

**Economic Development Authority of the City of Portsmouth
August 18, 2026
9:00 AM**

COMMISSIONERS PRESENT: Malcom Mitchell – Chairman
Neal Barber – Vice Chairman
Theresa Saunders-Smith – Treasurer
Heather Harkleroad
Joe Harmon
Ross Morgan

ALSO PRESENT: Brian Donahue – Secretary
Charles Bauman – Assistant Secretary
Jeff Miller – Deputy City Attorney
Vernon Tillage – City Council Liaison
Mark Hugel – City Council Liaison

ABSENT: Camille Cherry – Commissioner
Steven Carter – City Manager
Kelsey Swieringa – Assistant City Attorney
Stephanie Council – Finance Department
Lakeitha Forest – Finance Department
Alisa Winston – PRHA

GUESTS: None

Welcome & Call to Order

- The Chairman called the meeting to order at 9:00 a.m.

Roll Call

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

Minutes

- The minutes from the July 21, 2026, Regular Meeting were presented and adopted.

ACTION: On a motion by Mrs. Saunders-Smith and seconded by Mr. Barber the Commissioners approved the minutes from July 21, 2026, Regular Meeting as presented.

Roll Call Vote: Mr. Mitchell- yes; Mr. Barber- yes; Mrs. Saunders-Smith- yes;
Mrs. Cherry- absent; Ms. Harkleroad- yes; Mr. Harmon- yes; Mr. Morgan- yes.
Approved 6-0 vote.

Financials

- The Quarterly Financial Report was deferred to the September 15, 2026, Board meeting. The EDA's Quarterly Financial Report was last presented during the April 21, 2026, meeting.

Old Business

- **Waterfront Development** – Mr. Donahue provided an update on the Crawford Bay Waterfront Development Project. An addendum was issued to the three short-listed development firms on August 13, 2026, providing additional information to assist with preparation of their proposals. The supplemental materials included a complete Limited Phase II Environmental Site Assessment for the Crawford Bay property and an updated existing utility map. Staff reported favorable findings from the environmental assessment; which were not considered detrimental to the future development of the property.

Development proposals are due August 31, 2026. Following receipt, the Project Committee will begin the evaluation process. Selection of a development firm remains targeted for the end of calendar year 2026

- **AECOM Contract Amendment – Crawford Bay**– Mr. Donahue requested Board approval to amend the existing contract with AECOM, which is providing consulting services related to the Crawford Bay development process. The original contract was primarily focused on assisting the EDA through the RFQ/RFP process.

With proposals approaching, additional professional support will be needed for: evaluation of development proposals; selection of the preferred development firm; potential negotiations; and preparation/negotiation of a development agreement.

The proposed amendment would provide additional AECOM support on an as-needed basis, establish a not-to-exceed amount of \$36,000, and extend the contract through December 31, 2026.

ACTION: On a motion by Mr. Barber and seconded by Mrs. Saunders-Smith the Commissioners approved additional AECOM services with a not-to-exceed amount of \$36,000.

Roll Call Vote: Mr. Mitchell- yes; Mr. Barber- yes; Mrs. Saunders-Smith- yes; Mrs. Cherry- absent; Ms. Harkleroad- yes; Mr. Harmon- yes; Mr. Morgan- yes. Approved 6-0 vote.

- **LINC District**
 - **Property Updates** – Mr. Donahue provided an update on EDA activities in the LINC District.

- **1028 High St., 1013 Queen St., & 1015 Queen Street** – Staff reported that demolition of the buildings on both the High Street and Queen Street sides has been completed. Engineering Department inspections were completed and the contractor's work was accepted and the contract was released. Staff is now focused on marketing the property for redevelopment. Potential temporary uses are also being considered. However, varying elevations in the existing slab will need to be considered for any temporary use.
- **1117-1121 High St.** – Staff provided a detailed construction update and described the project as a significant transformation of the property.

Current progress includes:

- Metal roofing panels installed
- Roofing at 1117 High Street completed
- Roofing at 1121 High Street underway
- Interior construction is nearing completion
- Plumbing fixtures being installed
- HVAC system completed
- Parking lot repaved and restriped

Remaining work includes:

- Additional exterior lighting
- Landscaping
- Columbia Gas service extension

The original project completion date was scheduled for September 1, 2026, although additional exterior lighting work could result in a slight adjustment. Staff indicated that the property is sufficiently transformed to begin active marketing efforts and discussed arranging a Board tour once construction is substantially complete.

- **1220 High St.** – Staff reported that Richport Coffee would no longer pursue a lease for the EDA property at 1220 High St. Staff has instructed Harvey Lindsay to prioritize securing a new tenant, develop a revised marketing plan, and relaunch marketing and outreach efforts. The Commissioners discussed desired tenants. Renovation work on the building has begun, including roof replacement. A previously approved drive-through will be incorporated/reestablished as part of the renovation.
- **934 High St.** – Staff reported that it will move forward with broader marketing and sale of the EDA's property at 934 High St. Harvey Lindsay will begin listing the property and prepare a marketing plan. Commissioners discussed potential residential development, including studio apartments. Additional discussion addressed the property's substantial structural improvement needs. The estimated improvement cost was discussed as approximately \$1.9 million, with staff acknowledging that the estimate may be high. The property is located within a historic district, is believed to be eligible for historic tax credits, and is located within a Virginia Enterprise Zone and therefore may qualify for

additional state incentives. These incentives will be incorporated into marketing materials.

- **817-833 High Street** – Staff reported receiving approval from the Downtown Design Committee to proceed with demolition of the EDA's property at 817-833 High St. A civil engineer is currently preparing demolition plans which are expected to be submitted for City review within approximately six weeks. Following plan approval, a demolition contractor will be procured.
- **FY25/FY26 Business Investment Grant Program Briefing** – Phyllis Drake, Grant Administrator, provided an update on the EDA's Business Investment Grant program to include the status of past grant recipients based on an active business license. Reported data includes:
FY25 Business Acceleration Grants: 71% of recipients remain operational.
FY26 Business Acceleration Grants: 100% remain operational.
FY25 Business Development Grants: 50% remain operational.
FY26 Business Development Grants: 88% remain operational.
FY26 Real Property Investment Grants: 37% of recipients are operational businesses.

Commissioners requested additional data for FY24, to identify longer-term survival trends, comparing changes between FY24 and FY25. Staff agreed to provide the requested information for the EDA's review.

New Business

- **FY27 Business Investment Grant Program Update.** – Phyllis Drake, Grant Administrator, reported that a total of 33 applications had been received in the FY27-Round One application period.

Business Development Grant (Maximum request: \$2,000):

- 11 applications received
- Total of \$21,900 requested

Business Acceleration Grant (Maximum request \$5,000):

- 8 applications
- Total of \$35,000 requested

Staff noted that the Business Acceleration Grant program had historically experienced difficulty generating sufficient interest. The current application volume was viewed positively and attributed in part to increased community engagement workshops and marketing efforts. Approximately \$30,000 of the \$50,000 annual allocation appeared likely to be awarded during the first quarter.

- **FY27 Real Property Investment Grants** – Phyllis Drake, Grant Administrator, reported on the Real Property Investment Grant program. Fourteen applications were received. To date \$91,862.50 in funding has been approved by the EDA, and \$140,224 remaining for future funding after pending applications are approved. The following five applications were presented for the EDA's consideration.

340 High Street – The Mustard Seed Place

Business: Co-working space supporting economic empowerment, mentorship, and entrepreneurial growth
Grant Amount: \$25,000

2023 High Street – CPRC Holdings, LLC

Business: Mobile fleet-cleaning company providing truck and fleet services.
Grant Amount: \$17,913.50

820 Port Center Parkway – Phillips Corporation

Business: Global manufacturing solutions company providing machining, additive manufacturing, robotics, and mechatronics training.
Grant Amount: \$25,000

3015 Airline Boulevard – Southern Material Handling, Inc.

Business: Material-handling equipment provider offering technical expertise, installation, and sales.
Grant Amount: \$25,000

700–720 High Street – 720 Wine Bar, LLC

Business: Boutique wine bar focused on wine, culture, and community.
Grant Amount: \$25,000

Staff requested the EDA's approval of the applications.

ACTION: On a motion by Mr. Barber and seconded by Mrs. Saunders-Smith the Commissioners approved the five Real Property Investment Grant applications as presented.

Roll Call Vote: Mr. Mitchell- yes; Mr. Barber- yes; Mrs. Saunders-Smith- yes; Mrs. Cherry- absent; Ms. Harkleroad- yes; Mr. Harmon- yes; Mr. Morgan- yes. Approved 6-0 vote.

- **Ribbon Cuttings** – Mr. Donahue announced the grand opening of Harbor Vista 2 Groundbreaking on September 23, 2026, at 11:30 am. The project was identified as an EDA-facilitated project, and Commissioners were encouraged to participate.

Staff also reminded the Commissioners about the inaugural Real Estate Development Academy (RED Academy) on August 19, 2026, at 5:00 pm. The program is a collaborative effort involving the Portsmouth, Newport News, and Norfolk Redevelopment and Housing Authorities. The academy is designed to train and develop aspiring real estate developers in the region, with an emphasis on minority and women-owned development firms.

Closed Meeting

ACTION: At 9:51 a.m. Mr. Barber, seconded by Mrs. Saunders-Smith moved to go into a closed meeting pursuant to Virginia Code Subsection 2.2-3711 A.3 for the purpose of

discussing the acquisition of real property, where discussion in an open meeting would adversely affect the bargaining position and negotiating strategy of the public body specifically regarding strategic acquisitions.

Roll Call Vote: Mr. Mitchell- yes; Mr. Barber- yes; Mrs. Saunders-Smith- yes; Mrs. Cherry- absent; Ms. Harkleroad- yes; Mr. Harmon- yes; Mr. Morgan- yes. Approved 6-0 vote.

Open Meeting

ACTION: At 11:04 a.m. Mr. Barber, seconded by Mrs. 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. Mitchell- yes; Mr. Barber- yes; Mrs. Saunders-Smith- yes; Mrs. Cherry- absent; Ms. Harkleroad- yes; Mr. Harmon- yes; Mr. Morgan- yes. Approved 6-0 vote.

Items Submitted by Commissioners

- None

Report Backs

- Midtown Corridor Concerns - Staff provided a follow-up to concerns raised at the July 2026 EDA meeting regarding retail theft and possible vagrancy-related issues in the Midtown Corridor. Chief Jenkins is scheduled to attend the September 2026 EDA meeting to brief the Commissioners on these concerns, discuss current efforts, and possible solutions.
- Tourism Coordination / Renaissance Hotel - Staff followed up on a previous question regarding tourism coordination with the Portsmouth Renaissance Hotel. The City's Tourism Manager reported ongoing engagement with hotel personnel, including monthly visits, communication with front-desk staff, communication with sales and events personnel, and familiarization tours for hotel staff.
- Community Justice Garden - The Commissioners requested an update regarding the proposed Community Justice Garden. Staff reported that the EDA continues to work with Virginia Pathways to Justice to address remaining requests from the City Manager. Outstanding matters include obtaining letters of support, formalizing partnerships with applicable City departments, including Behavioral Health. Once the remaining documentation is received, staff will advise the City Manager that the requested items have been addressed. Staff will then pursue transfer of the applicable property from the City to the EDA, and bring the matter forward for the EDA's consideration at the September 15, 2026, meeting.

EDA Meeting
August 18, 2026

Adjourn

- The meeting adjourned at 11:09 a.m.

Respectfully submitted,
Brian Donahue, Secretary
Malcom Mitchell, Chair