

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, February 1, 2023, at 12:00 PM, 4th floor of the Dominion Tower, 999 Waterside Drive, Suite 415 Norfolk, Virginia 23510.

DIRECTORS PRESENT:

Antonio Sisco – Chair
Jeffrey Brooke – Vice Chair
Kim Brown
Jaeson Dandalides
Richard Ottinger
Henri Patten
Carter Smith
Morgan Whayland

STAFF PRESENT:

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

COUNSEL PRESENT:

Barry Hunter – Kaufman & Canoles, P.C.

ABSENTEE DIRECTORS:

George Polizos
Kelsey Host-Sarcone

GUESTS:

Mia Byrd - Department of Economic Development
Larry Pendleton – CPA PC Financial Advisors
Samuel Ghivizzoni – Whiting – Turner
Brett Hall – WAVY-TV
Corby Slaughter – WAVY-TV
Toi Hunter – Hampton Roads Alliance
Shenette Felton – City of Norfolk – Finance
Mark Perryman – Norfolk Airport Authority

MEETING CALLED TO ORDER

Chairman Sisco called the meeting to order at 12:05 PM 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.

MINUTES

Chairman Sisco asked the Directors to review the minutes of the January 4th meeting. There being no comments or corrections, Chairman Sisco entertained a motion to approve the minutes as presented. Director Brooke moved to approve the minutes, which was seconded by Director Patten. The motion was approved, with two abstentions (Directors Ottinger and Brown). (Vote 6-0-2).

AGENDA OVERVIEW

Mr. Washington briefly reviewed the agenda and advised that the City auditors were trying to finalize all departments before issuing the audit results.

DIRECTORS REPORT

Mr. Washington gave the Board an overview of the Department of Development's strategy that will include vision, intentionality, and essentialism with fewer things being done better. Business attraction will specifically focus on Lambert's Point Dock, Hampton Roads Alliance, and Lion Electric. Business retention and expansion included the opening of the headquarters office of Yellow Dog Software, with an investment of \$150,000 and the creation of 20 new jobs. The company is located in the Norfolk Industrial Park in a 10,000 square foot space (965 Norfolk Square). Mr. Washington also noted efforts to be more proactive to assist businesses with their growth, using a quarterly windshield tour. Mr. Washington said Business Creation and Entrepreneurship is bringing back the Capital Access Program and noted that Norfolk Works is going places. Norfolk Works will be assisting citizens at its center located at 100 Bank Street as well as appearing in city libraires to assist those who can't get downtown. To end the presentation, Mr. Washington advised the Board to save the date for the Mayor's State of the City address

on Friday, April 14th at the Hilton Main Hotel, and that Mia Byrd and staff will be working on a branding and website refresh for the department before the end of the month. (Attachment #1).

NEW BUSINESS / UPDATES

Mr. Washington then introduced Mr. Mark Perryman, Norfolk Airport Authority Executive Director. Mr. Perryman provided the Board with the following information regarding the Norfolk Airport: The Norfolk Airport Authority is a political subdivision of the Commonwealth of Virginia, governed by nine-board members appointed by the Norfolk City Council. The Authority employs 200+ personnel functioning in roles including administrative, operations, parking, police, aircraft rescue and firefighting, janitorial, building maintenance and field maintenance. Their last economic impact study was in 2019 when the following economic statistics were reported: 17,300+ jobs, \$775M in job earnings, \$1.3B+ GDP and \$2.2B total economic impact. Over \$225M in capital improvements were completed over the past 5 years or are in process, all funded without local taxes. Passenger traffic recovery is on the rise and seat capacity outpaced the US System in 2022 versus pre-pandemic 2019 numbers. The Norfolk Airport is the airport gateway to the Outer Banks and northeast North Carolina. The Norfolk Airport serves 30 non-stop destinations and has nine new routes in 2022 compared to 2019. Spirit Airlines is adding service to Orlando and Fort Lauderdale in March 2023. The Norfolk Airport is finalizing design and phasing for runway rehabilitation of concrete extensions, with phase one from April to November, 2023 and phase two from April to November, 2024. Estimated cost of construction is \$30M for both phases. People movers are coming back (and are in the design stage), concourse A will be extended with 8 new gates, and the TSA security checkpoint and bag inspection screening will be consolidated. New things at the Norfolk Airport will include, among others, parking changes and vending machines will be opened on the concourses for food and beverage. (Attachment #2)

Mr. Washington then introduced Tami Simmonds to update the Board on the Military Circle Mall closure. Ms. Simmonds said there were 48 tenants and only 14 days left for them to vacate. Ms. Simmonds outlined the costs to the EDA of the various incentive packages for the tenants. She indicated

the first phase of demolition will be taking the buildings down to slab level. The second phase will be removing the concrete and asphalt. The contents of the Mall are currently being auctioned to help reimburse the EDA for the tenant costs. The contents of the movie theater space have already been auctioned and generated \$25,000. (Attachment #1) Surveys for the Optima and Ross space will need to be considered in the RFP timeline and the Mall expenses, exclusive of demolition expenses, will render the EDA a deficit of \$424,642.

Mia Byrd from the Development Department informed the Board that updates will start to be posted on their website.

Mr. Washington said that the PIDP grant is open again and the EDA was asked to resubmit for the grant, requesting a lot more detail be included in the application.

Mr. Washington noted that the Rosna theater finance committee met on Monday. The members of the committee expressed their view that the City needs to participate in a significant way because, without such assistance, the project would not be viable. It was noted that the due diligence period under the contract for the Rosna Theater ended March 14, with a closing date of April 13. (Attachment #1)

CLOSED SESSION

Director Ottinger presented the following motion for consideration by the Board, which motion was seconded by Director Brooke and unanimously approved:

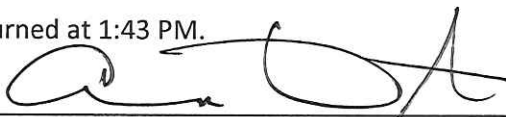
“Mr. Chairman, I move that the Directors of the Economic Development Authority of the City of Norfolk convene in a closed meeting pursuant to Section 2.2-3711.A.3 of the Code of Virginia for the purpose of discussion and consideration of the acquisition of real property for a public purpose, and the disposition of publicly held real property, in each case, with respect to 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: Director Brooke, Director Brown, Director

Dandalides, Director Ottinger, Director Patten, Director Smith, Director Sisco, and Director Whayland, all ayes. (Vote 8-0-0)

After reconvening in an open meeting, the Directors unanimously approved the following certification:

"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." Director Brooke, Director Brown, Director Dandalides, Director Ottinger, Director Patten, Director Smith, Director Sisco, and Director Whayland, all ayes. (Vote 8-0-0)

Chairman Sisco asked if there were any additional questions or concerns and there being none, the meeting was adjourned at 1:43 PM.

Approved by  _____

Attachments:

1. Director's Report – Presentation
2. Norfolk Airport Authority – Presentation