

MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF NORFOLK
Wednesday, June 7th, 2017
Department of Development
500 E. Main Street, Suite 1500
Norfolk, VA 23510

Present:

Directors

Robert E. Garris, Jr. - Presiding
Michael Lee
Jeffrey Brooke
Kim Brown
Wayne Coleman
Michael Cox
Jaeson Dandalides
Richard Ottinger
W. Craig Reilly
Ursula Rhodes
Antonio Sisco

Counsel

George Consolvo – Kaufman & Canoles

Staff

Andrew Yancey - Secretary-Treasurer
Dawn Ryan - Assistant Secretary-Treasurer

Guests

Jared Chalk - Dept. of Development
Eric Hartley – Virginia Pilot

Absent

Chuck Rigney – Executive Director
Christine Garczynski – Director of Finance - Advisory Committee

MEETING CALLED TO ORDER

A regular meeting of the Economic Development Authority of the City of Norfolk (the EDA) was held on June 7th, 2017. Chairman Garris called the meeting to order at 7:30 a.m. and welcomed our guests and presenters to the meeting.

Chairman Garris advised the directors that earlier in the week Mr. Rigney had sent a memo to the Chairman that he would not be able to attend this meeting and asked to call in due to being out of town. (Attachment #1). He requested to attend the meeting remotely by telephone under the FIOA policy adopted January 4, 2017. The directors agreed he could join remotely but unfortunately Mr. Rigney's phone connection was not good and he was not able to connect to the meeting in progress. (Mr. Coleman Arrived 7:33)

NEW BUSINESS

Chairman Garris asked Mr. Yancey to speak on the FY17-18 proposed budget. Mr. Yancey gave the directors an overview of the upcoming budget for the EDA and the operating costs to assist the Department of Development with marketing and travel that the City budget does not cover. Chairman Garris asked about the multi-jurisdictional fee sharing and how it works as far as what percentage is used when being distributed. Mr. Reilly had a comment on the legal expenses for last year noticing the higher amount from past years. Mr. Yancey explained that with all the new development projects happening in Norfolk there has been a great need for legal counsel this past year. With so many projects in the works the need for more legal and accounting advice was necessary and to adjust for this year so that it's there if needed. Ms. Rhodes asked about the Section 108 funds held at the City. Mr. Yancey explained that those funds are not held with EDA. Mr. Ottinger requested that Mr. Yancey present an overview of exactly where the EDA gets its funding and that be presented at the next meeting. Chairman

Garris asked the Board to review and direct questions to Mr. Yancey at the July meeting. (Attachment #2)

Mr. Yancey spoke on the Fort Norfolk Urgent Care Grant. Dr. Newby came to the City asking for a grant to open up an urgent care facility at the bottom part of the development of Banks at Berkley. City Manager's office along with Jared Chalk worked to find various funds to provide a \$380,000 grant to build the facility. The grant agreement provides for payment to the contractor and not directly to Dr. Newby so that we can assure these funds go to the actual construction of the facility. City Council has approved the grant. The EDA is acting as the pass through entity of these funds and requires a vote on the cooperation agreement that is between the City and EDA that says they will give us the funding to pass along solely for the purpose of making this grant for the project. There also is a grant agreement with the project developer which in this case is a Dr. Newby entity where we make the grant to him subject to conditions. The EDA will only pay the funds for build out as the process is moving along. The grant arrangement will be to pay the contractor directly when an invoice is received for services rendered in order to control grant payments associated with the project. (Attachment #3 & #4).

Upon a motion by Mr. Lee, and seconded by Ms. Rhodes, the Board approved the grant through these two agreements. The vote was 9-0-1 with Mr. Reilly abstaining.

Mr. Chalk spoke in Mr. Rigney's absence to inform the Board that the City has found a replacement for the financial services position Mr. Sean Washington will be joining the development office team June 12th, 2017. He will be present and introduced at the next meeting in July.

OTHER

Mr. Consolvo reminded the Board of his invitation to the Tides game. Mr. Lee asked about the occupancy of the 880 Building. Mr. Yancey explained that Movement Mortgage is completely in and

Optima Health is about 90% in. Chairman Garris explained to the Board that Mr. Richter from Sentara is very please and ecstatic to be in the building. Optima could not be more excited and realized they might need more space and have a right of first refusal for the remaining space on the second floor should there be a possible third tenant.

Mr. Chalk gave a few new updates on some ongoing projects around the City. The project with the Oak View group is 60 to 90 days out and Scope, Chrysler Hall and the plaza could all qualify for historical tax credits. Mr. Coleman asked about remaining projects and what can be discussed and what is in the future for the remainder of the year. Mr. Chalk let the Board know that the City is trying to close out a few of the latest projects like The Main, The Waterside District and the Outlet Mall. The IKEA site is now cleared and storm water retention pond is in and the site development is set to be finished in 2018.

The Royster building is still on track and the demolition of inside is almost completed. They have uncovered some pretty amazing things that were hidden behind the walls that NRHA had covered up. No major issues. They have rented space in the parking lot behind the Hotel to store all the glass art that's going to be going in there. So they are on track.

Mr. Coleman asked about the position for international business relations and if it's being filled. Mr. Chalk replied that the position is still out there and open on the City staff website. (Ursula Rhodes left meeting 8:12) The minutes are amended to reflect Mr. Coleman's comments asking if there could be a request or requirement that any company receiving grant or loan assistance from the EDA make a contribution to the Norfolk Public School system.

MINUTES

Chairman Garris asked the Board to review the minutes in their packets for May 3rd, 2017 and

hearing no questions or adjustments he asked for a motion to approve the minutes.

Upon a motion by Mr. Sisco, and seconded by Ms. Brown, the Board approved the minutes of May 5th. The vote was 9-0-0.

ADJOURNMENT

A motion was made, seconded and approved to adjourn the meeting at 8:21 a.m.

Approved by Robert E. Savi, Jr.

- Attachments:
1. Memo from Executive Director to remotely join meeting
 2. FY 17-18 Proposed Budget
 3. Fort Norfolk Urgent Care Resolution
 4. Fort Norfolk Urgent Care Grant Agreement