

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. Minter called the meeting to order at 8:00 a.m. on Friday, July 6, 2018, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

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

Absent:

Jennifer Smith-Brown, Excused

Legal Counsel:

Conway Sheild

Staff:

Kearston Milburn, Recording Secretary
Cherry Croushore, Assistant Secretary

Also present:

Laura Hayes, Vice President of Business Development, Hampton Roads Economic
Development Alliance
Robert Pealo, Senior Assistant City Attorney

Mr. Minter opened the meeting by welcoming everyone.

Quarterly Hampton Roads Economic Development Alliance Report

Mr. Minter called for the Quarterly Hampton Roads Economic Development Alliance Report.

Ms. Hayes greeted the Board and stated that during the month of May, the Alliance hosted 38 new prospect visits, which totaled 46 visits for the year thus far. She said that 38 members of the Newmark Knight Frank Global Corporate Services team visited Hampton Roads for internal team-building work sessions and to become better acquainted with the assets of the region. She stated that their visit included a presentation from the Port of Virginia staff at Virginia International Gateway, a joint presentation from the Virginia Economic Development Partnership (VEDP) and the Alliance, as well as a reception and dinner at the Cavalier Hotel hosted by the Port of Virginia, VEDP, the Alliance and Virginia Beach Economic Development.

Ms. Hayes reported that the Alliance conducted four marketing activities, which resulted in 29 consultant appointments and 12 corporate meetings in May. She noted that there had been a total of 15 marketing activities that resulted in 134 appointments for the year. Ms. Hayes stated that the marketing activities included a marketing mission with the European American Investment Council (EAIC) and a conference with the Industrial Asset Management Council (IAMC).

Ms. Hayes stated that Amy Parkhurst of the Alliance was joined by Terri McCann from the City of Hampton, Tom Elder from Isle of Wight County and Amanda Jarratt from Franklin-Southampton Economic Development, Inc. on a trip to Greenville, South Carolina and Atlanta, Georgia to meet with site selection consultants. She said that the team held meetings with seven consultants representing five different firms to promote the assets of Hampton Roads, and the mission concluded with a reception co-hosted with the Port of Virginia that welcomed 25 guests which included site selectors, real estate brokers, developers and representatives of the shipping industry.

Ms. Hayes advised that she had attended the NextGen Talks in Asheville, North Carolina, which focused on future industry-changing perspectives in site selection and economic development. She said that some of the nation's leading site selection consultants provided advice to economic development practitioners on best practices to attract business to their regions.

Ms. Hayes stated that the Alliance submitted proposals for three new active prospects that requested information on the region, which totaled 14 thus far, in addition to 36 for the year 2017. Ms. Hayes noted that of the 14 new prospects, eight were international, five were domestic and one did not disclose its origin. She stated that VEDP was the source of six of the new prospects and Alliance was the source of eight.

Ms. Hayes answered a number of questions, and Chair Minter thanked her for her report.

Secretary/Treasurer's Report

Mrs. Kingston welcomed the Department's newest Senior Project Coordinator, Priscilla Green. She reported that Priscilla joined the Department on June 4th, and had attended some EDA Committee meetings. She stated that Priscilla was a graduate of Old Dominion University with an undergraduate degree in Business Administration, a long-time Newport News resident and had worked for the City for over 10 years, serving in a number of roles within the Commissioner of the Revenue's office, which gave her the opportunity to work with Development staff on many occasions including work related to Enterprise Zone incentives and the Tourism Zone program. She shared that Priscilla had also worked in Engineering, engaging with VDOT on the different VDOT funding programs utilized by the City, many of which have been used in association with Development and EDA projects. Mrs. Kingston said Priscilla had a variety of skills that would bring value to the Department and the EDA.

Mrs. Kingston announced that certain landscape and hardscape improvements associated with the proposed Ferguson expansion project in City Center were located within a portion of the EDA-owned parcel at 735 Town Center Drive. She stated that the improvements would be owned by the EDA, but made at Ferguson's expense. She said Ferguson would also be responsible for all maintenance of said improvements and as such, Ferguson would require a Right of Entry and Maintenance Agreement to allow activities necessary to facilitate installation and maintenance of the aforementioned improvements on the EDA parcel, to include civil engineering, landscaping, site preparation, construction and related activities associated with installation of concrete pavers, underground irrigation, lighting and landscaping.

Mrs. Kingston stated that one of Newport News' most important tools to support business growth in the City was the Virginia Enterprise Zone Program. She said Newport News' Enterprise Zones were among the most utilized zones in the state, and each year many Newport News businesses and property owners benefit from the program. She also stated that the application deadline for the state incentives for investments made and jobs created

during 2017 was April 2nd and Grants were disbursed on June 19th. She said that State grants totaling \$1,366,439 were awarded to 21 applicants — 18 for the state's Real Property Investment Grant and three for the state's Job Creation Grant. She noted that the 21 applicants represented private capital investment of \$40,060,956 and 178 new qualifying jobs.

Mrs. Kingston thanked Board Members for their recent participation in the annual Business Appreciation events, groundbreaking for Ferguson Enterprises and Fairlead Boatworks and the grand opening of Piggly Wiggly.

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 advised that City Council adopted the City's operating budget. She stated that the next undertaking would be preparing for the Capital Improvements Plan. She noted that the HUD visit on May 22nd for the CNI Implementation Grant was a great visit, and thanked Board and staff for their participation. She said she was hopeful that the awards would be announced any day now for the CNI Implementation Grant.

Ms. Rohlf thanked Board Members for taking the time to meet with her individually and noted that the meetings had been very informative, educational and enjoyable. She announced that a new City Council member, David Jenkins, would be seated on July 10th and felt that he would hit the ground running. Ms. Rohlf thanked Mrs. Kingston and Development staff for a tremendous job executing the many events recently.

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

Mr. Minter asked for a motion to authorize a Right of Entry and Maintenance Agreement by and between the EDA and Ferguson Enterprises, Inc., to allow activities necessary to facilitate installation and maintenance of certain landscape and hardscape improvements to be made on a portion of the EDA-owned parcel located at 735 Town Center Drive, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel. Mr. Bell so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Assistant Secretary's Report

Mr. Minter 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

Mr. Minter advised the Board that the Madison Government Affairs Report was in written format and asked if there were any comments or questions. There were none.

At 8:25 a.m., Mr. Verhoef moved for the Authority to go into a closed meeting pursuant to VA Code Section §2.2-3711.A: Real Estate (3) and 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 acquisition in the southern section of the City; and (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 prospective business interested in locating in the southern section of the City. Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

At 9:19 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.

Rouse Tower

Mrs. Kingston reported, as a reminder, that the EDA owned the 12-story, 153,538-square-foot property located at 6060 Jefferson Avenue known as Rouse Tower. She said that the City of Newport News Department of Human Services currently leased 114,196 square feet of Rouse Tower, and had asked to lease an additional 3,862 square feet on the 9th floor, which would bring the total Human Services leased space to 118,058 square feet. She advised that the 9th floor would need to be reconfigured and renovated at the EDA's

expense to accommodate Human Services, and that the cost estimate for the renovations, to include a small contingency, was \$103,800.

Mrs. Kingston specified that the renovations would include demolition and new space configuration per approved architectural plans, as well as new doors, door jambs and lever sets, breakroom cabinetry and countertops, and electrical upgrades, carpet and paint. She said that Human Services currently pays a rental rate of \$18.72 per square foot for its existing space, with a 2% rent escalation due to apply as of December 1st under the existing Lease, and that rent for the additional 9th floor space would be consistent with these terms, and coordinated with the timing and schedule for build-out and fit-out of the space. She also noted that a Lease Amendment to approve adding the additional 9th floor space for Human Services would be placed on City Council's August 14th Meeting Agenda.

Mr. Minter asked for a motion to authorize execution of a lease amendment to the existing Lease between the EDA and the City, to adjust the rentable square feet by an additional 3,862 square feet for a total of 118,058 square feet to reflect usage by the Department of Human Services after occupancy of a portion of the 9th floor space in the Rouse Tower Building at 6060 Jefferson Avenue, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel and approval of the lease amendment by City Council. Mr. Bell so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Mr. Minter asked for a motion to authorize renovation contracts and funding with Atlantic Coast Commercial Services for an amount not to exceed \$101,000 for demolition, new space configuration per approved architectural plans, doors, door jambs, ceiling tiles, carpet, paint and electrical upgrades including receptacles, lights and light switches and with Coffey's Lockshop for an amount not to exceed \$2,800 for lock lever sets, which amounts included a small contingency, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel. Mr. Bell so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Committee Reports

Mr. Minter called for the Committee Reports. Mr. Verhoef presented the Design Review Committee Report, which passed unanimously on a roll call vote. Ms. Greene presented the Executive Committee Report, which did not require Board ratification. Ms. Greene presented the Marketing Committee Report, which did not require Board ratification. Mr. Bell presented the Revolving Loan Fund Committee Report, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of June 1, 2018

Mr. Minter asked for a motion that the Minutes of the Regular Meeting of June 1, 2018 be approved. Mr. Bell so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

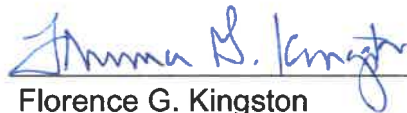
Unfinished Business

Mr. Minter asked for any unfinished business. There was none.

New Business

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

There being no further business to come before the Board, Mr. Minter adjourned the meeting at 9:37 a.m.



Florence G. Kingston
Secretary/Treasurer



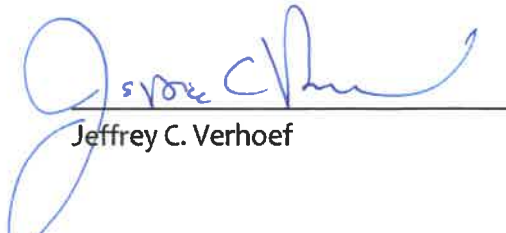
**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Design Review Committee
SUBJECT: Chair's Report
DATE: July 6, 2018

The Design Review Committee met on June 21st. The Committee considered a request by Fine Signs & Graphics, on behalf of DF Fishing Point, LLC, for approval of a digital rendering and digitally-enhanced photograph of a proposed internally illuminated, building-mounted sign to be located at 11828 Fishing Point Drive in City Center at Oyster Point. 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 from ATCS, on behalf of NOPCO, LLC, for approval of a site plan and landscape plan for a proposed building addition at 140 Harwood Drive in Oakland Industrial Park. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

This Report requires Board ratification.



Jeffrey C. Verhoef

JCV:kpw

P:\IDA\IDA18-19\Board Meetings\July 2018\Chair Reports\DesignReviewChair'sReport07062018.docx

Date, Time and Location: June 21, 2018, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Jeffrey C. Verhoef, Alonzo R. Bell, Jr., Carl Breiner, Thomas Herbert, Robert Mann, Teresa Nettles, Sylvia Weinstein, Elizabeth Willis

Members Absent: Jonathan Skinner, Bryan Trainum



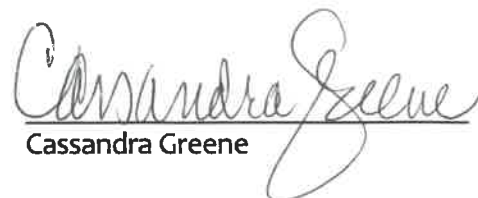
**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Executive Committee
SUBJECT: Chair's Report
DATE: July 6, 2018

The Executive Committee met on June 21st. The Committee was briefed on next steps related to the proposed co-working space planned for 2506 Jefferson Avenue, as a critical community investment associated with CNI. The Committee authorized a Fee Proposal for Architectural and Engineering Professional Services under City of Newport News Annual Services Contract #2017-2613-09 with James River Architects, PC, for a Facility Conditions Survey of 2506 Jefferson Avenue in connection with the establishment of a co-working space, and funding, in an amount not to exceed \$28,500, which includes a small contingency, subject to review and approval by EDA Legal Counsel.

The Committee also reviewed a summary of budget adjustments, based on the originally-approved EDA/IDA Fy2019 Operating Budget and subsequently-approved City FY2019 Operating Budget.

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


Cassandra Greene

CG:clc

P:\IDA\IDA18-19\Board Meetings\July 2018\Chair Reports\ExecutiveCommitteeChair'sReport07062018.docx

Date, Time and Location: June 21, 2018, at 2:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

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

Members Absent: Gary Minter



**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: July 6, 2018

The Marketing Committee met on June 21st. Committee members viewed the Choice Neighborhoods Initiative (CNI) citizen video and discussed its impact.

This report does not require Board ratification.



Jennifer Smith-Brown

JSB:rn

P:\IDA\IDA18-19\Board Meetings\July 2018\Chair Reports\MarketingChair'sReport0706018.docx

Date, Time and Location: June 21, 2018 at 10:30 a.m., 11820 Fountain Way, Suite 301, Newport News, VA 23606

Members Present: Jennifer Smith Brown, Cassandra Greene, Faye Gargiulo, Gary Hunter, Dan Powell

Members Absent: Mary Aldrich



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: July 6, 2018

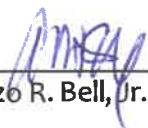
The Revolving Loan Fund Committee met on June 27th.

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

- FIG request for \$20,000 from Masters & Masters, LLC for exterior painting, including prep, landscaping improvements, paving, roofing, and windows/doors at 803 Bluecrab Road; and
- FIG request for \$13,027.50 from CWK Properties, LLC, for paving and roofing, at 12472 Warwick Boulevard.

These FIG requests were unanimously approved.

This report requires Board ratification.



Alonzo R. Bell, Jr.

ARB:tfw

P:\IDA\IDA18-19\Board Meetings\July 2018\Chair Reports\RevolvingLoanFundChair'sReport07062018.docx

Date, Time and Location: June 27, 2018, at 12:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Alonzo R. Bell, Jr., C. Gary Minter, Jonathan Skinner, Susan Harris, George B. Knight, John Lunsford and Sharon D. Owens

Members Absent: None