

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. Williams called the meeting to order at 11:00 a.m. on June 3, 2025, in the EDA/IDA Board Room at 11820 Fountain Way, Suite 301, Newport News, Virginia.

Those members present were:

Cathy T. Williams, Chair  
Jonathan P. Skinner, Vice Chair  
Xavier Beale  
Daniel Chenoweth  
Faye P. Gargiulo  
Nicole Guajardo  
R.C. Miller  
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

Also present:

Bob Pealo, City Attorney  
Jody Saunders, Director of Communications  
Kim Bracy, Communications and Media Relations Manager

Call to Order

Ms. Williams opened the meeting and welcomed everyone.

Seafood Industrial Park Parcel 1-A

Mrs. Kingston informed the Board that on May 13<sup>th</sup> City Council approved a lease with the EDA for Seafood Industrial Park (SIP) Parcel 1-A to support the Seafood Market project and to accommodate the continued presence of Lucky Dog – a business operating a fleet of crabbers at the head of the SIP. She said that EDA authorization is required to lease Parcel 1-A from the City as well as approve the sublease of Parcel 1-A-1 to Lucky Dog. Mrs. Kingston added that staff has been coordinating with Lucky Dog on the upcoming City-led dredging and dock improvement project, and that the design for the seafood market project was nearing completion with construction expected to commence this summer.

Mrs. Kingston stated that due to the role that the EDA will have in the development and management of the seafood market, it was appropriate for the EDA to lease Parcel 1-A, excluding the bulkhead area, from the City, and to facilitate a sublease with Lucky Dog to support the maintenance of its business operations. She explained that the proposed lease for Parcel 1-A between the City & EDA provides for an initial term of twenty (20) years, with one (1) successive renewal term of twenty (20) years. She noted that the EDA will not pay a fixed rent to the City for the lease, but that any base rent collected from the sublease to Lucky Dog for a portion of Parcel 1-A (referred to as Parcel 1-A-1) will be remitted to the City. The sublease with Lucky Dog includes a term of 5 years and a base rent of \$997.25 per month. She stated that when the dredging and dock construction commences, Lucky Dog will temporarily vacate a portion of its premises to a modified area that will allow for the work to be completed and minimize disruption to their operations, and that during this period Lucky Dog's rent will be reduced to \$308.16 per month. After the construction period, Lucky Dog will resume full occupancy of the premises, including the new docks, and rent will resume at the full rate. Mrs. Kingston said that these projects are all very exciting and staff is working diligently to coordinate and drive positive outcomes for all the stakeholders as this portion of the SIP is transformed.

Ms. Williams asked for any questions, and there were none. Ms. Williams introduced a Motion to authorize execution of a Deed of Lease between the City of Newport News and the EDA for Seafood Industrial Park Parcel 1-A, with an initial twenty (20)-year term, subject to review and approval by EDA Legal Counsel. Dr. Guajardo so moved, and Mr. Miller seconded the motion which passed unanimously on a roll call vote.

Ms. Williams introduced a Motion to authorize execution of a Deed of Sublease between the EDA and Lucky Dog Crab and Seafood Company, LLC for Seafood Industrial Park Parcel 1-A-1, with a five (5)-year term and an initial rent of \$.45 per square foot, or \$997.25 per month, subject to review and approval by EDA Legal Counsel. Mr. Skinner so moved, and Ms. Garguilo seconded the motion which passed on unanimously on a roll call vote.

#### Seafood Industrial Park Parcel 1

Mrs. Kingston reminded the Board that they had been briefed previously regarding the ongoing coordination with Fernandez Fisheries and its operations in the Seafood Industrial Park (SIP), and that today staff was prepared to seek EDA approval to sublease a portion of Parcel 1 to Fernandez Fisheries as well as approve a scope of work for the construction of a warehouse building. She said that Fernandez Fisheries is an important contributor to the seafood industry and local economy – owning and operating four fishing trawlers to harvest sea scallops and shrimp, which are processed by other businesses in the SIP. The company has been based in the SIP for over two decades.

Mrs. Kingston stated that staff has been working with Fernandez on a permanent solution to its site challenges that include the construction of a new warehouse building supporting its operations and that the proposed deal structure includes leasing the property from the EDA and that the EDA will construct the needed warehouse building and sublease it to Fernandez. In summary, Fernandez has fully-agreed to the following terms: EDA will enter into a lease of SIP Parcel 1 from the City to support Fernandez, EDA will sublease the lease area to Fernandez Fisheries for an initial 5-year term with 5-year renewal option, EDA will contract for the construction of the 2,500 SF warehouse building required for Fernandez' operations (estimated at \$450,000), Fernandez will continue to pay its current rent and mooring fees which would be passed through to the City, to offset costs of construction, Fernandez will pay additional rent at a stepped up rate over the first 5-year term – starting at \$5/SF in Year 1, escalating to \$9/SF in Year 5, with the renewal term at \$10/SF. Mrs. Kingston said that Fernandez is agreeable to this approach and is appreciative of the EDA's support in the work. She said that staff is working to coordinate City Council's approval to lease Parcel 1 to the EDA at its June 24<sup>th</sup> meeting. The lease will mirror the structure of the Parcel 1-A lease, with an initial 20-year term and 20-year renewal, and with the EDA not paying fixed rent, but remitting any base rent connected with any subleases to the City.

Mrs. Kingston said she was seeking Board action on three items: 1) approval to execute the lease of Parcel 1 from the City, 2) approval to execute the sublease of Parcel 1 to Fernandez, and 3) authorization of the scope of work submitted by Centennial Construction as well as the funding necessary to construct the warehouse building.

Ms. Williams introduced a Motion to authorize execution of a Deed of Lease between the City of Newport News and the EDA for Seafood Industrial Park Parcel 1, with an initial twenty (20)-year term, subject to review and approval by EDA Legal Counsel. Mr. Miller so moved, and Mr. Skinner seconded the motion which passed unanimously on a roll call vote.

Ms. Williams introduced a Motion to authorize execution of a Deed of Sublease between the EDA and Fernandez Fisheries, LLC for Seafood Industrial Park Parcel 1, for an initial term of five (5) years, and an initial rent of \$.45 per square foot, or \$992.48 per month, subject to review and approval by EDA Legal Counsel. Mr. Skinner so moved, and Dr. Guajardo seconded which passed unanimously on a roll call vote.

Ms. Williams introduced a Motion to authorize execution of a scope of services with Centennial Contractors Enterprises, Inc. in connection with the construction of a 2,500 square foot warehouse building on Seafood Industrial Park Parcel 1, and funding in the amount of \$500,000, which includes a contingency, subject to review & approval by EDA Legal Counsel. Ms. Gargiulo so moved, and Mr. Chenoweth seconded which passed unanimously on a roll call vote.

Virginia Department of Housing and Community Development (DHCD), Port Host Communities Revitalization Fund (PHCRF) Grant for Dock Improvements at 917 Jefferson Avenue

Mrs. Kingston said that the Seafood Market is a Critical Community Improvement project within the Transformation Plan for the Marshall-Ridley Choice Neighborhood. She stated that in December 2024, the EDA was awarded \$800,000 from DHCD's Port Host Communities Revitalization Fund program to support the Seafood Market and that she was seeking the EDA's authorization of documents necessary to implement the grant.

Mrs. Kingston explained that the Seafood Market project grew from community residents' desires to have access to fresh seafood options, and that the new facility will serve as a community amenity and tourist destination within the Southeast Community in addition to supporting small food-based entrepreneurs and seafood processors within the Seafood Industrial Park. She said that the Seafood Market's design has reached 100% design completion and staff has been coordinating with the City's Engineering and Purchasing departments to prepare the invitation for bids to be issued this summer.

Mrs. Kingston stated that the complementary projects underway at the north end of the SIP harbor, including the dredging and dock improvements previously discussed, will increase capacity and support for watermen working out of the SIP and will include also installation of

a public dock for recreational boaters visiting the market. She said this project would also be bidding soon and is supported by \$800,000 from the PHCRF program awarded to the City in the prior funding round, and in order to formalize the \$800,000 FY25 PHCRF grant award to the EDA, execution of a grant agreement between the EDA & DHCD is required.

Mrs. Kingston reported that, additionally, one of the PHCRF program requirements is the execution of a Restrictions Agreement for a period of five years to ensure the site will remain in its intended use as a market facility and that evidence of the recorded deed covenant must be provided prior to the expenditure of any PHCRF grant funds. She said it was exciting to receive this additional funding support from the Commonwealth for this impactful project, and that staff is continuing to pursue other potential grant sources. To effectuate the grant award Mrs. Kingston said she was requesting Board authorization to execute all documents necessary for the implementation of the FY25 PHCRF grant, including the grant contract and deed covenant.

Ms. Williams introduced a Motion to authorize that certain Agreement by and between the Virginia Department of Housing and Community Development and the EDA, in connection with the EDA's approved \$800,000 Port Host Communities Revitalization Fund Grant supporting construction of the Newport News Seafood Market, and any and all documentation needed to implement the grant award, subject to review & approval of all documentation by EDA Legal Counsel. Mr. Beale so moved, and Mr. Chenoweth seconded the motion which passed unanimously on a roll call vote.

#### Canon Virginia, Inc.'s Project Silk

Mrs. Kingston relayed that last September, the Governor announced that Canon Virginia, Inc. would expand their operations in Newport News to support Project Silk, or Project S, and since that time, staff has been working with the company on the agreement for the local ERCR incentive, which is ready for EDA approval. She reminded the Board that Project S represents Canon's newest initiative to accomplish the company's next generation manufacturing and includes the development a scalable method of separating fibers and structures from silkworm cocoons to create a solution with applications in food preservation. She said that the technology has significant distribution and supply chain implications in the foods market and that the company is investing \$21.3 million in facility improvements to house the new production line and \$15.8 million in new associated machinery and tools. In terms of jobs, Canon will retain and retrain 30 employees with an average salary of \$72,850.

Mrs. Kingston noted that based on Canon's investments and retraining of employees, the company qualifies for the Enterprise Zone Expansion/Relocation Cost Reduction Incentive

Grant (ERCR), which is a performance-based incentive, delivered over six years through a series of semi-annual grants equal to 50% of the net new taxes generated by the project, resulting in an estimated value of \$341,000 for our local incentive. She said that the project is also supported by the Commonwealth through the Virginia Investment Performance Grant (VIP), the Virginia Jobs Investment Program (VJIP) – both administered by VEDP – as well as an Enterprise Zone Real Property Investment Grant (RPIG) from the Department of Housing & Community Development (DHCD).

She stated that as outlined on the Project Summary sheet at Board Members' seats, in total, Canon's estimated incentives are 1) an ERCR of \$341,000, 2) a VIP of \$350,000, 3) a VJIP of \$30,000, and 4), an RPIG of \$200,000. Mrs. Kingston said she was pleased to see Canon's continuous commitment to Newport News and was seeking authorization of the ERCR Agreement with Canon for Project S.

Ms. Williams introduced a Motion to Authorize that certain Expansion/Relocation Cost Reduction Enterprise Zone Incentive Agreement by and between Canon Virginia, Inc. and the EDA, in connection with the Canon Virginia, Inc. project planned at 12000 Canon Boulevard, subject to review and approval by EDA Legal Counsel. Mr. Beal so moved, and Mr. Miller seconded the motion which passed unanimously on a roll call vote.

Ms. Williams asked for the Secretary/Treasurer's Report.

#### Secretary/Treasurer's Report

Mrs. Kingston said she was pleased to introduce the Department of Development's two summer interns, Megan Rinald and Bennett Keene. She stated that Megan is currently working toward her Master's degree in Urban and Environmental Planning at UVA and previously attended the University of Mary Washington obtaining both a BS in Environmental Science and a BA in German as an Honors Scholar. She then introduced Bennett Keene as a York County native who is pursuing a Master's degree in Urban and Regional Planning at Virginia Tech from where he also obtained his Bachelor's. She said she was pleased to have such highly qualified and dedicated young people join our team and was sure their time with staff would be impactful for them and for us.

Mrs. Kingston said that staff has been working closely with Riverside as it works to open its new Medical Residency Building at 11008 Warwick Boulevard, including coordination for Hampton Roads Transit (HRT) service to the new facility to improve accessibility for its staff and patients. She stated that Riverside's phased renovation work within the building has been progressing, and it is on track to begin initial occupancy within the next month. She

noted that HRT bus service to the building can be provided via Nelson Drive, however buses would be required to turn around utilizing EDA property, and since the buses would need to travel on private property in order to service a stop near the facility, HRT requires a license agreement with the landowner. Mrs. Kingston said that staff has worked with Ray and HRT's counsel to draft a license agreement between HRT and the EDA with an initial 10-year term, and she would seek a Motion at the end of her report to authorize it.

Mrs. Kingston informed the Board that, as part of its lease of 11008 Warwick Boulevard, Riverside has full utilization of the parking area at 89 Nelson Drive and has been approached by adjacent business, Warwick Mechanical Group, for short-term utilization of this parking area for its trucks and company vehicles. She said that based on Riverside's phased occupancy of the building, Warwick Mechanical Group's use of the 89 Nelson Drive would not affect Riverside's parking needs and Riverside has requested EDA approval of a parking sublicense agreement between Riverside Hospital, Inc. and Warwick Mechanical Group that would have a term through May 31, 2026, and a license fee of \$35/space/month. Riverside would continue to be responsible for the maintenance and operating costs of the parking area and that, given the limited term of the agreement and the benefit this will have for another key Newport News company, staff recommends approval of the parking sublicense agreement and has prepared a Motion for the end of her report.

Mrs. Kingston said that the EDA is responsible for funding maintenance and landscaping in the common areas and rights-of-way within Tech Center, and consistent with the MOU for Tech Center Research Park development, staff has worked with W.M. Jordan since the initial phase to design and facilitate enhanced landscaping, particularly along the former Hogan Drive (now Tech Center Parkway) and Innovation Parkway to ensure a high quality and consistent aesthetic throughout the development. She noted that with the completion of the Drill Field and new right-of-way, staff is working to pull those areas into the existing landscaping work. She said that W.M. Jordan has solicited bids for this work and secured a competitive proposal from Kurgan Landcare, Inc. for a 12-month annual renewable contract beginning July 1, 2025, through June 30, 2026. Kurgan has a positive track record of good performance with other landscaping projects managed by W.M. Jordan.

Mrs. Kingston said that the Kurgan proposal includes a base rate of \$67,500 annually for routine upkeep of turf, plant beds, pond banks and other related items and provides for additional as-needed services at varying frequencies, to include mulch installation, bush hog mowing, deer repellent applications and fire ant suppression, which would not exceed \$41,250 annually, making the total maximum 12-month cost \$108,750. Mrs. Kingston said that she recommends proceeding with this proposal and that the cost has been accounted

for in the EDA budget, and that she would seek a Motion of approval at the end of her report.

Mrs. Kingston stated that with each award from the Commonwealth's Development Opportunity Fund (COF), staff works closely with the company to track capital investment and job creation targets. She said that Aery Aviation LLC, a full-service commercial and government services provider to the aerospace industry, was awarded a COF grant in September 2021 and that the project involved Aery's expansion into a newly-built 60,000 SF hangar facility and engineering technology center with runway access in AirCommerce Park East. She noted that the COF Performance Date was December 31, 2024, and that the company nearly reached its target of a \$15.2 million investment but fell short of its anticipated 211 new jobs with 26 new jobs.

She said that since the majority of the state's COF was attributed to the newly created jobs, VEDP has prorated Aery's COF grant and the company will receive a COF totaling \$68,320. She said staff is working with Aery and VEDP on that closeout, and that the company has satisfied the minimum qualification criteria for the local ERCR grant, which we are pleased to deliver in order to continue to support them in their growth in Newport News.

Mrs. Kingston announced that staff has been very active in the past month with a number of marketing missions and community and business outreach events:

- On Friday, May 9<sup>th</sup>, Mrs. Kingston joined the Hampton Roads Alliance in hosting the Select Hampton Roads Investment Summit. The event included an overview of the regional defense and technology sectors to include highlights of HII and Jefferson Lab.
- Mallory Butler and Lee Downey attended the International Council of Shopping Center's (ICSC's) annual trade show to market Newport News and its assets to retailers, restaurants, and related real estate developers. The show included nearly 800 exhibitors and over 25,000 industry professionals and allowed a number of 1-on-1 meetings with retailers and developers.
- Tom O'Grady attended the Virginia Consultants Forum, sponsored by the Virginia Economic Development Partnership (VEDP), which hosted 24 national site selection consultants to share the unique competitive advantages of locating a business in Virginia.
- Tom O'Grady joined the Hampton Roads Alliance on a marketing mission to the annual Autonomous Uncrewed Vehicle Systems International (AUVSI) Conference & Trade Show in Houston. The mission promoted the unique assets & competitive advantages of Hampton Roads for this industry, and specifically the real estate opportunities for



aviation-related R&D, manufacturing, and assembly at Newport News/Williamsburg Airport.

- Elizabeth McCoury assisted with the recent grand opening and ribbon cutting ceremony held on April 27th for Antique Artisan Market located at 9601 Warwick Boulevard in Greater Hilton Village.
- Elizabeth also served as one of four judges for Black BRAND's Spring SURGE Pitch Competition on Tuesday, May 13<sup>th</sup> at Brooks Crossing Innovation & Opportunity Center. SURGE is a 12-week academy that helps new and emerging businesses flourish through experiential courses & hands on learning.
- The Virginia Department of Small Business and Supplier Diversity, in partnership with the City, recently held the 2025 Hampton Roads Small Business Symposium. The theme was "Access to Capital & Supply Chain Opportunities" and had nearly 200 registered guests. Shakir Johnson, Robin Boyd and Pam Croom worked directly with SBSD to organize the Symposium, and Tricia Wilson and Bennett Keene represented Development at our resource table.
- Robin, Shakir and other staff supported the ribbon cutting for Mark Turner Construction on May 27<sup>th</sup>. This expanding business has grown its regional office from leased space on 39<sup>th</sup> Street to its new location at 91 29<sup>th</sup> Street. We wish them well and hope that this will one day become the company's corporate headquarters.

Mrs. Kingsston informed the Board that on Thursday, June 5<sup>th</sup>, the City and NNRHA are hosting a ribbon cutting for Legacy Landing, the second phase of housing connected with the Choice Neighborhood Initiative Implementation Grant. She said the event will begin at 11:30 a.m. at 1600 Jefferson Avenue and encouraged Board Members to attend.

Mrs. Kingston asked Board Members to mark their calendars for June 13<sup>th</sup> at 9:00 a.m. for the ribbon cutting at 2510 Jefferson Avenue, the City's newest office and retail hub in the Southeast Community. She said that following a brief program (where the EDA Chair will be speaking) attendees will have the chance to walk through and patronize the merchants.

Mrs. Kingston stated that in late April, staff received a request for the IDA to waive its right of first refusal for repurchase in connection with the sale of property located within the Patrick Henry CommerCenter at 12685 McManus Boulevard. She said that the 1.88-acre property is being sold in combination with two additional non-EDA related properties by the current owner, Barber Property Management, LLC, to White Plaza, LLC, and that the new owner plans to maintain use of the property for light manufacturing. She noted that, after receiving the concurrence of Chair Williams, the request to waive the IDA's right of repurchase for the property was approved.

Mrs. Kingston said that the IDA also received a request to waive its right of first refusal for repurchase in connection with the sale of property located within Oakland Industrial Park at 220 Picketts Line. She said the 9.2-acre property is being sold by current owner, Grant Investment Management, LLC, to DSS of Newport News, LLC for a purchase price of \$5.85 million and that the current tenant, HII, will continue with its operations in the facility under the new owner. She commented that after receiving the concurrence of Chair Williams, the request to waive the IDA's right of repurchase for the property was approved.

Mrs. Kingston said that the Monthly Financial Statements were in Board Members' packages, noted a few details and offered to answer any questions. Mrs. Williams thanked Mrs. Kingston for her report and asked if there were any questions. There were none.

Ms. Williams asked for a Motion authorizing the execution of a License Agreement by and between the EDA and the Transportation District Commission of Hampton Roads, in connection with the provision of HRT service to Riverside's Medical Residency Building at 11008 Warwick Boulevard, subject to review and approval by EDA Legal Counsel. Ms. Gargiulo so moved, and Mr. Chenoweth seconded the motion, which passed unanimously on a roll call vote.

Ms. Williams asked for a Motion to approve a Parking Sublicense Agreement between Riverside Hospital, Inc. & Warwick Mechanical Group in connection with the utilization of the parking spaces at 89 Nelson Drive by Warwick Mechanical Group, subject to review & approval by EDA Legal Counsel. Mr. Beale so moved, and Dr. Guajardo seconded the motion, which passed unanimously on a roll call vote.

Ms. Williams asked for a Motion to authorize funding to W.M. Jordan Development, Inc. for maintenance and landscaping of common areas and rights-of-way in Tech Center, for a maximum reimbursable amount of \$108,750, subject to review and approval by EDA Legal Counsel. Mr. Skinner so moved, and Mr. Beale seconded the motion, which passed unanimously on a roll call vote.

#### Business Retention Report

Ms. Williams asked for the Business Retention Report. Mr. Johnson highlighted some of the diverse and successful new businesses in Newport News including new restaurant Sunday 2911 Soul Food Kitchen, financial services firm Mind over Money, a motion picture performing arts studio operating as Limelight 8, and military surplus store GI Janes. Mr. Johnson explained that while these business are finding a loyal clientele within their specific specialties, starting a new venture is a challenge. He detailed statistics from the Small

Business Association that 50% of small businesses fail within 12 months of opening; only 25% of small businesses survive 15 years or more; 42% of small businesses fail because of a lack of demand in the market for their product; and 25 - 45% of businesses are no longer able to stay open after a significant financial crisis.

Mr. Johnson also cited several long-lasting Newport News businesses, including restaurant Si Senor! in business for five years, Indulge Bakery for 10 years, Riverside Paper for 41 years, Warwick Travel celebrating 50 years, and B&L Automotive 72 years. Mr. Johnson said that staff speaks to these business owners regularly to acknowledge their hard work and dedication to their customers.

Mr. Johnson said that he has heard numerous reports about the impact of tariffs and that Newport News businesses are watching closely to determine how the tariffs will affect them. He expressed the need for businesses to reduce risk through diversification and expanding their customer base. He noted that he and other Development staff work closely with both new and expanding businesses, small and large, as they navigate City and state requirements, permitting, licensing, etc., and that staff is constantly looking for ways to help businesses take advantage of all federal, state and local incentives.

Mr. Johnson concluded by reporting that Ironclad Distillery, a very successful family-owned business in downtown Newport News, began distilling bourbon in 2015 and added a tasting room in 2019. He said he was happy to share that Ironclad has expanded again and opened a B&B&B (Bed, Breakfast and Bourbon) in Fredericksburg, Virginia. He stated that staff has connected them to the Virginia Tourism Corporation and other resources that will support them as they continue to grow.

Ms. Williams thanked Mr. Johnson for his report.

#### Assistant Secretary's Report

Ms. Williams 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 Associates' Consultant Report

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

### Closed Session

At 12:15 p.m., Mr. Beale moved for the Authority to go into a closed meeting pursuant to VA Code Section §2.2-3711.A: Real Estate (3) for the following purposes 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 property disposition in the southern section of the City. Mr. Beale seconded the motion which passed unanimously on a roll call vote.

At 12:30 p.m., the EDA/IDA Board returned to open session following a certification motion by Mr. Beale, 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. Gargiulo 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

Ms. Williams called for the Committee Reports. Mr. Skinner 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. Beale presented the Revolving Loan Fund Committee report, which passed 6-0 on a roll call vote, Mr. Miller having departed for another commitment.

### Draft Resolutions of Appreciation for Alonzo R. Bell, Jr., Howard H. Hoege III, and Jameka R. Johnson

Ms. Williams noted that draft Resolutions of Appreciation were sent out with Board Packages for the three board members whose terms ended on December 31, 2024 – Alonzo Bell, Howard Hoege and Jameka Johnson, and she asked if any board members had suggestions for edits to the resolutions. Board members extolled the strengths and qualities of each of the previous board members, pointing out their unique contributions to the Board during their tenures which were included in the Resolutions and staff welcomed

any updates to the Resolutions prior to printing and framing them. Ms. Williams asked for a motion to approve the three Resolutions of Appreciation. Mr. Chenoweth so moved and Ms. Gargiulo seconded the motion which passed unanimously on a roll call vote.

#### Approval of Minutes of the Regular Meeting of May 2, 2025

Ms. Williams asked for approval of the Minutes of the Regular Meeting of May 2, 2025. Mr. Chenoweth so moved, and Dr. Guajardo seconded the motion which passed unanimously on a roll call vote.

#### Unfinished Business

Ms. Williams asked for any unfinished business. Mrs. Kingston reminded the Board that they had authorized at their March Board Meeting the basic terms of a Participation Agreement between the EDA & Costco Wholesale, Inc., connected with Costco's relocation, and that an unexecuted, pending final draft was at their places. She said that the Participation Agreement reflects the City's commitment to Costco remaining and expanding in Newport News and that although no action is required for execution of the Agreement, she wanted to summarize the project's benefits and importance to the City. She said that having Costco stay in Newport News retains a retail establishment that is important for our citizens, preserves and strengthens our important retail corridor, provides the opportunity for a new back-fill tenant that is nationally known and new to the Peninsula according to Costco representatives, and potentially doubles sales tax revenues from Costco's new location, providing revenue increases from the meals tax, real estate taxes, business taxes and other taxes.

She stated that the Planning Commission on May 21<sup>st</sup> unanimously approved a Conditional Use Permit (CUP) allowing Costco to install and operate automobile gas pumps on the Ferguson properties proposed for its relocation and expansion. The CUP is set for City Council consideration and authorization at its June 10<sup>th</sup> meeting.

She said that the Agreement has been approved by Costco and sets forth Costco's responsibility to fund and build all necessary off-site transportation and related public infrastructure and safety improvements in the public right-of-way as called for in the Traffic Impact Analysis that the Planning Commission reviewed, and which has been approved by City Engineering and VDOT. She said that the Agreement also establishes the EDA, on behalf of the City, as the vehicle providing funding assistance for these public improvements, and it also provides for City permitting fee reductions, all together not to exceed \$3.25 million in value.

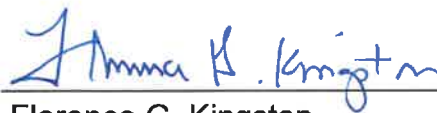
Mrs. Kingston said that planned infrastructure improvements are designed to positively impact driving in the vicinity of Costco and well beyond in the broader Jefferson Avenue corridor with enhanced tapering for right turn movements into the Cosco site and almost doubling of the length of existing southbound left turn lanes into Bland to help through-traffic to keep moving beyond the intersection. Under the Agreement, the funding is contingent upon appropriation by City Council, which is scheduled for City Council's June 24<sup>th</sup> meeting.

Mrs. Kingston stated that, based on information received from Costco, and our conservative projections, the combined benefit of increased real estate tax revenues and significantly more sales tax revenues at the new Costco location are projected to have a payback period of three years. Importantly, all reimbursements in connection with physical infrastructure are post-performance based, allowing for the release of funds only upon completion and acceptance by the City into the street system and issuance of a temporary certificate of occupancy for the new location. Staff will work with Costco to have the Agreement fully executed during the week of June 16<sup>th</sup> after City Council authorizes the CUP. She said that we understand that closing on the Ferguson properties remains on track to occur on or before July 31, 2025.

#### New Business

There was nothing to discuss under new business.

There being no further business to come before the Board, Ms. Williams adjourned the meeting at 12:54 p.m.



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Florence G. Kingston  
Secretary/Treasurer



**ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY**

**TO:** Board of Directors

**FROM:** Chair, Executive Committee

**SUBJECT:** Chair's Report

**DATE:** June 3, 2025

The Executive Committee met on May 20<sup>th</sup>. Mrs. Kingston provided an update on the conditional use permit approval process required to allow fuel pumps at Costco's proposed new location.

She informed the Committee that the Planning Commission would consider it on May 21<sup>st</sup>, that City Council is scheduled to consider it on June 10<sup>th</sup>, and in the interim, the draft Participation Agreement between the EDA and Costco will be presented at the June EDA Board meeting. The Committee was also informed that staff is coordinating a City Council appropriation at its June 24<sup>th</sup> meeting, for the \$3.25 million commitment that will support the project's required public transportation infrastructure and safety enhancements and help defray the cost of City-related permitting fees. Funding participation by the EDA would be made on a post-performance basis upon Costco's completion and City acceptance of all infrastructure improvements.

Based on information received from Costco, and staff's conservative projections, Mrs. Kingston explained that the combined benefit of increased real estate tax revenues and significantly increased sales tax revenues at the new Costco location are projected to have a payback period of three years. Costco's closing on the Ferguson properties remains on track to occur on or before July 31, 2025.

Under New Business, Mrs. Kingston relayed a change coming to the Brooks Crossing Innovation and Opportunity Center (BCIOC). Since 2019, the City – through the EDA – has leased the entire first floor of 550 30<sup>th</sup> Street in the Southeast Community so that BCIOC could operate as a hub for workforce development and community-facing services.

## Executive Committee Chair's Report

June 3, 2025

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Within the first-floor space, Old Dominion University (ODU) has operated a 6,400-square-foot Innovation Lab in partnership with Newport News Public Schools and STEM organizations like Go-Tech to provide K-12 workforce development programming. However, due to space constraints, ODU will vacate the building by early June and relocate its programs to various community sites. This transition presents a timely opportunity for the City to repurpose the space to meet growing community needs in the Southeast Community.

A joint press release on May 19<sup>th</sup> announced ODU's departure and the City's plans for the space, including the launch of the new U-THRIVE Center. Supported by the National League of Cities and Bloomberg American Sustainable Cities, this initiative will integrate efforts like the Youth T.H.R.I.V.E. Initiative, bring in the Neighborhood Services and Community Safety Offices, and continue to build on the Brooks Crossing Opportunity Center's mission. Meanwhile, ODU's new MEESA Lab School will begin its program this fall at Point Option in Oyster Point.

Also under New Business, Mrs. Kingston shared that on May 13<sup>th</sup> City Council took action to acquire 11817 and 11819 Canon Boulevard from Hampton University. Acquisition of the property, which includes the 111,224 square-foot building, supports the City's ongoing assessment of facility needs and strategies for enhancing public access to services, in addition to offering a central, easily accessible location for consolidating City functions while establishing an ownership stake in City Center. She shared the City is underway in its due diligence with closing projected to occur by the end of August.

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

  
Jonathan Skinner

JS:jer

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Date, Time and Location: May 20, 2025, at 12:00 pm at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Faye Gargiulo, R.C. Miller, Cathy Williams

Members Absent: Jonathan Skinner





ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Marketing Committee

SUBJECT: Chair's Report

DATE: June 3, 2025

The Marketing Committee met on May 15<sup>th</sup>.

Marquise Johnson, Marketing Coordinator for the Special Events division of the Department of Parks and Recreation, spoke to the group about the City's upcoming summer events. Members were pleased to learn about the growth in the number of visitors and potential impact on the City and its attractions.

This report does not require Board ratification.



R.C. Miller

RCM:rnb

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Date, Time and Location: May 15, 2025 at 10:30 a.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: R.C. Miller, Faye Gargiulo, Nicole Guajardo, JB Crowley

Members Absent: Tyler Neese, Ryan Sparks



ECONOMIC DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT AUTHORITY

TO: Board of Directors

FROM: Chair, Revolving Loan Fund Committee

SUBJECT: Chair's Report

DATE: June 3, 2025

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

Staff provided the Committee with several before and after visuals of Façade Improvement Grant (FIG) projects that had recently been approved. Staff then presented three (3) Façade Improvement Grant (FIG) Program requests and one (1) Modified Façade Improvement Grant (MFIG) Program request:

- MFIG request for \$10,000 from Around Towne, LLC, to include decorative fence installation, door repairs and soffit repairs at 3401 Chestnut Avenue.
- FIG request for \$20,000 from Bryant Investments, LLC, to include wash and painting of exterior building siding, door frames and window frames at 250 Pickett's Line.
- FIG request for \$20,000 from Warwick Denbigh Co of NN LP, to include storefront and drywall repairs, sidewalk repairs and exterior painting at 14347 Warwick Boulevard.
- FIG request for \$20,000 from Major Way, LLC, to include roof replacement and exterior painting at 14624 Warwick Boulevard.

Revolving Loan Fund Committee Chair's Report  
June 3, 2025  
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All FIG requests were unanimously approved.

This Report requires Board ratification.

A handwritten signature in black ink, appearing to read 'X. J. B.', is written over a horizontal line.

Xavier Beale

XB:tw

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Date, Time and Location: May 28, 2025, at 12:30p.m. at 11820 Fountain Way, Suite 301, Newport News, VA

Members Present: Xavier Beale, Jonathan Skinner, George Knight and Sharon Owens-Clark

Members Absent: Dan Chenoweth and John Lunsford