

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF NORFOLK

Meeting Minutes

The City of Norfolk Economic Development Authority held its regular meeting on Wednesday, October 3rd, 2018 at 7:30 A.M. in the Dominion Tower Conference Room at 999 Waterside Drive, Suite 400 Norfolk, Virginia 23510

DIRECTORS PRESENT:

Michael Lee – Chair
Antonio Sisco – Vice Chair
Jeffrey Brooke
Kim Brown
B. Wayne Coleman
Jaeson Dandalides
Robert E. Garris, Jr.
Richard Ottinger
W. Craig Reilly
Ursula Rhodes

STAFF PRESENT:

Jared Chalk – Executive Director
Sean Washington – Secretary-Treasurer
Dawn Ryan – Assistant Secretary-Treasurer

COUNSEL PRESENT:

Barry Hunter – Kaufman & Canoles

GUESTS:

Damon Josue – 7 Hills Advisors
Bob Sharak – Department of Development
Patrick Lane – Froehling & Robertson, Inc.
Dan Shelton – Whiting-Turner
Scott Gloff – Whiting-Turner

DIRECTORS ABSENT:

Michael Cox

MEETING CALLED TO ORDER

Chairman Lee called the meeting to order at 7:35 a.m. and welcomed staff, guests and presenters to the meeting.

NEW BUSINESS

Chairman Lee welcomed back Ms. Rhodes who was not in attendance at the prior meeting and also welcomed Mr. Chalk who was present due to the recent resignation of Mr. Rigney as the Executive Director. The Board discussed a consideration for Mr. Chalk to be appointed Executive Director of the EDA. Upon a motion by Mr. Garris, seconded by Ms. Brown, the Board unanimously approved Mr. Chalk as Executive Director of the EDA. The vote was 10-0-0. Mr. Chalk thanked the Board for welcoming him back to the EDA Board as the Executive Director.

OLD BUSINESS

Chairman Lee asked Mr. Washington to give the Board an update on the final sale of the Send-It Climbing Gym land sale. The sales price for the property was \$160,925. Mr. Washington stated that one unsold EDA owned parcel remains in Central Business Park.

Mr. Washington also confirmed to the Board that the Simon/Nusbaum JV property that was located in Virginia Beach was sold and all monies distributed as per the contracts and cooperation agreements. The EDA was reimbursed all out of pocket expenses by the City and received a final payment of roughly \$91,000.

Mr. Washington introduced Damon Josue, consultant with 7 Hill Advisors who is working with the EDA and managing the buildout and construction at of the Sentara/Optima expansion of the 824 Building. This project is due to the Sentara/Optima Health expansion. Mr. Josue shared the expansion handout with some progress photos and notes on the timeline. (Attachment #1).

MAJOR PROJECTS UPDATE

Mr. Chalk gave a presentation updating the Board on some major projects happening around the City as follows:

1. The City was working in partnership with NRHA on the St. Paul's Area Transformation. They are working on the best ways to keep people first when relocating residents in connection with transforming the neighborhoods and rebuilding the area for revitalization and flooding purposes. A

recent application was submitted to HUD for a Choice Neighborhood Initiative Implementation Grant (CNI) and is worth about \$30 million in federal funding for redevelopment. Flooding is a major issue for most of the area and will need to be discussed during the revitalization process.

2. Sentara Orthopedic - secured the future land use amendment, rezoning, and development certificate at 6203 E. Virginia Beach Blvd. (the corner of Kempsville Road and Virginia Beach Boulevard) to construct a new medical building and parking lot. This will be next to the Cancer Center.

3. Roebuck Lofts – is completed in Fort Norfolk and is now leasing.

4. Glass Light Hotel – construction by Clancy and Theys on the project is ongoing and expected to open in 2019.

5. EVMS expansion – 11 story, \$80 million project under construction by SB Ballard Construction Company; pile driving is currently underway and expected to open in 2020.

6. Waterside Marriot – full renovation underway with plans to renovate the conference center in 2020

7. TCC Arts Building and a new proposal for a mixed use project being considered for the 3rd anchor site at MacArthur Mall.

8. Ikea - planned for opening to the public in Spring of 2019.

Mr. Ottinger asked about the current news regarding Norfolk Southern. Mr. Chalk indicated that it has been reported that Norfolk Southern is considering the consolidation of their headquarters facility but only if many aspects of a complicated real estate transaction can be resolved. He also noted that Norfolk Southern has substantial properties in Atlanta in the Gulch area and reports indicate that proceeds from the sale of NS owned property in the Gulch could help fund a new building. He also indicated that Norfolk Southern owns their building here and as part of their agreement with the State of Virginia in 2015 is that they are required to maintain some presence in Norfolk until 2026. Mr. Chalk noted that City of Norfolk Staff, the Mayor, Governor's Office, the Secretary of Commerce & Trade, and the Virginia Economic Development Partnership have all been in communication with Norfolk Southern in recent months. (Attachment #2).

MINUTES

Chairman Lee asked the Board to review the minutes for the September 5th, 2018 meeting. Hearing no questions or adjustments, he asked for a motion to approve the minutes of September 5th,

2018. Upon a motion by Mr. Coleman and seconded by Ms. Brown, the minutes of the September 5th, 2018 meeting were approved by a vote of 9-0-1 (Ms. Rhodes abstained).

ADJOURNMENT

A motion was made, seconded and unanimously approved to adjourn the meeting at 8:25 a.m.

Approved by Mark W. Lee

- Attachments:
1. Sentara/Optima Update – Handout
 2. Major Projects Update - Presentation