

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHESAPEAKE
THURSDAY, August 17, 2023**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, August 17, 2023, at 3:00 p.m. at Summit Pointe, 555 Belaire Avenue, Suite 310, Chesapeake, VA 23320.

MEMBERS PRESENT: Vonda W. Chappell, Chair
Kevin J. Cosgrove, Vice Chair
John Maddux, Member
Luis Jimenez, Member
Michael Malone, Member – via Telephone & Teams
Tonya Gill, Member

MEMBER(S) ABSENT: M. Bradley Brickhouse, Secretary; Dawn Matheson, Treasurer/Asst. Secretary;
Julie Anderson, Member

ALSO PRESENT: Steven C. Wright, Executive Secretary – Virtual

COUNSEL PRESENT: Scott Krystiniak, WRG PC, *Acting* EDA Counsel

CED STAFF PRESENT: Ben White; Preston Wilhelm; Lloyd Jackson; Sherry Barnette; Tim Howlett;
Curtis Cobert

GUESTS PRESENT: Catherine Lindley, City Attorney; Grady Palmer, Esq., of Williams Mullens; Chris Gullickson, Port of Virginia; Brian Wagner, RES; Vic Nichols, Citizen; Ben Green, Citizen

CALL TO ORDER:

Ms. Vonda Chappell, Chair, declared a quorum present and called the meeting to order. After a review of the proposed Draft Agenda, hearing no objections, Ms. Chappell requested a motion to adopt the Draft Agenda. Mr. Luis Jimenez made a motion to adopt and finalize the Draft Agenda; seconded by Mr. Michael Malone. The motion passed unanimously.

SPECIAL PRESENTATION:

Mr. Grady Palmer from Williams Mullen and Mr. Chris Gullickson from the Port of Virginia presented a project of significant interest to the Port. The project involves rezoning and development in the South Military Highway area. The proposal involves a large cross-dock warehouse to expedite cargo distribution from the Port. The facility's location would allow easy access for cargo coming from the Virginia International Gateway and other terminals via major highways. The project includes plans to upgrade the traffic infrastructure at key intersections to accommodate the increased traffic flow. The facility is expected to create between 200-250 jobs with an average salary of \$60,000 per year and a \$100 million dollar investment.

SPECIAL PRESENTATION cont.:

There was also a discussion about the zoning and development history of the surrounding area, and the significance of maintaining industrial and logistical usage in the region. The project's proponents emphasized efforts to minimize the impact on the local community through buffer zones and careful planning. Mr. Steven Wright highlighted the importance of the project for the City's economy, the job creation, and the positive impact on the Port. The presenters sought the Economic Development Authority's support for the project.

MEETING MINUTES:

After a review of the July 20, 2023 Meeting Minutes, Mr. Kevin Cosgrove made a motion; seconded by Mr. Luis Jimenez, to accept the minutes from the July 20, 2023 meeting. The motion was unanimously approved.

TREASURER'S REPORT:

Mr. Steven Wright presented the treasurer's report for July 2023. No questions or concerns were expressed; therefore, Chair Vonda Chappell declared July 2023, Treasurer's Report filed for audit. Mr. Wright requested permission for CED staff to research the market to make sure the EDA is getting the best possible interest rates. A motion was not required but members agreed to the request.

INVOICES:

All the invoices were approved budgeted invoices.

ECONOMIC DEVELOPMENT UPDATE:

Mr. Steven Wright reported the EDA-endorsed grant application for the Hampton Roads Executive Airport Site Characterization Study has been approved by the VEDP. Collaboration with a local engineering firm, TRC, is underway for the airport project. Additionally, discussions with the airport owner and a virtual tour were conducted with the HR Alliance and site-selection firm, KPMG. KPMG expressed interest in the airport site in addition to interest from other potential projects. The HR Alliance also procured a data-center study, identifying two highly attractive sites for data-center development in Chesapeake. Mr. Wright advised crafting a marketing strategy is a priority to compete for these projects and emphasized the need for increased funding for economic development to make Chesapeake sites competitive.

Mr. Wright also reported on a significant amount of travel for the department including the SEDC (Southern Economic Development Council) conference in Williamsburg. The conference was brought to the Commonwealth by Mr. Chris Gullickson with the Port of Virginia and included economic developers from all over the southern United States. Ms. Sherry Barnette advised the SEDC conference provided an opportunity to network and learn about other state's best practices in economic development. Mr. Wright advised CED also had the opportunity to host Secretary of Commerce and Trade, Ms. Karen Merritt, who visited two Chesapeake companies, ALPOLIC, aka Mitsubishi Chemical, on Volvo Parkway and Sumitomo Machinery in Cavalier Park.

ECONOMIC DEVELOPMENT UPDATE cont.:

Mr. Wright discussed a recent trip to Stuttgart Germany with the HR Alliance and five mayors from Hampton Roads to explore workforce development strategies and how Germany handles this critical issue. Early evaluation of students' career paths was noted, as well as the funding mechanism for workforce development through business dues paid to the Chamber of Commerce. Ideas from the trip may be adopted in Chesapeake to attract foreign direct investment.

Mr. Preston Wilhelm shared insights from a boat tour of the Elizabeth River including the Southern Branch of the river with the Virginia Maritime Association. The tour focused on offshore wind projects, competition with other properties, and the importance of raising awareness about Chesapeake's waterfront properties and the potential for energy-related projects.

THREE OAKS AT GREENBRIER COMMERCE PARK:

Mr. Steven Wright reported interest continues to be strong with potential prospects being considered. Three Oaks was included in the virtual tour with KPMG.

OAKBROOK BUSINESS & TECHNOLOGY CENTER:

Mr. Steven Wright reported lot 25, which is 2.16 acres, is scheduled to close with Whitman Group on September 7, 2023, and Jones Printing is under contract and has requested a 60-day extension to close on lot 2, which is 4.6 acres.

WESTERN BRANCH:

Mr. Steven Wright discussed updates on Chesapeake Square Mall, which continues to attract new retailers, and improvements along the Portsmouth Boulevard corridor. Mr. Wright reported LPDA is under contract to implement the façade improvements and they have submitted a \$500.00 change order request which will require a motion to approve the price increase. Mr. Kevin Cosgrove made a motion to approve LPDA's change order request for a \$500.00 increase in the price for the Portsmouth Boulevard Gateway project; seconded by Ms. Tonya Gill. The motion was unanimously approved.

COASTAL VIRGINIA COMMERCE PARK (CVCP):

Mr. Steven Wright reported Chesapeake is under contract for CVCP and interest in the park remains strong. There is significant collaboration with VEDP and other state agencies on the site and several prospects are being considered.

COMMITTEE REPORTS:

Mr. Steven Wright advised a Nominating Committee needs to be appointed to present a Slate of Officers that can be adopted at the September meeting and installed at the October meeting. Chair Vonda Chappell asked for volunteers. Ms. Tonya Gill and Mr. Micheal Malone volunteered and were appointed by the Chair to be the Nominating Committee.

NEW BUSINESS:

Mr. Steven Wright reported the Economic Development Department recently underwent an internal audit, receiving a clean report with one outstanding issue related to the relationship between the department and the Economic Development Authority (EDA). The City Attorney's office drafted a Memorandum of Understanding (MOU) to clarify this relationship subject to further consultation and review. Chair Vonda Chappell and Vice Chair Kevin Cosgrove requested clarification of the term 'Capital Funds' and it was agreed to revisit the draft MOU at the next EDA meet after further consultation and review to include the Finance Department.

OLD BUSINESS:

Mr. Steven Wright discussed the need to establish a formal Meeting Attendance Policy considering virtual attendance versus in-person attendance. Reference to Virginia Code's transparency requirements for public meetings and remote participation (§ 2.2-3708.3) was made, and it was agreed that EDA Counsel would prepare a draft Meeting Attendance Policy for review at the next EDA meeting.

Mr. Steven Wright reported TFR (Total Fiber Recovery), requested a 15-month extension to the Commonwealth Opportunity Fund Grant from the VEDP due to the effects of COVID. Mr. Wright advised that if the extension is granted it will be necessary to also grant an extension to the local EDIP grant that was approved by both the EDA and City Council. Mr. Wright noted no action is requested at this time.

Mr. Steven Wright presented the Resolution for the EDIP grant for Professional Printing and requested a formal vote to adopt the resolution that will give City Council the authority to move forward with approving the grant. Mr. Michael Malone made a motion to adopt the resolution as presented to grant EDIP funds to Project First, Professional Printing; seconded by Mr. Luis Jimenez. The motion was unanimously approved.

EXECUTIVE SESSION:

Mr. Scott Krystiniak, Acting EDA Counsel, stated the EDA may wish to consider a motion to conduct a closed meeting for discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining or negotiating position of the Economic Development Authority (EDA), specifically for potential acquisition of real property for economic development purposes and the disposition of publicly held real property as well as consultation with legal counsel requiring the provision of legal advice by counsel all as permitted by Sections 2.2-3711(A) (3) of the Code of Virginia.

Mr. Michael Malone made a motion, seconded by Mr. Kevin Cosgrove to go into Executive Session. The motion was unanimously approved.

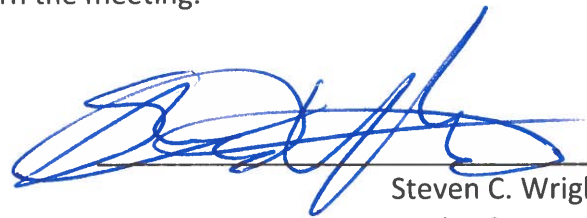
Mr. Scott Krystiniak, Acting EDA Counsel, stated the EDA may wish to consider a motion to certify that to the best of each member’s knowledge only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed and only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered. The certification was approved, and the Executive Session was closed unanimously via a roll call vote.

FOR YOUR INFORMATION:

- September 18, 2023 - Nakano Warehouse and Transportation Corp. Ribbon Cutting
 - Nakano Warehouse - 1:00 pm
- October 3, 2023 - State of the Region
- October 4 – 6, 2023 – VMA23 International Trade Symposium
 - Hilton Norfolk The Main - 12:00 pm to 2:00 pm
- October 14, 2023 - 14th Annual Chesapeake Wine Festival
 - Chesapeake City Park 12:00 pm – 6:00 pm

Mr. Steven Wright reported this was Mr. John Maddux’s last EDA meeting, thanked him for his many years of service and presented him with a plaque of appreciation.

ADJOURNMENT: There being no further business to discuss, Mr. John Maddux a motion to adjourn; no second being needed, it was the consensus to adjourn the meeting.



Steven C. Wright
Executive Secretary

Minutes provided by Jude Jackson