

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 12:00 p.m. on Tuesday, June 16, 2020, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia, via electronic teleconference.

Those members present were:

Alonzo R. Bell, Jr., Chair (In-Person)  
Jennifer Smith-Brown, Vice Chair (remote)  
Mary C. Aldrich (remote)  
Cassandra P. Greene (remote)  
Howard H. Hoege, III (remote)  
Jonathan P. Skinner (remote)  
Jeffrey Verhoef (remote)  
Florence G. Kingston, Secretary/Treasurer, ex-officio (In-Person)

Absent:

None

Legal Counsel:

Raymond H. Suttle, Jr. (In-Person)

Staff:

Cherry Croushore, Assistant Secretary (remote)  
Joy Robison, Zoom Meeting Moderator (In-Person)  
Jameson LeClair, Assistant Recording Secretary (In-Person)  
Carol Meredith, Assistant Director (remote)  
Sam Workman, Assistant Director (remote)

Also present:

Jorge Rivera, CEO, East Coast Repair & Fabrication, LLC (remote)  
Ken Benassi, Colliers International (remote)

### Opening Statement

Mr. Bell opened the meeting and welcomed everyone, recognizing the excitement he had about the economic development announcement made earlier in the morning by Governor Ralph Northam at 1511 Harbor Lane. He continued with a statement declaring that the regular meeting of the Board of Directors of the EDA/IDA was being conducted telephonically or electronically in accordance with the budget bill of the Commonwealth of Virginia (the "Commonwealth") for the biennium ending June 30, 2020, as adopted by the reconvened session of the 2020 Virginia General Assembly, because the Governor of the Commonwealth has issued Executive Order Fifty-One (2020) declaring a state of emergency, which declaration continued in force and effect. He stated it had been determined that the catastrophic nature of the declared Emergency made it impracticable or unsafe to assemble a quorum of the EDA/IDA Board of Directors in a single location and that more importantly, based on what we knew about the coronavirus pandemic and prudent precautions as a result thereof, it was being conducted in a way to provide the maximum amount of protection to Board Members, staff and the Public. He apologized for any inconvenience to anyone, but asked for understanding and compliance temporarily.

### Plan of Finance Related to Renovation Improvements at 2700 Huntington Avenue (Former Sears Building) in Downtown Newport News

Mrs. Kingston recalled that at the March Board Meeting she reported that Huntington Ingalls Incorporated (HII) had leased the "Sears Building" and associated parking spaces/garage located at 2700 Huntington Avenue from the EDA for the last twenty-one years, and that the initial lease term ended October 31, 2018 and included a ten-year renewal option through October of 2028, which option HII had exercised, and included the provision that a component of a renewal term rent would be an "amount necessary to amortize monthly over the Renewal Term Landlord's expenses for refurbishment of the Leased Premises as agreed to by Landlord and Tenant." She explained that HII, pursuant to the Lease, subsequently advised that the building was in need of renovation improvements, to include carpeting three floors and replacing the existing roof. Mrs. Kingston stated that EDA staff agreed that the renovation improvements were needed and obtained quotes for the improvements to the 132,000-square-foot facility, which included contingency as well as legal and financing costs of issuance, and totaled approximately \$1,050,000.

Mrs. Kingston recalled that the Board approved at the March Board Meeting the recommended plan of finance with TowneBank for a loan at a fixed interest rate of 2.39% with interest-only of six months, while work was to be performed, and the principal balance to be paid by HII to the EDA by amortizing the debt costs over 7.5 years of the remaining

lease term. She stated that the debt would be supported by an assignment of the Lease and a lease amendment.

Mrs. Kingston reported that the EDA, HII and Huntington Ingalls Industries, Inc. entered into a Second Amendment to Lease, whereby the parties agreed, pursuant to the Lease, to the renovation improvements, and memorialize the costs, financing and repayment terms, conditions and obligations of each party associated with the renovation improvements. She stated that it was anticipated that the documents necessary to be authorized to finalize the financing transaction be proposed at the April Board Meeting, but due to the pandemic delaying the ability for the Board to conduct business related to the Governor's declared public health emergency, a request was submitted and granted for an extension of the loan terms and closing until July 31, 2020.

Mrs. Kingston advised that she was now able to bring to the Board a request for approval of EDA Resolution 20-2 authorizing the taxable revenue bond to finance the improvements in an amount not to exceed \$1,050,000 with TowneBank and approval of the Second Amendment to the Lease between the EDA, HII and Huntington Ingalls Industries, Inc. She indicated that the Motions were before the Board and offered Megan Gilliland, Bond Council with Kaufman & Canoles, an opportunity to make further comments and answer questions. Ms. Gilliland restated the terms of financing and highlighted that they were consistent with the Commitment Letter's designation of an 8-year lease term in that the bond maturity date was for December 15<sup>th</sup>, 2028. She then asked the Board if there were any questions. Mr. Bell asked for clarification that the loan would not extend the lease period, which Mrs. Kingston confirmed. There being no additional questions, Mr. Bell asked for a motion approving IDA Resolution 20-2, as presented. Mr. Hoege so moved and Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote.

Approval of Second Amendment to Lease by and among EDA, Huntington Ingalls Incorporated and Huntington Ingalls Industries, Inc.

Mr. Bell introduced a motion to approve the previously described Second Amendment to Lease between the EDA, Huntington Ingalls Incorporated and Huntington Ingalls Industries, Inc. Ms. Aldrich so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

As a guest associated with the next agenda item related to 1511 Harbor Lane was expected to be available shortly, the Chair took the Secretary/Treasurer's Report item out of order, and asked Mrs. Kingston to give her report.

Secretary/Treasurer's Report

Mrs. Kingston noted that at the May 1<sup>st</sup> Special Board Meeting, she reported that as part of COVID-19 Related Activities, staff authorized administrative waivers to those businesses with staff-approved Façade Improvement Grant (FIG) applications, which would allow property owners to begin work prior to receiving final Board approval of their FIG applications. She listed the administrative waivers as being granted for the following applications:

- Provost Construction's request of \$20,000 each for properties located at 208 23<sup>rd</sup> Street, 212 23<sup>rd</sup> Street and 216 23<sup>rd</sup> Street, for ADA-compliant sidewalk and walkway repair, exterior brick repair, installation of lighting and fixtures, painting, roof replacement and window replacement;
- Southeastern Virginia, LLC's request of \$20,000 for property located at 759 J Clyde Morris Boulevard, for a new fence and roof; and
- Raul Moreno's request of \$20,000 for property located at 807 Jefferson Avenue (Seafood Industrial Park/former Casey Seafood building), for exterior finishes, LED lighting, fencing, window replacement and door replacement.

Mrs. Kingston stated that she would later be seeking a motion to authorize retroactive approval of Façade Improvement Grant applications for the properties listed.

Mrs. Kingston stated that she was extremely pleased to report that the City's Seafood Industrial Park had recently been awarded the largest of seven grants from a \$1 million grant fund allocated by the Virginia Port Authority for fiscal year 2021. She explained that the grant of \$506,508 to the City will allow the City to increase capacity at the current heavy barge mooring in the outer harbor of the Park. She said grant funding would be available to the City July 1, 2020, with construction scheduled to begin later this summer, adding that the Port Authority had awarded the City over \$2.2 million through five grants in recent years for improvement projects within this important maritime facility, noting that the grants have allowed the City to significantly improve infrastructure and increase capacity at the park and resulting in record breaking revenue for the City last year, with FY20 mooring fees having already exceeded last year's by over 13%.

Mrs. Kingston advised that one of Newport News' most important tools to support business growth in the City is the Virginia Enterprise Zone Program, and the City's two Enterprise Zones are among the most utilized zones of the state's 45 zones and accounted for nearly

12% of this year's state grants for a total of \$1,096,381.40 awarded to 19 Newport News applicants – 14 for the state's Real Property Investment Grant and five for the state's Job Creation Grant. She noted that the 19 applicants represented private capital investment of \$40,103,543 and 1,103 new qualifying jobs in Newport News, and that the application deadline for the state incentives for investments made and jobs created during 2019 was April 1<sup>st</sup> with Grants being disbursed in late June and early July.

Mrs. Kingston reminded the Board that in 2018, the EDA entered into an Expansion Relocation Cost Reduction (ERCR) Incentive Agreement with Liebherr America, Inc. (Liebherr) to facilitate the expansion of Liebherr's operations, including new investment of \$45 million and the creation and retention of significant jobs at its Newport News facility in Copeland Industrial Park. She stated that a component of the incentive agreement was the delivery of public infrastructure improvements, which included the reimbursement for project-related expenses to Liebherr for the construction of a public pump station at the corner of 48<sup>th</sup> Street and Chestnut Avenue, to serve the company and surrounding businesses in Copeland Industrial Park. Mrs. Kingston explained that over the course of pump station construction, a number of additional expenses were incurred, related to unforeseen utility relocation and the enhanced SCADA pump station monitoring system required by the City, which caused the pump station component of the project to exceed its initial budget of \$279,245. She reported that according to the ERCR Agreement, reimbursement of expenses related to the public pump station project exceeding the initial project budget were reimbursable, subject to the approval of the EDA and the City's Department of Engineering, which had already reviewed and approved the additional project-related expenses. Mrs. Kingston added that staff had identified funding previously allocated towards the Liebherr expansion to address the additional expenses, totaling \$247,992, so no additional funds were required to reimburse Liebherr. She advised that Liebherr had been provided assurance that the additional pump station project-related expenses were covered, as stipulated in the ERCR Agreement, and that the company was positioned to move forward with the SCADA monitoring system, with completion of construction of the pump station, in approximately 3 to 4 months thereafter, as the final component of the expansion project.

Mrs. Kingston reported that on May 14<sup>th</sup>, she had the pleasure of participating in a virtual community meeting for the Choice Neighborhoods Initiative which was facilitated by Newport News Television on Zoom and streamed on Facebook Live, as well as on NNTV channels. She explained that she was joined by Grant Duffield, CNI Project Manager, Sandra Powell, Deputy Director of the Newport News Redevelopment and Housing Authority, Kevin Otey, Chief Operating Officer of the Hampton Roads Community Action Program and Keenan Bratton, a CNI Resource Specialist with Newport News Public

Schools to present an update on the Choice Neighborhoods Initiative and progress that has been made within the Housing, People and Neighborhood Plans, and answered questions from viewers. Mrs. Kingston acknowledged that the virtual community meeting was well-received and provided an opportunity to reach a broader audience with their message, and that the recording of the meeting could be accessed on YouTube, as well as NNTV's Facebook page.

Mrs. Kingston stated that the Monthly Financial Statements were in the Board Members' packages, noted a few highlights, and welcomed any questions. There being no questions, Mr. Bell asked for a motion to authorize retroactive approval of Façade Improvement Grant applications for the properties located at 208 23rd Street, 212 23rd Street, 216 23rd Street, 759 J Clyde Morris Boulevard, and 807 Jefferson Avenue, as outlined. Mr. Verhoef so moved and Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote.

Mr. Bell welcomed Mr. Rivera, CEO of East Coast Repair & Fabrication, LLC, to the Board Meeting, upon consideration of the upcoming item related to his company.

#### Acquisition of 1511 Harbor Lane

Mrs. Kingston advised that Ray Suttle and Jones, Blechman, Woltz & Kelly, P.C. represented both the Economic Development Authority and Newport News Redevelopment & Housing Authority, and that Mr. Suttle worked closely with EDA and NNRHA staff to facilitate the purchase and sale of property of 1511 Harbor Lane. She stated that in connection with that transaction, Jones, Blechman, Woltz & Kelly had asked for a conflict of interest waiver from both the EDA and NNRHA as related to the sale of 1511 Harbor Lane, which the two entities had been working on jointly to facilitate this transaction, and there was no reason to believe that a conflict of interest existed. Mrs. Kingston recommended that the EDA consent to waiving any conflict of interest related to this transaction.

Mr. Bell asked if there were any questions regarding the Waiver. There being no questions, he then asked for a motion approving the authorization of Waiver of Conflict of Interest as presented. Mr. Hoege so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

Mrs. Kingston advised that since last fall, Newport News Redevelopment & Housing Authority had been coordinating an RFP process for the development of its Harbor Homes/Dickerson Courts properties located in the Southeast Community, comprised of 4 blocks totaling approximately 38 acres, and having street addresses of 1511 Harbor Lane and 520 21<sup>st</sup> Street. She stated that NNRHA issued an RFP for interested developers with

proposals that would develop the property in a manner that achieved the highest and best use, and leveraged maximum potential for investment, job creation and tax revenue generation. Mrs. Kingston added that NNRHA expected that the proposed developments include extensive, broad benefits to the community in support of ongoing redevelopment efforts. She explained that the RFP was posted on October 25<sup>th</sup> with responses due December 20<sup>th</sup>, and the review committee was comprised of Karen Wilds, Sheila McAllister, George Knight, Cassandra Greene and herself. She reported that in response to that RFP, earlier in the day NNRHA selected S23 Holdings, LLC as the preferred developer for a 17-acre portion of 1511 Harbor Lane, and following that selection, Governor Northam held an announcement event for the S23 Holdings, LLC project at the Harbor Homes site and nearby 1201 Terminal Avenue.

Mrs. Kingston outlined that S23 Holdings, LLC was a company owned by Jorge Rivera that held a number of ship repair/fabrication and staffing companies, including East Coast Repair and Fabrication, serviced commercial and government ship repair contracts, was currently headquartered in Norfolk, Virginia, and had operations in Portsmouth, Virginia. She reminded the Board that in 2018, River Port, LLC, an S23-affiliated company, purchased the 84-acre waterfront parcel adjacent to the HRSD facility (former CSX property) known as 1201 Terminal Avenue for \$17.5 million. Mrs. Kingston stated that the property had two piers and deep water access and would be improved by S23 to better service potential Military Sealift Command and cruise ship contracts for repair work. She explained that S23 responded to NNRHA's RFP with plans to make improvements to the Harbor/Dickerson properties that would complement and enhance its abilities to optimize use of 1201 Terminal Avenue.

Mrs. Kingston then welcomed Jorge Rivera, along with Ken Benassi, Senior Vice President at Colliers, and gave Mr. Rivera the opportunity to share details about himself, as well as his vision and plans for the 1201 Terminal Avenue property and Harbor Homes Site. Mr. Rivera explained that East Coast Repair & Fabrication, LLC (ECR) is a prominent ship repair company with over 21 years of experience in the industry. He stated that he is one of three companies operating in the City's Opportunity Zone under the parent company, S23, and that a 100,000 square-foot facility was being developed for ECR's headquarters as well as a training center. Mr. Bell expressed his pleasure meeting Mr. Rivera and stated that the Board was excited about the company bringing investment and opportunity to an area of need. Mr. Hoege emphasized the value in the proposed model of workforce training which sources labor from the surrounding community as a measure for economic development. Mrs. Kingston highlighted that the full scope of this project contemplated an investment of \$64.4 million in real estate and business personal property, and involved the creation of 332

new jobs with salaries averaging \$51,024, excluding benefits, over 5 years, with the intention to provide training at their new facility and hire from the surrounding community.

Mrs. Kingston reported that staff, with S23, had coordinated with VEDP on a Commonwealth incentive package, and as announced by the Governor this morning, to support this project the Commonwealth had committed:

Total Commonwealth Incentive – \$2,677,800;

- Commonwealth's Development Opportunity Fund – \$664,000;
- Virginia Jobs Investment Partnership – \$120,600;
- Economic Development Access Program (EDAP) Grant – \$650,000;
- Real Property Investment Grant (Enterprise Zone) – \$200,000; and
- Job Creation Grant (Enterprise Zone) – \$1,043,200

Mrs. Kingston stated that to serve as the required match for the COF Grant, and based on capital investment and job creation, the City/EDA had committed to support offsite infrastructure improvements along Terminal Avenue that were necessary for and benefited the investment at 1511 Harbor Lane and 1201 Terminal Avenue, and increased connectivity to the surrounding neighborhood, along with a \$1.1 million local incentive to support those offsite infrastructure costs. She explained that in addition to the local \$1.1 million, the EDA reserved \$200,000 of the \$664,000 COF grant to support the infrastructure improvements and that the local commitment included the required local match for the \$650,000 from the Economic Development Access Program, which also supported the infrastructure improvements.

Mrs. Kingston added that because of the role that the EDA played in the implementation of this project, NNRHA desired that the EDA negotiate with S23 Holdings, LLC, on its behalf, as it related to the property sale and development in connection with the RFP and the response submitted by S23. She stated that she was seeking authorization for the sale and purchase of the entirety of 1511 Harbor Lane (20.45 acres) from NNRHA, which included both the approximately 17 acres to be developed by S23 Holdings, LLC, and approximately 3.3 acres of frontage of Jefferson Avenue that was reserved by the EDA. Mrs. Kingston advised that NNRHA and the EDA desired to develop the 3.3 acres of frontage for commercial use included in the property sale to support redevelopment efforts in the Southeast Community and part of CNI. She explained that the agreed upon purchase price for 1511 Harbor Lane is \$1,336,500 (\$65,355/acre), which was 81% of the appraised value (\$1,650,000 or \$80,685/acre), provided for by appropriated CIP dollars. Mrs. Kingston reported that because this property was formerly public housing, it was subject to restrictions from HUD, and that this percentage value was required by the agency for



dispositions. She stated that while the EDA would not close on the purchase until HUD approval had been secured, once a contract was in place for the sale of the property, NNRHA would submit an application to HUD for the sale and disposition of the property, with this transaction and purchase agreement subject to that approval and the release of any restrictions on the property by HUD.

Mrs. Kingston explained that at the July Board Meeting it was anticipated that the agreements necessary to facilitate the transaction with S23 be presented for approval, including the ERCR Agreement, COF Agreement and Purchase Agreement. She stated that the EDA had just begun to negotiate those agreements with S23 and City Council was expected to authorize in July the COF agreement and appropriate the COF Grant and local incentive dollars, after which the EDA would begin working on the application for the necessary rezoning, completing the traffic impact analysis, environmental studies and other due diligence activities in coordination with both NNRHA and S23. Mrs. Kingston advised that at its meeting earlier in the day, NNRHA authorized sale of the property to the EDA, and at this time, she was seeking authorization for the acquisition of 1511 Harbor Lane from Newport News Redevelopment and Housing Authority.

Mr. Bell asked for clarification on whether the property addressed 520 21<sup>st</sup> Street was included in the acquisition, to which Mrs. Kingston replied and Mr. Perry confirmed it was not. There being no further questions regarding the acquisition, Mr. Bell then asked for a motion approving the authorization of the acquisition of 1511 Harbor Lane at an agreed upon purchase price of \$1,336,500, from record owner Newport News Redevelopment & Housing Authority, to support strategic redevelopment efforts and economic development initiatives in the Southeast Community, subject to the review and approval of all documentation by EDA Legal Counsel. Ms. Greene so moved and Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote.

Mr. Bell acknowledged that the meeting would resume the order of the Agenda and proceed with the Assistant Secretary's Report.

#### Assistant Secretary's Report

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

Award of Contract to Point Management Group, LLC in Connection with RFP No. 20-2695-3312 for Operations and Management of Co-Working Space at 2506 Jefferson Avenue, and Funding

Mrs. Kingston highlighted that over the past several months, Ritchie-Curbow Construction Company had progressed with the 2506 Jefferson Avenue rehabilitation project, and due to the structural condition of the building, had proceeded slower than originally anticipated in order to exercise due diligence and caution. She stated that from the street, it was visible that the rear portion of the building had been fully demolished and the shoring system was in place for the front façade, and that throughout the demolition process, it was discovered that the brick and mortar on the walls were in very poor condition and in many cases could be removed by hand. She referenced photos presented of the demolition progress to date, and said that the targeted completion of the rehabilitation was set for the fall.

Mrs. Kingston advised that parallel to this physical construction effort, an RFP was issued for the operation and management of the coworking space on February 7<sup>th</sup> with responses due March 13<sup>th</sup>. She explained that this procurement was facilitated by the City's Office of Purchasing and EDA staff communicated the RFP release to many individuals/groups within the community who expressed interest. She stated that Howard Hoege, LaMonte Williams, Tricia Wilson and Derek Perry served on the Evaluation Committee for the RFP, which after review, recommended award of the contract for the operation and management of the coworking space to Point Management Group, LLC — a SWaM business based out of Suffolk, Virginia with significant experience working with disadvantaged business enterprises.

Mrs. Kingston highlighted that in addition to managing varying types of shared office and facilities in government, private and academic settings, Point Management Group had a wide range of experience with business development and engagement with small, minority-owned and disadvantaged businesses and demonstrated a strong understanding of the context of this project within the Marshall-Ridley Choice Neighborhood and the goals associated with that effort. She explained that the company provided certification and training to DBEs and on-the-job training supportive services for the North Carolina Department of Transportation's Business and Workforce Development Center, as well as at North Carolina's Office for Historically Underutilized Businesses, and served as the DBE Program Manager for Virginia Department of Transportation's 95 and 495 Express Lanes projects to ensure inclusion and utilization of DBEs.

Mrs. Kingston stated that Point Management Group's experience and background made it uniquely suited to operate and manage the coworking space and drive success, and that they provided a fee proposal in the amount of \$118,296 for a one-year term, which was in alignment with anticipated costs, and could be renewed in one-year increments up to a total of five years if mutually agreed upon. She noted that once on board, Point Management Group would begin preparing pre-opening support, which includes the operating and marketing plans, and that EDA staff would engage with the community to collect input throughout that process so that the plans would be consistent with community goals and desires. She said that it was planned to bring the Point Management Group team in to a future Board Meeting to introduce themselves and share more about their background and previous work and vision for the space.

Mrs. Kingston stated that she was seeking a motion to authorize the execution of a contract with Point Management Group and opened the floor to questions. Mr. Bell asked when the completion date was set for the project, and Mr. Perry of the EDA Staff replied that it was scheduled for fall of 2020. Mrs. Kingston added that the completion date was about 60 days later than originally anticipated due to the extensive effort that was required to preserve the façade.

Mr. Bell asked if there were any additional questions regarding the authorization, and Mr. Hoege took a moment to extend his appreciation of Ms. Wilson and Mr. Perry of the Staff for their professionalism and rigor throughout the procurement process. Mr. Bell reiterated the appreciation of the EDA Staff on behalf of the Board. There being no questions, he then asked for a motion approving the authorization for execution of a contract with Point Management Group, LLC, and funding in the amount of \$118,296, in connection with RFP No. 20-2695-3312 for the operation and management of the coworking space at 2506 Jefferson Avenue, subject to review and approval by EDA Legal Counsel. Mr. Verhoef so moved and Ms. Greene seconded the motion, which passed unanimously on a roll call vote.

#### Lease Between the EDA and City for Voter Registrar Space at Sherwood Shopping Center

Mrs. Kingston reminded the Board that the EDA owned the Sherwood Shopping Center located at 13771 Warwick Boulevard, and stated that the Newport News Office of Voter Registrar (Voter Registrar) was in need of approximately 2,500 square feet of space for storing voter equipment and training volunteer staff for various elections held throughout the year in Newport News. She explained that after City staff considered City-owned, EDA-owned, and known privately-owned vacant spaces which met the needs of the Voter Registrar, it was determined that the 2,422 square feet of vacant space, identified as Unit 29, in the EDA-owned Sherwood Shopping Center was the best alternative for locating the

Voter Registrar based on location, parking, security, operating/buildout costs and special needs (i.e., loading dock). She referenced a copy of an Exhibit showing the space location displayed on the screen.

Mrs. Kingston stated that she anticipated the City would enter a lease agreement with the EDA for a five-year term with two one-year options to renew for the Sherwood Shopping Center space, with estimated buildout costs for the City of approximately \$169,000, and a base rent of \$2.65 per square foot to incorporate a pro rata share of the EDA's debt service on the Shopping Center, and an additional rent portion of the lease to include a \$4.42 per square foot charge for utilities (power/water/sewer/pest control/janitorial). She advised that the total of base rent and additional rent was \$7.07 per square foot annually (\$17,123.54), and the Voter Registrar was expected to occupy the space for at least 7 to 10 years.

Mrs. Kingston stated that she was requesting authorization to approve a motion for execution of a Lease. Mr. Bell asked if there were any questions regarding the motion and there were none. He then asked for a motion for execution of a Lease between the EDA and the City for 2,422 square feet of currently vacant space in the EDA-owned Sherwood Shopping Center for use by the Newport News Office of Voter Registrar, for an initial term of five years with two one-year options, base rent of \$2.65 per square foot to incorporate a pro rata share of the EDA's debt service on the Shopping Center and additional rent for utilities in the amount of \$4.42 per square foot (all totaling \$7.07 per square foot), subject to all necessary documentation being reviewed and approved by EDA Legal Counsel and approval of the Lease by City Council. Ms. Greene so moved and Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote.

#### Extension of City Center at Oyster Point Development Rights with Newport News Town Center IV

Mrs. Kingston reported that there were three undeveloped parcels in City Center at Oyster Point, which were subject to the Second Amended and Restated Development Agreement between the Economic Development Authority and Newport News Town Center, LLC, dated February 21, 2005, and subsequently amended (Development Agreement), located at 735 Mariners Row, 11821 Canon Boulevard, and 750 Town Center Drive. She explained that Newport News Town Center, LLC, was the original holder of the development rights, which had subsequently been conveyed through a number of configurations to the current one, Newport News Town Center IV, LLC (NNTC IV), and were set to terminate on July 27, 2020 according to the terms of the Agreement.

Mrs. Kingston stated that in February, a notice was received from the Developer of its intent to exercise its development rights for the remaining undeveloped parcels, and staff subsequently met with the Developer to preliminarily discuss the proposed plans for the parcels. She advised that the recent COVID-19 crisis had greatly hindered progress on this effort and was not optimistic that an agreement on proposed plans would be reached for the sites by the July 27, 2020 date, and that on May 26th, in accordance with the Development Agreement, the Developer submitted letters requesting extensions of the development rights on the undeveloped parcels, to July 27, 2022.

Mrs. Kingston explained that she did not believe a two-year extension was necessary, and that due to the unexpected nature of the COVID-19 crisis and in order to ensure that an appropriate amount of time was taken to review and revise the proposed plans, the most prudent option was to extend Development Rights with NNTC IV for a period of one year, to July 27, 2021. She stated that she was recommending a motion for approval of the extension.

Mr. Bell asked if there were any questions regarding the motion, and Ms. Smith-Brown asked if the EDA knew what the intended use of the development would be. Mrs. Kingston stated that the developer had submitted preliminary concepts for residential and commercial plans. Mr. Bell inquired if the EDA's interests were consistent with the proposal and if the EDA was leading the conversation with the developer as was related to the use of the property, and Mrs. Kingston confirmed that the EDA's interests were being met and was actively leading such conversations.

Mr. Bell asked if there were any additional questions and there were none. He then asked for a motion to authorize execution of a one-year extension to the Second Amended and Restated Development Agreement between the Economic Development Authority and Newport News Town Center, LLC, dated February 21, 2005, and subsequently amended, subject to review and approval by legal Counsel. Ms. Greene so moved and Mr. Hoege seconded the motion, which passed unanimously on a roll call vote.

#### Committee Reports

Mr. Bell called for the Committee Reports, and Mr. Skinner presented the Design Review Committee Report, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of March 6, 2020 and the Special Meeting of May 1, 2020

Mr. Bell asked for a motion that the Minutes of the Regular Meeting of March 6, 2020 and the Special Meeting of May 1, 2020 be approved. Ms. Greene so moved and Mr. Hoege seconded the motion, which passed unanimously on a roll call vote.

Unfinished Business

Mr. Bell asked for any unfinished business, and Mrs. Kingston expressed her appreciation of the hard work done by Staff on many fronts and their ability to be highly effective while teleworking. She stated that all of the money from the COVID-19 Small Business Resiliency Grant had been committed to businesses and praised Staff for their work in that effort, and also for the great effort in organizing the recent successful announcement at 1511 Harbor Lane.

New Business

Mr. Bell asked for any new business and there was none.

Mr. Bell asked if there were any questions for Mrs. Kingston. There were none.

There being no further business to come before the Board, Mr. Bell adjourned the meeting at 1:02 p.m.



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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:** June 16, 2020

The Design Review Committee met electronically on May 21<sup>st</sup> via Zoom Videoconferencing, in accordance with the public health emergency declared by Governor Northam in his Executive Order dated March 12, 2020.

The Committee considered a request by Scotty Signs, on behalf of High Liner Foods and Tippmann Realty Partners, LLP, for approval of a digital rendering of a non-illuminated, building-mounted sign located at 121 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.

Under unfinished business, the Committee was briefed on two administrative approvals granted since the Committee's last meeting. The first was an internally-illuminated, building-mounted sign located at 751 Lakefront Commons, in City Center at Oyster Point. The second was a panel replacement for an internally-illuminated monument sign located at 610 Thimble Shoals Boulevard, in Oyster Point of Newport News.

This Report requires Board ratification.



Jonathan P. Skinner

JPS:mar

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Date, Time and Location: May 21, 2020, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Jonathan P. Skinner, Mary C. Aldrich, Alonzo R. Bell, Jr., Carl Breiner, Thomas Herbert, Teresa Nettles, Bryan Trainum, Sylvia Weinstein, Elizabeth Willis

Members Absent: Robert Mann