

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. Hoege called the meeting to order at 9:00 a.m. on April 5, 2024, in the EDA/IDA Board Room at 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Howard H. Hoege III, Chair  
Alonzo R. Bell, Jr.  
R.C. Miller  
Cathy T. Williams  
Alan K. Archer, City Manager, ex-officio  
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

Faye P. Gargiulo (Excused)  
Jameka R. Johnson (Excused)  
Jonathan P. Skinner (Excused)

Legal Counsel:

Raymond H. Suttle, Jr.

Staff:

Joy Robison, Assistant Secretary  
Jessica Jacobs, Recording Secretary

Also present:

Curtis Bethany III, Vice Mayor  
Ralph ("Bo") Clayton, Assistant City Manager  
Bob Pealo, City Attorney  
Jerry Wilson, Intergovernmental Affairs Manager

Call to Order

Mr. Hoege opened the meeting and welcomed everyone.

Secretary/Treasurer's Report

Mrs. Kingston stated that it was with sadness she informed the Board that Paul Hirsch, the President of Madison Government Affairs (MGA) passed away in late February. She shared that Mr. Hirsch had an illustrious career spanning over 35 years and his expertise in government relations, congressional relations, federal installation management and real estate made him an invaluable asset to the EDA for the many years we worked with him. Mrs. Kingston said that Mr. Hirsch's extensive knowledge of defense downsizing, particularly as an expert on Base Realignment and Closure (BRAC), earned him recognition in Washington and played a pivotal role in safeguarding the region's military assets. She stated that Mr. Hirsch's dedication to defense enhancement and economic development influence would leave a lasting legacy, and that his passing leaves a void in the field of government affairs.

Mrs. Kingston stated that the City is engaged in several Bloomberg-Harvard-related initiatives. She shared that during March, Howard Hoege, Cathy Williams, Bo Clayton and Derek Perry, along with Sheila McAllister (Director of Planning), Allison Dichoso (Director of Human Resources), Matt Mulherin (Huntington Ingalls Industries) and Dwight Riddick (Gethsemane Baptist Church) – the City's Team of Eight – spent a week in New York participating in sessions with the faculty from the Bloomberg-Harvard City Leadership Initiative. Mrs. Kingston added that this work was part of the "Collaboration Track" within the program, and that its challenge is "Downtown Revitalization." She stated that the program and time in New York was quite intensive and asked Mr. Perry to share more about the program and how it fits with City and EDA initiatives.

Mr. Perry shared that Newport News was one of ten communities selected to participate on this collaboration tract which focuses on addressing complex community problems. Mr. Perry informed the Board that the approach through the program is not to solve problems for the communities, but to help provide resources and capacity building to enable communities to think through and identify problems so they can work through them and bring the right partners to the conversation. Additionally, Mr. Perry shared that while this work is specific to Downtown, the concept can be replicated for other challenges in the City.

Ms. Williams echoed Mr. Perry's comments, adding that this was the right program at the right time for our community. She said that while previous Downtown revitalization efforts

have been unsuccessful, the program allowed City staff and Board Members the ability to elevate their thoughts in this arena.

Mr. Hoege shared that there were international cities participating in the program, including two who faced similar challenges as Newport News. He highlighted Los Angeles and Amsterdam, who are also working to address challenges with downtown revitalization for which there are many parallels to our work in Newport News.

Mrs. Kingston thanked Ms. Williams, Mr. Hoege and Mr. Perry for their participation in the Bloomberg-Harvard program and acknowledged the significant time commitment involved with the Downtown Revitalization initiative.

Mrs. Kingston informed the Board that one of the priority replacements for City buildings had been Fire Station 11, which was currently located at the airport. She stated that the facility is past its service life and the City has allocated funding for a new Fire Station 11. Mrs. Kingston added that after evaluation of other alternatives, the IDA's 4.5-acre property at 680 Turnberry Boulevard, at the corner of Turnberry and Patrick Henry Drive, was identified as a key location. She said that in addition to providing faster response times and improved access to Jefferson Avenue and I-64, use of this property would provide significant cost savings to the City. Mrs. Kingston shared that with the Board Members' support, at the right time the IDA would coordinate conveyance of this parcel to the City, adding that the City would be appreciative of the use of this property to support Fire Station 11 and service delivery by our Fire Department colleagues.

Mrs. Kingston said she was pleased to share that The Offices @ Two Five & J has recently reached a milestone, with 40 members and being at full capacity. She reminded the Board that the EDA's coworking space in the Southeast Community was established in 2021 and has been a valuable asset supporting neighborhood entrepreneurship.

Mrs. Kingston explained that on March 12<sup>th</sup>, she had the opportunity to provide an overview of current development-related activities underway in Newport News to the Hampton Roads Commercial Real Estate Association's Past Presidents' Council, which is a small, yet influential, group representing a variety of professions involved in development. She stated that she was able to share about emerging and priority projects across the entire City, ranging from the EDA's work in the Southeast Community, to the new investment at Jefferson Lab, and our efforts around the Carleton Advanced Manufacturing Site and Endview. Mrs. Kingston stated that the group was impressed, and overwhelmed, by the breadth and depth of initiatives and transformational projects concurrently in progress in

Newport News, and they committed to inform potential developers to our upcoming RFPs for various projects.

Mrs. Kingston shared that staff attended a “Small Business Meetup” at the invitation of Derek and Brittany Lapiska, owners of Bird Girl Bottle Shop at 100 Hopkins Street in Historic Hilton Village. She said that Tricia Wilson and Jordan Wilson provided a verbal presentation outlining the department’s loan and grant programs and available business development resources to an audience of approximately 20 business owners on-site at the event and received a warm reception from both the audience and Mrs. Lapiska, who was very complimentary of the department for the assistance it facilitated the craft beer and pizza business startup in Newport News. She said that as a result of the presentation, staff has received several inquiries and has set up multiple follow-up meetings with individual business owners.

Mrs. Kingston informed the Board that during March, staff received a request to waive the right of first refusal for repurchase in connection with the sale of property located at 11849 Tug Boat Lane in Oyster Point. She shared that this was a 5-unit office/flex property, and one of the tenants is the buyer, Sung Eun Management LLC d/b/a Han San. Mrs. Kingston noted that the total purchase price was \$1.4M and added that the current use would continue and other tenants would remain. She stated that after receiving the concurrence of Chair Hoege, the EDA’s repurchase right was waived to allow the sale.

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

Mrs. Kingston offered City Manager Alan Archer the opportunity to provide comments. Mr. Archer said that City staff had worked diligently to complete and present a balanced budget proposal to City Council. He stated that during the coming weeks there would be public hearings and work sessions prior to Council approval, which was expected during the first regular meeting on May 14<sup>th</sup>. Mr. Archer also informed the Board that Council was presented with the Capital Improvement Plan (CIP) and that the CIP had been updated, at the request of City Council, to allow ease of reading, understanding, and tracking progress for citizens.

Mr. Hoege asked Mr. Archer to highlight an example of an item in the operating budget or the CIP that was not listed in previous years. Mr. Archer explained that the multipurpose BoAT Trail (Birthplace of America Trail) will be a continuation of the Virginia Capital Trail which allows a pedestrian or cyclist the ability to travel from Jamestown to Richmond. He

shared that Peninsula localities have been working together to extend the trail to Newport News and Hampton, and connect to the South Hampton Roads Trail and ultimately to Virginia Beach.

#### Assistant Secretary's Report

Mr. Hoege asked for the Assistant Secretary's Report. Ms. Robison advised the Board that the Committee Meeting Schedule was in their packages and noted relevant details.

Mr. Hoege informed the Board that he was working with Mr. Miller and Mrs. Kingston to fill the Marketing Committee's Citizen Appointment vacancies to match the strategic areas and transformational initiatives happening in Newport News such as the Jefferson Lab's High Performance Data Facility and the shipyard, and that they were compiling a list of relevant stakeholders to invite to serve on the Committee.

#### Madison Government Affairs' Consultant Report

Mr. Hoege advised the Board that the Madison Government Affairs Report was in written format and asked if Board members had any comments or questions, and there were none.

At 9:29 a.m. Mr. Bell 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 Investment of Public Funds (6) for the following purposes and subjects: (3) Discussion or consideration of the acquisition of real property for a public purpose or of the disposition of publicly held real property where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, the subject of which is a proposed property acquisition in the northern section of the City; a proposed property disposition in the central section of the City; and a proposed property acquisition in the southern 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 an existing business' unannounced expansions in the central section of the City; an existing business' unannounced expansion in the southern section of the City; and an unannounced prospective business locating in the southern section of the City; and, (6) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, the subject of which is negotiations in the north and central sections of the City. Ms. Williams seconded the motion which passed unanimously on a roll call vote.

At 10:32 a.m., the EDA/IDA Board returned to open session following a certification motion by Mr. Bell, 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 unanimously on a roll call vote.

#### Action(s) Coming Out of Closed Session

Mr. Hoege introduced a Motion to authorize the acquisition of 294 Dozier Road at an agreed-upon purchase price of \$225,000, from the heirs of the estate of Estelle Redcross, as a strategic acquisition supporting encroachment mitigation around Fort Eustis, subject to the review and approval of all documentation by EDA Legal Counsel. Mr. Bell so moved and Mr. Miller seconded the motion, which passed unanimously on a roll call vote.

#### Innovation Team Sublease – Tech Center Building One

Mrs. Kingston informed the Board that staff had been assisting the City Manager's Office with finding space for its growing Innovation Program team. She shared that the Innovation Program's mission is to analyze City services delivery and process management functions, key performance measuring and identifying areas where improvements can be made. Mrs. Kingston said that City Hall cannot accommodate the Innovation Program team in one space at this time and other vacant City spaces are not immediately available. She shared that in coordination with and at the direction of the City Manager's Office, Tech Center has been identified as an ideal location for the Innovation Program. Mrs. Kingston stated that Tech Center Building One has a 1,534-square-foot, built-out space, which is immediately available on the third floor under a sublease from Colliers, which vacated the space but continues a lease obligation with the building owner, Building One @ Tech Center, LLC.

Mrs. Kingston informed the Board that an assortment of cubicle walls, furniture, fixtures, appliances and equipment in very good condition remain in the space and that Colliers is willing to permit use of these with a sublease term that coincides with expiration of its lease with the owner in November 2025. She shared that another major benefit was the close proximity of the Virginia Tech offices next door, adding that Executive Director Brett Malone was very interested in having Mr. McDaniel's team close-by and interacting with his team. Mrs. Kingston stated that more permanent space was envisioned in Building Two, co-located with Virginia Tech, and with buildout customized to suit both offices. She said that

Mr. McDaniel had toured the space and recognizes this is a near-term, interim measure to land the Innovation Program until more permanent space is established in Tech Center.

Mrs. Kingston informed the Board that the City Manager requested that the EDA secure this space on behalf of the City, with the City providing the required funding for the sublease. She stated that an EDA sublease would assume the same rent rate that Colliers currently pays for the space, which is a full-service rate of \$29.50 per square foot, or about \$3,771 per month. Mrs. Kingston shared that Colliers has agreed to remove a scheduled 3% escalation this November and has also agreed to forgo any potential pass-through costs normally charged to tenants under the prime lease for unanticipated operating costs. She informed that Board that this will ensure City budgeting can remain predicable and steady.

Mrs. Kingston noted that if the space were needed beyond November 2025, a new lease with the building owner would need to be negotiated. She stated that staff was recommending authorization to finalize and execute this sublease, subject to review and approval of all documents by EDA Counsel. Mrs. Kingston added that she was excited to have this opportunity to support the City Manager's Office and its Innovation Program in securing a location for its offices, as well as having them located in Tech Center.

Mr. Hoege introduced a Motion to authorize execution of an Agreement of Sublease between the EDA and Colliers International Virginia, LLC, connected with the Newport News Innovation Team's use of 1,534 square feet of office space in Building One at Tech Center, at a rate of \$3,771.08 per month, for a maximum term ending on November 4, 2025, subject to review and approval by EDA Legal Counsel. Mr. Bell so moved and Ms. Williams seconded the motion, which passed unanimously on a roll call vote.

#### Committee Reports

Mr. Hoege called for the Committee Reports. Mr. Bell presented the Design Review Committee report, which passed unanimously on a roll call vote. Ms. Williams presented the Executive Committee report, which did not require Board ratification. Mr. Bell presented the Revolving Loan Fund Committee report, which passed unanimously on a roll call vote.

Approval of Minutes of the Regular Meeting of March 1, 2024

Mr. Hoege asked for approval of the Minutes of the Regular Meeting of March 1, 2024. Mr. Bell so moved and Ms. Williams seconded the motion, which passed unanimously on a roll call vote.

EDA Strategy Discussion

Mr. Hoege reminded the Board of his goal of establishing a regular dialogue around EDA strategy to clearly articulate a unified approach behind all the economic development work done by the Board. He further reminded the Board that the objective was not to develop a strategic plan because the City already has a strategic plan, but that discussions would help Board members formulate a unified understanding and expression of Newport News' goals and opportunities in relation to recent major investment announcements such as the Jefferson Lab's High Performance Data Center and forthcoming contracts for Newport News Shipbuilding.

Mr. Hoege reviewed with the Board the lists that were compiled at the February meeting of Newport News' assets that create the most excitement, as well as areas of concern. The group discussed and added valuable attributes such as the central geographical location of the City, tourism opportunities, significant green spaces and the proximity to the water. Areas of concern included a lack of public access to the waterfront, general community engagement and understanding about local government, inability to retain local college graduates, a need for more affordable housing, and the negative perception of the public school system. Mr. Hoege told the group that he envisioned these strategic conversations to continue and help the Board understand how its work contributes to the City's overall strategic plan and community-wide improvements.

Vice Mayor Bethany stated that he appreciated the work done by the Board, as well as the conversations during the Board Meeting. He expressed gratitude to participate and fully understand the dynamics of the EDA/IDA.

Unfinished Business

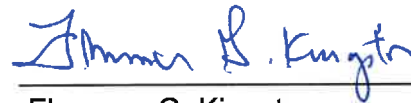
Mr. Hoege asked for any unfinished business, and there was none.



New Business

Mr. Hoege asked for any new business, and there was none.

There being no further business to come before the Board, Mr. Hoege adjourned the meeting at 11:28 a.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:** April 5, 2024

The Design Review Committee met on March 21<sup>st</sup>. The Committee considered a request by ATCS on behalf of Tech Center II, LLC for approval of a proposed building construction at 809 Diligence Drive in Oyster Point Phase II of Newport News. Upon review, the Committee voted to recommend approval of the request, subject to all applicable City codes and regulations; however, the location of signs as illustrated in their filing has been postponed for review until resubmission of a complete sign package.

Staff additionally reported that one administrative approval was processed on January 24<sup>th</sup> for approval of a fence design/color selection for the previously approved outdoor, fenced seating area request by Heyman Investment Group at 11820 Fountain Way, Suite 100, in City Center.

This Report requires Board ratification.

  
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Faye P. Gargiulo by Alonzo Bell, Jr.

FPG:brt

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Date, Time and Location: March 21, 2024, at 8:00 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA 23606

Members Present: Faye P. Gargiulo, Alonzo Bell, Jr., Thomas P. Herbert, Robert D. Mann, Teresa Nettles, Syliva S. Weinstein Craft, Elizabeth W. Willis

Members Absent: Cathy T. Williams, Carl Breiner



**ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY**

**TO:** Board of Directors  
**FROM:** Chair, Executive Committee  
**SUBJECT:** Chair's Report  
**DATE:** April 5, 2024

The Executive Committee met on March 25<sup>th</sup>. The Committee received a presentation by representatives of the Department of Engineering on a planned reconfiguration of the Oriana Road / Warwick Boulevard intersection. The presentation was provided because of the potential implications for redevelopment of the adjacent EDA-owned property (the former Kmart site and two adjoining EDA parcels), as well as the timing of the public meeting prior to the April EDA Board Meeting.

Bryan Stilley, Assistant Director of Engineering, explained that the project will reconfigure the existing signalized intersection at Warwick Boulevard and Oriana Road by eliminating the ability to travel east/west across Warwick Boulevard. The reconfiguration is designed to reduce points of conflict and improve the north / south flow on Warwick Boulevard. Engineering first began planning and seeking grant funding in 2017 due to safety concerns, particularly collision and injury data.

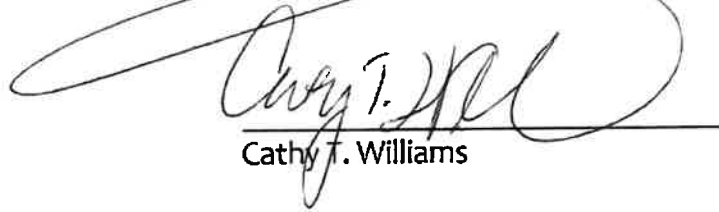
Design work was completed in November 2023 and construction is scheduled to begin by the end of the calendar year. The work is 100% grant-funded through a Highway Safety Improvement Program Grant. The Committee was appreciative of receiving additional information about the planned project and detail behind the rationale for the improvements.

Executive Committee Chair's Report

April 5, 2024

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The Committee's remaining items were handled in closed session. This report does not require Board ratification.



Cathy F. Williams

CTW:jer

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Date, Time and Location: March 25, 2024, at 12:00 pm at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Howard Hoega, Jameka Johnson, Jonathan Skinner, Cathy Williams

Members Absent: none



**ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY**

**TO:** Board of Directors  
**FROM:** Chair, Revolving Loan Fund Committee  
**SUBJECT:** Chair's Report  
**DATE:** April 5, 2024

The Revolving Loan Fund Committee met on March 28<sup>th</sup>.


Staff presented three (3) Southeast Community Modified Façade Improvement Grant (SCMFIG) Program requests and two (2) Façade Improvement Grant (FIG) Program requests.

- Southeast Community Modified FIG request for \$9,132 from Shirod Payne & Mikeysha Payne to include door and window replacement at 3112 Chestnut Avenue.
- Southeast Community Modified FIG request for \$10,000 from C.S. Grocery, LLC. to include replacing the roof, siding, trim, gutters and shingles at 2400 Oak Avenue.
- FIG request for \$10,000 C.S. Grocery, LLC. to include replacing the roof, siding, trim, gutters and shingles at 2400 Oak Avenue.
- Southeast Community Modified FIG request for \$10,000 from Ray Onnie Taybron to include replacing doors and windows at 2800 Roanoke Avenue.
- FIG request for \$3,426 from Ray Onnie Taybron to include replacing doors and windows at 2800 Roanoke Avenue.

Revolving Loan Fund Committee Chair's Report  
April 5, 2024  
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All FIG requests were unanimously approved.

This Report requires Board ratification.

  
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Alonzo R. Bell, Jr.

**ARB:tfw**

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Date, Time and Location: March 28, 2024, at 3:00p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Alonzo Bell, Jameka Johnson, R.C. Miller, George Knight, John Lunsford and Sharon Owens-Clark

Members Absent: None