

**Economic Development Authority of the City of Portsmouth
January 17, 2023
9:00 AM**

COMMISSIONERS PRESENT: Malcom Mitchell – Chairman
Neal J. Barber – Vice Chairman
Anthony Brown
Cathy Drewry – Treasurer
Theresa J. Saunders-Smith
LaToya Boone

ALSO PRESENT: Brian Donahue – Secretary
Jeff Miller – Deputy City Attorney
Kelsey Swieringa – Assistant City Attorney
Mimi Terry – Interim City Manager
Vernon Tillage – City Councilman
William Moody – City Councilman
Keith Toler – Museums & Tourism

ABSENT: Barbara Smith
Pattie Phillips – Finance
Flora Berisha – Finance
Lavonda Graham-Williams – City Attorney
Kyera Pope – Finance
Alisa Winston – PRHA

Welcome & Call to Order

- The Chairman called the meeting to order at 9:02 a.m.

Roll Call

- Mr. Donahue called the roll. There was a quorum.

Election of Officers

- Mr. Mitchell opened the floor for nominations for the position of EDA Chairman.

ACTION: On a motion by Ms. Saunders-Smith and seconded by Mr. Brown, the Commissioners moved to elect Malcom Mitchell as EDA Chairman.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

- Mr. Mitchell opened the floor for nominations for the position of EDA Vice Chairman.

ACTION: On a motion by Mr. Brown and seconded by Ms. Saunders-Smith, the Commissioners moved to elect Neal Barber as EDA Vice Chairman.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

Minutes

- The minutes from the December 20, 2022, Regular Meeting were presented and adopted.

ACTION: On a motion by Mr. Barber and seconded by Mr. Drewry, the Commissioners approved the minutes from December 20, 2022, Regular Meeting as presented.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

Financials

- Mr. Mitchell advised the EDA that the financial report would be provided at its February meeting.

Old Business

- **FY22 Business Investment Grant Program Update:** Mr. Donahue provided the Board with a recap of the FY22 Business Investment Grant Program. A total of 56 grants were awarded last fiscal year. The breakdown was presented between the three programs. There are three grants under the Real Property Investment Grant program remaining to be disbursed totaling \$75,000.
- **FY23 Business Investment Grant Program Update:** Mr. Donahue informed the Board that the Business Investment Grant Program is currently in its second round for the fiscal year 2023. The first round had a total of 12 grant recipients. The current round opened January 1st and will run through the end of the month. The third and final round of the program of the fiscal year will open in April.
- **Cradock Update:** Mr. Donahue provided an update on the assemblage of properties in the Cradock community for potential revitalization. There are three properties that have been acquired. The Civic League was briefed on January 3rd and expressed interest in being a part of the conversation. A solicitation for development interest is expected in Spring 2023. Ms. Drewry inquired about any buildings that may possibly come up for sale. Mr. Donahue advised that opportunities for additional acquisition are being monitored.
- **Annual Statement of Economic Interest:** Mr. Donahue reminded the Commissioners that the deadline for submission of the Annual Statement of Economic Interest is due February 1st. The Statement must be submitted as a hard copy to the City Clerk.
- **2023 Retreat Planning:** Mr. Mitchell informed the EDA of a need to establish a date for holding the EDA's Annual Retreat as well as identify topics for discussion. The City of Danville's revitalization efforts was a suggested discussion item as was the EDA's financing abilities for large scale projects. A third topic is a discussion regarding minority participation in projects.

New Business

- **Tourism Update:** Mr. Keith Toler, Assistant Director of Museums & Tourism provided an update on marketing efforts. Mr. Toler informed the EDA that Tourism activity is monitored on a quarterly basis with a report from the Commissioner of Revenue on lodging tax, tourism tax, admission tax, and restaurant tax. Mr. Toler presented the Spring campaign to bring tourism traffic to Portsmouth.

- **FY24 Budget Committee:** Mr. Donahue requested that a Budget Committee be established to begin the process of developing the EDA’s FY24 budget. Ms. Drewry and Ms. Saunders-Smith were appointed to the committee.
- **Economic Development Incentive Grant-Hard Times Skate Shop:** Mr. Donahue presented a request for assisting Hard Times Skate Shop in the Afton Square retail community at 67 Afton Pkwy. with financial support for the replacement of items damaged by a flood. The damaged items are critical to the operation of the business. A one-time EDA grant in the amount not to exceed \$1,500 would assist with the replacement of a laptop computer, credit card processing machine, cash register, display wall, digital devices.

ACTION: On a motion by Mrs. Saunders-Smith and seconded by Ms. Drewry the EDA moved to adopt the following resolution for the award of an Economic Development Incentive Grant to Hard Times Skate Shop.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

**RESOLUTION
(Hard Times Skate Shop)
(Economic Development Incentive Grant)**

WHEREAS, Hard Times Skate Shop (the “Skate Shop”) is a locally-owned Portsmouth small business that has been operating in the City for over a decade; and

WHEREAS, in December 2022 a pipe burst and flooded the Skate Shop, causing significant damage; and

WHEREAS, the Skate Shop has requested financial assistance from EDA to aid in its recovery from the water damage; and

WHEREAS, the Skate Shop is located at 67 Afton Parkway, and the Afton corridor is an area of emphasis for EDA redevelopment; and

WHEREAS, assisting the growth and development of locally-owned small business is one of EDA’s missions;

NOW, THEREFORE, it is hereby RESOLVED that:

1. The Board authorizes and approves an Economic Development Incentive Grant for the Skate Shop in the amount of not to exceed \$1,500.
2. The Grant shall be a reimbursement grant to reimburse costs incurred by the Skate Shop as a result of the December flooding.
3. The Chair and Vice Chair are each authorized to execute an agreement memorializing the terms of the grant and the Chair, Vice Chair, and Secretary, and their designees, are each authorized to take such actions as are necessary or desirable in furtherance of the purpose of this Resolution.
4. This Resolution shall be effective immediately upon its adoption.

Closed Meeting

ACTION: At 10:16 a.m. on a motion by Ms. Drewry and seconded by Mr. Brown, the EDA moved to go into a closed meeting pursuant to Virginia Code Subsection 2.2-3711 A.3 for the purpose of discussing the disposition of real property where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, specifically regarding strategic acquisitions and the disposition of 1021 High Street.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

ACTION: At 11:16 a.m. on a motion by Ms. Drewry and seconded by Mrs. Saunders-Smith, the EDA moved that each Commissioner certify that, to the best of his or her knowledge: (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting just concluded.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

Open Meeting

ACTION: On a motion by Mr. Barber and seconded by Mr. Brown, the EDA adopted the following resolution for the amendment of the Purchase and Sale Agreement for 1021 High St.

Roll Call Vote: Mr. Barber - yes; Ms. Drewry - yes; Mr. Mitchell - yes; Mrs. Saunders-Smith - yes; Mrs. Smith – absent; Ms. Boone – yes; Mr. Brown - yes. Approved 6-0 vote

**RESOLUTION
(1021/1107 High)
(Second Extension of Permitting Period)**

WHEREAS, pursuant to a resolution adopted on March 16, 2021 EDA entered into a Purchase and Sale Agreement with A4 Development Group, LLC (the “Developer”) for the construction of a townhome development at 1021 High Street and 1107 High Street (as amended, the “Agreement”); and

WHEREAS, by Resolution adopted on June 27, 2022 the Board authorized the extension of the Permitting Period under the Agreement until January 20, 2023; and

WHEREAS, Developer has performed work and expended funds in furtherance of the development and is in the process of site plan review; and

WHEREAS, Developer has requested to extend the Permitting Period expiration date for six months, with the new expiration date being July 20, 2023; and

WHEREAS, it is in the interest of both parties to allow the Developer additional time to attempt to complete the permitting process for the development;

NOW, THEREFORE, it is hereby RESOLVED that:

3. The amendment of the Agreement to extend the Permitting Period through July 20, 2023, together with such minor additional amendments as may be required to conform the Agreement to the new expiration date, is hereby approved. The amendment shall provide that Developer shall have no right to extend the

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Permitting Period beyond July 20, 2023 without the consent of the EDA Board of Commissioners in its sole discretion.

2. The Chair and Vice Chair are each authorized to execute an amendment to the Agreement in accordance with the intent of this Resolution.
3. This Resolution shall be effective immediately upon its adoption.

Items submitted by Commissioners

- Ms. Drewry requested the 2023 Business Investment Grant Program information be sent out. Mr. Donahue advised the EDA that the information was included in the EDA's meeting package but that it will be recirculated.

Report Backs

- Mr. Donahue updated the EDA on upcoming dates of importance for Rivers Casino Portsmouth. The planned Charity Events have been moved to January 19th and 21st. The Grand Opening and Ribbon Cutting will be held on Monday, January 23rd at 10:30am.

Adjourn

The meeting adjourned at 11:22 a.m.

Respectfully submitted,



Brian Donahue, Secretary

Malcolm Mitchell, Chair