

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

Ms. Greene called the meeting to order at 8:00 a.m. on Friday, February 2, 2018, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Cassandra P. Greene, Vice Chair
Mary Aldrich
Alonzo R. Bell, Jr.
Jonathan Skinner
Jennifer Smith-Brown
Jeffrey Verhoef
Cynthia D. Rohlf, City Manager, ex-officio
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

C. Gary Minter, Chair, Excused

Legal Counsel:

Raymond H. Suttle, Jr.
Conway Sheild

Staff:

Kearston Milburn, Recording Secretary
Cherry Croushore, Assistant Secretary

Also present:

Wendy C. Drucker, Former EDA/IDA Board Member
Monique Adams, Executive Director, 757 Angels
Evans McMillion, Vice President of Research and Strategy, Reinvent Hampton Roads
Paul Hirsch, Madison Government Affairs
Collins Owens, City Attorney
Robert Pealo, Senior Assistant City Attorney

Ms. Greene opened the meeting by welcoming everyone.

Presentation of Resolution of Appreciation – Wendy C. Drucker

Ms. Greene presented a Resolution of Appreciation to Wendy C. Drucker for her service on the Board of Directors and as Chair of the Economic Development Authority/Industrial Development Authority of the City of Newport News. Ms. Drucker joined Ms. Greene as she read the Resolution of Appreciation before formally presenting it to Ms. Drucker. Ms. Drucker greeted the Board and stated that it had been a pleasure and honor to serve on the EDA/IDA Board and that she was very appreciative of the Board's recognition.

757 Accelerator Update Presentation

Ms. Greene called on Ms. Adams and Ms. McMillion for the 757 Accelerator Update Presentation. Ms. McMillion thanked the Board and stated that she and Ms. Adams were pleased to have the opportunity to update them on the success of the broad coalition of partners that worked together to win the Federal Department of Commerce Economic Development Administration i6 Challenge Grant to establish a mobile business accelerator in Hampton Roads. Ms. McMillion stated that the partnership between Reinvent Hampton Roads and 757 Angels began in an effort to collaborate on the i6 Challenge and Seed Fund Grant. She advised that an application for a Seed Fund Grant had been submitted for consideration by GO Virginia. She noted that 757 Angels and Reinvent Hampton Roads were separate organizations with similar mission alignments, advancing the momentum and energy around developing innovation and entrepreneurship in Hampton Roads. Ms. Adams stated that 757 Angels was formed in 2015 and was one of the largest investment networks in the country. She said that there had been several efforts to obtain an i-6 Grant in the past, and that the main reasons those efforts were unsuccessful was the lack of collaboration among the municipalities in the region and the need had not been validated in the area. Ms. Adams stated that 757 Angels had been able to validate the need, with 120 members and investments of \$21 million to date in Hampton Roads.

Ms. Adams complimented Newport News on current programs available to assist businesses, but noted the need for a business accelerator to help move companies along from start-up and incubator phases, and prepare them for investment opportunities.

Ms. McMillion noted that the i6 Challenge Grant awarded \$13 million nationally, not to exceed \$500,000 per award. She stated that the grant required one-to-one matching funds, and that with the leadership and support from local cities and universities they were able to raise the \$500,000 needed to meet the match requirement. Ms. McMillon shared a listing of

the regional supporters and partners that assisted in raising the required funds. She stated that TowneBank was a large corporate sponsor and that the cities of Chesapeake, Hampton, Newport News, Norfolk and Portsmouth collectively contributed a total of \$250,000. She highlighted that local universities raised \$100,000, general supporters gave in-kind contributions and that 50 entities wrote letters of support. She announced that they were awarded the i6 Challenge Grant in September 2017, and that it was very competitive, with more than 200 applicants from around the country. She advised that there were 27 award recipients – 15 of the 27 being large universities. She reported that everyone was very pleased to be the only winner in Virginia and one of the few free-standing entities that was awarded the grant.

Ms. Adams noted that she had visited five other similar community ecosystems and completed a situational analysis during the application process. She stated that she had established priorities and sequenced recommendations to build and strengthen the ecosystem in Hampton Roads. Ms. Adams stated she had surveyed 300 Hampton Roads entrepreneurs, and the feedback she received mirrored her conclusions that there was a strong need for an Accelerator and a Seed Fund. Ms. Adams stated that the Accelerator was very selective, with 5-8 companies chosen each year, and explained that the Seed Fund works in conjunction with the Accelerator. She stated that companies who go through the Accelerator generally have more credibility, diligence and milestone accomplishments, and would, therefore, be strongly considered for the Seed Fund. Ms. Adams informed the Board that the planned Seed Fund amount is \$1.25 million and it would anticipate approximately 12 investments over the next three years. She noted that this amount is based on angel investment portfolio strategy, where the highest probability of success comes at 12 or more investments over three years.

Ms. Adams emphasized that she wants to work together with the City and the EDA Board to make sure Hampton Roads is a place that companies want to stay. She stated that the attraction of the capital, human capital and the support that the community provides by working together is truly impactful for the ecosystems. Ms. McMillion stated that she wanted to mine the assets and help to further develop the things that Newport News is actively supporting, such as Tech Center, Jefferson Lab, Brooks Crossing, START Peninsula and other initiatives.

Ms. McMillion and Ms. Adams answered a few questions and Ms. Greene thanked them for their report.

Secretary/Treasurer's Report

Mrs. Kingston stated that Board Members would be very busy with the lineup of events during the next few weeks. She asked them to mark their calendars for February 10th, February 13th and February 20th.

Mrs. Kingston stated that the mural unveiling and dedication event honoring civil rights leader and attorney W. Hale Thompson would be held on Saturday, February 10th, at 11:00 a.m. in the lot adjacent to Esquire Barber Shop located at 611 25th Street – formerly home to Thompson's Law Office. She stated that the artist, Asa Jackson, who created the Ella Fitzgerald mural and was a Southeast Newport News native, would participate in the unveiling ceremony and celebration, returning from Los Angeles where he is working on a documentary.

Mrs. Kingston advised that the EDA and its partners at Huntington Ingalls Industries, AH Southeast Commerce Center and Tidewater Partners Property and Development were in the planning stages for the groundbreaking of the Newport News Shipbuilding office complex, as well as the EDA's collaboration space focusing on STEM activities and workforce development at Brooks Crossing. She stated that this highly-anticipated event would be held at 2:30 p.m. on Tuesday, February 13th and that Jennifer Boykin, President of Newport News Shipbuilding, would be speaking.

Mrs. Kingston announced that on Tuesday, February 20th at 8:30 a.m., the Grand Opening of Muhlbauer's Smart Factory Competence Center would be held and that the event would be a showcase of the company's recently-completed 51,000-square-foot expansion. She stated that Muhlbauer manufactures and customizes production equipment for smart cards, ePassports, RFID technology, etc. and that Mr. Josef Muhlbauer, Founder of the Muhlbauer Group and CEO of Muhlbauer Holding AG, would be visiting from Germany and would be speaking. She advised that following a networking reception and remarks, the company would offer optional tours and presentations.

Mrs. Kingston informed the Board that they would be receiving invitations to all of these important events and that she hoped they would attend as many as possible.

Mrs. Kingston stated that she was pleased to inform the Board that the 2017 EDA/IDA Annual Report was complete and had been sent to the printer. She stated that copies were expected to arrive next week, and would be delivered to City Council (as mandated) in time for its February 13th meeting, and to Board Members shortly thereafter.

Mrs. Kingston said that staff had been working closely with LTD Oyster Point as they were completing renovations to the new Holiday Inn. She noted that LTD recently identified approximately 500 surplus banquet chairs, graciously offered to donate them to local charity groups and nonprofits, and that within a day the chairs found homes with a number of local groups including Youth Challenge of Hampton Roads, Peninsula READS, Virginia Living Museum, Downtown Hampton Child Development Center and Link. She stated she was grateful for LTD's generosity and was proud to be partnered with such a community-minded company.

Mrs. Kingston asked the Board to join her in congratulating Matt Johnson, who had been promoted to Economic Development Manager.

Mrs. Kingston informed the Board that the Monthly Financial Statements were in their packages, noting a few highlights and offering to answer questions. There were no questions.

Mrs. Kingston offered the City Manager an opportunity to comment. Ms. Rohlf announced that City Council at its last meeting had adopted the Capital Improvement Plan for 2019 through 2023 which will go into effect on July 1st. She stated that City Council had also begun preliminary discussions to develop the 2019 Operating Budget. Ms. Rohlf explained that at its next meeting, City Council would review and approve the Bond Authorizations required before capital projects could begin.

Ms. Greene asked if there were any additional questions for Mrs. Kingston or Ms. Rohlf. There were none.

Assistant Secretary's Report

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

Madison Government Affairs' Consultant Report

Ms. Greene called on Mr. Hirsch for the Madison Government Affairs Consultant Report. Mr. Hirsch thanked the Board and stated that doubts were growing on Capitol Hill that Republicans and Democrats would reach a long-term budget deal by February 8th, when the current short-term Continuing Resolution funding the government would expire.

Mr. Hirsch stated that to avoid a shutdown, House Republicans were reluctantly preparing to pass another short-term spending bill that moves the deadline further into February or March. Mr. Hirsch stated that with the government operating under a Continuing Resolution, the \$34 million Aviation Training Facility, which has been approved by the requisite Authorization and Appropriations Committees for FY2018, sits in limbo since there can be no new starts under a Continuing Resolution. He said that this project was the 'lynchpin' in the redevelopment of the Aviation Campus on Fort Eustis and there were two following MILCON projects for the campus currently in the FY2020 program that total over \$100 million.

Mr. Hirsch announced that this week the selected contractor delivered its opening briefing for a new Air Installation Compatible Use Zone (AICUZ) study for Langley AFB and Fort Eustis. He said that each installation has had an AICUZ study previously. He noted that the former BASF site in James City County was of interest since any intense development of commercial or residential could be the beginning of encroachment at Fort Eustis. He noted that the study will address those types of issues.

Ms. Greene asked if there were any questions for Mr. Hirsch. There were none, and she thanked Mr. Hirsch for his report.

At 9:00 a.m., Mr. Verhoef moved for the Authority to go into a closed meeting pursuant to VA Code Section §2.2-3711.A: Prospective Business (5) for the following purpose and subject: (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 expansion of an existing business located in the southern section of the City and unannounced prospective businesses interested in locating in the southern section of the City. Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

At 9:11 a.m., the EDA/IDA Board returned to open session following a certification motion by Mr. Verhoef, in accordance with VA Code Section §2.2-3712(D) that to the best of each member's knowledge: (D) (i) only public business matters lawfully exempted from open meeting requirements under this chapter; and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting by the public body. Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

Committee Reports

Ms. Greene called for the Committee Reports. Ms. Meredith presented the Conference Center Marketing Committee Report, which did not require Board ratification. Mr. Verhoef presented the Design Review Committee Report, which required Board approval since a quorum was not present at the meeting. Board Members were provided with a copy of supporting materials. Ms. Greene called for a motion to approve the items recommended for approval in the Design Review Committee Chair's Report for the meeting held on January 18, 2018. Mr. Bell so moved and Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote. Ms. Greene presented the Executive Committee Report, which did not require Board ratification.

FY 2019 EDA/IDA Budget

Ms. Greene advised the Board that they had each been provided copies of the FY 2019 EDA/IDA Budget in their Agenda packages. Mrs. Kingston walked through the Budget line items, highlighting pertinent details, and noted that the Executive Committee recommended approval of the FY 2019 EDA/IDA Budget as presented.

Ms. Greene asked if there were any questions. There were none. Ms. Greene asked for a motion to approve the FY 2019 EDA/IDA Budget as presented. Mr. Bell so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

Citizen Appointments to Committees

Ms. Greene advised that the Citizen Appointments to Committees for 2018 had been provided to Board Members.

Approval of Minutes of the Regular Meeting of January 11, 2018

Ms. Greene asked for a motion that the Minutes of the Regular Meeting of January 11, 2018 be approved. Mr. Bell so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

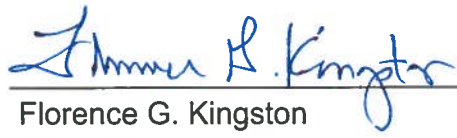
Unfinished Business

Ms. Greene asked for any unfinished business. There was none.

New Business

Ms. Greene asked for any new business. There was none.

There being no further business to come before the Board, Ms. Greene adjourned the meeting at 9:28 a.m.



Florence G. Kingston
Secretary/Treasurer

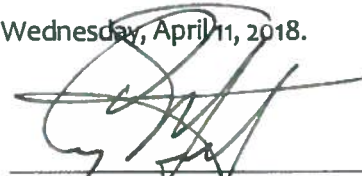


ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Conference Center Marketing Committee
SUBJECT: Chair's Report
DATE: February 2, 2018

The Conference Center Marketing Committee met on January 10th. Lori Coyne, Director of Sales and Marketing, and Mark Butcher, General Manager, provided an overview of completed marketing efforts for the 4th quarter of 2017. The Committee reviewed group highlights, social catering, e-commerce and social media initiatives.

The next Committee meeting is scheduled for Wednesday, April 11, 2018.



Gary Minter, Chair

GM:cum

P:\DA\DA17-18\Board Meetings\February 2018\Chair Reports\ConfCntrMktgCommitteeChair'sReport02022018.docx

Date, Time and Location: January 10, 2018, at 8:15 a.m., Executive Board Room, Newport News Marriott at City Center

Members Present: Gary Minter, Cindy Brouillard, Mark Butcher, Steve Meade, Elizabeth Parker

Members Absent: None



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Design Review Committee

SUBJECT: Chair's Report

DATE: February 2, 2018

The Design Review Committee met on January 18th. The Committee considered a request by Tower Park Corporation, for approval of a digital rendering of a building-mounted sign at 733 Thimble Shoals Boulevard in Oyster Point of Newport News. The consensus of Committee members was to approve the request, with one abstention.

Next, the committee considered a request from Cushman & Wakefield, on behalf of Thalhimer/GNCS Enterprises, LLC, for approval of digital renderings and digital material samples of proposed exterior building modifications at 724 Thimble Shoals Boulevard in Oyster Point of Newport News. The consensus of Committee members was to approve the request, with one abstention.

The Committee also considered a request from Cushman & Wakefield, on behalf of Thalhimer/GNCS Enterprises, LLC, for approval of a digital rendering of a proposed monument sign at 724 Thimble Shoals Boulevard in Oyster Point of Newport News. The consensus of Committee members was to approve the request, with one abstention.

The Committee then considered a request from Persona Signs, on behalf of LTD Oyster Point, LLC, for approval of digital renderings of proposed directional signage along Omni Way in Oyster Point of Newport News. This consensus of Committee members was to approve the request.

The final agenda item was a request from First Baptist Church Morrison, for approval of a digital rendering of a monument sign at 12720 Patrick Henry Drive in Patrick Henry CommerCenter. The consensus of Committee members was to approve the request.

The consensus of Committee members to recommend approval of all requests as outlined above was subject to all applicable City codes and regulations.

Due to inclement weather, a quorum of Committee members was not physically present at the meeting as required. Since a quorum was not present, these items will require Board consideration. A copy of the PowerPoint presentation with the submittals presented at the Committee meeting was provided to Board members electronically and placed at your seats. A motion to approve the requests as presented at the January 18th Design Review Committee will need to follow this report, in lieu of Board ratification of this report.



Jeffrey C. Verhoef, Chair

JCV:kpw

P:\IDA\IDA17-18\Board Meetings\February 2018\Chair Reports\DesignReviewChair'sReport02022018.docx

Date, Time and Location: January 18, 2017, at 10:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Jeffrey Verhoef, Thomas Herbert, Teresa Nettles, Sylvia Weinstein (via telephone), Elizabeth Willis

Members Absent: Mary Aldrich, Alex Delgado, Robert Mann, Bryan Trainum



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Executive Committee
SUBJECT: Chair's Report
DATE: February 2, 2018

The Executive Committee met on January 17th. Pursuant to the authority delegated to it by the Board, the Committee approved the EDA/IDA 2017 Annual Report.

The Committee received a presentation on the EDA/IDA FY 2019 Budget, which the Board will receive later in today's Agenda. Based on the presentation received, the Executive Committee is recommending approval of the Budget. Formal action on the Budget by the Board, however, will follow presentation of the Budget to the Board, rather than take the form of ratification of this item in the Executive Committee Report.

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



Cassandra Greene, Chair

CG:clc

P:\IDA\IDA17-18\Board Meetings\February 2018\Chair Reports\ExecutiveCommitteeChair'sReporto2022018.docx

Date, Time and Location: January 17, 2018, at 12:00 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Cassandra Greene, Gary Minter, Jennifer Smith-Brown, Jeff Verhoef

Members Absent: None