

# Economic Development Authority of the City of Portsmouth

October 15, 2018

6<sup>th</sup> Floor Conference Room, City Hall  
801 Crawford Street, Portsmouth, VA

The Chairman called the meeting to order at 8:05 a.m.

**COMMISSIONERS PRESENT:**

Anthony W. Hinds  
Miriam J. Jiggetts – Treasurer  
Aaron J. Kelley – Vice Chairman  
Tracy Link  
Cathy Revell – Chairman

**ALSO PRESENT:**

Robert D. Moore – Secretary  
Brian Donahue – Asst. Secretary  
Dr. L. Pettis Patton – City Manager  
Solomon Ashby – City Attorney  
Jeffrey S. Miller – Assistant City Attorney  
Elizabeth M. Psimas – Vice Mayor  
Robert A. Baldwin – Acting Deputy City Manager  
Cheryl Spivey – CFO  
Susan Evans – Finance Department  
Wendy Hu – Assistant CFO

**ABSENT:**

Don L. Scott

**GUESTS:**

Krista Edoff – Cherry Bekaert  
Chad Henry – Holiday Motors

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The minutes from the August 21, 2018 meeting were reviewed.

**ACTION:** On a motion by Mr. Hinds and seconded by Ms. Jiggetts, the Commissioners approved the minutes from the August 21, 2018 meeting as presented. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley – abstained, he did not attend the meeting; Ms. Link – yes; Ms. Revell – yes; Mr. Scott – absent.

Ms. Krista Edoff, a partner with Cherry Bekaert reviewed the June 30, 2018 Audit Report. She reported that they identified two transactions where they proposed audit adjustments, which were detailed on page 21 of the report. The transactions were corrected, and a plan was put in place to make sure that going forward these types of adjustments will not be needed in the future.

Ms. Jiggetts asked that the Commissioners be given more detail on the \$42,156.00 transaction which needed to be adjusted.

Ms. Edoff explained that the adjustment was necessary because the transaction happened on June 28, 2018 which was just ~~three~~ two (2) days before the end of the fiscal year.

Ms. Spivey and Mr. Moore have agreed to increase communication between departments to ensure that information about transactions is shared in a timelier manner going forward.

Ms. Jiggetts asked whether there is a need for a Memorandum of Agreement/Understanding between the City and the EDA for the division of proceeds from any future property sales.

Mr. Ashby indicated that most often it would be decided at the time of closing.

Dr. Patton questioned the word 'donated' referring to properties that PRHA transferred to the EDA at no cost. It was agreed to reference the properties as 'transferred' in the future.

**ACTION:** On a motion by Ms. Link and seconded by Mr. Kelley, the Commissioners approved the June 30, 2018 Audit Report as presented. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott –absent.

Ms. Evans reviewed the 2018 August and September financial statements.

Ms. Jiggett requested information on the September statement concerning the Accounts Payable item for \$13,172.00; she also questioned the missing Lease Payment of \$10,416.67 from the Renaissance Hotel; and wanted clarification on the \$6,572.00 grounds maintenance for Victory Village.

Ms. Evans indicated she would need to research these items and contact Ms. Jiggetts with the information.

Ms. Jiggetts recommended that the August 2018 financial statements be filed for audit with the secretary and delay filing the September 2018 financial statement until the next meeting to give finance the opportunity to make corrections.

Ms. Spivey introduced Ms. Wendy Hu, the City's new Assistant CFO.

Mr. Moore reported that PRHA has transferred 19 parcels to the EDA for disposition. He indicated that Mr. Glover, the EDA's current contractor for grounds maintenance will add these properties to the list for mowing.

Mr. Donahue explained that when these properties are sold, all proceeds must be given back to the city's CDBG program account, as CDBG monies were used to purchase the properties.

Mr. Moore indicated that Mayor John L. Rowe, Jr. will be presenting a City of Portsmouth Proclamation to the Economic Development Authority on Tuesday, October 23, 2018, supporting Veteran Small Business Week, November 5 – 9, 2018.

Mr. Donahue presented a FIG application in the amount of \$23,260.00, and an IBOG application in the amount of \$25,000.00 received from Mr. Chad Henry of Holiday Motors for his property located at 3203 Victory Boulevard.

**ACTION:** On a motion by Mr. Kelley and seconded by Ms. Jiggetts, the Commissioners approved the FIG application in the amount of \$23,260.00, and the IBOG application in the amount of \$25,000.00, received from Mr. Chad Henry of Holiday Motors for his property located at 3203 Victory Boulevard. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott –absent.

Mr. Donahue presented a FIG application in the amount of \$25,000.00, and an IBOG application in the amount of \$25,000.00 received from Ms. Angelene Vinson of AA&G Group Home, LLC for property located at 3215 Academy Avenue.

**ACTION:** On a motion by Mr. Hinds and seconded by Ms. Link, the Commissioners approved the FIG application in the amount of \$25,000.00, and the IBOG application in the amount of \$25,000.00, received from Ms. Angelene Vinson of AA&G Group Home, LLC for property located at 3215 Academy Avenue. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott –absent.

Mr. Moore briefed the Commissioners on an IBOG application in the amount of \$10,000.00, which staff approved, from Mr. Chris Lee for his property located at 4000 Victory Boulevard. Mr. Lee will be re-opening the Farm Fresh Grocery Store in the near future.

**ACTION:** At 9:40 a.m., on a motion by Ms. Link and seconded by Mr. Hinds, the Authority entered into a closed meeting, WHEREAS, the Virginia Freedom of Information Act provides that the Board of Commissioners may hold closed meetings for certain purposes set forth in Paragraph 2.2-3711(A) of the Code of Virginia of 1950, as amended (“Code”); and WHEREAS, in compliance with the requirements of the Code the topics to be discussed are set forth below, and the sub-paragraphs of Paragraph 2.2-3711(A) authorizing discussion of the topics in closed session are set forth in parentheses after each topic; NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners shall meet in Closed Meeting for the purpose of discussing disposition of publicly held real property interests where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body (409 McLean Street, 1500 Block of High Street, and various other EDA-owned properties)) [3]; and for the purpose of discussing or considering the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affect (Incentive Grant) [6]; and for the purpose of consulting with legal counsel pertaining to actual or probably litigation, where such consultation in open meeting would adversely affect

the negotiating or litigating posture of the public body (The Commons at Portsmouth Center) [7]. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott – absent.

**ACTION:** At 10:35 a.m., on a motion by Mr. Kelley and seconded by Mr. Hinds, the Authority approved a resolution directing, the Virginia Freedom of Information Act certification required by section 2.2-3712.D of the 1950 Code of Virginia as amended, be included in the Authority’s minutes of this meeting, WHEREAS, the Authority has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act (Act); NOW, THEREFORE, BE IT HEREBY RESOLVED that each Commissioner, unless her/his prior contrary statement is in the minutes of this meeting, hereby certifies that to the best of her/his knowledge (i) only public business matters lawfully exempted from open meeting requirements under this chapter, and (ii) only such public business matters as were identified in the motion by which closed meeting was convened were heard, discussed or considered in the closed meeting by the Commissioners. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott –absent.

**ACTION:** On a motion by Mr. Hinds and seconded by Ms. Jiggetts, the Commissioners approved the following resolution, as presented. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott –absent.

**RESOLUTION**  
**(409 McLean Street)**  
**(Purchase and Sale Agreement)**

WHEREAS, the Miller Group of Virginia, LLC (“Developer”) has proposed to construct a residential development consisting of approximately 191 attached townhomes and approximately 9 single family homes (the “Development”) on 409 McLean Street (the “Property”); and

WHEREAS, the Developer and EDA entered into a Letter of Intent dated May 18, 2018 which anticipated negotiation of a more formal Purchase and Sale Agreement; and

WHEREAS, EDA has negotiated a Purchase and Sale Agreement with Developer (the “Agreement”) pursuant to which the Developer will pay a purchase price of \$1,800 per unit approved on the final site plan (for an estimated total of \$362,000) for the Property and construct the Development; and

WHEREAS, the conveyance of the Property and construction of the Development will increase the tax base and provide additional single family homeownership options in Portsmouth;

NOW, THEREFORE, it is hereby RESOLVED that:

1. The Chair is authorized to execute the Agreement on behalf of EDA.

2. The Chair, Vice Chair, and Secretary of the EDA and their designees are each hereby authorized to take such further actions and execute such further applications, documents and instruments (including without limitation a Deed conveying the Property and related closing documents) as may be necessary or desirable in furtherance of the conveyance and development of the Property in accordance with the Agreement, as the same may be amended from time to time; provided however, that any subsequent amendment to the Agreement shall be subject to the prior authorization of the Board of Commissioners.
  
3. This Resolution shall be effective immediately upon its adoption

**ACTION:** On a motion by Ms. Link and seconded by Mr. Hinds, the Commissioners approved an incentive grant, not to exceed \$4,000.00, to Interchange for infrastructure improvements. **Roll Call Vote:** Mr. Hinds – yes; Ms. Jiggetts – yes; Mr. Kelley –yes; Ms. Link – yes; Ms. Revell – yes; Mr. Scott –absent.

Ms. Jiggetts recommended that the Director consider having a staff person attend the PRHA Board Meetings, as they have an ex-officio member on the EDA Board.

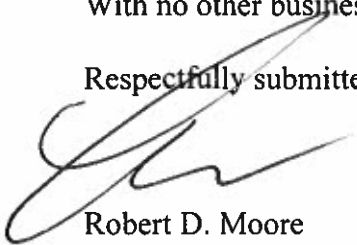
Ms. Jiggetts reported that the past weekend was the I.C. Norcom High School Grand Reunion; an exciting event for all that attended.

Mr. Hinds requested that Shamin Hotels be invited to address the EDA about the planned renovations for the Renaissance Hotel. He would also like to have an update on the HIRE Portsmouth initiative.

Ms. Jiggetts requested that the EDA be made aware of the 2019 Annual State of the Region address so that they can attend.

With no other business before the Board the meeting was adjourned at 10:51 a.m.

Respectfully submitted,



Robert D. Moore  
Secretary