

**Economic Development Authority of the City of Portsmouth  
August 20, 2024  
9:00 AM**

**COMMISSIONERS PRESENT:**

Malcom Mitchell – Chairman  
Neal Barber – Vice Chairman  
Theresa J. Saunders-Smith – Treasurer  
Barbara Smith – 9:04am - 10:38am  
Anthony Brown  
Matthew James  
Joe Harmon

**ALSO PRESENT:**

Brian Donahue – Secretary  
Jeff Miller – Deputy City Attorney  
Lavonda Graham-Williams – City Attorney – 9:06am  
Kelsey Swieringa – Assistant City Attorney – 9:04am

**ABSENT:**

Vernon Tillage – City Council Liaison  
William Moody – City Council Liaison  
Flora Berisha – Finance  
Kyera Pope – Finance  
Steven Carter – City Manager  
Alisa Winston – PRHA

**GUESTS:**

Mark Hugel – City Councilman  
Vernetta Mitchell – Mitchell Consulting Group

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**Welcome & Call to Order**

- The Chairman called the meeting to order at 9:03 a.m.

**Roll Call**

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

**Minutes**

- The minutes from the July 16, 2024, Regular Meeting were presented and adopted.

**ACTION:** On a motion by Mr. Barber and seconded by Mrs. Saunders-Smith, the Commissioners approved the minutes from the July 16, 2024, Regular Meeting as presented.

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - yes; Mr. James – yes; Mr. Harmon-yes. Approved 7-0 vote.

**Old Business**

- **1028 High St., 1013-1015 Queen St., 400 Hatton St.** – Mr. Donahue updated the commissioners on the acquisition of 1028 High St., 1013-1015 Queen St., 400 Hatton St., referred to as the Holmes properties. The EDA Board closed on the properties on July 26, 2024. The properties will be listed with Harvey Lindsey, including the vacant land at 1020 High St., as we continue working on a plan for the redevelopment and revitalization. There was a preliminary architectural assessment of each of the structures and there are some concerns about the structural integrity of the properties overall. Some of the buildings may need to be demolished. The properties have been added to the EDA’s insurance and landscaping contract. There are several buildings that have broken windows and will need to be boarded up. Mr. Donahue is requesting an emergency authorization of \$15,000 to proceed with securing the property.

**ACTION:** On a motion by Mr. Barber and seconded by Mrs. Saunders-Smith, the Commissioners approved up to \$15,000 for the boarding & securing of 1028 High St., 1013-1015 Queen St., 400 Hatton St.

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - yes; Mr. James – yes; Mr. Harmon-yes. Approved 7-0 vote.

- **1117-1121 High St.** – Mr. Donahue provided an update on the status of 1117-1121 High St. A roof replacement bid package is being prepared for advertisement. Moseley Architects is currently preparing design documents for the renovation of the interior of 1117 High St. and overhaul of the exterior of both 1117 and 1121 High St., so they can be marketed for a tenant or potential buyer. These are separate projects, with the roof taking priority due to the roof leaks at both properties.
- **1021-1107 High Street** – Mr. Donahue stated the property at 1021-1107 High St. is under contract with A4 Development Group for the development of the Kings Landing townhome project. At the July meeting, the EDA provided a 90-day extension to allow for the final approvals of the engineering plan, subdivision plat document and building plans. All three of the items have been submitted and are in various stages of the review process. It is anticipated that the approvals will be received and that a closing will occur by October 2024.
- **Waterfront Redevelopment** – Mr. Donahue stated that an RFP is being prepared to procure a consultant to assist with the preparation of the public solicitation process for development interest in the EDA’s Crawford Bay site. The results from the environmental report, geotechnical analysis and the property appraisal have been received.
- **Small Business Financing Committee Update** – Mr. Barber stated the Small Business Financing Committee has had discussions with LISC Hampton Roads and Bridging Virginia. Both organizations have expressed an interest in supporting the EDA’s effort to provide financial assistance to small businesses in the form of working capital. An RFP will be prepared to formally solicit interest from Community Development Financial Institutions.

**New Business**

- **Disparity Study & Minority Participation Presentation** – Vernetta Mitchell, of Mitchell Consulting Group presented the findings of the City of Portsmouth’s Disparity Study. She provided recommendations for how the EDA can assist with increasing participation amongst M/WBE businesses and contractors as it relates to city contracting. Ms. Mitchell also addressed issues concerning business development, business attraction, and real estate development as it relates to minority and women owned business participation.
- **Business Investment Grant Program Update** – Mr. Donahue stated the Real Property Investment Grant (RPIG) program’s 1<sup>st</sup> Quarter FY25 round received 21 applications. Of the 21 grants, 5 grants were previously approved in July. Grant requests totaled \$351,010.44. The M/WBE participation rate for the 21 grants was 81%. The EDA allocated \$300,000 in the FY25 budget so there is a deficit of \$51,010.44. Staff recommended increasing the RPIG funding allocation to accommodate the requests. Funds in the amount of \$51,011 would be transferred from the FY25 Economic Development Grant budget line. The allocation of additional funding in support of the RPIG program would be revisited later in the fiscal year.

**ACTION:** On a motion by Mrs. Smith and seconded by Mr. Brown, the Commissioners approved the reallocation of \$51,011 from the Economic Development Grant budget to the Real Property Investment Grant budget line.

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - yes; Mr. James – yes; Mr. Harmon-yes. Approved 7-0 vote.

Mr. Donahue stated the Small Business Development Grant Program received seven (7) applications which are being reviewed and if approved and fully funded at \$2,000, the amount awarded would be \$14,000.

- **Real Property Investment Grants** – Mr. Donahue presented the following Real Property Investment Grant applications:
  - **2880 A & B Airline Blvd.** – Victory West Thrill Park, LLC has requested \$22,500 for 2880-A and \$19,000 for 2880-B in funding through the Real Property Investment Grant program.
  - **3409 South St.** – Accord Behavioral Health Services, LLC has requested \$25,000 in funding through the Real Property Investment Grant program.
  - **2858-2886-B Airline Blvd.** – Victory West Thrill Park, LLC has requested \$6,318 in funding through the Real Property Investment Grant program.
  - **Seventh St.** – The IncuHub has requested \$13,741.61 in funding through the Real Property Investment Grant program.
  - **1 Beechwood Ct.** - C&T Marine, Inc has requested \$25,000 in funding through the Real Property Investment Grant program.
  - **309 Columbia St.** - Krambias Properties, LLC has requested \$13,100 in funding through the Real Property Investment Grant program.

- **3300 Cedar Ln-** The St. Christopher School, LLC DBA Christopher Academy has requested \$25,000 in funding through the Real Property Investment Grant program.
- **1628 Portsmouth Blvd-** For Whom We Serve has requested \$12,740 in funding through the Real Property Investment Grant program.
- **340 High St, Third Floor-** OMD on High St, LLC has requested \$25,000 in funding through the Real Property Investment Grant program.
- **340 High St, Suite 206-** Young Women’s Christian Association of Hampton Roads has requested \$16,017.47 in funding through the Real Property Investment Grant program.

**ACTION:** On a motion by Mr. Brown and seconded by Mr. Harmon, the Commissioners approved the Real Property Investment Grants.

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 6-0 vote.

#### **Closed Meeting**

**ACTION:** At 10:51a.m. Mr. Barber, seconded by Mr. Brown, move to go into a closed meeting:

- (A) 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 1100 High Street; and
- (B) Pursuant to Virginia Code Subsection 2.2-3711 A.6 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 affected, specifically regarding Project Semper Melior, Black Brand, and EDA Quarterly non-profit grants.

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 6-0 vote.

#### **Open Meeting**

**ACTION:** At 11:31a.m. Mr. Barber, seconded by Ms. Saunders-Smith, 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; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 6-0 vote.

- **Addition of Two Items to Be Added to The Agenda: EDA Quarterly Non-Profit Grant Award and Black Brand Black Diamond Sponsorship**

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**ACTION:** On a motion by Mr. Barber, and seconded by Mrs. Saunders-Smith, the Commissioners approved the addition of two items to be added to the agenda: EDA Quarterly Non-Profit Grant Award and Black Brand Sponsorship

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 6-0 vote.

- **EDA Quarterly Nonprofit Award to Sponsor Give Back To Da Block - \$1,200**

**ACTION:** On a motion by Mr. Barber, and seconded by Mr. Brown, the Commissioners approved to award the EDA Quarterly Nonprofit Award To Sponsor Give Back To Da Block - \$1,200

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 6-0 vote.

- **EDA Sponsorship of the Black Brand Black Diamond Weekend Event - \$5,000**

**ACTION:** On a motion by Mr. Barber, and seconded by Mrs. Saunders-Smith, the Commissioners approved the EDA Sponsorship of the Black Brand Black Diamond Weekend Event - \$5,000

**Roll Call Vote:** Mr. Barber - yes; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 6-0 vote.

**Items Submitted by Commissioners**

- Mrs. Saunders-Smith requested to explore investing a percentage of the EDA funds in an investment vehicle with a higher yield.
- Mrs. Saunders-Smith requested to consider having an activity for the newly elected City Council, as well as those former EDA members to give an update on the EDA progress and plans.
- Mr. Mitchell requested that the EDA create listening sessions for retail, restaurants, construction in groups of 4-5 people to listen to concerns and issues. Mr. Donahue advised that the Economic Development Department is planning to hold industry round table meetings in the near future as part of the department’s business retention plan. The noted sectors can be incorporated into these meetings.
- Ms. Saunders-Smith will invite a contractor to speak on small business matters at the September 2024 meeting.

**Report Backs**

- Mr. Donahue gave the following staff updates:
  - Aimee Tracy, Business Development Specialist last day was August 16, 2024
  - Belinda Jones, Administrative Coordinator II last day was August 23, 2024
  - Nahla Saleh, Manager of Workforce Development last day is September 13, 2024
- The Economic Development office will be in transition as the following positions are posted and filled:
  - Assistant Director
  - Business Development Specialist
  - Manager of Workforce Development
  - Real Estate Development Specialist
  - Administrative Coordinator I – PT

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- Grant Administrator

**Adjourn**

- The meeting adjourned at 11:59a.m.

Respectfully submitted,

Brian Donahue, Secretary

Malcom Mitchell, Chairman