

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF NORFOLK

Meeting Minutes

The Economic Development Authority of the City of Norfolk called, and held, its regular monthly meeting on Wednesday, April 7th, 2021 at 12:00 P.M. on the 4th floor of the Dominion Tower, 999 Waterside Drive, Suite 400 Norfolk, Virginia 23510.

Due to the Governor's declared state of emergency regarding COVID-19, the public was also granted electronic access to the meeting via WebEx through a link on the Authority's Website.

DIRECTORS PRESENT:

Antonio Sisco – Chair
Jeffrey Brooke – Vice Chair
Kim Brown
Jaeson Dandalides
Linwood Fisher (Remote Participation)
Robert E. Garris, Jr.
Michael Lee
Richard Ottinger
Kelsey Sarcone (Remote Participation)
Carter Smith (Remote Participation)

STAFF PRESENT:

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

COUNSEL PRESENT:

Barry Hunter – Kaufman & Canoles, P.C.

GUESTS:

Susan Perry – St. Paul's Transformation Project (*Remote Participation*)
Marcia McGill – St. Paul's Transformation Project (*Remote Participation*)
George Hoddinott - Dept. of Economic Development (*Remote Participation*)
Robert Sharak - Dept. of Economic Development (*Remote Participation*)
Jennifer Seay - Dept. of Economic Development (*Remote Participation*)

ABSENT:

Ursula Rhodes

MEETING CALLED TO ORDER

Chairman Sisco called the meeting to order at 12:08 P.M. and thanked staff and directors for attending.

AGENDA OVERVIEW

Chairman Sisco provided an overview of the agenda and introduced Susan Perry to give an update on the St. Paul's Area Transformation Project and the Choice Neighborhood Initiative grant.

NEW BUSINESS / UPDATES

Susan Perry introduced her colleague Marcia McGill and updated the Board on the St. Paul's Transformation project which aims to provide holistic upscale investment in both people and places within the Tidewater Gardens Community. Susan Perry then gave her presentation. (Attachment #1)

Mr. Chalk addressed the Board about the Willis Building; 645 Church Street, Norfolk, VA. The EDA acquired the Willis Building on behalf of the City for \$2 million. It has been determined that the structural integrity of the building is unacceptable and current upgrades to convert this property into office space have been accessed at the cost of \$7 million. The City is considering using the property in replacement of the City's NEST program that just ended for the purpose of housing homeless individuals overnight. In addition, the City has expressed interest in converting the property into residential property to potential support the St. Paul's Project. Furthermore, Mr. Chalk noted that as an integral property located within the St. Paul's Transformation area, the property is not likely to be used for commercial use in the future. Mr. Chalk also spoke on the Port Host Communities Revitalization Fund, a grant that was awarded in the amount of \$250,000 that could be transferred to the EDA through the City for the purpose of demolishing the building before the transfer of the property returns to the City. A resolution was presented to the board to have the ownership of the Willis Building Title be transferred or donated back to the City. (Attachment #2)

Upon a motion by Ms. Brown and seconded by Mr. Garris the EDA approved Willis Building Resolution by a vote of 10-0-0.

Mr. Chalk addressed the Board about 935 Denison Ave. Norfolk, VA, EDA property located in Central Business Park. The EDA received a letter of intent to sell this property to a potential buyer whom would develop it into a 14K square foot office building focused on behavioral health and autism therapy. The proposed occupant, Autism Consulting & Therapy LLC provides one-on-one Applied Behavioral Analysis therapy to Autistic children between the ages of 2 and 7 years old, offered \$250,000. The property is assessed at \$419,000 on the City assessor's site. Mr. Chalk advised that if agreed he would have the property appraised again to reflect a more current assessment value. A resolution was presented

to authorize to negotiate terms for the sale of property and to execute and deliver, a nonbinding letter of intent and/or purchase of sale agreement. (Attachment #3)

Upon a motion by Mr. Garris and seconded by Ms. Brown the EDA approved the 935 Denison Ave. Resolution by a vote of 10-0-0.

Mr. Chalk addressed to the Board about a temporary solution to change the property manager of the Military Circle Mall. Mr. Chalk expects to receive RFP.

proposals by mid-May and would like to enter into an agreement by end of summer or beginning of fall with Divaris Real Estate. Mr. Chalk noted the timeline of the Military Circle new site plan, demolition, and movement of tenants means it will be several years before any real changes can be made. In the meantime, a Divaris Real Estate and a proposal has been received. Currently, the mall is managed by Pacific Retail, a group hired by the previous owners. Mr. Garris noted that the property management company, Divaris Real Estate, is competitive with other Norfolk based property management firms. Mr. Chalk reassured the board that Divaris Real Estate won the state bid, allowing them to manage other large complex sites in the area. Ms. Sarcone noted that she agreed with Mr. Chalk that the Military Circle Property should be managed by a local firm and mentioned a local team would be more invested in the property and its tenants, than an out of state firm. (Attachment #4)

Mr. Washington updated the Board on Round 7 of the Capital Access Program (CAP). After recapping this round of applications, J H BOYD INC, and P and P Junk Removal and Demolition Services, were selected for \$5,000 Micro Grants.

Upon a motion by Mr. Brooke, seconded by Ms. Brown the Resolution approving \$5,000 Micro Grants for the two companies named in the above paragraph was approved unanimously. Vote 10-0-0

Mr. Washington updated the Board on Norfolk Revolving Loan Fund Recipient Legal Video Solutions. The business has requested a loan modification to their existing RFL loan to be adjusted on a 10 – year amortization schedule which results in a reduced monthly loan payment.

Upon a motion by Mr. Brooke, seconded by Mr. Garris the Resolution approving the loan modification named in the above paragraph was approved unanimously. Vote 10-0-0

Mr. Washington updated the Board on Round 7 of the Capital Access Program (CAP) Norfolk CARES Act Revolving Loan applications. Life's Journey and Care More Movers both submitted loan applications and were recommended for approval. Life's Journey LLC are to receive a \$50,000 loan and Care More Movers is to receive a \$25,000 loan.

Upon a motion by Mr. Brooke, seconded by Ms. Brown the Resolution approving the loan for Life's Journey named in the above paragraph was approved unanimously. Vote 10-0-0

Mr. Washington continued to discuss loan applicant Care More Movers. This business was recommended by the CAP Review Committee to complete an approved Technical Assistance Program before any loan funds are dispersed to ensure loan readiness. Mr. Fisher noted the business needed extra assistance and initially did not approve of the original and second loan request submitted by the business. Mr. Fisher further addressed the CAP targeted marketing efforts and suggested the Capital Access Program Administration seek to improve efforts to market new businesses and existing Norfolk small businesses. Mr. Chalk responded that Norfolk's Development Department would create a new marketing plan and outreach to present at the next EDA meeting. (Attachment #5)

Upon a motion by Mr. Brooke, seconded by Ms. Brown the Resolution approving the loan for Care More Movers named in the above paragraph was approved with one nay from Mr. Garris.

FINANCIAL UPDATE

Mr. Washington gave a brief update on the financials as of the second quarter of the fiscal year, as follows:

Revenue

The EDA received \$124,064.69 in January and \$289.32 in February, all of which was interest and admin bond fees.

This brought the EDA revenues, year to date, to \$287,670.25.

Operating Expenses

Administrative/overhead expenses combined for January and February were \$5,920.12, with departmental expense of \$9931.43. Non-operating expenses totaled \$0. (Attachment #2).

Mr. Washington reminded the board that majority of the bond revenue comes in during the months of May and June.

FUTURE ITEMS

Mr. Chalk address the Board about the future of remote work and the internally discussions he has been having with the team regarding the possibility of coming back into the office in some sort of phased fashion.

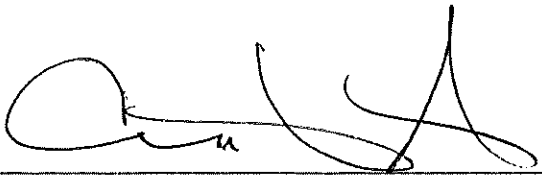
OLD BUSINESS/BRIEFING

The Chairman entertained a motion for approval of the minutes of the March 3rd, 2021 Board meeting. Mr. Ottinger moved to approve the minutes with one change added; Ms. Brown seconded the motion with noting the change. Mr. Lee and Mr. Garris abstained, and the Minutes were approved by a vote of 8-0-2.

ADJOURNMENT

A motion was made, seconded, and unanimously approved to adjourn the meeting at 1:47 P.M.

Approved by



Attachments:

1. St. Paul's Corridor update presentation
2. Willis Building Resolution
3. LOI and Resolution 935 Denison Ave.
4. CAP Grant & Loan Resolutions