

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

Ms. Smith-Brown called the meeting to order at 9:00 a.m. on Friday, March 5, 2021, in the EDA/IDA Board Room at Two City Center, 11820 Fountain Way, Suite 301, Newport News, Virginia, via electronic videoconference.

Those members present were:

Jennifer Smith-Brown, Chair (In-Person)
Mary C. Aldrich (remote)
Alonzo R. Bell, Jr. (remote)
Howard H. Hoega, III (remote)
Jonathan P. Skinner (remote)
Cynthia D. Rohlf, City Manager, ex-officio (remote)
Florence G. Kingston, Secretary/Treasurer, ex-officio (In-Person)

Absent:

None

Legal Counsel:

Raymond H. Suttle, Jr. (In-Person)
Conway Shield (remote)

Staff:

Cherry Croushore, Assistant Secretary (remote)
Jameson LeClair, Recording Secretary (In-Person)
Carol Meredith, Assistant Director (remote)
Mallory Butler, Senior Economic Analyst (remote)
Jared Midkiff, Marketing & Development Coordinator (In-Person)

Also present:

Paul Hirsch, President, Madison Government Affairs (remote)
Jack Hession, Senior Vice President, Madison Government Affairs (remote)
Rebecca Rowe, Associate Director, VDHCD, Community Revitalization (remote)
Ralph L. (Bo) Clayton, Assistant City Manager (remote)

Also present (continued):

Robert Pealo, Deputy City Attorney (remote)
Jerri Wilson, Intergovernmental Affairs Manager (remote)

Special Meeting Statement

Ms. Smith-Brown opened the meeting and welcomed everyone with a statement declaring the Regular Meeting of the Economic Development Authority of the City of Newport News, Virginia (EDA) and the Industrial Development Authority of the City of Newport News, Virginia (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 had issued Executive Order Fifty-One (2020) declaring a state of emergency, which declaration continued in force and effect. She 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 was known 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. She apologized for any inconvenience to anyone, but asked for understanding and compliance temporarily. Ms. Smith-Brown welcomed a few guests that had registered ahead of time to view the virtual meeting.

Enterprise Zone Website Presentation

Ms. Meredith informed the Board that staff had been working to improve the function and design of the Enterprise Zone section of the EDA website, with the assistance of Howell Creative Group and the City's Geographic Information System (GIS) team. She opened the floor to Ms. Butler for an overview of the Enterprise Zone webpage.

Ms. Butler reported that Newport News' Enterprise Zone program was regarded as one of the most successful in the state, and emphasized the importance of maintaining a high-quality website to support the program. She reminded the Board that the program was administered in partnership with Virginia Department of Housing and Community Development (VDHCD), and introduced Ms. Rowe from VDHCD to speak to the success of Newport News' management of the program and website.

Ms. Rowe highlighted the importance of communication and presentation of information in the performance of Enterprise Zones, and that such efforts had contributed to the success of Newport News' program. She noted that Newport News' program is often used as a model for other localities to demonstrate effective outreach. Ms. Rowe expressed appreciation for the EDA's commitment to the program and commended Ms. Butler for having leveraged technology, consistently communicating with other municipalities, and actively fostering partnerships.

Ms. Butler provided an overview of the Enterprise Zone website, demonstrating several features and benefits, and welcomed any questions from the Board. Ms. Smith-Brown expressed her support for the website, noting the high level of accessibility and user-friendly design. She noted that Newport News' Enterprise Zone website was far more comprehensive than surrounding localities' and commended Ms. Butler's efforts in strengthening the program. Ms. Aldrich noted the value the website provided to businesses and echoed the praise given by Ms. Smith-Brown. Mr. Bell recognized the quality of the website as a contribution to the overall efforts of the EDA. Mrs. Kingston expressed appreciation for Ms. Rowe's support and noted the exceptional website design services provided by Howell Creative Group.

Secretary/Treasurer's Report

Mrs. Kingston reported that today would be Ms. Aldrich's last Board Meeting and thanked her for her service as a Board Member. She emphasized the value of her contributions and the length of her tenure on the Board of Directors and as a citizen member of the Marketing Committee before joining the Board. Mrs. Kingston stated that she wished Ms. Aldrich success in her future endeavors, and that she hoped she could continue to provide her professional expertise as a citizen member of a committee in the future. Ms. Aldrich thanked Mrs. Kingston and stated that she had been honored to contribute to the EDA and its service to the community.

Mrs. Kingston expressed appreciation of the Small Business Development Center (SBDC) for its efforts in maintaining continuous communication with the EDA and the insight it provided on federal programs. She highlighted that SBDC had been extremely helpful to small businesses in the region and was active in sponsoring many virtual workshops and sessions throughout most of 2020, which staff participated in.

Mrs. Kingston informed the Board that on February 23rd, Tricia Wilson provided information to 33 citizens on existing and upcoming EDA loan programs at an SBDC session entitled "Starting and Sustaining a Food Business in Hampton Roads – the Business of Food". She stated that Ms. Wilson, along with Tiffany Boyle, Commissioner of the Revenue, and Kate Bernatitus with the City's Public Works Department, shared information specific to Newport News regarding general and food-related business requirements. Mrs. Kingston noted that targeted information was also provided by a local banker, a tax representative experienced with IRS requirements, and food business owner, Chef Jermaine Boothe.

Mrs. Kingston reported that she had provided a presentation, and engaged in discussion with members of the real estate community during a recent Harvey Lindsay broker call, highlighting some of the recent economic development projects in Newport News. She highlighted the value in engaging with the real estate community by communicating the efforts of the EDA and City and by working with professionals to provide assistance in their efforts to fill commercial, industrial and retail space throughout the City.

Mrs. Kingston stated that the Monthly Financial Statements were in Board Members' packages and noted a few highlights. She asked if there were any questions and there were none.

Mrs. Kingston offered Ms. Rohlf the opportunity to provide comments. Ms. Rohlf reported that the process of drafting the Operating Budget had begun for fiscal year 2022, and there were encouraging signs such as in sales taxes and the appreciation of recently assessed real estate. She stated that the Business, Professional and Occupational License (BPOL) taxes were still being collected and would be an important indicator of business performance. She noted that the City was faring well financially and would finish the fiscal year with a revenue surplus. Ms. Rohlf informed the Board that the Capital Improvement Plan (CIP) for fiscal year 2022 was being reviewed and would be discussed at the next City Council meeting, which would be partially in-person. She advised that COVID vaccination clinics had been operating in the City, and that most City employees had been vaccinated. Ms. Rohlf stated that the City was working to make the vaccine available to all citizens, and that Riverside Health System and Christopher Newport University had been great partners in the vaccination efforts. She encouraged Board Members to propose any recommendations on areas of the community that should be prioritized for vaccine clinic sites. Ms. Rohlf expressed appreciation for Ms. Aldrich's service as an EDA Board Member and wished her all the best in the future.

Assistant Secretary's Report

Ms. Smith-Brown asked for the Assistant Secretary's Report, and Ms. Croushore advised the Board that the Committee Meeting Schedule was in their packages and noted relevant details.

Madison Government Affairs' Consultant Report

Ms. Smith-Brown asked for the Madison Government Affairs Report. Mr. Hession reported that legislators had advanced an updated Senate version of the COVID-19 relief bill and that a lengthy debate process would happen over the next few days. He noted that the updates to the bill included more money allocated to rural hospitals, access to federal programs for live venue operators, changes to the allocation of funds to state and local governments, narrowing the income-based eligibility guidelines for the \$1,400 individual stimulus payments, and removal of the proposed federal minimum wage increase. Mr. Hession outlined that the estimated allocations of the \$350 billion designated to state and local governments included about \$6.68 billion for the Commonwealth of Virginia and \$29.5 million for Newport News. He stated that Congress had been considering the possibility of reintroducing the practice of earmarking funds for projects in future appropriation procedures. Mr. Hession offered Mr. Hirsch the opportunity to make additional remarks.

Mr. Hirsch reported that the Fort Eustis Civic Leaders Association was undergoing leadership changes, and that Howard Hoege and Bo Clayton would serve as co-chairs to the organization. Mr. Hirsch announced that Congresswoman Elaine Luria had accepted an invitation to meet with the Association and that Jerri Wilson had joined its Board of Directors. Mr. Hirsch also commented on the value of the earmarking process when done properly, noting that it could potentially benefit the City on transportation and infrastructure needs.

Ms. Smith-Brown asked if there were any questions for Mr. Hession or Mr. Hirsch. There were none. Ms. Smith-Brown thanked them for their report.

At 9:52 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) and Prospective Business (5) for the following purpose and subject: (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 southern and northern sections 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 a prospective business interested in locating in the northern section of the City. Mr. Bell seconded the motion, which passed unanimously on a roll call vote.

At 10:02 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. Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote.

Committee Reports

Ms. Smith-Brown called for the Committee Reports, and Mr. Skinner 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.

Election of Officer

Chair Smith-Brown called for nominations from the floor for Vice-Chair of the EDA/IDA for the remainder of Calendar Year 2021. Mr. Bell moved to nominate Mr. Hoege for Vice-Chair. Mr. Skinner seconded the motion. Mr. Bell moved to close nominations for Vice-Chair. Mr. Skinner seconded the motion, which passed unanimously on a roll call vote. Mr. Bell moved to elect Mr. Hoege as Vice-Chair of the EDA/IDA for the remainder of Calendar Year 2021. Mr. Skinner seconded the motion, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of February 5, 2021

Ms. Smith-Brown asked for approval of the Minutes of the Regular Meeting of February 5, 2021. Mr. Bell so moved, and Ms. Aldrich seconded the motion, which passed unanimously on a roll call vote.

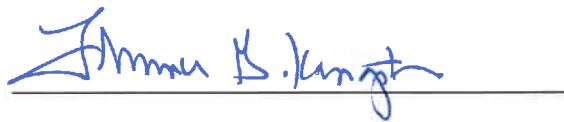
Unfinished Business

Ms. Smith-Brown asked for any unfinished business.

New Business

Ms. Smith-Brown asked for any new business.

Ms. Smith-Brown commended Ms. Aldrich for her longstanding service and commitment to the EDA and wished her success and happiness in the future. Ms. Aldrich expressed her appreciation to the Board and Staff for their support and noted that while she would miss serving on the Board she hoped there would be opportunity to continue serving on a committee. There being no further business to come before the Board, Ms. Smith-Brown adjourned the meeting at 10:11 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: March 5, 2021

The Design Review Committee met electronically on February 18th via Zoom Videoconferencing, 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, and with the public health emergency declared by Governor Northam in his Executive Order dated March 12, 2020.

The Committee considered a request by SignMedia, on behalf of Langley Federal Credit Union, for approval of digital renderings for proposed modifications to existing monument, building-mounted and directional signs at 11742 Jefferson Avenue, 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.

This Report requires Board ratification.

Jonathan P. Skinner

JPS:kpw

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Date, Time and Location: February 18, 2021, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Jonathan P. Skinner, Alonzo R. Bell, Jr., Thomas Herbert, Robert Mann, Teresa Nettles, Bryan Trainum, Sylvia Weinstein, Elizabeth Willis

Members Absent: Mary C. Aldrich, Carl Breiner



**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Executive Committee
SUBJECT: Chair's Report
DATE: March 5, 2021

The Executive Committee met on February 22nd. The Committee received a presentation on a proposed EDA Micro-Enterprise Grant Program, a Summary of which is attached to this Report, and authorized the establishment of the Newport News Micro-Enterprise Grant Program in accordance with the presented guidelines. Committee Members were enthusiastic about the micro-enterprise program, noting the importance of continuing to be creative in finding ways to foster and support our small business community.

The Committee also received a presentation on the EDA's existing, and very successful, e-Commerce Grant Program, and authorized additional funding of \$50,000 to replenish it. Importantly, the presentation showed that this Program has provided an important and popular tool to small businesses, with 54 grants having been approved, distributing over \$130,000, and resulting in a wide variety of website and marketing projects being completed such as new website creation, online dining menu additions, e-Commerce options including online shopping carts, search engine optimization, social media integration and marketing, and online education resources.

Committee Members also approved an extension of the EDA's existing Lease to Jefferson Science Associates (JSA) for space in the ARC Building for a three-month term, April 1, 2021 through June 30, 2021, all other terms and conditions remaining the same, subject to review and approval of EDA Legal Counsel, to allow JSA to continue its occupancy during the time needed to consummate the planned conveyance of the property to the Department of Energy.

Executive Committee Chair's Report

March 5, 2021

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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: February 22, 2020, at 12:00 pm at 740 Town Center Drive, Newport News, VA

Members Present: Mary Aldrich, Alonzo Bell, Jennifer Smith-Brown

Members Absent: None

Also Present: Howard Hoega, Jonathan Skinner



Newport News Micro-Enterprise Grant Program Summary

Overview

The Economic Development Authority of the City of Newport News, Virginia (EDA) recognizes that the establishment and development of micro-businesses is essential to a diverse and successful economy. The Micro-Enterprise Grant Program was created to assist in the creation and growth of viable micro-businesses in the City of Newport News. The objective is to support individuals or small businesses in the creation, expansion or maintenance of their micro-enterprise (for-profit business with five (5) or fewer employees) located in the Marshall-Ridley Choice Neighborhood (MRCN) designated area of the City.

This grant is a one-time, monetary award given to a micro-business and shall not exceed \$3,500. The minimum grant award is \$500.

Funding

At October's EDA Board meeting, the Board authorized a subrecipient agreement with the City of Newport News, which includes the use of Community Development Block Grant (CDBG) funds towards providing micro-enterprise grants to new or existing businesses for the purchase of machinery and equipment, training and certifications, initial inventory, etc.

Anticipated initial funding will be \$125,000 over multiple fiscal years.

Grant Eligibility

A business owner/business may qualify for consideration provided it meets all of the following:

- Must be a for-profit micro enterprise business;
- The business and/or business owner must be located or locating within the defined geographic area;
- HUD regulations dictate that business owners must be Low to Moderate Income (LMI) and/or the business must service a Low to Moderate Income (LMI) area;
- Have a Newport News Business License;
- Be current on all local taxes and fees;
- Complete pre-approved counseling sessions or workshops which will provide valuable information on how to start and maintain a business; and
- **Must submit a Business Plan with the application.**

Supplemental Funds

Eighteen (18) months following the award of the Micro-Enterprise Grant, and if the recipient has successfully fulfilled the requirements of the grant, businesses may apply for supplemental funds under the Micro-Enterprise Grant Program. Funds will be available in an amount not to exceed \$1,500. The primary goal of this supplemental funding is to support these businesses in progressing towards financial independence by providing economic opportunities to assist in strengthening the skills, abilities, processes and resources that they need to thrive.