

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 3, 2014, 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
Alonzo R. Bell, Jr.
Cary Epes
Cassandra P. Greene
Arthur P. Henderson, Jr.
C. Gary Minter
Florence G. Kingston, Secretary/Treasurer, ex-officio
James M. Bourey, City Manager, ex-officio

Those members absent were:

Wendy C. Drucker, Vice Chair, Excused

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary
Joy Robison, Acting Recording Secretary

Also present:

Steve Cook, Vice President, Hampton Roads Economic Development Alliance
Matthew James, President, Peninsula Council for Workforce Development
Collins Owens, City Attorney
Robert Pealo, Assistant City Attorney
Eoghan (Owen) Miller, Management Analyst, City Manager's Office

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 Report. Mr. Cook reviewed the July-August 2014 Business Attraction report, stating that the report's new format provided more details about the companies, projects and prospects interested in the region, as well as more information as to the source of prospects through VEDP, consultants or via direct activities and marketing missions.

Mr. Cook stated that in June the Alliance hosted a group of thirteen VEDP staff members for a special orientation of the region's food and beverage industry, which he noted was a sector of strong interest by prospects. Mr. Cook said the event involved a red carpet tour of the port and several Hampton Roads companies, including Newport News' High Liner Foods and lunch at Newport News Deer Run Park. He noted that he, Carol Meredith and others traveled to Germany in September on a very successful maritime related industry mission, participating in 33 face-to-face meetings with company executives.

Mr. Herbert asked if there were any questions for Mr. Cook. There were no questions.

Quarterly Workforce Development Report

Mr. Herbert asked for the Quarterly Workforce Development Report. Mr. James reported that Peninsula Council for Workforce Development (PCFWD) had a very busy quarter. He reminded the Board that the 7th Annual Youth Career Expo would be held on February 18, 2015 at the Hampton Roads Convention Center and would be attended by students from all six Greater Peninsula school divisions. Mr. James stated that following on a very successful expo in 2014, in which 300 mock interviewers volunteered and 65 companies participated, this year PCFWD's goal was to attract a greater diversity of business types to provide students a broader range of exposure to career opportunities in the region and the skills needed to acquire those jobs.

Mr. James reported that PCFWD would be starting its Financial Services Academy again at Heritage High School. He explained that the eight-week financial literacy program exposes students to the finance industry and was developed in partnership with most of the financial institutions on the Peninsula. Mr. James informed the Board about a pilot program that PCFWD is conducting in the City of Hampton in which every guidance counselor in the district tours five or six Peninsula companies, exposing them to the skill sets required for employment at those companies, and allowing them to share that knowledge with their students.

Mr. James said he was proud to inform the Board that PCFWD's Career Pathways program was recognized and presented as an example in the White House's "Ready to Work: Job-Driven Training and American Opportunity" report, as a successful program promoting seamless progression from education to employment. Mr. James stated he was also pleased to inform the Board that the Peninsula Worklink program was one of only five workforce centers (out of the 18 that applied) to achieve "Full One-Stop Certification" or "Level I" (attaining 100% of standards) by Virginia Community Colleges. He noted that the One-Stop certification was a rigorous process and the status qualified them to apply for an incentive grant of between \$50,000 and \$100,000.

Mr. James concluded his report by inviting everyone to attend the PCFWD Annual Meeting on October 16th at 8:00 am at the Newport News Marriott. He stated that the featured speakers would be Holly Coy, the Governor's Policy Director, and Megan Healy, Director of Virginia STEM.

Mr. Herbert asked if there were any questions for Mr. James. There were no questions.

Quarterly Business Retention Report

Mr. Herbert asked for the Quarterly Business Retention Report. Mr. Johnson began by commending Mr. James and his staff for their cooperation and assistance to the management team of Travinia Italian Kitchen & Wine Bar in staffing their newest location in City Center. He noted Travinia was planning to hold a soft opening that evening.

Mr. Johnson stated that summer business retention efforts went well and continued to include a number of face-to-face meetings with members of the Newport News business community, as well as contact via phone, email and interaction at business association and special events. He stated that business activity continued to be positive with most companies reporting either sustained activity or modest growth, with manufacturing still leading the way, and Continental's recent expansion announcement continued to fuel growth in that area. Mr. Johnson explained that more companies were being identified that may be able to take advantage of opportunities through the Port of Virginia, or expand their current utilization of the Port, and with this in mind, he and George Schraudt had met with Laura Godbolt, one of the Port's economic development specialists, to discuss the programs for businesses currently being offered by the Port.

Mr. Johnson informed the Board that START Peninsula would be held at the Mason School of Business at The College of William & Mary, from Friday, November 14th, through Sunday, November 16th. He explained that the START event was a regional effort to encourage and promote entrepreneurial activity on the Peninsula.

Mr. Johnson reported that the University of Virginia and Virginia Tech have two events coming up during the next quarter. The first event, "An Afternoon of Experience Learning," would be held at the Paragon City Center 12, on Monday, October 13th at 2:00 p.m., during which University of Virginia instructor Terry Newell would give a workshop on the topic of converting customer service into customer loyalty. He stated that the next Virginia Tech lunch-and-learn session would be held in November and that the topic would be how to utilize EQ (emotional intelligence), featuring Melissa Lubin, Virginia Tech's Center Director and an expert in the field. Mr. Johnson commented that previous lunch-and-learn sessions have been well-attended by members of the business community.

Mr. Herbert asked if there were any questions for Mr. Johnson. There were no questions.

Secretary/Treasurer's Report

Mr. Herbert asked for the Secretary/Treasurer's Report. Ms. Kingston began by introducing and welcoming Eoghan (Owen) Miller, the new Management Analyst in the City Manager's office.

Mrs. Kingston stated that in June 2013, as part of the conveyance transaction with Ferguson Enterprises for the adjacent 10-acre parcel on Jefferson Avenue, the IDA granted Ferguson a private access easement and associated temporary construction easement across IDA property at 2381 G Avenue. She reported that the easement was sought in anticipation of Ferguson's desire to connect its campus to a potential new intersection with Habersham through the IDA property at some future time. Mrs. Kingston noted that at its September meeting, the IDA Board gave Design Review approval for a new Ferguson Showroom to be located at 12470 Jefferson Avenue. She stated that to meet stormwater requirements, Ferguson needed to construct a stormwater pipe, within the existing access easement, that would drain into the existing creek on the IDA parcel. She explained that the current easement did not provide for the location of utilities and, therefore, an additional utility easement would be required, which would also allow for other utilities should a road be built in the future. Mrs. Kingston noted that all environmental investigations, including Corps of Engineers inspection and approval of recently delineated wetlands, had been accomplished to ensure this stormwater pipe could be installed without special permitting, and that all

work on the stormwater pipe would be done within the previously granted easement areas. Mrs. Kingston advised she was requesting a motion to authorize conveyance of a utility easement on IDA-owned property at 2381 G Avenue, within an existing access easement, to Ferguson Enterprises, Inc. for the purpose of installing stormwater and other necessary utilities benefitting development on the adjacent property, subject to all necessary documents being reviewed and approved by IDA Legal Counsel.

Mrs. Kingston reported that staff was in the process of applying for a US Economic Development Administration (USEDA) grant to assist in the construction of an extension of Patrick Henry Drive from Turnberry Boulevard to Siemens Way. She explained that this project would provide improved access for Continental Automotive Systems, reduce traffic along Bland Boulevard and improve transportation safety in the area. Mrs. Kingston stated that the grant application required that we produce an environmental narrative and an engineering report, including design plans, for the roadway construction project, and that staff had coordinated with Atkins to prepare these documents. She advised that she was seeking a motion to authorize funding in an amount not to exceed \$210,450 and a contract with Atkins for civil design services including completion of an Environmental Narrative, Engineering Report, and 30% Design Plans associated with the construction of an extension of Patrick Henry Drive from Turnberry Boulevard to Siemens Way and an application for a grant match award from the USED A, subject to all necessary documents being reviewed and approved by EDA Legal Counsel.

Mrs. Kingston informed the Board that Development staff had the privilege of hosting and presenting to a group of German government and business executives. She stated that members of the Sister Cities Greifswald delegation were given the opportunity to visit and explore business, education and quality of life in Newport News, and that staff coordinated a working luncheon, giving the group an overview of economic development in the City, as well as presentations by our partners at HREDA, Tech Center, Jefferson Lab, Liebherr and Newport News Industrial. She noted that members of the delegation included members of Greifswald City Council, Greifswald Culture Department and private sector engineering executives and that the group was looking for avenues in which to partner with high-tech companies and opportunities in the United States.

Mrs. Kingston stated that Travinia Italian Kitchen and Wine Bar had received a temporary certificate of occupancy and soft opening charity events were being held that evening, October 3rd, for the Virginia Wounded Warrior Program and on Saturday evening, October 4th, for Transitions Family Violence Services. She noted that the restaurant would open to the public for dinner on Sunday and Monday, and for lunch and dinner beginning on Tuesday, October 7th. Mrs. Kingston stated that Travinia was

the fourth and final project component of the City Center at Oyster Point Entertainment District tourism project. She noted that with its opening, the project had met all certification requirements of the State Comptroller under the Commonwealth Tourism Development Financing Program.

Mrs. Kingston advised the Board that the Monthly Financial Statements were in their package. She noted a few highlights, and then stated that she would be happy to answer any questions. There were no questions.

Mrs. Kingston stated that she would like to give the City Manager an opportunity to comment if he would like to do so. Mr. Bourey thanked everyone who attended the State of the City Luncheon on Tuesday, September 30th, which was well-attended and well-received by all present.

Mr. Herbert asked for a Motion to authorize conveyance of a utility easement on IDA-owned property at 2381 G Avenue, within an existing access easement, to Ferguson Enterprises, Inc. for the purpose of installing stormwater and other necessary utilities benefitting development on the adjacent property, subject to all necessary documents being reviewed and approved by IDA Legal Counsel. Mr. Bell so moved and Mr. Epes seconded the motion, which passed unanimously on a roll call vote.

Mr. Herbert asked for a Motion to authorize funding in an amount not to exceed \$210,450 and a contract with Atkins for civil design services including completion of an Environmental Narrative, Engineering Report, and 30% Design Plans associated with the construction of an extension of Patrick Henry Drive from Turnberry Boulevard to Siemens Way and an application for a grant match award from the USEDA, subject to all necessary documents being reviewed and approved by EDA Legal Counsel. Mr. Minter so moved and Mr. Epes seconded the motion, which passed unanimously on a roll call vote.

Assistant Secretary's Report

Mr. Herbert asked for the Assistant Secretary's Report. Ms. Croushore advised the Board the Committee Schedule was in their package and noted relevant details.

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. There were no comments or questions.

At 8:38 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), 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 are three separate proposed property dispositions, two located in the central section of the City and one located in the southern 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 an unannounced existing business expansion of a business located in the southern section of the City. Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

At 9:20 a.m. the EDA/IDA Board returned to open session following a certification motion by Mr. Epes in accordance with 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. The motion was seconded by Mr. Bell, which passed unanimously on a roll call vote.

Action Coming Out of Closed Session

Mr. Herbert asked for a Motion to authorize the disposition of IDA-owned parcels located at 11008 Warwick Boulevard and 71 Nelson Drive, and a parcel under contract by the IDA located at 89 Nelson Drive, at a purchase price of \$2,520,000, to United Parcel Service of America, Inc., or affiliated entity, together with a related performance agreement with United Parcel Service of America, Inc., or affiliated entity, related to job retention and job creation, with all necessary documentation subject to IDA Legal Counsel review and approval. Mr. Bell so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Brooks Crossing Project Phase One Infrastructure Funding and Contract

Mrs. Kingston informed the Board that the Brooks Crossing project engineer, VHB, had recently submitted its final set of revised infrastructure drawings to the City for approval, incorporating the minor changes requested by the City's site plan review committee. She said that, based on these drawings, staff had been notified by the developer that bids had been received for the construction of Phase One infrastructure for the Brooks

Crossing project and that staff had requested the City's Engineering Department to assist with a review of the bids received, resulting in a meeting set for Friday, October 10th. Mrs. Kingston stated that, based on the bids, funding in the amount of \$3.3 million was needed for Phase One Infrastructure construction. Mrs. Kingston stated that she was seeking a motion to authorize a contract and funding for the Phase I infrastructure for the Brooks Crossing project in the Southeast Community, with funding in an amount not to exceed \$3,300,000.

Mr. Herbert asked for a Motion, in accordance with the Development Agreement between the EDA and Southeast Commerce Center Associates, L.L.C. dated as of May 1, 2013, to authorize a contract and funding for the Phase One infrastructure for the Brooks Crossing Project in the Southeast Community, with funding in an amount not to exceed \$3,300,000, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel. Mr. Bell so moved and Mr. Epes 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. Epes presented the Design Review Committee Chair's Report, which was ratified by the Board and passed unanimously on a roll call vote, Ms. Greene and Mr. Henderson having departed the meeting. Mr. Minter presented the Executive Committee Report, which was ratified by the Board and passed unanimously on a roll call vote. Mr. Epes presented the Revolving Loan Fund Committee Chair's Report, which was ratified by the Board and passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of September 5, 2014

Mr. Herbert asked for a Motion that the Minutes of the Regular Meeting of September 5, 2014 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 commented that there were several items of unfinished business to address. She stated she was seeking action for a correction for the June 6, 2014 minutes, noting that the action the Board took for RAISE was not recorded in the minutes, in error, though it was on the agenda and the motion was made and approved

unanimously by the Board. She noted that Board Members had a copy of the proposed correction at their places. Mr. Herbert asked for a Motion that the Corrected Minutes of the Regular Meeting of June 6, 2014 be approved. Mr. Bell so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Mr. Bourey informed the Board of the plan to rename Middle Ground Boulevard in Oyster Point to City Center Boulevard. He explained that the new extension being constructed from Jefferson Avenue to Warwick Boulevard was already named City Center Boulevard, and that the signs had already been installed but were still covered during construction. He turned the discussion over to Mrs. Kingston to describe what activities staff proposed to assist current businesses on the Oyster Point side of Middle Ground Boulevard in transitioning to the new street name.

Mrs. Kingston discussed the EDA providing up to \$500 in grant funding to businesses with Middle Ground Boulevard addresses to help defray the expenses associated with the name change. She said that the address numbers for all businesses along current Middle Ground Boulevard will not change, only the street name. Mrs. Kingston said that all of the businesses would be eligible for FIG (Façade Improvement Grant) funding to update their signage, and that the post office will allow for a full year of phasing out the old addresses. She noted that a public meeting would be held to meet with and provide information to affected businesses and the Greater Oyster Point community.

Mr. Herbert asked if there was any additional unfinished business. Mrs. Kingston stated there was no other unfinished business.

New Business

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

There being no further business to come before the Board, Mr. Herbert adjourned the meeting at 9:37 am.



Florence G. Kingston
Secretary/Treasurer

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: November 7, 2014


The Marketing Committee met on October 23, 2014. Staff reviewed the recent "Customer Service Experience Engineering" seminar hosted by UVA in collaboration with Paragon Theaters. The purpose of the seminar was to demonstrate how businesses can turn positive customer service into loyalty.

Committee members were briefed on the success of recent events sponsored by the Virginia Peninsula Chamber of Commerce, including the annual Business Expo and State of the City address. These events serve to promote small business and highlight the positive activities in the City which impact the business community.

The August edition of US Airways magazine, which featured Newport News as an ideal location for business and superior quality of life, was distributed and discussed. Committee members agreed that the magazine was a worthy investment and valuable marketing tool.

Staff reviewed recent and upcoming entertainment events at City Center. Business owners as well as patrons have expressed positive feedback about the expanded options for recreation and dining.

This report does not require Board ratification.



Gary Minter, Chair

GM:rnb

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Date, Time and Location: October 23, 2014 at 10:30 a.m., BusinessSuites, 11815 Fountain Way, Newport News, VA 23606
Members Present: Cassandra Greene, Gary Hunter, John Miller and Gary Minter
Members Absent: Mary Aldrich, Don Blankenship, Wendy Drucker and Faye Gargiulo

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Parking Committee
SUBJECT: Chair's Report
DATE: November 7, 2014

The Parking Committee held its regular quarterly meeting on Monday, October 28, 2014. The Committee received staff reports on various parking-related activities and updates, including towing and vacancy rates.

Staff also briefed the Committee on the completion of design of a new parking lot, which would be constructed on EDA-owned property at the southeast corner of 35th Street and Washington Avenue. Staff discussed cost estimates for construction, striping for 43 spaces and landscaping received from the City's Department of Public Works, which would lead construction activities on behalf of the EDA. Upon discussion, the Committee voted unanimously to recommend authorization of funding in an amount not to exceed \$140,460, which includes a 15% contingency, for construction, landscaping and lighting for this proposed parking lot.

Staff also informed the Committee of a potential opportunity to lease a total of up to sixty (60) parking spaces to the owner of the Maritime Square Building at 2600 Washington Avenue for a prospective tenant. Upon discussion, the Committee voted unanimously to recommend authorization of a lease agreement with TSO Newport Maritime LP for up to 60 parking spaces, with approximately 15 spaces in the RiverPark Tower Garage and the remainder in the EDA-managed lot at 2500 Huntington Avenue, with authority delegated to EDA staff to refine the number and placement of spaces and associated lease rates, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel.

The items upon which the Committee took action require board ratification today.


Arthur P. Henderson, Jr., Chair

APH:cam

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Date, Time and Location: October 28, 2014 at 12:00 p.m. at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Arthur P. Henderson, Jr., Alonzo Bell, Jr., Cary B. Epes, John M. Lunsford

Members Absent: James B. McDougall, Eugene S. Soud

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: November 7, 2014

The Revolving Loan Fund Committee met on Thursday, October 30, 2014.


Financials for the Newport News Capital Fund were reviewed.

The Committee was provided with an overall program status including grant commitments, amounts disbursed and private leveraging from the program's inception to the current date.

Staff presented three (3) FIG requests:

- The FIG request for \$30,000 from Frank Munn (Franks Auto Repair) for exterior finishes and materials, canopy/awning, roofing, windows, doors and signage at 4915 Jefferson Avenue was recommended for approval with a unanimous vote.
- The FIG request for \$30,000 from 12827 Jefferson Avenue, LLC (East Coast Appliances) for exterior finishes and materials, landscape, windows, doors and paving at 12827 Jefferson Avenue was recommended for approval with a unanimous vote.
- The FIG request for \$30,000 from Smoke, LLC (Smoke BBQ Restaurant & Bar) for exterior finishes and materials, painting, hardscape, landscape, paving, windows and doors at 10900 Warwick Boulevard was recommended for approval with a unanimous vote.

The Committee is asking the Board to ratify Committee action relating to the FIG approvals.


Cassandra Greene

CG:tw

P:\IDA\IDA14-15\Board Meetings\November 2014\Chair Reports\3 RLF Chair's Report 10.30.2014.docx

Date, Time and Location: October 30, 2014 at 12:30 PM at Two City Center, 11820 Fountain Way, Suite 301, Newport News, VA

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

Members Absent: George Knight

**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, South Newport News Committee
SUBJECT: Chair's Report
DATE: November 7, 2014

The South Newport News Committee met on Tuesday, October 7, 2014. The Committee received an intriguing report from Doreen Kopacz, the Department of Development's Port Development Administrator, on the history and current status of the West Bulkhead located at the City's Seafood Industrial Park at the southern terminus of Terminal Avenue and Jefferson Avenue. The Committee was informed of the City's plans to reinvest in the protective 1,375-foot wooden fendering system of the bulkhead on the west side of the City's commercial small boat harbor, which is deteriorating from age, through a series of grant funds. The Seafood Industrial Park is a significant source of employment and tax revenue for the City, and it was good to hear the City's commitment to improve an underutilized portion of this facility to help generate more activity in this area.

Following the presentation, staff updated the Committee on the status of ongoing Downtown, Southeast Community, Lower Jefferson Avenue, and Newport News Redevelopment & Housing Authority projects.

This Report does not require Board ratification.



C. Gary Minter

CGM:mar

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Date, Time and Location: October 7, 2014, 4:00 PM, City Hall, Dept. of Development Conference Room- 3rd Floor

Members Present: Alonzo R. Bell, Jr., C. Gary Minter, Cassandra P. Greene, Carl Burt, Richard Coleman, and Troy Smith, Jr.