

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, June 8, 2022, at 11:30AM on the 4th floor of the Dominion Tower, 999 Waterside Drive, Suite 415 Norfolk, Virginia 23510.

Due to COVID-19, the public was also granted electronic access to the meeting via WebEx through a link on the EDA's Website.

DIRECTORS PRESENT:

Antonio Sisco – Chair
Jeffrey Brooke – Vice Chair
Kim Brown
Jaeson Dandalides
George Polizos
Kelsey Host-Sarcone
Carter Smith
Morgan Whyland

STAFF PRESENT:

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

COUNSEL PRESENT:

Barry Hunter – Kaufman & Canoles, P.C.

ABSENTEE DIRECTORS:

Richard Ottinger
Matthew Hales

GUESTS:

Robert Sharak – Department of Economic Development
Nihal Vasty - Department of Economic Development
Katelyn Philleo - Department of Economic Development
Tage Counts – Department of Economic Development
Dawn Best – Vansant & Gusler, Inc.
Derek Perry – Newport News Economic Development
John Kinsley – Image Business Interior
Louanne Pledger – Resident

REMOTE PARTICIPATION GUESTS:

None

MEETING CALLED TO ORDER

Chairman Sisco called the meeting to order at 11:45 AM and thanked staff and directors present for attending.

Chairman Sisco asked if there were any public comments. There being none, he proceeded with the business of the meeting.

OLD BUSINESS/BRIEFING

Chairman Sisco asked the Directors to review the minutes of the May 4, 2022, Board meeting and provide any comments or corrections. There being no comments or corrections, Chairman Sisco entertained a motion to approve the minutes as presented. Director Brooke moved to approve the minutes, the motion was seconded by Director Sarcone and unanimously approved. (Vote 8-0).

AGENDA OVERVIEW

Mr. Chalk reviewed the agenda items and gave the Board a brief report on the following items: EVRIFA Presentation by Derek Perry; Maritime Administration's Port Infrastructure Grant; CAP Loan Resolution; 628 W 35th Street Update; and EDA Conflict of Interest Training. Director Polizos arrived 11:50AM.

FINANCIAL UPDATE

Mr. Washington gave a brief update on the March financials and passed around the changes that were made in response to the discussion at the previous meeting. Mr. Washington also addressed the following financial items:

Revenue

The EDA received \$1,827.22 in April, all of which was interest and admin bond fees. This brought the EDA revenues, year to date, to \$322,517.01.

Operating Expenses

Administrative/overhead expenses combined for April were \$60,696.18, with departmental expenses of \$201,604.19. Non-operating expenses totaled \$94,292.91. (Attachments #1&2).

NEW BUSINESS / UPDATES

Mr. Chalk introduced the first presenter on the agenda: Derek Perry, Business Manager at the Newport News Department of Economic Development. Mr. Perry outlined the purpose, powers, and structure of the Eastern Virginia Regional Industrial Facility Authority ("EVRIFA"), as well as the benefits of Norfolk's involvement.

Mr. Chalk suggested a letter be written to the City encouraging the City to join EVRIFA. Ms. Brown arrived 11:55AM. The fee for joining would be \$2,500 and the annual fee would be \$4,000. After a brief discussion, upon motion by Director Sarcone, seconded by Director Whayland, and unanimously approved, Mr. Chalk was directed to send such a letter to the City. (Attachment #3)

Chairman Sisco asked Robert Sharak of the City of Norfolk's Economic Development Department to give an overview of the Maritime Administration's Port Infrastructure Development Program Grant. Mr. Sharak informed the Board that two full time employees will be working directly under the EDA and their salaries will be covered by Fairwinds Landing, LLC. Director Whayland inquired as to whether the project was contingent on winning the grant. Mr. Sharak passed out a description of cost with, and without, grant approval. (Attachment #4). Director Smith arrived 11:55AM. There being no other questions, Chairman Sisco called on Mr. Washington to present the CAP Loan Resolution.

Mr. Washington presented a Resolution for a \$25,000 RLF Loan to be made to Watch Me Grow, a day care operation. The loan would have a maturity of 5 years and would bear interest at a fixed percentage rate. Chairman Sisco asked for a motion to approve the Resolution. Upon a motion by Director Brooke, and seconded by Director Brown, the Resolution was unanimously approved. (Attachment #5)

Mr. Washington then presented a Resolution for two loans for 25 Hospitality LLC, which owns Brother's Restaurant: one for a \$50,000.00 RLF Loan; and one for a \$50,000.00 Forgivable Loan. 25 Hospitality LLC would use the funds to stabilize operations, including making payroll, paying other operating expenses and funding working capital. There was a brief discussion, including the comment made by Director Smith that Mr. Brothers was known to Norfolk natives and had played an invaluable role in the City for minority owned businesses. Director Brooke then moved to approve the Resolution, which motion as seconded by Director Sarcone and unanimously approved. Vote 8-0-0 (Attachments #6).

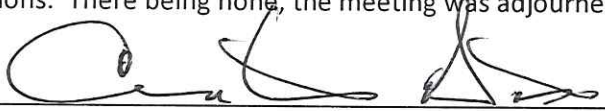
Mr. Chalk then provided a brief update on 628 W 35th Street Rosna Theater, and the relocation of the Boxing Center from Tides Baseball Park. Mr. Chalk stated the City Council was enthusiastic about the move. A

Resolution was presented to approve the execution of a Purchase and Sale Agreement (the "Contract") to acquire property generally known as 626, 628 and 640 35th Street, Norfolk, Virginia for \$712,500. The Contract provides the EDA with a 150 day due diligence/inspection period commencing upon receipt of a fully executed copy of the Contract. Upon motion by Director Brooke, and seconded by Director Polizos, the Resolution was unanimously approved. Vote 8-0-0. (Attachment #7)

Chairman Sisco reminded the EDA Directors that they are required to complete the Conflict-of-Interest Training that was sent to each member by City Clerk's office by August 1, 2022.

It was decided by Counsel that going into closed session would not be necessary. Chairman Sisco asked for any additional questions. There being none, the meeting was adjourned at 12:33PM.

Approved by



Attachments:

1. Financial Statement – Updated Changes to March
2. Financial Statement – Updates for April and May
3. Eastern Virginia Regional Industrial Facility Authority ("EVRIFA") – Presentation
4. Maritime Administration's Port Infrastructure Development Program Grant
5. Cap Loan Resolution – Watch Me Grow
6. RLF Loan and forgivable loan – 25 Hospitality LLC
7. 628 W 35th Street Update /Resolution