

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF NORFOLK

Meeting Minutes

The Economic Development Authority of the City of Norfolk held its regular meeting on Wednesday, March 4th, 2020 at 7:35 A.M. on the 4th floor of 999 Waterside Drive, Suite 400, Norfolk, Virginia 23510

DIRECTORS PRESENT:

Michael Lee – Chair
Antonio Sisco – Vice Chair
Jeffrey Brooke
Kim Brown
Jaeson Dandalides
Linwood Fisher
Robert E. Garris, Jr.
W. Craig Reilly - Director
Ursula Rhodes - Director
Carter Smith

STAFF PRESENT:

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

COUNSEL PRESENT:

Barry Hunter– Kaufman & Canoles

GUESTS:

Dan Shelton – Whiting-Turner
Robert Sharak – City of Norfolk Economic Development
Max Murphy - Cranium Tap
Jennifer Seay - City of Norfolk Economic Development
Mesha Frederick - City of Norfolk Economic Development
George Hoddinott - City of Norfolk Economic Development
Derek Shaw - Werther Leather

ABSENT:

Richard Ottinger - Director

MEETING CALLED TO ORDER

Chairman Lee called the meeting to order at 7:35 A.M. and welcomed staff and guests to the meeting.

NEW BUSINESS/BRIEFING

Mr. Chalk provided an overview of the agenda with minor changes due to scheduling.

Mr. Chalk introduced Ms. Monique McWhite from ODU Procurement Center. She advised the Board the center would possibly close without confirmed support. It was noted by staff that Ms. McWhite had been asked by the Board multiple times to provide proof that other municipalities were contributing to the program and that the EDA would match their contribution. Mr. Chalk is in receipt of a commitment letter to donate \$30,000 for the next fiscal year (2021), with no commitments from other cities. (Ursula Rhodes Arrived - 7:39 A.M.) Ms. McWhite distributed a handout with details of how ODU-PTAC has impacted economic development in the region over the past 3 years. (Attachment #1)

Mr. Chalk continued with a brief summary of city-wide projects.

Mr. Chalk discussed the Norfolk Southern Building and noted that TowneBank is negotiating with the City on a parking contract at the Commercial Place parking garage. TowneBank will bring 870 jobs back to the City of Norfolk.

In the St. Paul's corridor, LIHTC applications are in the first of two phases that could support moving the City of Norfolk's Utilities Department to one building costing about \$20 million. That building would anchor one corner of Church Street and Brambleton Avenue across from the EDA building at 645 Church Street. (Antonio Sisco arrived at 7:49am).

The EDA's building at 645 Church Street is still being discussed with Green Coast and Brinshore for plans of what it could look like. The Chairman asked about the grocery store in the shopping across from the EDA building. Mr. Chalk advised the Board that a few weeks ago news was that Save-A-Lot corporation was looking to close 400 stores nationally and Norfolk is likely to be one of them.

Mr. Chalk introduced Derek Shaw as he arrived at the meeting. He is the owner and operator of Werther Leather while also maintaining a part time job as an accountant. Mr. Shaw employs two part time employees plus himself 3 days a week. This year he will have been in the Selden Market for 2 years; before that, his business was strictly online through Etsy.com (2014-2015). Mr. Shaw passed

around a few samples of his products (wallet and coasters). Mr. Shaw advised the Board that the money granted to him was approved for purchasing a few die cuts for small manufacturing, and that, on March 12th, a focus group will be held to gather feedback on the manufacturing quality and new products. Mr. Shaw said he would be happy to return to share future success stories.

Mr. Washington was asked to give an update on the current CAP Grants as a result the last round in January. Mr. Washington reported that there were 8 potential winners in total: 3 micro grants, 1 façade grant, 1 reimbursable grant and the 3 EDA grants. The 3 EDA grants being presented today for consideration include (i) Granby Arts, LLC, a company that organizes art programs during and after school, which company is located in the old Naro theater and (ii) C & J Enterprises, which company is located in a low to moderate income area and a veteran owned business. In response to the question of who comprised the CAP Grants panel, Mr. Washington said, three people from the City (one from the planning department, one from the neighborhood's department and one from the budget department), a former non-profit community lender, and one person (Mr. Fisher) from the EDA Board. Mr. Washington asked, if there were no further questions, if the Chairman would entertain a motion to pass the Resolution approving the CAP Micro Grants to the following companies (all of whom had passed the application process through the grant committee): Rip Rap Brewing Company - \$10,000; Granby Arts LLC - \$10,000; and C&J Enterprises Inc. - \$10,000. Upon motion by Mr. Garris, and seconded by Ms. Brown, the Board approved the Resolution by a vote of 10-0-0. (Attachment #2.)

Upon a motion by Mr. Dandalides, and seconded by Mr. Ottinger, the resolution to approve the financing for the acquisition of Site P was approved by a vote of 8-0-0.

FINANCIAL UPDATE

Mr. Washington advised the Board that he gave a brief update on the financial operating budget as of January and February 2020 at February's meeting and that there were no further updates at this time.

MINUTES

Chairman Lee asked the Board to review the minutes for the regular meeting held on February 5, 2020. Hearing no questions or adjustments, he asked for a motion to approve the minutes of the January 15, 2020 meeting. Upon motion by Ms. Brown, and seconded by Mr. Carter, the minutes of

the February 5, 2020 meeting were approved by a vote of 7-0-3. Mr. Reilly, Mr. Brooke and Ms. Rhodes all abstained.

CLOSED SESSION

Mr. Dandalides made the following motion to convene in a closed meeting:

Mr. Chairman, I move that the Directors of the Economic Development Authority of the City of Norfolk convene in a closed meeting pursuant to Section 2.2-3711.A.3 of the Code of Virginia for the purpose of discussion and consideration of the acquisition of real property for a public purpose, and the disposition of publicly held real property, in each case, with respect to the property located in the Military Highway area of the City, where discussion in an open meeting would adversely affect the Authority's bargaining position or negotiating strategy. Roll call vote: Ms. Brown, Mr. Dandalides, Mr. Fisher, Mr. Garris, Mr. Lee, Mr. Reilly, Ms. Rhodes, Mr. Sisco and Mr. Smith all aye, with no nays. (Vote 9-0-0)

OPEN MEETING

After reconvening in an open meeting, Mr. Sisco made the following motion:

The Directors of the Economic Development Authority of the City of Norfolk certify that to the best of their knowledge (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act 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 Directors of the Authority. Mr. Brooke seconded the motion. Roll call vote: Ms. Brown, Mr. Dandalides, Mr. Fisher, Mr. Lee, Mr. Reilly, Ms. Rhodes, Mr. Sisco and Mr. Smith all aye, with no nays and Mr. Garris abstained (since he left the meeting during a portion of the closed session). (Vote 9-0-1)

OLD BUSINESS/BRIEFING

The Board was presented with a Resolution approving the Purchase and Sale Agreement for the sale of the 824 Bldg. at Military Circle. Chairman Lee entertained a motion to approve the Resolution. Upon motion by Ms. Brown, and seconded by Mr. Ottinger, the Board approved the Resolution by a vote of 7-0-1. Mr. Garris Abstained. (Attachment #4).

Ms. Brown addressed the Board informing them of the significant impact that the Corona Virus is having at the Port of Virginia. She indicated California was not accepting any ships, turning most

away. The Coast Guard is now inspecting any ships coming from overseas, causing a major impact on sourcing and distribution facilities which is not going to get better anytime soon.

ADJOURNMENT

A motion was made, seconded, and unanimously approved to adjourn the meeting at 8:55 A.M.

Approved by Philip W. Lee

Attachments:

1. ODU-PTAC - Handout
2. Micro Grant Resolution -
 - Rip Rap Brewing Company,
 - Granby Arts LLC
 - C&J Enterprises Inc.