

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHESAPEAKE
THURSDAY, August 19, 2021**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, August 19, 2021, at 3:00 p.m. in the Economic Development Office, 676 Independence Parkway, Chesapeake, VA 23320.

MEMBERS PRESENT: Patrick L. Reynolds, Chairman
Vonda W. Chappell, Vice Chairman
Kevin J. Cosgrove, Treasurer/Assistant Secretary
John Maddux, Member
Dawn Matheson, Member
Luis Jimenez, Member
Michael Malone, Member

MEMBERS ABSENT: Bradley Brickhouse, Member; Tonya Gill, Member

ALSO PRESENT: Steven C. Wright, Executive Secretary

COUNSEL PRESENT: Jim Pickrell, KPCT PC, EDA Attorney

CED STAFF PRESENT: Preston Wilhelm; Lloyd Jackson; Tim Howlett; Curtis Cobert;
Constantia Matthews; Kerstin Plarr; Stephanie Glover

GUESTS PRESENT: Jacob Stroman, City Attorney; Susan Rowling, Assistant City Attorney;
Vincent Castellano, Regent Law School Graduate, City Attorney Intern;
Benjamin Camras, City of Chesapeake Planning Department

CALL TO ORDER:

Mr. Patrick Reynolds, Chairman, declared a quorum present and called the meeting to order.

SPECIAL PRESENTATION:

Mr. Benjamin Camras with the Chesapeake Planning Department presented an overview of the Great Bridge Village Plan (GBVP) and its four districts, specifically the Causeway District. The GBVP was adopted by City Council last year and is a high priority project. The purpose of the district is to guide the redevelopment of the area so that as land uses change over time, the new developments are done in a coordinated manner and flexibility is promoted in design to attract compatible uses. This Plan is consistent with the goals and objectives of the Great Bridge Historic Gateway Overlay District, which calls for a mixed-use waterfront village that promotes and preserves the historical significance of the area.

MEETING MINUTES: After a review of the July 15, 2021 Meeting Minutes, Ms. Dawn Matheson made a motion; seconded by Mr. Michael Malone, to accept the minutes from the July 15, 2021 meeting. The motion was approved unanimously.

TREASURER’S REPORT(S): Mr. Steven Wright, Chesapeake Economic Development, presented the treasurer’s report for July 2021. No other questions or concerns were expressed; therefore, Chairman Patrick Reynolds declared July 2021 Treasurer’s Report filed for audit.

INVOICES:

All invoices were approved budgeted invoices

UNFINISHED BUSINESS:

ECONOMIC DEVELOPMENT UPDATE:

Mr. Steven Wright updated there is significant interest in data center activity, and both international and domestic data center developers have approached Chesapeake. Several parcels under consideration are advantageous to a data center due to infrastructure, power capacity, and proximity to a planned solar array.

OAKBROOKE BUSINESS & TECHNOLOGY CENTER UPDATE:

Mr. Tim Howlett updated as improvements to the irrigation system were made, some of the sensors were not functioning which was not identified on an earlier inspection. The cost of these additional repairs is \$2,200.00.

Mr. Kevin Cosgrove made a motion to approve the \$2,200.00 expenditure for the additional repairs to the irrigation system; seconded by Mr. John Maddux. The motion was approved unanimously.

Mr. Howlett also reported in follow-up to the rezoning application for the PUD modification to take out the Southeastern expressway, the Planning Department would like a 20 foot wide multi-use path through that property because it’s on the Land Use Plan. Mr. Steven Wright advised CED is working with an engineering firm to provide some options to resolve that issue that will not impact the developable land.

Additionally, Mr. Howlett updated there has been some interest in lot #25 and a contract is expected soon.

WESTERN BRANCH UPDATE:

Will be discussed in closed session.

COMMITTEE REPORTS:

Will be discussed in closed session.

FOR YOUR INFORMATION:

Mr. Steven Wright announced the CED audit has been completed with the suggestion to update the EDIP process which awards incentive grants. Mr. Wright advised the EDIP incentive grants require both EDA and City Council approval.

Mr. Wright reported the development agreement for the previously announced Plasser American project needs to be readdressed. Mr. Wright reported two substantial post COVID-19 changes require additional EDA and City Council approval. The changes to the development agreement include the number of floors (3 instead of 4), and the projected salaries (\$50,186.00 versus \$65,241.00).

Ms. Vonda Chappell made a motion to approve the Plasser American development agreement with the noted revision; seconded by Mr. Luis Jimenez. The motion was approved unanimously.

EXECUTIVE SESSION:

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

Clause 3, discussion of acquisition of real property and/or disposition of publicly held real property where discussion in open session 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.

Clause 7, discussion of probable litigation with counsel where a discussion in public would adversely affect the negotiation and litigation by the EDA regarding specific legal matters.

Clause 8, discussion of consultation with legal counsel retained by the EDA regarding a specific legal matter requiring the provision of legal advice by counsel.

A motion was made to go into Executive Session by Ms. Dawn Matheson; seconded by Mr. John Maddux. The motion was approved unanimously.

A motion was made by Ms. Dawn Matheson; seconded by Mr. John Maddux certifying that only public business matters lawfully exempted from open meeting requirements were identified in the motion convening the executive discussion were heard, discussed, or considered. The certification was approved unanimously.

Mr. Kevin Cosgrove made a motion; seconded by Mr. Michael Malone to leave the Executive Session. The motion was approved unanimously.

ADDITIONAL MOTIONS FROM COMMITTEE MEMBERS:

Mr. Kevin Cosgrove reported, for the record, that Chesapeake Bay Lighting submitted an application for the Chesapeake Small Business COVID-19 Recovery Grant but put Gibson Irrigation on the W-9 that was included with their application package. CED staff, following normal protocol, approved the application and a grant check was issued to Gibson Irrigation. However, Chesapeake Bay Lighting's application was incorrect because Gibson Irrigation is a completely separate business from Chesapeake Bay Lighting. As a result, the monies were incorrectly sent to Gibson Irrigation. Chesapeake Bay Lighting submitted an affidavit certifying that everything in their application was correct which was not the case.

Mr. Kevin Cosgrove made a motion; seconded by Mr. Michael Malone to disqualify Chesapeake Bay Lighting's application for the Chesapeake Small Business COVID-19 Recovery Grant because it was not submitted in accordance with the requirements of the grant program. The motion was approved unanimously.

Mr. Kevin Cosgrove made a motion; seconded by Ms. Vonda Chappell to authorize our legal counsel to start collection proceedings, and if necessary, file suit and go forward to obtain a refund of those monies that were improperly distributed to Gibson Irrigation. The motion was approved unanimously.

Mr. Kevin Cosgrove made a motion; seconded by Luis Jimenez to authorize the Chairman to sign a contract with the Kotarides Group to purchase the property as reflected in the purchasing sale agreement subject to some discrepancies that were noted in Closed Session in terms of the subdivision plat contingent to being resolved to the Authority members' satisfaction and the satisfaction of EDA legal counsel. The motion was approved unanimously.

FOR YOUR INFORMATION:

Mr. Steven Wright announced a ribbon cutting with Fidelity Power Systems on September 16, 2021, at 11:00 am in Oakbrooke and advised all Authority members are invited to attend.

FOR YOUR INFORMATION continued:

Mr. Wright also announced the Chesapeake Virginia Wine Festival on October 9, 2021. Mr. Wright reminded the members they are long-time sponsors of this event and advised members interested in attending to contact CED staff to secure tickets. All tickets are only available on-line.

In addition, Mr. Wright announced Chesapeake Regional will hold its annual Foundation Gala on October 16th at the Chesapeake Conference Center. Mr. Wright advised this is an EDA sponsored event and advised Authority members to contact CED staff to secure a seat if they would like to attend.

Mr. Steven Wright reported CED staff had the opportunity to talk to City Council about the annual golf tournament and present several pictures of the proceeds recipient, Chesapeake Public Schools Education Foundation. Mr. Wright also noted the golf tournament generated almost \$12,000 and represents one of the largest proceeds checks CED has awarded. Mr. Wright thanked the members of the Authority for their support of the annual golf tournament and for making it possible.

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



Steven C. Wright
Executive Secretary

Minutes provided by Jude Jackson