

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. Bell called the meeting to order at 8:00 a.m. on Friday, September 13, 2019, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

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

Absent:

Mary Aldrich, Excused
Jonathan Skinner, Excused

Legal Counsel:

Raymond H. Suttle, Jr.

Staff:

Kearston Milburn, Recording Secretary
Cherry Croushore, Assistant Secretary

Also present:

Collins Owens, City Attorney
Robert Pealo, Deputy City Attorney

Mr. Bell opened the meeting by welcoming everyone.

Secretary/Treasurer's Report

Mrs. Kingston reported that the parking lot at 401 Oriana Road (former K-Mart site) contained 17 light poles with one to three lamp fixtures on each pole, there were approximately 31 lights, out of 40 total, currently not working properly or completely out, and that the lights do not meet the City's current lighting standard. She stated that in order to ensure the EDA-owned, strategically located property was fully and properly lit, she would be seeking Board approval at the conclusion of her report to authorize a proposal from AAA Electrical Contracting, and funding in an amount not to exceed \$36,190, to provide labor and materials to install forty LED 400w-equivalent cobra-head light fixtures at the site.

Mrs. Kingston reported that the existing Lease between the EDA and Jefferson Science Associates, LLC (JSA), formerly Southeastern Universities Research Association (SURA), for 11,097 square feet of space in the ARC Building was set to expire September 30, 2019, and that JSA anticipated needing to extend the current lease for another year. She said that the terms and conditions of the existing Lease were to remain, including the annual rental amount of \$16.68 per square foot (\$185,098 annually) and the only substantive change was that the extension document included deleting the Lease provisions with regards to JSA transitioning operating and maintenance services in the building prior to September 30, 2019. She advised that JSA would perform those services through the remainder of the extension term and that she would be seeking Board approval to execute a one-year extension to the lease at the conclusion of her report.

Mrs. Kingston noted that the Governor's Office had issued a press release regarding the growth of Eagle Aviation Technologies, located at 7505 Warwick Boulevard (former Daily Press building). She reminded the Board that she and staff had worked with Eagle through the years in a number of ways as the company has continued to grow and expand. She said that the company was a leader in the aviation and maritime industries in the areas of

composite design and fabrication, including rotor blades, instrumentation, other related components, and prototype testing. She stated that Eagle Aviation planned to invest over \$200,000 in new production equipment and add 75 new jobs to double the size of its workforce. She reported that staff worked with the Virginia Economic Development Partnership to help secure a Virginia Jobs Investment Program grant of \$45,000 based on planned new job creation, to support Eagle's employee training activities.

Mrs. Kingston stated that the Department of Development, in conjunction with the Small Business Development Center, hosted a free small business seminar on August 15th at the Downing Gross Cultural Arts Center, and that Marc Willson, Retail/Restaurant Consultant for the Virginia Small Business Development Center, presented "Customer Service Reimagined". She said that the focus was how customer service can influence sales, and tips on how small retailers can compete with larger retail chains. She stated that Mr. Willson, in a very informal and interactive manner, engaged participants, answered questions and provided new insight on how small retailers can and must provide exceptional customer service strategies in order to be successful.

Mrs. Kingston reported that on August 29th, Shakir Johnson and Tricia Wilson participated in a Men's Small Business Networking and Training Conference hosted by the Small Business Development Center in Hampton. She said that the event was specifically targeted and marketed to men, although women were welcome and several attended, because historically men are underrepresented in most small business workshops and trainings. She advised that staff, along with seven other resource vendors and speakers, provided pertinent information to approximately 20 engaged participants and the topics ranged from determining when to launch a new business, how to finance a new business, cyber security and how to protect a small business. She noted that Debra Farley at the Small Business Development Center works with us by allowing staff to have a resource table highlighting business assistance programs at numerous SBDC events throughout the year.

Mrs. Kingston noted that in our ongoing efforts to support small businesses, and in collaboration with the Virginia Department of Small Business and Supplier Diversity, staff hosted "Getting Your Business Financially Fit" yesterday, September 12th. She stated that guests learned how to finance a venture, manage personal business credit scores and how to turn a decline to an approval for a business loan. She noted that the workshop was free, well-received and well-attended.

Mrs. Kingston congratulated the Board and staff on successful ribbon cutting events at Brooks Crossing Innovation and Opportunity Center and Building One @ Tech Center. She pointed out that all of the negotiation and hard work resulted in two wonderful facilities of which everyone should be proud, and stated that she looked forward to ongoing collaboration with partners in the future.

Mrs. Kingston informed the Board that the Monthly Financial Statements were in their packages, noting a few highlights and offering to answer questions.

Mrs. Kingston offered the City Manager an opportunity to comment. Ms. Rohlf stated that she was very impressed with the Brooks Crossing Innovation and Opportunity Center Ribbon Cutting and thanked staff for a job well done. She reported that things were moving forward with regard to the Choice Neighborhood Initiative (CNI). She stated that the City had been well-prepared for Hurricane Dorian and was able to utilize the Day Service Center to assist the homeless, which had been a challenge in the past. Ms. Rohlf said that City Council and the School Board had held a joint meeting in which they placed focus on maximizing investments.

Mr. Bell expressed his excitement about the collaboration between the School Board and City Council and also noted that he felt the Brooks Crossing Innovation and Opportunity Center event was amazing, with an unprecedented slate of speakers. Mr. Bell asked if there were any questions of Mrs. Kingston or Ms. Rohlf. There were none. Mr. Bell thanked them for their reports and comments.

Mr. Bell asked for a motion to authorize a proposal from AAA Electrical Contracting, and funding in the amount of \$36,190, which included a small contingency, to provide labor and materials to install forty LED 400w-equivalent cobra-head light fixtures at the former 401 Oriana Road K-Mart site. Mr. Minter so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Mr. Bell asked for a motion to delegate authority to the Secretary/Treasurer of the Economic Development Authority of the City of Newport News, Virginia, to execute a one-year extension to the lease with Jefferson Science Associates, LLC, for 11,097 square feet of space in the ARC Building, subject to all documentation being reviewed and approved by EDA Legal Counsel. Ms. Greene so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Assistant Secretary's Report

Mr. Bell 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. Bell 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 8:15 a.m., Ms. Greene 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) and Competition (6) 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 in the central 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 expansion of an existing business interested in locating in the northern section of the City and an unannounced expansion of an existing business located in the southern section of the City; and (6) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, the subject of which is a development proposal in the northern section of the City. Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

At 8:44 a.m., the EDA/IDA Board returned to open session following a certification motion by Ms. Greene, 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. Minter seconded the motion, which passed unanimously on a roll call vote.

Action Coming Out of Closed Session

Mr. Bell stated there were no actions coming out of Closed Session.

EDA Award of Bid, and Approval of City Posting of Award of Bid for Building Rehabilitation and Parking Lot and Hardscape Improvements at 2506 Jefferson Avenue and 610 26th Street

Mr. Bell asked for the EDA Award of Bid, and Approval of City Posting of Award of Bid for Building Rehabilitation and Parking Lot and Hardscape Improvements at 2506 Jefferson Avenue and 610 26th Street item. Mrs. Kingston stated that one of the first critical community improvements that was advancing in connection with the implementation of the

Transformation Plan for the Marshall-Ridley Choice Neighborhood was the creation of a coworking space at 2506 Jefferson Avenue. She said that 2506 Jefferson Avenue would be rehabilitated to create a coworking space to provide low-cost office space to small businesses, entrepreneurs and those transitioning from a home-based business, as well as a location from which to provide business assistance-related services. She noted that the project location was on Jefferson Avenue between 25th and 26th Streets and across from the Jefferson-Brookville Apartments, near the McDonalds and 7-Eleven.

Mrs. Kingston said that this project was being funded through appropriated City Capital Improvement Plan (CIP) dollars and the construction phase of this project would be supported by our \$480,000 Industrial Revitalization Fund Grant. She stated that the project included the full rehabilitation of the vacant structure, to include necessary interior demolition and abatement, a new roof, new building systems, plumbing and an elevator for ADA accessibility, as well as site work on the adjacent parking lot and sidewalk supporting the property. She said that James River Architects completed a facility conditions survey prior to starting design which indicated that nearly all of the building systems and structure would need to be replaced. She pointed out that she and staff had worked closely with James River Architects, as well as the City's Department of Engineering, on the rehabilitation design plans and drawings for the facility, and that the plans were completed in late spring and were subsequently reviewed and approved by the City's Codes Compliance Department.

Mrs. Kingston displayed on the screen the front and rear elevations, as well as the interior floor plans for Board Members' reference. She said that following completion of the rehabilitation, the building would feature a number of private offices, open work areas, collaboration areas, a kitchen, as well as a meeting room and open conference area. She stated that the design included the amenities and features that make coworking spaces successful for entrepreneurs and small businesses. She said that she and staff had shown the designs at meetings held in the community, as well as at the Department of Housing and Urban Development (HUD) site visit and it was well-received.

Mrs. Kingston reported that the Invitation for Bid (IFB), which included the work at 2506 Jefferson Avenue, as well as site work at 610 26th Street, was posted in early July and bids were received in early August. She said that a mandatory pre-bid conference was held on-site at which there were 13 attendees, and that ultimately, two bids were received in response to the IFB, the low bidder being Ritchie-Curbow Construction Company, Inc. She stated that while bids were close together, they both were well over the construction cost estimate provided by James River Architects of \$1,430,000. She said that through subsequent conversations with those in the industry she believed that a number of factors influenced the bids on this project, such as volume of current projects in the market and availability of subcontractors, risk involved with this particular project (retention of front wall), and constrained work area (working between two existing buildings).

Mrs. Kingston stated that staff worked closely with the Office of Purchasing, the Department of Engineering and Ritchie-Curbow to identify potential cost savings measures, which totaled a savings of \$57,787. She said that these value engineering options would result in cost savings with minimal impact to the success and functionality of the overall project, reducing the bid price to \$1,778,178. She reiterated that this was one of the first major CNI-related activities that she and staff have pursued and the project had created a lot of excitement within the community. She noted that she looked forward to being able to leverage the space to broaden business support offerings and provide a physical location supporting small business growth.

Mr. Bell asked if there were any questions of Mrs. Kingston and she answered several.

Mr. Bell asked for a motion to authorize the award of the bid for building rehabilitation and parking lot and hardscape improvements at 2506 Jefferson Avenue and 610 26th Street, in connection with the implementation of the Transformation Plan for the Marshall-Ridley Choice Neighborhood and the creation of a coworking space at 2506 Jefferson Avenue, to Ritchie-Curbow Construction Company, Inc. for the total accepted bid price of \$1,778,178, consistent with the City's Office of Purchasing's procurement process and recommendation

facilitated on behalf of the EDA, subject to all necessary documentation being reviewed and approved by EDA Legal Counsel. Ms. Greene so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

Committee Reports

Mr. Bell called for the Committee Reports. Mr. Bell presented the Design Review Committee Report, which passed unanimously on a roll call vote. Ms. Smith-Brown presented the Executive Committee Report, which passed unanimously on a roll call vote. Mr. Minter presented the Revolving Loan Fund Committee Report, which passed unanimously on a roll call vote.

Approval of Minutes of the Joint Special Meeting of July 16, 2019

Mr. Bell asked for a motion that the Minutes of the Joint Special Meeting of July 16, 2019 be approved. Mr. Minter so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of August 2, 2019

Mr. Bell asked for a motion that the Minutes of the Regular Meeting of August 2, 2019 be approved. Mr. Minter so moved and Ms. Greene seconded the motion, which passed on a majority vote of four Members, Ms. Smith-Brown having abstained.

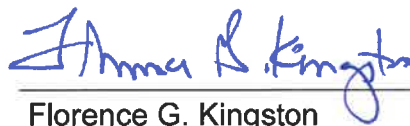
Unfinished Business

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

New Business

Mr. Bell asked for any new business. Mrs. Kingston informed the Board that they would receive an invitation to the Virginia Peninsula Chamber of Commerce's "Spotlight on the Peninsula" featuring the Brooks Crossing Innovation and Opportunity Center to be held on September 27th at 1:00 p.m. and encouraged the Board to attend.

There being no further business to come before the Board, Mr. Bell adjourned the meeting at 9:19 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: September 13, 2019

The Design Review Committee met on August 15th. The Committee considered a request by Sign Media, on behalf of Denbigh Boulevard Medical, LLC, for approval of digital renderings of a proposed signage package at 11751 and 11761 Rock Landing Drive in Oyster Point of Newport News. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

The next item considered by the Committee was a request by Barnes Design Group, on behalf of First Baptist Church Morrison, for approval of digital renderings and a proposed site plan of exterior improvements, not including signage, at 12720 Patrick Henry Drive, in Patrick Henry CommerCenter. Upon review, the Committee voted unanimously to recommended approval of the request, subject to all applicable City codes and regulations.

Finally, the Committee considered a request by Timmons Group, on behalf of Shamin Hotels and Johns II, LLC, for approval of digital renderings and a proposed site plan of new building construction at 541 St Johns Road, in Patrick Henry Place. Upon review, the Committee voted unanimously to recommend approval of the request, subject to all applicable City codes and regulations.

Under Unfinished Business, Committee members were advised by staff that revisiting current provisions of the EDA's Oyster Point of Newport News Sign Policy, Covenants and Restrictions, and City Center at Oyster Point Signage Design Guidelines and Standards was raised at the Board of Directors meeting on August 2, 2019, and that the matter was referred to the EDA Executive Committee for review. It was noted that the Executive Committee's review will be undertaken as priorities permit.

The items in this Report on which the Committee voted require Board ratification.



Mary C. Aldrich 

MCA:kpw

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Date, Time and Location: August 15, 2019, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Alonzo R. Bell, Jr., Jonathan P. Skinner, Carl Breiner, Robert Mann, Bryan Trainum, Elizabeth Willis

Members Absent: Mary Aldrich, Thomas Herbert, Teresa Nettles, Sylvia Weinstein



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Executive Committee

SUBJECT: Chair's Report

DATE: September 13, 2019


The Executive Committee met on August 22nd. The Committee received a briefing related to an amendment to an existing lease between the EDA and T-Mobile Northeast, LLC for space on the rooftop of the Rouse Tower Building at 6060 Jefferson Avenue. The Committee authorized the Amendment to Communications Site Lease (Rooftop) between the EDA and T-Mobile Northeast, LLC, atop Rouse Tower located at 6060 Jefferson Avenue, Newport News, Virginia, to allow the addition of equipment, increase the annual rental amount and add language strengthening equipment limits in the Lease, with all documents subject to review and approval of EDA Legal Counsel.

The Executive Committee was advised that a modification to the contract to provide services as the managing entity for workforce development activities at the Brooks Crossing Innovation and Opportunity Center, between the EDA and The Workplace, approved at the Board's August 2nd Meeting, was necessary to provide for an on-site administrative position. The Committee authorized a contract modification to increase the previously approved contract amount from \$110,000 to \$154,815 which allows an administrative support position to be added to the contract, consistent with The WorkPlace Proposal and subject to all necessary documentation being reviewed and approved by EDA Legal Counsel.

The Committee was also briefed on a Memorandum of Agreement with Old Dominion University related to the management and operation of the STEM programming and activities at the Brooks Crossing Innovation and Opportunity Center. The Committee authorized a Memorandum of Agreement between the EDA and Old Dominion University outlining roles and responsibilities for the management and operation of the STEM programming and activities at the Brooks Crossing Innovation and Opportunity Center, subject to EDA Legal Counsel review and approval.

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



Jennifer Smith-Brown

JSB:clc

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Date, Time and Location: August 22, 2019, at 12:00 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Jennifer Smith-Brown, Alonzo Bell, Gary Minter

Members Absent: Jeff Verhoef



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Revolving Loan Fund Committee

SUBJECT: Chair's Report

DATE: September 13, 2019

The Revolving Loan Fund Committee met on August 28th.

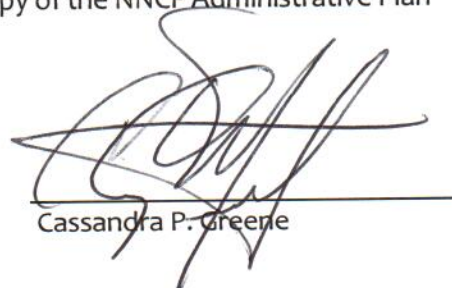
Committee members were provided financial statements and the loan compliance status report for the Newport News Capital Fund (NNCF) as of June 30, 2019. Staff presented a Façade Improvement Grant (FIG) Program request:

- FIG request for \$20,000 from Warwick Self Storage, LLC for windows/doors at 14750 Warwick Boulevard.

This FIG request was unanimously approved.

Staff provided the Committee with a final copy of the NNCF Administrative Plan approved by the US EDA.

This Report requires Board ratification.



Cassandra P. Greene

CPGtfw

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Date, Time and Location: August 28, 2019, at 12:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: C. Gary Minter, George B. Knight, John Lunsford and Sharon Owens

Members Absent: Cassandra Greene, Jonathan Skinner and Susan Harris