Level One, the very highest ISO rating attainable. He noted that this rating should translate into insurance savings for both homeowners and businesses, garnering up to a three percent savings for commercial structures.

Mr. Bourey informed the Board that the One City Marathon had runners representing 27 states, and that spectators also came out in great numbers, lining the course and cheering on the participants. He stated that about 7,000 people were downtown at the finish line, and that both runners and citizens remarked that they saw parts of the City they had not seen before. He stated that the Marathon was a spectacularly successful event and would definitely become an annual event.

Mr. Bourey stated that the City Council would be working intensely over the next few weeks on the City's Operating Budget and that public hearings were scheduled for April 14th and April 16th. He stated that one item in the budget of particular note to the EDA was the City's plans to take over maintenance of one of the garages in City Center.

Mr. Bourey reminded the Board that City Center Boulevard would open with fanfare on Saturday, April 4th with a Community Day from 11:00 a.m. until 2:00 p.m. for pedestrians, rollerbladers, skateboarders and bicyclists to use the new street, going from one end to the other, before vehicles were allowed on the road after 2:00 p.m. He said that fire engines and police vehicles would be parked along the street for the kids to enjoy. He advised that Engineering would be monitoring the traffic changes carefully to determine what impacts the new roadway had on traffic.

Mr. Bourey and Mrs. Kingston responded to several questions from Board members, and Mr. Herbert thanked Mrs. Kingston for her report and Mr. Bourey for his comments.

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 reported that the Virginia Industrial Development Authority Institute would hold a two-day seminar April 30th through May 1st at the Hotel Roanoke and Conference Center in Roanoke, and that if Board Members wished to attend to let staff know so that they may assist with registration.

Madison Government Affairs Consultant Report

Mr. Herbert advised the Board that the Madison Government Affairs Report was in written format and asked if there were any comments or questions. Mrs. Kingston

stated that the letters referenced in the report from Mayor Price to our Virginia Congressmen, in support of future funding for the AIT barracks and the Aviation Maintenance Training facility, had been signed and mailed. There were no additional comments or questions.

At 8:47 a.m., Mr. Epes 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 a proposed property disposition located in the northern 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 a prospective business interested in locating in the southern section of the City, and prospective businesses interested in locating in the central section of the City. Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

At 9:34 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) 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.

Action(s) Coming Out of Closed Session

Mr. Herbert asked if there were any Action(s) Coming out of Closed Session, of which there were none.

Committee Chair's Reports

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

Approval of Minutes of the Regular Meeting of March 6, 2015

Mr. Herbert asked for a Motion that the Minutes of the Regular Meeting of March 6, 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 stated there was no unfinished business.

New Business

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

There being no further business to come before the Board, Mr. Herbert adjourned the meeting at 9:41 a.m.



Florence G. Kingston
Secretary/Treasurer



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Design Review Committee
SUBJECT: Chair's Report
DATE: April 3, 2015

The Design Review Committee met on Thursday, March 19, 2015. The first item considered was a request by John R. Lawson, II for approval of a site layout plan, landscape plan, and scaled color renderings for a proposed building and site improvements at 11880 Jefferson Avenue in Oyster Point of Newport News. The request also included encroachments and directly associated tree removal, as necessary, within the 50-foot deed-restricted zone for the purposes of a vehicular entrance/driveway, a monument sign, a sidewalk extension from the City sidewalk, and the parking area. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

The Committee received a report from staff about one administrative approval granted in March by the Secretary/Treasurer. The administrative approval was for sign replacement panels for City Center Medical Pavilion at 895 City Center Boulevard in Oyster Point of Newport News.

The item detailed in this report which was voted upon by the Committee requires Board ratification today.



Cary B. Epes, Chair

CBE:dep

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Date, Time and Location: March 19, 2015, at 8:00 a.m., Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cary B. Epes, Thomas P. Herbert, Jennifer S. Smith, Alonzo R. Bell, Jr., Alex Delgado, Robb Mann, Teresa Nettles, Bryan Trainum, Sylvia Weinstein, Elizabeth Willis

Members Absent: None



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Executive Committee
SUBJECT: Chair's Report
DATE: April 3, 2015

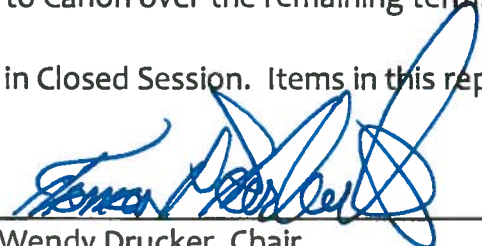
The Executive Committee met on March 31st. The Committee was briefed on renovations and improvements to the James River Fishing Pier which have been proposed to enhance the economic viability and vitality of the strategically located Crab Shack Restaurant, and which can be made with considerable cost savings if performed while the contractor is mobilized and in place on an existing larger City pier renovation project. To that end, and to facilitate shared funding of the proposed renovations and improvements, the Committee authorized an EDA loan to James River Fishing Pier, Inc., the Lessee under the existing Lease of the City-owned site, in the amount of \$140,000 at a 3% interest rate amortized over an up-to-six-year period that will coincide with the term of the Lease, with all necessary loan documentation subject to the review and approval of EDA Legal Counsel.

The Committee also approved a request for a change in the use of a 5.63-acre undeveloped parcel addressed as 11880 Jefferson Avenue from light industrial/office to grocery store, subject to City Council approving a change of zoning request on the referenced parcel from C5 Oyster Point Business/Manufacturing to R9 Mixed Use.

The Committee was advised that \$168,723 in Applied Research Center (ARC) Building Reserves was being expended for refurbishment renovations to the 4th, 5th, 6th and 7th Floors of the ARC Building, to include paint and carpet of the approximately 15,000 square feet of vacant leasable space on the 4th and 5th Floors, as well as paint and carpet in the hallways and restrooms on all 4 of the referenced floors. Given that the ARC Building opened in 1998, and finishes in these areas are original, Committee members were fully-supportive of the necessity of using reserves established for this purpose.

Finally, the Executive Committee was briefed on the recent termination of two swap instruments, consistent with the advice of the EDA/City's Financial Advisor, related to CITI (Canon – Oakland) facility bonds. The swap terminations were implemented with no penalty, and will provide significant cost savings to Canon over the remaining term.

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



Wendy Drucker, Chair

WD:clc

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Date, Time and Location: March 31, 2015 at 1:00 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Tom Herbert, Arthur Henderson, Gary Minter

Members Absent: Wendy Drucker



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

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CBE:dep

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Members Present: Cary B. Epes, Thomas P. Herbert, Jennifer S. Smith, Alonzo R. Bell, Jr., Alex Delgado, Robb Mann, Teresa Nettles, Bryan Trainum, Sylvia Weinstein, Elizabeth Willis

Members Absent: None



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INDUSTRIAL DEVELOPMENT AUTHORITY

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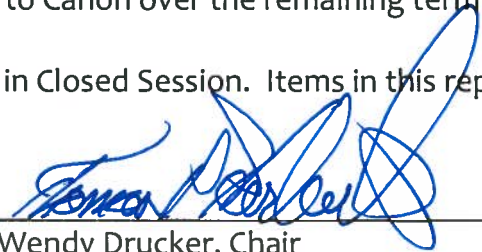
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Chair's Report
April 3, 2015
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Wendy Drucker, Chair

WD:clc

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Members Present: Tom Herbert, Arthur Henderson, Gary Minter

Members Absent: Wendy Drucker