

MINUTES OF THE ANNUAL 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, December 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
C. Gary Minter
Jonathan Skinner
Jeffrey Verhoef
Cynthia D. Rohlf, City Manager, ex-officio
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

Mary Aldrich, excused
Cassandra P. Greene, excused

Legal Counsel:

Raymond H. Suttle, Jr.
Conway Sheild

Staff:

Kearston Milburn, Recording Secretary
Cherry Croushore, Assistant Secretary

Also present:

Howard Hoege, President and CEO, Mariners Museum and Park
Collins Owens, City Attorney
Robert Pealo, Deputy City Attorney
Jerry Wilson, Legislative Analyst, City Manager's Office

Mr. Bell opened the meeting by welcoming everyone. He acknowledged and welcomed guest, Howard Hoege, who will join the Board as a Board Member at its January 2020 Board Meeting.

Secretary/Treasurer's Report

Mrs. Kingston began by expressing her great appreciation to Mr. Minter for his outstanding service on the Board, and as Chair. She noted that there would be a Resolution of Appreciation in the future, which he would be returning to receive. Board Members also expressed their appreciation of Mr. Minter and gave him a round of applause.

Mrs. Kingston stated that she also wanted to thank Ray Suttle. She stated that Mr. Suttle had recently presented three Business Law 101 sessions as part of our Office Hours Program for small businesses. She noted the sessions were at the Piggly Wiggly Community Room, Holiday Inn City Center and Centura College. She commented that over 30 existing and future small business owners attended, and that the material covered included the different types of business structures and the advantages of each, contract law, and the relationships important for small business owners to build with an attorney, accountant, and banker. She thanked Mr. Suttle for making himself available for this valuable service to the City's small businesses.

Mrs. Kingston informed the Board that on November 7th, Tricia Wilson had the opportunity to highlight Newport News business assistance programs and moderate an economic development panel as part of the Veterans Procurement Conference, co-sponsored by the Hampton Roads Small Business Development Center and Newport News Shipbuilding. She stated that the event, held in Hampton, was targeted to those businesses interested in knowing how to do business with local, state and federal government entities, and included information on how to position themselves to be successful in receiving government contracts. She noted that over 30 attendees received information from various state and federal agencies, lending institutions and local economic development and procurement departments.

Mrs. Kingston said that also on November 7th, Carol Meredith was the featured speaker at the Newport News Hospitality Association meeting, which included representatives from hotels, restaurants, attractions and the Virginia Restaurant, Lodging & Travel Association, and that she provided highlights of economic and community development projects around the City and previewed the NlightN Holiday Event Series.

Mrs. Kingston said that the ODU Procurement Technical Assistance Center (PTAC), with the assistance of staff, hosted a successful "Government Contracting 101" information and networking session on November 21st at the Brooks Crossing Innovation and Opportunity Center. She stated that the audience received useful information on how to determine if government contracting is appropriate for their company, how to assess contract requirements and how to prepare a bid package. She said that the event was well-attended, with approximately 31 participants from Newport News and neighboring localities, and that staff would be meeting with representatives from PTAC in January to develop additional sessions that may be of interest to Newport News businesses.

Mrs. Kingston informed the Board that Matt Johnson had participated on a discussion panel with Jeff Johnson of Tech Center and Donna Morris of Reinvent Hampton Roads on December 5th. She said that the panel was invited to speak with a number of Virginia Tech's continuing education and outreach center directors from throughout the state, who were gathered at the Virginia Tech Newport News Center for a two-day meeting, and that the discussion focused upon the creative partnership enjoyed between Newport News and Virginia Tech, how the addition of the Tech Center development will continue to enhance the relationship, and how this approach can be expanded to address more regional challenges.

Mrs. Kingston told Board Members that on Tuesday, January 14th, the Hampton Roads Chapter of Commercial Real Estate Women would hold its monthly luncheon at the Brooks Crossing Innovation & Opportunity Center, and that she would provide an overview of the facility and answer questions, followed by a tour of the Innovation Lab. She stated that Board Members were welcome to attend.

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 said that the City Council recently held a strategic planning retreat which featured guest speaker, Peter Kageyama, whose inspirational presentation energized Council Members and helped to spur ideas for engaging citizens and the community. She said that Mr. Kageyama held additional sessions with City staff and the public, and that the ideas produced from the retreat would inform the upcoming CIP and the City's Strategic Plan.

Ms. Rohlf stated she had the opportunity on the previous day to participate in the Schools' strategic planning process, as they plan to come out with their own Strategic Plan in the Spring. She said that she was impressed with the discussions, which included students, who actively engaged with the educators.

Ms. Rohlf spoke about the holiday events going on around the City, including the tree lighting in City Center and the ongoing weekend events around the fountain. She stated that uncooperative weather had caused some of the festivities planned for Brooks Crossing to be postponed, but that the double helix light exhibit at Brooks Crossing would be lit for the next 60 days.

Ms. Rohlf noted that the Virginia Peninsula Chamber of Commerce and Hampton Roads Chamber of Commerce had unveiled their new joint branding initiative for the region called "The 757". She wished everyone happy holidays and a prosperous new year.

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.

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. She reminded Board Members that they should be receiving Financial Disclosure Forms from the City Clerk in early January, and that they would need to be completed and returned quickly.

Ms. Croushore reminded the Board that it was also Kearston Milburn's last Board Meeting as Recording Secretary, and that she would be greatly missed. Ms. Milburn stated that she was looking forward to her new endeavors but that she greatly valued the knowledge she had gained while with the City of Newport News and would miss everyone.

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 8:18 a.m., Mr. Skinner 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 Legal Counsel (7) 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; (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 central section of the City; and (7) Consultation with legal counsel and briefings by staff or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, the subject of which is litigation arising from an incident on EDA property in the central section of the City. Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

At 8:41 a.m., the EDA/IDA Board returned to open session following a certification motion by Mr. Skinner, 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 that there were three actions coming out of Closed Session. He said that the first was a Motion to authorize the acquisition of 2405 Wickham Avenue at an agreed upon purchase price of \$46,000, from record owner C S Investment Properties, LLC, to support strategic redevelopment efforts in the Southeast Community, subject to the review and approval of all documentation by EDA Legal Counsel. Ms. Smith-Brown so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Mr. Bell said that the second action coming out of Closed Session was a Motion to authorize the execution of a Settlement Agreement and General Release between Donald Terry Hall, SprintCom, Inc., and the Economic Development Authority of the City of Newport News, Virginia, in relation to the Civil Action styled Donald Terry Hall v. SprintCom, Inc., subject to the review and approval of all documentation by EDA Legal Counsel. Mr. Minter so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

Mr. Bell said that the final action coming out of Closed Session was a Motion to authorize a lease between the EDA and Virginia Technical Academy for approximately 15,764 square feet of space in the approximately 16,999-square-foot commercial building located at 809 Omni Boulevard in Oyster Point of Newport News, for a term of 3 years, at a per square foot rental rate of \$10.00, with credit towards the rent for authorized building repairs, subject to

review and approval of EDA Legal Counsel. Mr. Minter so moved and Mr. Verhoef seconded the motion, which passed unanimously on a roll call vote.

EDA Approval of City Posting of Award for Bid for Demolition of Former Kroger/K-Mart Building at 401 and 403 Oriana Road

Mrs. Kingston reported that an invitation for Bids for the demolition of 401 and 403 Oriana Road had been issued through the City's Purchasing Department on behalf of the EDA, and that seven submittals were received and evaluated by City and EDA staff, with Macsons Inc. being determined to be the lowest responsive, responsible bidder. She noted that the total proposal amount for the demolition of 401 and 403 Oriana Road in the Macsons Inc. bid was \$293,437, which represented a very favorable demolition cost, lower than earlier estimates, and that Macsons Inc. had a good reputation with the City on prior projects.

Mrs. Kingston said that staff was working to schedule a fun event in January prior to demolition of the building to engage and involve the community in creative activities to celebrate the building's impending demolition, which will then be cleared resulting in significant improvement in the aesthetics of the site.

She said that funding for the demolition would be provided by the City and that she was recommending a motion to approve the bid award for demolition of 401 and 403 Oriana Road to Macsons Inc. for the total accepted bid price of \$293,437, consistent with the City's Purchasing Department procurement process and recommendation on behalf of the EDA.

Mr. Bell asked for a Motion that the EDA approve the City's bid award for demolition of 401 and 403 Oriana Road to Macsons, Inc. for the total accepted bid price of \$293,437, consistent with the City's Purchasing Department's procurement process and recommendation on behalf of the EDA. Ms. Smith-Brown so moved and Mr. Skinner seconded the motion, which passed unanimously on a roll call vote.

Authorization of Contract, and Funding, for Landscaping Services for Oakland Industrial Park

Mrs. Kingston told the Board that the City and IDA own property throughout Oakland Industrial Park, which is maintained by the IDA. She said that the existing IDA contract for landscaping services in Oakland Industrial Park would expire on December 31, 2019, and that a Request for Proposals (RFP) had been advertised through the City's Purchasing Department on behalf of the IDA. She stated that the RFP included specifications for a higher level of service than what was currently being performed, to include cutting more

frequently, mulching, plantings and keeping the sidewalks free and clear of weeds and grass. She said that eight proposals were received and evaluated by staff, with Lawn Beautician deemed to be the lowest responsive, responsible bidder with a bid amount of \$44,440.66. She said that the proposed contract with Lawn Beautician had an initial term commencing January 1, 2020 through March 7, 2021, and provided for two additional one-year renewals, at the discretion of the IDA. Mrs. Kingston said that she was seeking a motion for the IDA to authorize a contract for landscaping services in Oakland Industrial Park with Lawn Beautician, consistent with the City's Purchasing Procurement process and recommendation on behalf of the IDA, and funding, in an amount not to exceed \$51,106, which included a small contingency.

Mr. Bell asked for a Motion for the IDA to authorize a contract for landscaping services in Oakland Industrial Park with Lawn Beautician, consistent with the City's Purchasing Procurement process and recommendation on behalf of the IDA, and funding, in an amount not to exceed \$51,106, which includes a small contingency. Mr. Minter so moved and Mr. Verhoef seconded the motion, which passed unanimously on a roll call vote.

Amendment of Lease Between the EDA and HII (formerly Newport News Shipbuilding and Dry Dock Company) for Virginia Specialty Stores Building in Downtown

Mrs. Kingston explained that Huntington Ingalls Incorporated (HII) (formerly Newport News Shipbuilding and Dry Dock Company) had leased the Virginia Specialty Stores (VSS) Building and associated parking spaces and garage located at 2800, 2815 and 2900 Washington Avenue for the last 21 years, and that the original Lease, which expired in 2018, had a ten-year renewal period. She stated that HII had expressed interest in renewing the Lease for a one-year period only, to accommodate moving personnel to its new building in Brooks Crossing and that the Lease was amended in November of 2018 to allow for the additional year. She said that HII was now requesting to renew the Lease for another 14-month period, through December 31, 2020, to better coordinate and assess longer-term plans for, and use of, the building. She said that in amending the Lease to allow for a 14-month renewal period, the EDA would gain control of the surface parking lot associated with the Lease (located at 2815 Washington Avenue) after February of 2020, and that other than the surface parking lot removal, all other terms and conditions in the Lease would be retained, including a Payment in Lieu of Taxes (PILOT) and an Administration and Development Fee (\$16,825 annually/\$1,402.08 monthly).

Mrs. Kingston said that the 14-month extension would allow both Tenant and Landlord to procure and review a Building Condition Assessment Report to be better able to conclude the future best use of the building. She said she was seeking a Motion to authorize execution of an Amendment to Lease as outlined, subject to EDA Legal Counsel final review and approval.

Mr. Bell asked for a Motion authorizing the execution of an Amendment to Lease between the EDA and Huntington Ingalls Incorporated, f/k/a Newport News Shipbuilding and Dry Dock Company, extending the existing Lease of the VSS Building located at 2800 Washington Avenue for a 14-month period and removing the associated surface parking lot at 2815 Washington Avenue, subject to all documentation being reviewed and approved by EDA Legal Counsel. Ms. Smith-Brown so moved and Mr. Minter seconded the motion, which passed unanimously on a roll call vote.

Committee Reports

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

Approval of Minutes of the Regular Meeting of November 1, 2019

Mr. Bell asked for a motion that the Minutes of the Regular Meeting of November 1, 2019 be approved. Mr. Minter so moved and Ms. Smith-Brown seconded the motion, which passed unanimously on a roll call vote.

Unfinished Business

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

New Business

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

Before adjourning the meeting, Mr. Bell again thanked Mr. Minter for his service on the Board, thanked Ms. Milburn for her efforts on behalf of the EDA/IDA and wished her well in her future endeavors, and expressed his appreciation for the work of the Department of Development in support of the EDA/IDA. Mr. Bell then adjourned the meeting at 9:20 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: December 13, 2019

The Design Review Committee met on November 21st. The Committee considered a request by Scotty Signs, on behalf of Southern Refrigeration Corporation for approval of a digital rendering of an internally-illuminated, building-mounted sign and monument sign face change at 809 City Center Boulevard 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.

Next, the Committee considered a request by Southern Refrigeration Corporation for approval of proposed exterior building modifications at 809 City Center Boulevard 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 Committee also considered a request by Scotty Signs, on behalf of Extreme Restoration, Inc. for approval of a digital rendering of an internally-illuminated, building-mounted sign and monument sign face change at 812 City Center Boulevard in Oyster Point of Newport News. Upon review, the Committee voted unanimously to recommend approval of the request, subject to Staff confirmation of the linear frontage dimension of the building as provided, and subject to all applicable City codes and regulations. Staff inquiry into the linear frontage dimension determined that the building frontage calculation submitted was not allowed under City code. Therefore, only the monument sign is recommended for approval.

The next item considered by the Committee was a request by Scotty Signs, on behalf of All My Sons Moving & Storage and GUMROCK, LLC for approval of a digital rendering of an internally-illuminated, building-mounted sign at 703 Gum Rock Court 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 Committee also considered a request by Sign Media, on behalf of Misonix and 600 Thimble Shoals, LLC, for approval of an internally-illuminated, building-mounted sign at 600 Thimble Shoals Boulevard 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.

Finally, the Committee considered a request from Newport News Public Schools on behalf of the City of Newport News, for approval of a digital rendering of a fence installation at 12580 Patrick Henry Drive in Patrick Henry CommerCenter. 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.



Mary C. Aldrich

12/13/19

MCA:kpw

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Date, Time and Location: November 21, 2019, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Mary C. Aldrich, Jonathan P. Skinner, Carl Breiner, Robert Mann, Teresa Nettles, Sylvia Weinstein, Elizabeth Willis

Members Absent: Alonzo R. Bell, Jr., Thomas Herbert, Bryan Trainum



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Executive Committee

SUBJECT: Chair's Report

DATE: December 13, 2019

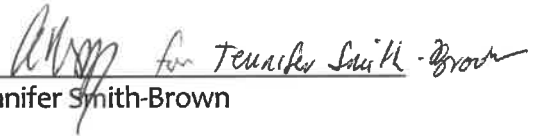
The Executive Committee met on November 21st. Pursuant to the authority delegated to it by the Board at the Board's November Meeting, the Executive Committee approved the FY 2019 EDA/IDA Audit. Committee Members were provided an updated copy of the Audit, and were advised by staff that there were not any changes to the audit numbers from the version provided to the Board at its November Board meeting. Staff also reported that only minor edits to a few of the notes were made.

The Committee was provided a briefing related to a proposed EDA acquisition of a VDOT-owned notch parcel adjacent to EDA-owned property at 351 25th Street. Based on the details provided, and staff's view that the acquisition of the VDOT Notch Parcel was valuable from a site assembly perspective and would be beneficial to acquire for any future development on the EDA-owned property, the Committee authorized the EDA's acquisition of the approximately .05-acre VDOT Notch Parcel located adjacent to 351 25th Street at an agreed upon purchase price of \$28,114, from the Virginia Department of Transportation, to support site assembly and economic development efforts in Downtown Newport News, subject to the review and approval of all documentation by EDA Legal Counsel.

Committee Members were also briefed on a proposed EDA acquisition of 2510 Jefferson Avenue. 2510 Jefferson Avenue is directly adjacent to and shares a common wall with 2506 Jefferson Avenue, which the EDA recently acquired and is rehabilitating to create a coworking space. Based on the briefing received and staff's view that the EDA's acquisition of 2510 Jefferson Avenue would eliminate a source of blight within the community and provide a strategic property that could be

used to support revitalization efforts, the Committee authorized the acquisition of 2510 Jefferson Avenue at an agreed upon purchase price of \$37,100, from record owner Zion of Joy, Church of Deliverance, to support strategic redevelopment efforts in the Southeast Community, subject to the review and approval of all documentation by EDA Legal Counsel.

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: November 21, 2019, at 1:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Alonzo Bell, Gary Minter, Jeff Verhoef

Members Absent: Jennifer Smith-Brown



**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: December 13, 2019

The Marketing Committee met on November 21st. Committee members received a briefing on ongoing community engagement activities at Jefferson Lab.

Staff presented details and distributed information about the City's upcoming holiday event series, NlightN. The Committee was encouraged to attend the activities.

This Report does not require Board ratification.



Jeffrey C. Verhoef

JCV:mb

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Date, Time and Location: November 21, 2019 at 10:30 a.m., 11820 Fountain Way, Suite 301, Newport News, VA 23606

Members Present: Jeff Verhoef, Cassandra Greene, Faye Gargiulo, Dan Powell

Members Absent: Jennifer Smith-Brown, Don Blankenship, Gary Hunter