

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHESAPEAKE
THURSDAY, September 19, 2019**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, September 19, 2019, at 3:00 p.m. at the Economic Development office, 676 Independence Parkway, Chesapeake, VA.

MEMBERS PRESENT: John B. Maddux, Chairman; Patrick L. Reynolds, Vice Chairman; Teresa C. Peters, Treasurer; Vonda W. Chappell, Secretary; Kevin J. Cosgrove, Member; Dawn W. Matheson, Member; Bradley M. Brickhouse, Member; Valerie K. Brown, Member; Arthur W. Robinson, Member

ALSO PRESENT: Steven C. Wright, Executive Secretary

COUNSEL PRESENT: Jim Pickrell, KPCT PC, EDA Attorney

STAFF PRESENT: Ben White, Chesapeake Economic Development
Constantia Matthews, Chesapeake Economic Development
Tim Howlett, Chesapeake Economic Development
Dulishu Mapp, Chesapeake Economic Development
Preston Wilhelm, Chesapeake Economic Development
Kerstin Plarr, Chesapeake Economic Development

GUESTS PRESENT: Robert Ike, Council Member; Catherine Lindley, Deputy City Attorney; Lamonte Woodard, Burgess & Niple; Josh Gerloff, RRMM; Vic Nicholls, Citizen

CALL TO ORDER

John B. Maddux, Chairman declared a quorum present and called the meeting to order.

WELCOME:

Mr. Steven Wright introduced and welcomed a new staff member with Chesapeake Economic Development: Ms. Kerstin (Lexy) Plarr, Business Intelligence Specialist. Ms. Plarr replaces Jillian Pittman.

PRESENTATIONS:

Presentation by: Jim Carroll – Vice President, Small Business

Mr. Jim Carroll from the Small Business Development Center of Hampton Roads Inc. (SBDC), presented information concerning the origin and programs of the organization established in Virginia in 1990 under the Small Business Administration Act of 1987. Mr. Carroll stated that the organization covers the 18 cities and counties of Southeastern Virginia. Mr. Carroll's presentation detailed how the organization is funded and helps businesses with jobs, cash and capital investments. Mr. Carroll is requesting \$8,000 from the EDA to help with increase in funding for expansion services to the small business community throughout the Hampton Roads region, as well as to help the Economic Development Departments provide services to their clients.

Mr. Steven Wright concurred that the Small Business Development Center provides an excellent service to the business community that would be a challenge for the Economic Development Department to duplicate. Mr. Wright stated that the Economic Development Department supports the SBDC's request wholeheartedly, specifically for the small businesses in Chesapeake, and due to staffing and budget levels.

PRESENTATIONS:

Presentation by: Josh Gerloff – RRMM (Black Water Electric Plans)

Mr. Steven Wright summarized that the EDA is working with Black Water Electric, a company that acquired property in the Oakbrook Business and Technology Park. Mr. Wright introduced Mr. Josh Gerloff, RRMM Architect, from Black Water Electric to present the building materials that will be utilized for their building as per the conditions of the property. Mr. Gerloff displayed samples of the primary construction materials and discussed where they will be located on their building. Mr. Wright stated that staff have reviewed the materials to make sure it is consistent with the covenant of restriction associated with Oakbrook Business and Technology Park, and it does in deed meet all the necessary requirements.

MEETING MINUTES: After a review of the August 15, 2019 Meeting Minutes, Ms. Teresa Peters made a motion; seconded by Mr. Patrick Reynolds, to accept the minutes from the August 15, 2019 Meeting. The motion was approved unanimously.

TREASURER'S REPORT: Mr. Steven Wright, Chesapeake Economic Development, presented the treasurer's report for August, 2019. No other questions or concerns were expressed; therefore, Chairman John Maddux declared August 2019 Treasurer's Report filed for audit.

INVOICES:

After a review of the invoice from Dominion Energy for \$23,567.66, for work done at Greenbrier Commerce Park to relocate power lines to the pump station, Mr. Arthur Robinson made a motion; seconded by Mr. Kevin Cosgrove, to approve payment of the invoice. The motion was approved unanimously.

**UNFINISHED BUSINESS:
ECONOMIC DEVELOPMENT UPDATE:**

Mr. Steven Wright stated that the update will be discussed in closed session.

OAKBROOKE BUSINESS & TECHNOLOGY CENTER – UPDATE:

Mr. Steven Wright shared a follow-up of the last meeting with JRC Mechanical concerning the building materials and the layout of their building on their property in Oakbrooke where the Authority is responsible for administering the covenant and restriction associated with the overall park. Mr. Tim Howlett updated that the bottom part of JRC Mechanical's entire building will be wrapped with bricks, they added more windows, and the driveways will be all pavement. Mr. Howlett stated that JRC Mechanical completed everything they were asked to do. Additionally, Mr. Wright stated that there is some new interest in Oakbrooke that will be shared in closed session.

GREENBRIER NORTH COMMERCE PARK (SEVTC) – UPDATE:

Mr. Steven Wright was very happy to share the closing and signing of all documents with Mr. Baylor that will ultimately show increase in the EDA revenue. Also, Mr. Wright shared that the status of "Project Big Belly" is still in the "due diligence" process and is anticipated to close on time as well.

WESTERN BRANCH UPDATE:

Mr. Steven Wright stated that there is a tremendous amount of activity and interest in Western Branch and things are moving forward very nicely.

NOMINATING COMMITTEE:

Chairman John Maddux, as outgoing Chairman, asked Mr. Bradley Brickhouse to help on the nominating committee in selecting the next EDA officers. Chairman Maddux shared that Mr. Patrick Reynolds will be his replacement as Chairman when he steps down at the next EDA meeting on October 17, 2019. Chairman Maddux stated that the nominating committee will nominate for approval the next selection of officers at the October 17, 2019 EDA meeting.

DAMUTH RESOLUTION – ADMENDMENT OF DEVELOPMENT AGREEMENT

Mr. Jim Pickrell, EDA Attorney, explained the Amendment of Development Agreement with Damuth Associates II, LLC known as “Damuth”. The change is associated with the name Damuth as a separate entity from the parent company Damuth Associates II, LLC. Mr. Steven Wright clarified that there is not a significant change in what was approved and what Damuth will be accountable for. Mr. Wright stated that Damuth will still go thru the same review process on an annual basis; ensure the investment has been made; and ensure the 5 new jobs have been created. Mr. Wright stated that the name change was made so that Damuth feels more comfortable meeting their requirements of the development agreement. Ms. Dawn Matheson made a motion; seconded by Mr. Patrick Reynolds, to approve the resolution for Damuth. The motion was approved unanimously.

NEW BUSINESS:

GEMSA ENTERPRISES, LLC – EDIP RESOLUTION

Mr. Steven Wright recalled that GEMSA Enterprises, LLC was approved by the EDA previously for an investment to occupy approximately 56,000 square feet and will bring in approximately 5 new jobs. Also, their overall capital investment will be approximately 1.7 million dollars. Ms. Valerie Brown made a motion; seconded by Ms. Vonda Chappell to approve the GEMSA EDIP Resolution. The motion was approved unanimously; however, Mr. Kevin Cosgrove excused himself from the vote.

EXECUTIVE SESSION:

Mr. Jim Pickrell, EDA Attorney stated the executive session will cover:

Clause 3, discussion of acquisition and disposition of real property where discussion in an open meeting would adversely affect the negotiating position of the EDA.

Clause 5, discussion of a prospective business where no previous public announcement has been made of the business’ interest in locating in Chesapeake, VA.

Clause 6, discussion of consideration of investment of public funds where competition is involved where if made public initially the financial position of the EDA would be adversely affected.

Mr. Kevin Cosgrove made a motion; seconded by Mr. Patrick Reynolds, to go into Executive Session. The motion was approved unanimously.

Mr. Patrick Reynolds made a motion; seconded by Ms. Valerie Brown, to leave the Executive Session. The motion was approved unanimously.

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



Steven C. Wright
Executive Secretary

Minutes provided by Angela Davis