

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHESAPEAKE
THURSDAY, July 15, 2021**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, July 15, 2021, at 3:00 p.m. at the Economic Development Office, 676 Independence Parkway, Chesapeake, VA 23320.

MEMBERS PRESENT: Patrick L. Reynolds, Chairman
Vonda W. Chappell, Vice Chairman
Bradley Brickhouse, Secretary
Kevin J. Cosgrove, Treasurer/Assistant Secretary
John Maddux, Member
Dawn Matheson, Member – via conference call from Nags Head, NC
Luis Jimenez, Member
Michael Malone, Member
Tonya Gill, Member

ALSO PRESENT: Steven C. Wright, Executive Secretary

COUNSEL PRESENT: Jim Pickrell, KPCT PC, EDA Attorney

CED STAFF PRESENT: Ben White; Preston Wilhelm; Tim Howlett; Curtis Cobert;
Constantia Matthews; Ajoni Wynn-Floyd, CED Intern

GUESTS PRESENT: Jacob Stroman, City Attorney; Mark Williamson, Esq., with McGuireWoods; Fiesta Martin, Regional Vice President of Operations, Rivermont Schools; Christine Young, Rivermont Schools; Jim Baylor, President of Baylor Corporation; Jason Robinson; Peter Abraham, Harvey Lindsey Real Estate

CALL TO ORDER:

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

SPECIAL PRESENTATION:

Mr. Mark Williamson, Esq., with McGuireWoods, representing Rivermont Schools, gave a presentation on the services they provide to special needs children and the need for expansion. A new facility is needed and is proposed to be built by Mr. James Baylor, Baylor Management Corporation, and leased to Rivermont Schools. Mr. Tim Howlett confirmed the proposed use is permitted in Oakbrooke. After discussing site locations, all agreed that site #2 was a good fit for this building. Mr. Williamson added the school will employ about 50 teachers and aides, and the capital investment will be 6.5 million dollars with an additional \$500,000 in personal property tax.

MEETING MINUTES: After a review of the June 17, 2021 Meeting Minutes, Ms. Vonda Chappell made a motion; seconded by Mr. Brad Brickhouse, to accept the minutes from the June 17, 2021 meeting. The motion was approved unanimously.

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

Mr. John Maddux made a motion to approve the 2022 Operational Budget; seconded by Mr. Luis Jimenez. The motion was approved unanimously.

INVOICES:

All invoices were approved budgeted invoices

UNFINISHED BUSINESS:

ECONOMIC DEVELOPMENT UPDATE:

Mr. Ben White updated the following three events:

1. The GSA announced on June 28, 2021 that a site had been chosen for the Southside Hampton Roads VA Outpatient Clinic and will be located behind the Jennings Outpatient Cancer Center on hospital owned property along Knells Ridge Boulevard. The clinic will provide primary care, eye clinic services, mental health, and other specialty care such as imaging to veterans. The facility will be 196,000 sf with 1,050 parking spaces. It will have a value of approximately 250 million dollars adding 400 new health care jobs in Chesapeake. Construction is set to begin in 2022 and the facility plans to open in the fall of 2024.
2. Yupo Corporation America celebrated their 25th year of operation in Chesapeake. They also held a ribbon cutting event on July 1, 2021 for their new 100,000 sf warehouse expansion project. Yupo worked with Burns & McDonnell, another Chesapeake company, on the design and build out of the expansion space which represents a 7.8 million dollar capital investment.
3. On July 2, 2021, Governor Northam announced the expansion of MI Technical Solutions, Inc., a small business government contractor, providing information technology services for military vessels. They have been in Chesapeake for 17 years and are a V3 (Virginia Values Veterans) certified company. The 4,000 sf expansion will be located at 820 Greenbrier Circle and represents a \$520,000 dollar capital investment with 10 new jobs.

Mr. White noted exciting things are happening in Chesapeake and advised CED continues to be very busy with lots of projects. Chairman Patrick Reynolds added that Virginia was voted the number one state for business by CNBC.

OAKBROOKE BUSINESS & TECHNOLOGY CENTER UPDATE:

Mr. Tim Howlett updated he is in the process of preparing the zoning application for the PUD amendment to take out the southeastern expressway. Mr. Howlett requested the EDA to sign a Power of Attorney authorizing the Economic Development Department to act as their agent.

Mr. Kevin Cosgrove made a motion to approve a Special Power of Attorney authorizing Tim Howlett, Chesapeake Economic Development, and Steven Wright, Chesapeake Economic Development, to represent the EDA regarding the zoning PUD amendment; seconded by Mr. John Maddux. The motion was approved unanimously.

The remaining update will be discussed in closed session.

WESTERN BRANCH UPDATE:

Mr. Steven Wright updated there will be some landscaping done at the theater property, and CED is continuing to promote the property.

COMMITTEE REPORTS:

Will be discussed in closed session.

OLD BUSINESS:

COVID-19 SMALL BUSINESS RECOVERY GRANT:

Mr. Steven Wright reported the COVID-19 Small Business Recovery Grant has been completed.

Ms. Constantia Matthews provided the final update on the COVID-19 Small Business Recovery Grant advising the grant program started on June 1, 2020 and ended on July 1, 2021 with a total of four (4) rounds:

- Round 1 consisted of a CDBG grant and targeted SWAM, VA Owned, and low to moderate income area businesses. The total award was \$50,000.00
- Round 2 consisted of CDBG and CARES Act funds. The grant award was increased to up to \$10,000.00. The total award was \$2,406,864.14
- Round 3 was a continuation of Round 2 with no major changes in eligibility criteria. Total award was \$1,042,498.00
- Round 4 increased the grant amount to up to \$12,500.00. Businesses that had received an award in a previous round were eligible to apply for an additional \$2,500.00. The total award for 1st Time Applicants was \$1,164,283.00, and \$704,900.00 for 2nd Time Applicants. The total award was \$1,869,183.00
- Total award for all 4 rounds was \$5,368,545.14

COVID-19 SMALL BUSINESS RECOVERY GRANT cont.:

Ms. Ajoni Wynn-Floyd, CED Intern, presented a special power point report featuring an overview of the COVID-19 Small Business Recovery Grant program and the businesses that were assisted by the program.

Mr. Steven Wright thanked everybody for their assistance with making the grant program successful. Mr. Wright advised the grant program provided valuable insight into the impact Chesapeake small and micro businesses make in the City. He further noted CED is in the process of creating a more comprehensive development program to continue to assist the City's small and micro business community by providing additional information and guidance.

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 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 Mr. Kevin Cosgrove; seconded by Mr. Michael Malone. The motion was approved unanimously.

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

ADDITIONAL MOTIONS FROM COMMITTEE MEMBERS:

Mr. Kevin Cosgrove made a motion to approve the contract submitted by Great Bridge Care to purchase the excess land behind its location; seconded by Ms. Vonda Chappell. The motion was approved unanimously.

Mr. Kevin Cosgrove made a motion to approve the possible contract for the school property to open negotiations to reach an agreeable number and if consistent with the number discussed in closed session, that the Chairman be authorized to sign the contract; seconded by Ms. Vonda Chappell. The motion was approved unanimously.

FOR YOUR INFORMATION:

Mr. Steven Wright reported CED has scheduled a partner event to a Tides game at Harbor Park on August 12, 2021 at 6:00 pm. Mr. Wright invited the members of the Authority.

Mr. Wright also reported that on August 10, 2021 at City Council the CED non-profit of the year will be recognized with a check presentation to the Chesapeake Public Schools Education Foundation from the golf tournament proceeds. Mr. Wright invited the members of the Authority to attend.

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