

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 September 6, 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.
Faye P. Gargiulo
Jameka R. Johnson
R.C. Miller
Jonathan P. Skinner
Cathy T. Williams
Alan Archer, City Manager, ex-officio
Florence G. Kingston, Secretary/Treasurer, ex-officio

Absent:

None

Legal Counsel:

Raymond H. Suttle, Jr.

Staff:

Joy Robison, Assistant Secretary
Jessica Jacobs, Recording Secretary

Also present:

Katie Babb, Manager, Brown, Edwards & Company, L.L.P.
Mark Butcher, General Manager, Newport News Marriott at City Center
Ralph "Bo" Clayton, Assistant City Manager
Bob Pealo, City Attorney
Vanessa Carter, Assistant City Attorney
Virginia Lovell, Director, Finance
Joshua Janney, City Reporter, *Daily Press* and *The Virginian Pilot*

Call to Order

Mr. Hoege opened the meeting and welcomed everyone. He introduced Virginia Lovell as the new Director of Finance.

Newport News Marriott at City Center

Mrs. Kingston reminded the Board that when the Newport News Marriott and Conference Center was developed in 2005, the EDA entered into a Joint Marketing Agreement (JMA) with the developer to contribute to the cost of marketing the conference center in a variety of ways to promote City Center, Newport News and the Peninsula as a desirable destination for meetings, conferences, and events. She stated that the EDA contributes \$300,000 per year to this effort, and that funds can be used for expenses including print and digital advertising for the hotel and conference center and for promotional items and payment of salaries for meeting event coordinators. Mrs. Kingston said that each year about this time, we receive a report of conference center accomplishments and activities for the previous year from the hotel's management. She added that, at the same time, we receive a report from an independent certified public accounting firm, Brown Edwards, reviewing the expenditures under the JMA and ensuring conformance. Mrs. Kingston stated that, today, Ms. Katie Babb with Brown Edwards would provide the expense review report and then Mr. Mark Butcher from the Marriott would provide the 2023 activity review.

Ms. Babb reported that Brown, Edwards & Company, L.L.P. had performed a review under an Agreed-Upon Procedures Agreement of the marketing transactions of Oyster Point Hotel Associates (OPHA) for the Marriott Conference Center for the year ending December 31, 2023, to ensure compliance with the Joint Marketing Agreement between the EDA, OPHA and the City. She said that they reviewed supporting documentation for approximately 97% of the total expenditures and upon review agreed that the expenses were for the qualified marketing expenses under the Joint Marketing Agreement. Ms. Babb stated that no exceptions were found and there were no findings to report.

Mr. Butcher greeted and thanked the Board. He stated that the Marriott at City Center continued to be the only full-service Marriott on the Peninsula, which hosted an array of events throughout 2023. Mr. Butcher shared that travelling celebrities and dignitaries from both the U.S. and abroad have chosen to stay at the Newport News Marriott while visiting the local region. He stated that there were currently 105 full and part-time employees, and that employment continues to grow.

Mr. Butcher said that the Newport News Marriott at City Center has positively impacted the Newport News economy through employment and experienced a significant increase in taxable revenue against prior years. He stated that while weddings and social events remained strong in 2023, the sports market had also made a significant recovery. He noted that the hotel has remained committed to continuing a sustainable impact on the local community, which is done through environmental practices and partnering with local producers and service firms. Mr. Butcher shared that guest satisfaction and event satisfaction has created repeat visitors and has continued to improve year over year, adding that through event survey results, the hotel and conference center have achieved excellence in all Marriott key metrics, ranking 13th in the company.

Mr. Butcher informed the Board that the hotel's ownership was currently coordinating a total renovation for both the conference center and hotel including a refresh of the gym and restaurant, which would relicense the Marriott brand for an additional 20 years. He stated that 75% of the guest room bathrooms would be upgraded with walk-in showers and would feature Ferguson products to showcase the local partnership.

Mr. Butcher asked if there were any questions. Ms. Gargiulo asked if 2019 was still the benchmark for success, and Mr. Butcher stated the Newport News Marriott was excited to have surpassed previous years and is creating new benchmarks post covid. There was additional discussion about maximizing the JMA funding and its value in securing new conference and event interest.

Secretary/Treasurer's Report

Mrs. Kingston informed the Board that in mid-July, staff submitted Newport News' Annual Enterprise Zone Reports to the Virginia Department of Housing and Community Development (DHCD). She said that staff was pleased to share that Newport News continues to remain among the top communities with the most active zones. Mrs. Kingston stated that in 2023, 30 Newport News property owners and businesses applied for the state's Real Property Investment Grant and Job Creation Grant, with our applicants receiving \$2.7 million in state grants, or 17.8% of all state grants awarded. She shared that these applicants invested over \$54 million and hired 293 people.

Mrs. Kingston shared that later in September, staff will submit an application for a 5-year extension to Zone #31, Newport News North. She noted that, initially approved by the Governor in 2015, this Zone expires at the end of the year, adding that the renewal is administratively handled by DHCD's staff. Mrs. Kingston reminded the Board that nearly every major industrial and commercial submarket is in one of our Newport News' zones and

that staff actively evaluates and amends boundaries to maintain alignment with the City's Comprehensive Plan, Area Plans and Strategic Plan, removing areas no longer eligible and aligning boundaries with the City's strategic priorities. She stated that this year, staff has conducted a thorough and comprehensive review of our zone boundaries and are preparing boundary amendment applications, and that these applications will require City Council approval at an upcoming meeting.

Mrs. Kingston reminded the Board that the goal of the Virginia Business Ready Sites Program (Program) is to help prepare industrial sites across the Commonwealth for new business development. She said that on January 10, 2024, staff submitted an application to advance Air Commerce Park East and West from Tier 2 to Tier 3 status by completing the required due diligence studies that include a Phase 1 Environmental Site Assessment, cultural resources report, threatened and endangered species report, geotechnical reports and formal wetlands delineation and confirmation. She stated that the Governor announced the awards on August 8, 2024 and included \$327,600 for due diligence studies at Air Commerce Park, adding that there were over \$700 million of site readiness project applications and only \$126 million to distribute. She said that the current estimated cost for the various engineering reports is \$436,800, and that the Program will provide a 75% match, up to \$327,600, and that the EDA portion is estimated to be \$109,200. She additionally stated that staff has prepared a request for proposals for these services which will be issued during the following week.

Mrs. Kingston said that VEDP provided a Performance Agreement for the VBRSP grant, which has been reviewed by staff and counsel. She additionally stated that recognizing the time it takes to complete wetlands work, staff requested a proposal from Kimley-Horn for the completion of a wetlands delineation and jurisdictional determination for IDA-owned property at 12640 McManus Boulevard and the surrounding area in Air Commerce Park West. She stated that in order to accelerate this work, she would be seeking authorization at the end of her report for the VBRSP Performance Agreement with VEDP, as well as authorization of the contract and funding for Kimley-Horn to complete the wetlands work.

Mrs. Kingston shared that staff is progressing with the application requirements needed to rezone the Carleton Site at 165 and 185 Yorktown Road from R-9 mixed-use residential to M-1 industrial. She stated that the civil engineering consultant TRC has completed most of the due diligence items, adding that staff is currently working with the Department of Engineering on the traffic impact report requirements which will take several more months to complete. Mrs. Kingston advised the Board that once the Carleton Site receives the M1 zoning designation, staff will submit the rezoning due diligence materials to VEDP to help elevate the site from Tier 2 to Tier 3 site readiness status.

Mrs. Kingston invited the Board Members to mark their calendars for Thursday, September 19th at 4:00 p.m. for an event with partners at W.M. Jordan and the Newport News Public Art Foundation for a "3-for-1" event at Tech Center Research Park beginning with the long-awaited ribbon cutting for Building 2, followed by a ribbon cutting for the highly anticipated installation of *Starfinder*, and culminating with a block party featuring entertainment and food trucks at the Drillfield.

Mrs. Kingston said 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 said she was excited to share that since the Board meeting began, Governor Youngkin had issued a press release announcing the expansion at Canon Virginia, Inc.'s manufacturing facility in Newport News. She stated that Canon's expansion will support a new initiative to scale a unique method of isolating natural silk protein solution that will have applications for multiple industries. She said staff was glad to see Canon's continued reinvestment in the City and will be working with Canon on applicable local incentives.

Mrs. Kingston offered City Manager Alan Archer the opportunity to make comments. Mr. Archer reminded the Board that the City Council and EDA/IDA joint retreat has been scheduled for October 3rd and would be held at the Riverside conference room in City Center. He said that City Council was excited for the engagement and looked forward to the collaboration.

Mr. Hoege introduced a Motion to Authorize execution of a Performance Agreement by and between the EDA and Virginia Economic Development Partnership Authority, in connection with the approved Virginia Business Ready Sites Program Grant for Air Commerce Park East and West, and any other documents necessary to effectuate the implementation of the associated due diligence and site readiness work at Air Commerce Park East and West, subject to review and approval of all documentation by EDA Counsel. Mr. Bell so moved and Ms. Williams seconded the motion, which passed unanimously on a roll call vote.

Mr. Hoege introduced a Motion to Authorize a contract with Kimley-Horn and Associates, Inc. for a wetlands delineation and jurisdictional determination for IDA-owned land at 12640 McManus Boulevard and surrounding area in Air Commerce Park West, and funding in an amount not to exceed \$67,000, which includes a small contingency. Mr. Bell so moved and Ms. Gargiulo seconded the motion, which passed unanimously on a roll call vote.

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.

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 9:45 a.m. Mr. Bell moved for the Authority to go into a closed meeting pursuant to VA Code Section §2.2-3711.A: Appointments (1), Real Estate (3), Prospective Business (5), and Investment of Public Funds (6) for the following purposes and subjects: (1) Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body, the subject of which is the potential appointment of new board members. (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 central section of the City, and two proposed property dispositions 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 a prospective business' interest in the central section of the City, a prospective businesses' interest in the southern section of the City, and an existing business' unannounced expansion in the southern section of the City. Ms. Williams seconded the motion which passed unanimously on a roll call vote.

At 11:11 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. Johnson seconded the motion which passed unanimously on a roll call vote.

Action(s) Coming Out of Closed Session

There were no motions coming out of closed session.

Committee Reports

Mr. Hoege called for the Committee Reports. Ms. Gargiulo 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. Miller presented the Marketing 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. Ms. Johnson presented the South Newport News Committee report, which did not require Board ratification.

Approval of Minutes of the Regular Meeting of August 2, 2024

Mr. Hoege asked for approval of the Minutes of the Regular Meeting of August 2, 2024. Mr. Bell so moved and Ms. Johnson seconded the motion, which passed unanimously on a roll call vote.

EDA Strategy Discussion

Chair Hoege stated that the EDA/IDA and City Council retreat is scheduled for Thursday, October 3, 2024, and will focus specifically on economic development strategies and goals. He said that as such, this agenda item would be skipped for the current meeting to allow for a more comprehensive discussion at the upcoming retreat.

Unfinished Business

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

New Business

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

There being no further business to come before the Board, Mr. Hoege adjourned the meeting at 11:21 a.m.

A handwritten signature in blue ink, reading "Florence G. Kingston", written over a horizontal line.

Florence G. Kingston
Secretary/Treasurer



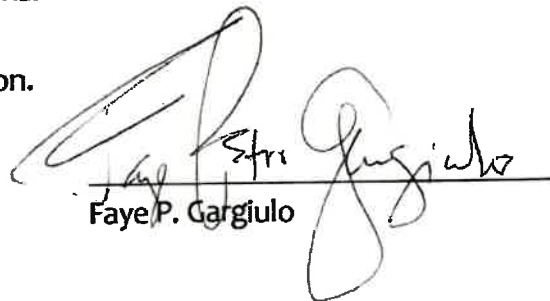
**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, Design Review Committee
SUBJECT: Chair's Report
DATE: September 6, 2024

The Design Review Committee met on August 15th. The Committee considered a request by Colliers on behalf of Tech Solutions, for approval of an elevation depicting a proposed non-illuminated, building-mounted sign at 707 Mariners Row, Suite 105 in City Center at Oyster Point. The Committee voted to recommend approval of the request, subject to all applicable City codes and regulations.

The Committee considered a request by James River Signs on behalf of Reese Family Services, for approval of a rendering depicting a proposed monument sign face change at 804 Omni Boulevard in Oyster Point of Newport News. The Committee voted to recommend approval of the request, subject to all applicable City codes and regulations.

This Report requires Board ratification.



Faye P. Gargiulo

FPG:brt

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Date, Time, and Location: August 15, 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, Bryan Trainum

Members Absent: Cathy T. Williams, Sylvia S. Weinstein Craft, Elizabeth W. Willis



**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors

FROM: Chair, Executive Committee

SUBJECT: Chair's Report

DATE: September 6, 2024

The Executive Committee met on August 20th. The Committee was informed that on August 8th, the City was awarded \$327,600 from the Virginia Business Ready Sites Program (VBRSP) to perform due diligence studies at AirCommerce Park to include a Phase 1 environmental site assessment, a cultural resources report, a threatened and endangered species report, and a formal wetlands determination. The VBRSP funding, along with the EDA's 25% required match of \$109,200, will elevate the site readiness of AirCommerce Park East & West from Tier 2 to Tier 3 status and better position it for future development.

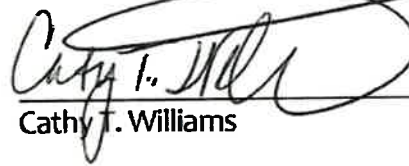
Staff presented an update on the design progress of the Virginia Peninsula Community College Workforce Training Center in the Southeast Community, noting that building plans are advancing to 65% completion and that the site plan is anticipated to be complete by August 30th and submitted to the Planning Department for review.

The Committee received an update on the rezoning of the Carleton tract from R-9 Mixed Use Residential to M-1 Industrial. TRC Engineering has completed the rezoning application and submitted it for Planning Department review and inclusion on an upcoming Planning Commission agenda. The rezoning would then go to City Council for approval, and once the site has been approved for industrial use, staff will submit the due diligence materials necessary to elevate the site from Tier 2 to Tier 3 readiness.

Executive Committee Chair's Report
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Mrs. Kingston informed the Committee that Jameka Johnson, whose first term is expiring on December 31, 2024, has decided that she would not seek reappointment to the Board due to professional and personal competing priorities. Additionally, Alonzo Bell's and Faye Gargiuolo's terms are set to expire at the end of the year. Since Alonzo has served the maximum number of terms, he cannot be reappointed. Faye would like to remain on the Board and be reappointed. Therefore, there will be two open positions on the EDA/IDA Board for which we will need to have recommendations for City Council to consider for appointment at its September 10th meeting. She asked Committee members to please come prepared to discuss recommendations at the September 6th EDA/IDA Board meeting.

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



Cathy T. Williams

CTW:jer

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Date, Time and Location: August 20, 2024, at 12:00 pm at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Howard Hoega, Jonathan Skinner, Cathy Williams

Members Absent: Jameka Johnson



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors
FROM: Chair, Marketing Committee
SUBJECT: Chair's Report
DATE: September 6, 2024

The Marketing Committee met on August 15th. Asa Jackson, Co-Founder and Executive Director of the CAN Foundation, was the featured guest. Mr. Jackson spoke about the arts landscape in Hampton Roads, the evolution of the Contemporary Arts Network, art as a local economic driver and the potential for regional collaboration through the arts.

This report does not require Board ratification.

A handwritten signature in black ink, appearing to read "R.C. Miller", is written over a horizontal line.

R.C. Miller

RCM:mb

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Date, Time and Location: August 15, 2024 at 10:30 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: R.C. Miller, Faye Gargiulo, Jonathan Skinner, JB Crowley, Tyler Neese, Ryan Sparks

Members Absent: none



ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Revolving Loan Fund Committee

SUBJECT: Chair's Report

DATE: September 6, 2024

The Revolving Loan Fund Committee met on August 28th. Committee members were provided financial statements for the Newport News Capital Fund (NDCF) Loan Program as of June 30, 2024.

Mr. Turner provided a verbal update to the Committee on the Façade Improvement Grant (FIG) Program, which included funds committed and spent to date. The Committee was curious as to the percentage of Newport News contractors utilized in the program. Staff shared that they would look back through previously completed FIG projects to compile some historical information on utilized contractors.

Mrs. Wilson shared that discussions were still ongoing regarding revisions to the NDCF Loan Program which should be finalized within the next few months.

Staff presented two (2) Façade Improvement Grant (FIG) Program requests.


- FIG request for \$20,000 from George Elkadios to include roof, door and window replacement, tree removal, lighting improvements and painting at 1804 Jefferson Avenue.

Revolving Loan Fund Committee Chair's Report
September 6, 2024
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- FIG request for \$20,000 from Mohamed Krifli to include soffit vent replacement, painting and roof removal and replacement at 2209 Wickam Avenue.

Both FIG requests were unanimously approved.

This Report requires Board ratification.



Alonzo R. Bell, Jr.

ARB:tfw

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Date, Time and Location: August 28, 2024, at 12:30p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

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

Members Absent: Jameka Johnson



**ECONOMIC DEVELOPMENT AUTHORITY
INDUSTRIAL DEVELOPMENT AUTHORITY**

TO: Board of Directors
FROM: Chair, South Newport News Committee
SUBJECT: Chair's Report
DATE: September 6, 2024


On July 9th, the South Newport News Committee convened and was provided a tour of the Newport News Early Childhood Development Center located at the corner of Jefferson Avenue and 14th Street. This facility will play a key role in the broader master plan for the Choice Neighborhood Initiative, Marshall-Ridley Neighborhood redevelopment.

The tour was led by Ms. Jennifer Parish from Peake Childhood Center, the organization tasked with overseeing the programming and daily operations of the center. During the visit, Ms. Parish provided an in-depth overview of the facility, designed to serve as a daycare center for children ranging from infants to five years old. The facility is uniquely designed with 15 age-specific, color-coordinated classrooms and has the capacity to accommodate 200 children from the surrounding region. Its distinctive U-shaped structure encloses an outdoor learning area that features multiple age-appropriate playgrounds and water play area, offering a rich environment for early childhood development.

Ms. Parish also highlighted the partnership between Peake Childhood Center and Virginia Peninsula Community College (VPCC), which will offer sliding-scale tuition for low-income families. Additionally, VPCC will train the next generation of childcare professionals through an on-site training program at the center.

South Newport News Committee Chair's Report
September 6, 2024
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The tour was both detailed and informative, and everyone who participated thoroughly enjoyed the experience. It was evident that the Early Childhood Development Center will be a significant asset to the community. Committee members were deeply impressed with the facility and its potential impact on early childhood development.



Jameka R. Johnson

JRJ:dit

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Date, Time and Location: July 9, 2024, 4:00 pm Newport News Early Childhood Development Center

Members Present: Jameka Johnson, Alonzo Bell, Jr., Howard Hoegel, III, Carl Burt, Richard Coleman, Troy Smith, Jr.

Members Absent: None