

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 7, 2023, at 12:00 PM, 4th floor of the Dominion Tower, 999 Waterside Drive, Suite 400 Norfolk, Virginia 23510.

DIRECTORS PRESENT:

Antonio Sisco – Chairman
Kim Brown (arrival 12:13 PM)
Jaeson Dandalides
Richard Ottinger
Carter Smith
George Polizos
Morgan Whayland
Henri Patten

STAFF PRESENT:

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

COUNSEL PRESENT:

Barry Hunter – Kaufman & Canoles, P.C.

ABSENTEE DIRECTORS:

Kelsey Host-Sarcone
Jeffrey Brooke – Vice Chairman

GUESTS:

Michael Paris – Department of Economic Development
Robert Sharak – Department of Economic Development
Nihal Vasty – Department of Economic Development
Alaa Sabbagh – Department of Economic Development
Cameron Taylor – Department of Economic Development
Luz Grant – Department of Economic Development
Mia Byrd - Department of Economic Development
Marcia McGill – Department of Housing and Community Development
Michael Roggow- Department of Finance
Maya Keplinger - Department of Economic Development

MEETING CALLED TO ORDER

Chairman Sisco called the meeting to order at 12:03 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 May 3rd meeting. There being no comments or corrections, Chairman Sisco entertained a motion to approve the minutes as presented. Director Ottinger moved to approve the minutes, which was seconded by Director Smith and unanimously approved. (Vote 8-0-0).

AGENDA OVERVIEW

Mr. Washington briefly reviewed the agenda, which contained a Director's Report, an update on the St. Paul's Transformation, approval of the FY22 Audit, an overview of the FY24 Budget, the Riverview IRF Resolution, and the VBRSP Performance Agreement & Fairwinds Landing Subrecipient Agreement Resolution.

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. Mr. Washington informed the Board of the recent promotion of Samantha Hudler, previously a Management Analyst, to the position of Business Development Manager. He announced that the department is currently developing a strategic plan aligned with the city's budget objective. To be aligned with strategic plan, the Economic Development Department is using HubSpot to track metrics related to the department's activity. (Attachment #1)

Additionally, Mr. Washington updated the Board on the collaborative efforts between the Hampton Roads Alliance and GO VA to establish a green hydrogen center, like the offshore wind

initiatives. He highlighted the success of Norfolk Works' Hire Our Grads program, with 60 students participating and 26 of them receiving job offers or conditional offers. Mr. Washington then provided the Board with information regarding recent projects and events, including the Chamber Leadership Exchange Trip (May 10th - May 12th), the VEDA/VEDP Virginia Consultants Forum (May 15th - May 17th), the Parade of Sails Event (June 9th), and the HREDA Workforce Readiness Delegation (July 16th - July 20th).

NEW BUSINESS / UPDATES

Mr. Washington then introduced Marcia McGill to provide updates to the Board regarding the St. Paul's Transformation Project. The St Paul's Transformation will be renamed to Kindred after receiving community feedback. Ms. McGill exhibited a rendering of what the communities will look like as the Phase 1 Infrastructure is nearing completion and Phase 2 beginning soon. DHCD will utilize a 1/3, 1/3, 1/3 model for housing. Ms. McGill also briefed the Board regarding the 22-acre stormwater park that is now being referred to as the "Blue Greenway" - groundbreaking will begin on this project in the spring of 2024. Lastly, Ms. McGill provided a timeline for all housing projects within the St. Paul's community. Director Smith mentioned that the statistics for the families being relocated and finding jobs was phenomenal and inspiring. He asked what was helpful in keeping these statistics going. Ms. McGill mentioned that tracking metrics are important and that the pressure the City of Norfolk keeps on the values the community has and the pressure they keep on third party consultants have also been key. Director Whayland thanked Ms. McGill and asked if market rate rents had been determined yet. Ms. McGill responded that the developers had done their studies and were making their recommendations for the rates. Ms. McGill said the market rates for the development should be very similar and comparable to what is expected in other areas of the city. Mr. Washington highlighted how crucial it is that the Department of Economic Development and DHCD have a great relationship as their work is closely aligned. (Attachment #2)

Mr. Washington then addressed the FY22 audit approval. He indicated it was a clean audit and that the City of Norfolk's Finance Department had been helping with the audit. He said no challenges were found, and updating a couple of things, such as the financial position related to the disposition of the

Willis building and the depreciation of Military Circle Mall, were factors. A motion was made by Director Brown, and seconded by Director Patten, to approve the audit for FY22, which motion was approved by unanimous vote. (Vote 8-0-0). (Attachment #3)

Mr. Washington proceeded to present the FY24 Budget Overview. There were no questions or comments from the Board. Mr. Washington reassured the Board members that he would be delighted to address any questions they might have. (Attachment #4)

Mr. Washington reminded the Board about the Commercial Corridors program and strategy, and that the Riverview Theater is a key property on one of those corridors. He stated that although a previous grant application was unsuccessful, after discussions with the State, there was an increased confidence in securing a grant. Mr. Washington then introduced Mr. Robert Sharak to provide additional insights and details regarding the Riverview Theater.

Mr. Sharak informed the Board that the theater, which spans 15,000 square feet and has been vacant since 2004, will be transformed into a live entertainment venue like the Norva, with the support of MJs Tavern's owner through the establishment of a new entity. He said the project aligns with the ARPA-funded Infrastructure and Revitalization Fund (IRF), which prioritizes shovel-ready sites, such as the Riverview Theater. Mr. Sharak noted that a significant difference from the Rosna Theater application is the emphasis on net new job creation, a key metric considered by the State for project funding, as job creation and income taxes are valued highly. Mr. Sharak provided an overview of expenses, acquisition costs of approximately \$2,756,000, comprising the largest expense. Grant applications exceeding one million dollars generally require, or prefer, a 1-to-1 match. The IRF Request for Proposal (RFP) was released by DHCD on May 1, 2023, leaving limited time for the department to apply. Mr. Washington mentioned that Anderson & Bohlander, an Urban Design firm, provided renderings showcasing the transformative potential of this development. The business was not seeking funds from the EDA but requesting in-kind assistance by submitting a grant application for the IRF Grant. Mr. Sharak added that this approach could serve as a strategy when other developers approach the city for assistance. A motion

was made by Director Brown, and seconded by Director Whayland, to approve the Resolution authorizing applying for a \$975,000 IRF Grant in anticipation of making a subgrant to 3910 Granby Holdings, LLC, which motion was approved by unanimous vote. (Vote 8-0-0). (Attachment #5)

CLOSED SESSION

Director Smith presented the following motion for consideration by the Board, which motion was seconded by Director Whayland and unanimously approved by roll call vote:

"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.8 of the Code of Virginia for the purpose of consultation with the Authority's legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel." Roll call vote: Director Sisco, Director Brown, Director Dandalides, Director Ottinger, Director Smith, Director Polizos, and Director Whayland, all ayes. (Vote 8-0-0)

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

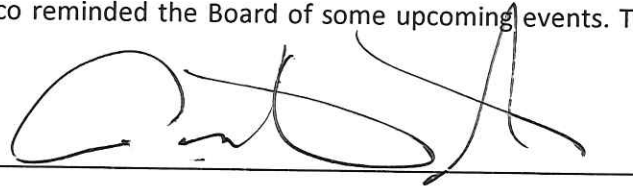
"The Directors of the Economic Development Authority of the City of Norfolk certify that to the best of their knowledge (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened, were heard, discussed or considered in the meeting by the Directors of the Authority." Roll call vote: Director Sisco, Director Brown, Director Dandalides, Director Ottinger, Director Smith, Director Polizos, and Director Whayland, all ayes. (Vote 8-0-0).

Mr. Sharak then presented a Resolution authorizing (i) the execution of a Performance Agreement with the Virginia Economic Development Partnership Authority relative to a grant from the Virginia Business Ready Sites Funded (VBRSF Grant) to reimburse the costs of additional due diligence and building demolition on the land leased by Fairwinds Landing LLC (FWL) at 500 Orapax Street; and (ii) a Grant

Agreement between the EDA and FWL by which the EDA would make the proceeds of the VBRSF Grant available to FWL to reimburse it for eligible expenses. A motion was made by Director Brown, and seconded by Director Smith, to approve the Resolution, which motion was approved by unanimous vote. (Vote 8-0-0). (Attachment #6).

Chairman Sisco reminded the Board of some upcoming events. The meeting was adjourned at 1:37 PM.

Approved by

A handwritten signature in black ink, appearing to be 'Sisco', written over a horizontal line.

Attachments:

1. Director's Report – Presentation
2. St. Paul's Transformation Update - Presentation
3. FY22 Financial Statements/Auditors' Report
4. FY24 Budget Overview
5. Riverview Theater IRF Grant Application Resolution
6. Fairwinds Landings, LLC Resolution