

**Economic Development Authority of the City of Portsmouth
June 18, 2024
9:00 AM**

COMMISSIONERS PRESENT: Malcom Mitchell – Chairman
Theresa J. Saunders-Smith – Treasurer
Anthony Brown
Matthew James
Joe Harmon

ALSO PRESENT: Brian Donahue – Secretary
Jeff Miller – Deputy City Attorney
Vernon Tillage – City Council Liaison

ABSENT:
Neal Barber – Vice Chairman
Barbara Smith - Commissioner
Lavonda Graham-Williams – City Attorney
Flora Berisha – Finance
Kyera Pope – Finance
William Moody – City Council Liaison
Kelsey Swieringa – Assistant City Attorney
Steven Carter – City Manager
Alisa Winston – PRHA

GUESTS: Mark Hugel – City Councilman
Rhonda Russell – Planning Director
Steve Edwards – City Assessor
Dorothy Morgan – Deputy City Assessor
Cliff Copely – Hampton Roads Alliance
Blair Durham – Black Brand
Ryan King – Harvey Lindsay Commercial Real Estate

Welcome & Call to Order

- The Chairman called the meeting to order at 9:06 a.m.

Roll Call

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

Minutes

- The minutes from the May 21, 2024, Regular Meeting were presented and adopted.

ACTION: On a motion by Mr. Mitchell and seconded by Mr. Brown, the Commissioners approved the minutes from the May 21, 2024, Regular Meeting as presented.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

Old Business

- **1117-1121 High Street** – Mr. Donahue provided an update on the EDA’s property at 1117-1121 High Street. He advised that an Invitation for Bids (IFB) for roof replacement at both addresses is being prepared. A cost proposal from Moseley Architects has been provided for design services for the renovation of the interior of 1117 High Street to create a “vanilla shell” space for lease and for exterior improvements to both addresses, parking lot, and landscaping. The improvements are aimed at enhancing the marketability of the property. The cost for the proposed design services is \$99,539.

ACTION: On a motion by Ms. Saunders-Smith and seconded by Mr. Brown, the Commissioners authorized the execution of a contract with Mosely Architects and expenditure of funds in the amount of \$99,539 from the FY25 budget for 1117-1121 High Street.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

- **1028 High Street, 1013-1015 Queen Street, 400 Hatton Street** – Mr. Donahue gave an update on the acquisition of 1028 High Street, 1013-1015 Queen Street, 400 Hatton Street, commonly referred to as the Holmes properties. There is an existing purchase agreement for these properties and a closing on the acquisition is planned for July 2024.
- **Cradock – Afton Square** –Mr. Donahue provided an update on the EDA’s Cradock-Afton Square revitalization initiatives and the EDA’s three properties at 53 Afton Pkwy., 60 Afton Parkway, and 73 Farragut St. Additionally, there is a city-owned parcel at 57 Afton Pkwy. that may be transferred to the EDA to support its efforts. Mr. Donahue has been in communication with the President of the Cradock Civic League regarding the EDA’s plans, and he plans to attend the Civic League’s September meeting to provide them an update. Harvey Lindsey Commercial Real Estate will begin marketing the property for sale and development.
- **Small Business Events Update** – Ms. Autumn Bailey, Senior Business Development Specialist, provided the Board with an update on upcoming EDA sponsored “Shop the Block High Street Festival” which is scheduled for July 6, 2024, from 12pm to 5pm.

New Business

- **Black Brand Presentation** - Blair Durham of Black Brand gave an overview of the history of Black Brand and the services it provides as Hampton Roads black chamber of commerce. Ms. Durham provided information on the Black Diamond Weekend conference that is scheduled for November 7-9, 2024, at the Portsmouth Renaissance Hotel. Mrs. Durham is expecting between 600-800 attendees and is requesting the EDA’s support as a presenting sponsor. Mrs. Durham also briefed the Commissioners on a 5-week business plan development program for small businesses offered by Black Brand. The program can be provided to support business development efforts at a cost of \$5,000 per cohort.

- **Business Investment Grant Program Update** - Mrs. Aimee Tracy, Business Development Specialist and Ms. Autumn Bailey provided the Board with an update on the Business Investment Grant Programs for the 4th quarter and FY24 Year-to-Date. Mr. Donahue advised the EDA that the FY24 Real Property Investment Grant and Smart Start Business Development Grant programs each received funding requests that exceeded the allocated funding for the 2024 Fiscal Year. Mr. Donahue requested an amendment to the EDA's FY24 Operating Budget in the following amounts to accommodate the grant requests that have been received.

FY24 Budget Amendment Request

- Transfer \$14,000 of the remaining balance of the FY24 Acceleration Grant funding to the Business Development Grant budget line.
- Transfer the remaining \$53,041.44 of the FY24 Acceleration Grant funding to the Real Property Investment Grant (RPIG) budget line. This will leave \$17,161.40 in additional funding needed for the RPIG.
- Transfer \$17,161.40 from the FY24 Economic Development Grant budget line (a separate fund within the EDA's budget with a balance of \$715,000) to the RPIG budget line. This will fully fund all FY24 RPIG requests.

ACTION: On a motion by Ms. Saunders-Smith and seconded by Mr. James, the Commissioners approved the FY24 EDA Budget Amendments for the Business Investment Grants as presented.

Roll Call Vote: Mr. Barber -absent; Mr. Mitchell - yes; Mr. Brown - no, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 4-1 vote.

- **Real Property Investment Grants** – Mrs. Aimee Tracy presented the following Real Property Investment Grant items for consideration by the EDA:

6025B Portsmouth Blvd., Kennedie Suites - Applicant requested a retroactive extension for the project's completion deadline to June 18, 2024 so that a reimbursement package may be submitted.

ACTION: On a motion by Ms. Saunders-Smith and seconded by Mr. Mitchell, the Commissioners approved the extension request for 6025-B Portsmouth Blvd.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

455 Dinwiddie St., Riverside Shipping – Applicant has requested \$25,000 in funding for building renovations at 455 Dinwiddie St.

ACTION: On a motion by Ms. Saunders-Smith and seconded by Mr. Harmon, the Commissioners approved the Real Property Investment Grant for 455 Dinwiddie St. as presented.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

- **Small Business Finance Committee Update** – Mr. Donahue stated the Small Business Finance Committee has met with Jay Grant of LISC Hampton Roads to discuss the possibility of LISC providing financing assistance and working capital for small business. Mr. James added that Mr. Grant has provided an overview of numerous programs that LISC has provided throughout Virginia and nationally.

The Committee has requested for LISC to provide additional information related to organization and possible programs.

Closed Meeting

ACTION: At 10:31a.m. Ms. Saunders-Smith, seconded by Mr. Brown, moved 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 1220 High Street and waterfront development; 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 the LISC Hampton Roads Emerge Program and Black Brand.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

Open Meeting

ACTION: At 11:42a.m. Ms. Saunders-Smith, seconded by Mr. Brown, 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 - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

- **Add Item to Agenda – LISC EMERGE Program**

ACTION: On a motion by Mr. Brown, and seconded by Ms. Saunders-Smith, the Commissioners approved to addition of LISC EMERGE Program as an agenda item.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

- **LISC EMERGE Program**

ACTION: On a motion by Mr. Harmon, and seconded by Mr. Brown, the Commissioners approved a \$50,000 sponsorship of the LISC HR EMERGE Program from the FY25 EDA budget as an Economic Development Grant.

Roll Call Vote: Mr. Barber - absent; Mr. Mitchell - yes; Mr. Brown - yes, Ms. Saunders-Smith - yes; Mrs. Smith - absent; Mr. James – yes; Mr. Harmon-yes. Approved 5-0 vote.

Items Submitted by Commissioners

- **No Items Submitted**

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Report Backs

- **Business Directory SWAM update** – Ms. Aimee Tracy updated the EDA on the addition of a SWAM business filter to the Portsmouth Business Directory which is located on the Economic Development Department website. The Commissioner of the Revenue’s office has also provided a current listing of over 6,000 Portsmouth based businesses which have been included in the directory.

Adjourn

- The meeting adjourned at 11:51a.m.

Respectfully submitted,

Brian Donahue, Secretary

Malcom Mitchell, Chair