

**MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHESAPEAKE
THURSDAY, FEBRUARY 16, 2017**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, February 16, 2017, at 3:00 p.m. at the Economic Development office, 676 Independence Parkway, Chesapeake, VA.

MEMBERS PRESENT: Clyde T. Clark Jr., Chairman; John Maddux, Vice-Chairman; Russell Hanson; Vonda Chappell; Patrick L. Reynolds; Robert L. Riddle; Teresa C. Peters, Secretary

MEMBERS ABSENT: J. T. Fisher, Assistant Secretary; Dan Bell, Treasurer

ALSO PRESENT: Steven C. Wright, Executive Secretary

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

STAFF PRESENT: Sherry Barnette, Chesapeake Economic Development
Preston Wilhelm, Chesapeake Economic Development
Casey Gilchrist, Chesapeake Economic Development
Teresa Shuma, Chesapeake Economic Development

GUEST PRESENT: Mr. Baker, City Manager; Rocky Lane; Sanford Holshouser;
Andy Fox, City Attorney

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

PRESENTATIONS: None.

MEETING MINUTES: After a review of the January 5, 2017 as well as the January 19, 2017 Meeting Minutes, Vice-Chairman John Maddux made a motion, seconded by Mr. Russell Hanson, and carried unanimously to accept the Minutes from the January 5, 2017 and January 19, 2017 Meetings.

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

OPENING OF PUBLIC HEARING ON IRB APPLICATIONS: None for the month of February 2017.

PRESENTATION OF FINAL BOND DOCUMENTS & OTHER RELATED IRB BUSINESS: None for the month of February 2017.

INVOICES:

After a review and upon recommendation by Mr. Steven Wright, Ms. Teresa Peters made a motion; seconded by Vice-Chairman John Maddux (with the exception of Mr. Robert Riddle, who abstained from voting on Solitude), and carried unanimously to approve for payment the following invoices:

Chesapeake Regional Health Foundation (Gala Sponsorship).....	4,000.00
Dominion VP (Acct #9578017346 444 Network Station 12/19/16- 1/19/17)	560.28
Dominion VP (Acct #1260413354 411 Innovation Dr 12/19/16 to 1/19/17)	418.79
Solitude (Inv #: PI-A00102725 Annual Lake & Pond Mgmt Svc - 02/01/17 to 02/28/17).....	789.00
Basnight Land & Lawn, Inc. (Inv #79236 Mowing at Oakbrook 11/2/2016)	3,132.00
Basnight Land & Lawn, Inc. (Inv #80196 Grounds Maint. for Oakbrook 02/1/2017)	3,364.77
Hassell & Folkes, P.C. (Inv #71420 Professional Services 1/31/2017).....	2,745.00
Old Dominion University (2017 Market Review on March 16, 2017).....	700.00
Sanford Holshouser (Inv #CEDA-011817 Strategic Plan Consulting Services 1/18/2017)	6,320.00

UNFINISHED BUSINESS: None.

ECONOMIC DEVELOPMENT UPDATE:

Preston Wilhelm provided an update on the Virginia Business Ready Sites Program (VBRSP) for the Frank Williams Farm property. The EDA was awarded a \$5,000 grant to be used specifically for site characterization (assignment of a Tier level) to the Williams property. The grant requires a dollar for dollar match by a private or public source and staff has not yet received a letter of support from representatives of Frank Williams indicating that any services in excess of \$5,000 will be covered by Frank Williams and NOT the EDA. The current \$5,000 grant is essentially a place holder in anticipation of additional funding to be used for due diligence to progress site through Tier classification system. However, in the current legislative session at the General Assembly, the House budget has removed all additional funding from the VBRSP program.

Preston Wilhelm and Sherry Barnette traveled to several cities in the eastern part of the U.S. for a marketing mission to meet with site selection consultants and real estate brokers focused on the industrial and office sectors. Staff had approximately 3-4 meetings per day. The majority of site selection consultants and brokers emphasized the need to have sites that are ready to go, and reminded local officials that many of their clients are not in the real estate business and therefore “perception is reality” when it comes to shortcomings in a potential site.

Steven Wright mentioned that in addition to the trip by Sherry and Preston, Steven along with HREDA, hosted three influential site selection consultants for a visit to Hampton Roads recently. Their comments also echoed what Sherry and Preston heard on their recent marketing mission.

Authority member Rob Riddle asked how pricing, contingencies, and Chesapeake's ability to offer incentives impact the site selection process. Preston replied that in many cases Chesapeake is not even considered for projects due to the lack of ready-to-go projects. Additionally, the asking price of \$225,000 per acre for industrial property is essentially a non-starter.

OAKBROOKE BUSINESS & TECHNOLOGY CENTER PROJECT UPDATE:

Mr. Steven Wright stated a representative from Jo-Kell requested that Parcel 25 be re-subdivided to include a small portion of wetlands that would enable the company to meet all code requirements. Mr. Riddle suggested that the staff receive an opinion of value for the wetlands prior to re-subdividing the parcel. The company will pay all costs associated with the re-subdivision. Mr. Reynolds made a motion; seconded by Ms. Chappell, and carried unanimously (with the exception of Mr. Riddle and Mr. Maddux who abstained from voting) to re-subdivide parcel 25.

GREENBRIER NORTH COMMERCE PARK (SEVTC) UPDATE: No updates.

EDA INSURANCE UPDATE: The insurance policy and premium information was shared with the EDA members. No changes to the current policy were made.

WESTERN BRANCH TASKFORCE UPDATE: Chairman Clyde T. Clark and Mr. Preston Wilhelm provided the following update:

Staff member Preston indicated that he would be sending the Western Branch Task Force report to the EDA for their review and comment. The next step will be to send the Steering Committee for their approval and review. Following approval by the Steering Committee, the report will then go to the City Manager and City Council.

The Marlyn Project is still scheduled to go to City Council in March. The contract is scheduled to close in June 2017.

STRATEGIC PLANNING: Mr. Rocky Lane, Sanford Holshouser, provided updated information on the Strategic Plan. He focused on competitive product development and Foreign Direct Investment (FDI). This was for information only and no action was taken.

NEW BUSINESS:

Steven Wright discussed accounting services for the EDA and is proposing the EDA retain Ms. Carol Swindell, Minor and Associates, through June 30, 2017 to ensure EDA is compliant with all fiscal issues. Mr. Riddle suggested the EDA Treasurer work with the Economic Development staff and be more involved with the fiscal matters. Mr. Wright indicated Minor and Associates already works with the City. Mr. Patrick Reynolds made a motion, seconded by Mr. Robert Riddle, and carried unanimously to accept the proposal to retain Minor and Associates to handle fiscal matters through June 30, 2017.

Mr. Wright discussed the Chesapeake 17th Annual Chesapeake Business Appreciation Golf Classic scheduled for Friday, May 19, 2017 to be held at Cahoon Golf Course. There will be a business appreciation cookout (19th hole) open to all businesses. Mr. Wright proposed the EDA provide a \$5,000.00 sponsorship. Mr. Riddle voiced objection to the golf tournament. A discussion was held on whether or not a different type of appreciation event should be held. Mr. Wright indicated the proceeds from the event are given to a local charity which has not been chosen yet. Mr. Russell Hanson made a motion, seconded by Mr. Patrick Reynolds to sponsor the Golf Classic for \$5,000.00. The motion carried six to one with Mr. Riddle voting no.

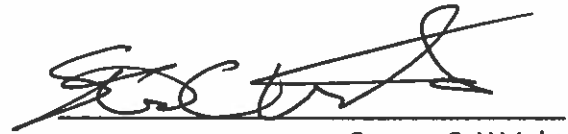
EXECUTIVE SESSION:

Mr. Robert Riddle made a motion to enter into Executive Session which was seconded by Mr. John Maddux.

Mr. John Maddux made a motion to leave the Executive Session which was seconded by Mr. Robert Riddle.

Mr. Patrick Reynolds made a motion, which was seconded by Mr. Robert Riddle, and carried unanimously to enter into a contract with Agronomic Lawn Management (ALM) for \$190,000.00 per acre to purchase Parcel 23A-1.

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

A handwritten signature in black ink, appearing to read 'S. C. Wright', is written over a horizontal line.

Steven C. Wright
Executive Secretary

Minutes provided by Teresa J. Shuma