

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, April 9, 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)
Alonzo R. Bell, Jr. (remote)
Faye P. Gargiulo (remote)
Howard H. Hoege, III (remote)
Jameka R. Johnson (remote)
Cathy T. Williams (remote)
Cynthia D. Rohlf, City Manager, ex-officio (remote)
Florence G. Kingston, Secretary/Treasurer, ex-officio (In-Person)

Absent:

Jonathan P. Skinner (excused)

Legal Counsel:

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

Staff:

Cherry Croushore, Assistant Secretary (remote)
Jameson LeClair, Recording Secretary (In-Person)
Carol Meredith, Assistant Director (remote)

Also present:

Steve Harrison, Vice-President, Business Intelligence & Communications, Hampton Roads Alliance (remote)
Jillian Goodwin, Director, Marketing & Communications, Hampton Roads Alliance (remote)
Ralph L. (Bo) Clayton, Assistant City Manager (remote)
Robert Pealo, Deputy City Attorney (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 and recognized three newly-appointed Board Members, Faye Gargiulo, Jameka Johnson and Cathy Williams, and expressed excitement for their service on the Board.

Hampton Roads Alliance Presentation

Mr. Harrison greeted the Board and stated that he and Ms. Goodwin would be providing an overview of the Hampton Roads Alliance (the Alliance), a regional non-profit tasked with marketing the region to attract business and investment. He described the recent changes within the organization and its role in regional business development. Mr. Harrison emphasized the importance of business intelligence research in promoting the region. He stated that availability of land for development was one of the top considerations for prospective businesses, along with the strength of the workforce, utility costs, tax rates and the regulatory climate. Mr. Harrison highlighted the organization's top priorities, which include business development, working collaboratively to increase the region's site ready properties, facilitating economic recovery from COVID-19 and its mission to promote regional unity.

Ms. Goodwin provided an overview of the Alliance's efforts in marketing the region locally as well as outside of the Hampton Roads area. She described the latest rebranding updates that had been implemented, including changes to the name and logo. Ms. Goodwin highlighted the Alliance's 2020 Annual Report, its presence on social media, website design

upgrades and advertisement strategies. Ms. Smith-Brown thanked Mr. Harris and Ms. Goodwin for their presentation and commended the Alliance for its dedication and interest in promoting the region. She asked them to provide insight into how Newport News was uniquely positioned to benefit from the supply chain development in support of Virginia's offshore wind initiative. Mr. Harris replied that Newport News would benefit from the concentration of existing manufacturing and industrial assets, such as the Port of Virginia and Huntington Ingalls, which would attract prospective companies in support of the wind project. He highlighted that given the magnitude of the project, its requirements for accessible waterways and robust manufacturing and supply chains, Hampton Roads was an attractive region for offshore wind investment. Ms. Meredith noted that three vessels in support of the project were docked at the Newport News Marine Terminal, and that staff had been marketing supplier opportunities to manufacturers in the City. Ms. Gargiulo emphasized the potential value the Newport News/Williamsburg International Airport could have in support of offshore wind development. Mrs. Kingston commended the Alliance for their dedicated partnership with the EDA and commitment to regional initiatives and noted that staff maintains a strong collaborative relationship with the organization, as well as with numerous other regional economic development allies.

Secretary/Treasurer's Report

Mrs. Kingston announced that it was a momentous day for the EDA as she was pleased to welcome three newly-appointed Board Members, Faye Gargiulo, Jameka Johnson and Cathy Williams. She noted that each possessed impressive backgrounds that, individually and collectively, offered great value to the Board. Mrs. Kingston offered each of the new Board Members an opportunity to introduce themselves. Ms. Smith-Brown, Mr. Bell, and Mr. Hoege introduced themselves to the new Board Members and expressed their excitement and enthusiasm for the new appointments to the EDA.

Mrs. Kingston informed the Board that Macon Whitson had accepted the Department's vacant Real Estate Coordinator position and would be transitioning from his previous role within the Department as Senior Project Coordinator. She noted that prior to his five years of employment with the City, Macon possessed a legal and real estate background, an undergraduate degree from William & Mary, a Master's in Public Administration from Old Dominion University, and a law degree from Regent University, all of which would serve him well as Real Estate Coordinator. Mrs. Kingston expressed excitement about filling the position and for Mr. Whitson to continue his career with Development and the City.

Mrs. Kingston reported that in partnership with the Virginia Department of Emergency Management and its respective contractors or agents, the City was seeking to establish a community vaccination center for the administration of COVID-19 vaccines at the EDA's Sherwood-Kazis property, adjacent to the Sherwood Shopping Center, in a portion of the space recently vacated by Ferguson Enterprises. She noted that the City proposed to lease 51,131 square feet of the building on a month-to-month basis for a monthly rental amount of \$26,630.72, and that the City would pay for all required utilities, maintenance and repairs to the interior of the leased space, as well as maintenance and repairs to exterior doors and windows, and the roof. Mrs. Kingston stated that she would be seeking approval of the proposed lease at the end of her report.

Mrs. Kingston informed the Board that the Department of Housing and Urban Development (HUD) recently approved the disposition of Newport News Redevelopment and Housing Authority (NNRHA) property in support of the S23 Project and that City Council had approved the rezoning required for the property. She reported that staff was working with Kimley-Horn to complete initial civil engineering work on the NNRHA-owned parcel located at 520 21st Street to position NNRHA and the EDA for future development opportunities, and that pricing for the services would be in accordance with the structure of the City's Annual Engineering Services contract. She stated that she would be seeking a motion at the end of her report to approve the contract with Kimley-Horn to provide engineering design services.

Mrs. Kingston recalled that at the March Board Meeting, the Enterprise Zone website presentation highlighted the City's two state-designated Virginia Enterprise Zones as one of the most effective methods of using incentives to stimulate economic development through job creation and private investment. She explained that she was pleased to report that for Grant Year 2020, a total of 17 businesses submitted applications for the state's Real Property Investment Grant and Job Creation Grant and collectively invested over \$22 million and hired nearly 1,100 people in Newport News' Enterprise Zones.

Mrs. Kingston reported that she provided a presentation at Councilwoman Sharon Scott's North District Town Hall meeting in March and covered many of the recent economic development projects in the City and all of the COVID-related business assistance grants offered during the pandemic, such as the CARES Workforce Assistance Program, the Resiliency Grant, Back to Business Grant and the Grow Your eBusiness Grant. She noted that she shared information on upcoming opportunities for businesses and entrepreneurs, which included the Home-Based Business Lunch and Learn Series, START Peninsula Pitch Perfect and Micro Pitch competitions.

Mrs. Kingston informed the Board that she conducted an in-person presentation at Christopher Newport University at the end of March. She stated that she provided an overview of economic development in the City to an undergraduate level "State and Local Government" class. She noted that students asked insightful questions and that she appreciated the opportunity to share the story of Newport News with the next generation of leaders.

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 expressed excitement to collaborate with the EDA's new Board Members on upcoming projects. She emphasized the importance of the EDA in meeting the City's strategic priorities and moving its initiatives forward, and thanked Board Members for their public service.

Ms. Rohlf advised that she recently presented her proposed City Operating Budget for FY 2022 to City Council and that she would be engaged in related discussions with them. She noted that the School Board would receive their requested level of funding along with additional Capital Projects anticipated to take place. Ms. Rohlf stated that similar to the previous fiscal year, the City would maintain a conservative budget due to the economic uncertainty associated with COVID, while preparing for the possible easing of social restrictions and an economic recovery. Ms. Rohlf reported that real estate assessment notices were sent out to property owners and reflected an average increase of 4.8 percent of property values, accounting for roughly \$10 million in additional revenues for the City. She stated that the City was closely following the American Rescue Plan Act and anticipated an allotment of \$33 million to \$66 million in federal COVID-19 relief. Ms. Rohlf reported that with the increase in COVID vaccine doses supplied to the region, the capacity of the City's vaccination clinics had increased significantly. She commended the contributions to the vaccination efforts made by Riverside Health System and Christopher Newport University and emphasized the value of the partnership with them. Ms. Smith-Brown thanked Ms. Rohlf for her comments.

Ms. Smith-Brown introduced a motion to authorize execution of a lease between the EDA and the City for 51,131 square feet of currently vacant space at the Sherwood-Kazis property for use by the City, or its designee, as a vaccination center for the administration of COVID-19 vaccines, on a month-to-month basis, with a base rent of \$6.25 per square foot to incorporate a pro rata share of the EDA's debt service on the Sherwood-Kazis property,

subject to all necessary documentation being reviewed and approved by EDA Legal Counsel and approval of the lease by City Council. Mr. Bell so moved and Mr. Hoege seconded the motion, which passed unanimously on a roll call vote.

Ms. Smith-Brown requested a motion to authorize a contract with Kimley-Horn for initial civil engineering design services to include creation of an ALTA land survey, subdivision plat, and other related civil design work, and authorize associated funding in an amount not to exceed \$50,000, subject to review and approval of EDA Legal Counsel. Mr. Bell so moved and Mr. Hoege seconded the motion, which passed unanimously on a roll call vote.

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 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 10:24 a.m., Mr. Hoege 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 proposed property dispositions in the southern and northern sections of the City and a proposed property acquisition in the central section of the City; and (5) Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business or industry's interest in locating or expanding its facilities in the community, the subject of which is a prospective business interested in locating in the southern section of the City and 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.

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At 11:00 a.m., the EDA/IDA Board returned to open session following a certification motion by Mr. Hoege, 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. Williams seconded the motion, which passed 5-0-1 on a roll call vote, with Mr. Bell abstaining.

Committee Reports

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

Board Appointments to Committees

Ms. Smith-Brown asked for the Board Appointments to Committees update, and Ms. Croushore advised that the Board Appointments to Committees document was provided to Board Members and noted specifics.

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

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

Unfinished Business

Ms. Smith-Brown asked for any unfinished business. Mrs. Kingston noted that over the next few months, we would provide at Board Meetings topics/components important for context and understanding of new, as well as, existing Board Members.

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New Business

Ms. Smith-Brown asked for any new business. There was none.

Ms. Smith-Brown adjourned the meeting at 11:10 a.m.



Florence G. Kingston
Secretary/Treasurer



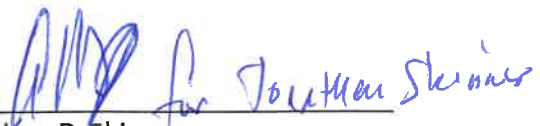
ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Design Review Committee
SUBJECT: Chair's Report
DATE: April 9, 2021

The Design Review Committee met electronically on March 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 Langley Federal Credit Union, for approval of a site plan for proposed site modifications at 11742 Jefferson Avenue, in Oyster Point of Newport News. Upon review, the Committee voted unanimously to recommend approval of the request with final approval authority for the related landscape plan delegated to Staff, 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: March 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., Carl Breiner, Thomas Herbert, Robert Mann, Teresa Nettles, Bryan Trainum, Sylvia Weinstein, Elizabeth Willis

Members Absent: Carl Breiner



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Revolving Loan Fund Committee
SUBJECT: Chair's Report
DATE: April 9, 2021

The Revolving Loan Fund Committee met electronically on March 24th 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.

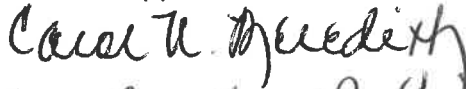
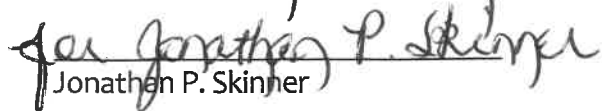
Committee members were provided financial statements and the loan compliance status report for the Newport News Capital Fund (NNCF). Staff provided the Committee with a resolution to approve the Annual Plan Certification for the NNCF for the period ending December 31, 2020, which was unanimously approved.

Staff presented a Façade Improvement Grant (FIG) Program request:

- FIG request for \$9,100 from V&J Investment Property, LLC for exterior lighting at 369 Chatham Drive.

The FIG request was unanimously approved.

This Report requires Board ratification, which includes approval of the attached Resolution.



Jonathan P. Skinner

JPS:tfw

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Date, Time and Location: March 24, 2021 at 12:30 p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: George B. Knight, Susan Harris, John Lunsford and Sharon D. Owens

Members Absent: Jonathan Skinner

RESOLUTION NO. 21-2

**A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE
CITY OF NEWPORT NEWS, VIRGINIA
APPROVING AN ANNUAL PLAN CERTIFICATION FOR
THE NEWPORT NEWS CAPITAL FUND**

WHEREAS, the Newport News Capital Fund (NNCF) was originally capitalized with funds from the Economic Development Administration, United States Department of Commerce (US EDA), for the purpose of making economic development loans within the City of Newport News, Virginia, and as such carries certain program requirements; and

WHEREAS, the City of Newport News (City) is Grantee for the US EDA funding and the Industrial Development Authority of the City of Newport News, Virginia (IDA) serves as Sub-Grantee; and

WHEREAS, the IDA administers said NNCF program on behalf of the City; and

WHEREAS, one of the US EDA program requirements is an annual certification that all loan activity for the preceding year is consistent with the regional economic development strategy and the NNCF Administrative Plan (NNCF Plan).

NOW, THEREFORE, BE IT RESOLVED by the Industrial Development Authority of the City of Newport News, Virginia, that for the twelve-month period ending December 31, 2020, the following is true:

1. The NNCF Plan is consistent with and supportive of the current regional economic development strategy adhered to by the City of Newport News, Virginia.
2. The NNCF is being operated in accordance with the policies and procedures contained in the NNCF Plan and the loan portfolio meets the standards contained therein.

**PASSED BY THE DIRECTORS OF THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE CITY OF NEWPORT NEWS, VIRGINIA, ON
April 9, 2021**



Jennifer Smith-Brown, Chair
Industrial Development Authority of
the City of Newport News, Virginia



Florence G. Kingston, Secretary/Treasurer
Industrial Development Authority of
the City of Newport News, Virginia