

**MINUTES  
ECONOMIC DEVELOPMENT AUTHORITY  
OF THE CITY OF CHESAPEAKE  
THURSDAY, APRIL 20, 2017**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, April 20, 2017, at 3:00 p.m. at the Economic Development office, 676 Independence Parkway, Chesapeake, VA.

**MEMBERS PRESENT:** Clyde T. Clark Jr., Chairman; John B. Maddux, Vice Chairman; Jeffrey "JT" Fisher, Assistant Secretary; Dan G. Bell, Treasurer; Russell G. Hanson, Jr., Member; Patrick L. Reynolds, Member; Robert L. Riddle, Member; Vonda W. Chappell, Member

**MEMBERS ABSENT:** Teresa C. Peters, Secretary; Steven C. Wright, Executive Secretary

**COUNSEL PRESENT:** Jim Pickrell, Cox & Tayloe, EDA Attorney

**STAFF PRESENT:** Sherry Barnette, Chesapeake Economic Development  
Voncile "Von" Gilbreath, Chesapeake Economic Development  
Teresa Shuma, Chesapeake Economic Development  
Constantia Matthews, Chesapeake Economic Development  
Ben White, Chesapeake Economic Development

**GUESTS PRESENT:** George L. Consolvo, Kaufman & Canoles; Susan Ohmsen, YMCA of South Hampton Roads; Jan L. Proctor, City Attorney

Chairman Clyde T. Clark Jr., declared a quorum present and called the meeting to order.

**OPENING OF PUBLIC HEARING AND PRESENTATION:** Vonda W. Chappell, Kaufman & Canoles, recused herself and exited the discussion area prior to the presentation by George Consolvo, Kaufman & Canoles. George Consolvo, serving as Bond Counsel for the YMCA of South Hampton Roads, presented information about the refinancing of a \$10 million bond issued in 2010 and 2014 through the Virginia Small Business Financing Authority and North Hampton Authority respectively. The multi-jurisdictional plan of refinance for \$8 million of the bond hosts facilities in the following cities and localities: Chesapeake, Norfolk, North Hampton, Suffolk, and Virginia Beach. Mr. Consolvo explained although the EDA does not have to approve the issuance of the bond since they do not issue it; it is best practice to seek the EDA's recommendation to City Council when seeking the approval of City Council for the issuance of the bond. Chesapeake

situates itself as the last public hearing, as all other jurisdictions' EDAs approved the refinancing of the bond. Mr. Russell Hanson made a motion, seconded by Mr. John Maddux, and carried unanimously to approve the resolution for forwarding a recommendation to City Council for the YMCA's request to refinance the YMCA bond.

**EXECUTIVE SESSION:**

Mr. John Maddux made a motion to enter into Executive Session which Mr. Russell Hanson seconded.

Mr. Patrick Reynolds made a motion to leave the Executive Session which was seconded by Mr. Russell Hanson.

**MEETING MINUTES:** After a review of the March 16, 2017 Meeting Minutes, Dan Bell made a motion, seconded by Jeffrey "JT" Fisher, and carried unanimously to accept the Minutes from the March 16, 2017 Meeting.

**TREASURER'S REPORT:** Mr. Ben White, Chesapeake Economic Development, reported the financial statements for March 2017. Hearing no questions or concerns, Chairman Clyde T. Clark declared the March 2017 Treasurer's Report filed for audit.

**INVOICES:**

After a review and upon recommendation by Mr. Ben White, Mr. Russell Hanson made a motion; seconded by Mr. Dan Bell (with the exception of Mr. Robert Riddle, who abstained from voting on Solitude) and carried unanimously to approve for payment the following invoices:

Basnight Land & Lawn, Inc. (Inv #80493 Mowing at Oakbrooke, 3/1/2017).....	3,364.77
Solitude Lake Management (Inv #PI-A00105089 Oakbrooke Lake & Pond Manag, 3/2017).....	789.00
Hassell & Folkes, P.C. (Inv #71522 Professional Services, 2/27/2017).....	767.50
Dominion Power (Inv #1260413354 services for 411 Innovation Drive, Mar 2017).....	401.85
Dominion Power (Inv #9578017346 services for 444 Network Sta, Mar 2017).....	75.91
Hampton Roads Chamber (Inv #120397 Ches. State of the City 2017 Table Sponsor 3/31/17)....	800.00
Solitude Lake Management (Inv # PI-A00108664 Annual Lake & Pond Management 4/1/17).....	789.00
Quick T's Custom Screen Printing (Inv #28281 Metal Signs & Post 4/6/17).....	640.00
Minor and Associates (Inv #121628 Treasurer's Report prep and send 4/2/2017).....	190.00
Solitude Lake Management (Inv #PI-A00109573 Oakbrooke pull/ship fountain repair 3/31/17).	247.02

**UNFINISHED BUSINESS:**

The draft of the Strategic Plan will roll out on May 2<sup>nd</sup> at 11:30 am at Cox Communications.

Sherry Barnette delivered a briefing about the Broker's event held at Oceaneering on March 28<sup>th</sup>.

**OAKBROOKE BUSINESS AND TECHNOLOGY CENTER UPDATE:**

An update on Oakbrooke was presented. ALM is seeking a central location in the region. There was a discussion of the preliminary building design.

James M. Pickrell discussed JoKell's desire to purchase a portion of wetlands, which are denoted as common area, to square off their property. JoKell will bare all costs of re-subdividing the property.

Dan G. Bell made a motion to approve the conveyance of wetlands to expand Innovation Drive Associates LLC, JoKell's respective LLC, contingent upon the Oakbrooke PUD guidelines. Mr. Russell Hanson seconded the motion with all in favor. Mr. Robert Riddle abstained. Mr. John Maddux was absent for the remainder of the meeting.

Voncile "Von" Gilbreath continued with an update on INIT. INIT is scheduled to receive their temporary C.O. on Friday, April 21<sup>st</sup>, 2017. They are scheduled to receive their final C.O. on Friday, May 5<sup>th</sup>, 2017. Their Ribbon Cutting Ceremony will be on August 3, 2017.

**SUBCOMMITTEE FOR RESOLUTION ON BUSINESS TAXES:**

A request was made for the EDA to study and make recommendations for the restructuring of business taxes. It was suggested the Commissioner of Revenue review the recommendations as well as the City Attorney for legality purposes. From there the recommendation will go to City Council for their consideration on July 11, 2017. Mr. Clyde Clark noted the need for data in order to fully analyze the impacts of the recommendations. Mr. Patrick Reynolds and Ms. Vonda Chappell will serve as volunteers for the subcommittee.

Mr. Robert Riddle requested an update on TIF districts. Mr. Ben White introduced Ms. Constantia Matthews, Management Analyst for the Economic Development Office who will send the information. Ms. Jan Proctor, City Attorney, gave a brief overview of SoNo and Greenbrier TIFs.

**ANALYSIS OF EDA BANK ACCOUNTS:**

Ms. Matthews provided an update of various options for the LGIP and Towne Bank accounts—citing the current 0.88% interest rate on the \$1.5 million LGIP account and 0.05% interest rate on the \$2 million money market account. Mr. Clyde Clark with Fulton Bank recused himself

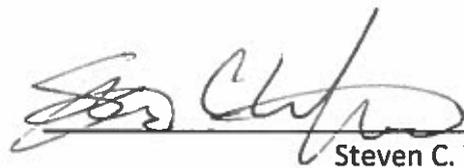
from the discussion. Mr. Russell Hanson made a motion to select Fulton Bank for the money market with a 0.85% interest rate, seconded by Mr. Dan Bell (with the exception of Mr. Clyde Clark who abstained from voting) and carried unanimously in favor of selecting Fulton Bank.

**NEW BUSINESS:**

Voncile “Von” Gilbreath presented an EDA resolution for vote on MEB General Contractors who have been headquartered in Chesapeake for over 30 years. MEB will build a 10,000 square foot addition on to their existing building in Cavalier Industrial Park and will also seek to make improvements to their current 10,000 square foot footprint. It will equate to \$4 million dollars in real estate investment and \$7 million in business personal property for a total investment of \$11 million. MEB has 225 employees. A total of 25 new jobs will be created. Patrick Reynolds made a motion to approve the recommended \$165,000 incentive payout and resolution, which Russell Hanson seconded. All voted in favor with the exception of Robert Riddle who abstained.

Decisions, LLC, who has housed their headquarters in Chesapeake for ten years, provides software development for companies and will relocate from 821 Battlefield South to the BB&T Bank Building on the corner of Battlefield Boulevard and Cedar Road. They are putting \$200,000 in lease-hold improvements and \$330,000 in business personal property. Decision has 26 employees. A total of 50 new jobs will be created. Dan Bell made a motion to approve the recommended \$8,000 incentive payout and resolution, which Russell Hanson seconded. All voted in favor with the exception of Robert Riddle who abstained.

**ADJOURNMENT:** There being no further business to discuss, it was the consensus to adjourn the meeting.

  
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Steven C. Wright  
Executive Secretary