

Economic Development Authority of the City of Portsmouth

September 17, 2019

6th Floor Conference Room, City Hall
801 Crawford, Portsmouth, VA

COMMISSIONERS PRESENT:

Anthony W. Hinds
Kyle J. Kovachik – Treasurer
Malcom Mitchell
Theresa J. Saunders-Smith
Don L. Scott – Chairman
Barbara B. Smith
Ray A. Smith, Sr. – Vice Chairman

ALSO PRESENT:

Robert D. Moore – Secretary
Brian Donahue – Assistant Secretary
Robert Baldwin – Deputy City Manager
Jeff Miller – Deputy City Attorney
Kelsey Swieringa – Assistant City Attorney
Elizabeth Psimas – City Councilwoman
Cheryl Spivey – CFO
Wendy Hu – Assistant CFO
Alisa Winston – PRHA

The Chairman called the meeting to order at 9:21 a.m.

The August 20, 2019 minutes were reviewed.

ACTION: On a motion by Mr. Hinds and seconded by Mr. Smith, the Commissioners approved the August 20, 2019 meeting minutes as presented. **Roll Call Vote:** Mr. Hinds – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Mr. Scott – yes; Ms. Smith – yes; Mr. Smith – yes.

Ms. Hu reviewed the August 2019 financial statements. It was agreed that the August 2019 statements would be filed for audit.

ACTION: On a motion by Mr. Hinds and seconded by Ms. Saunders-Smith, the Commissioners approved amending the meeting agenda by moving the Old Business items (409 McLean Street and 3336 Victory Boulevard) to after the Closed Meeting. **Roll Call Vote:** Mr. Hinds – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Mr. Scott – yes; Ms. Smith – yes; Mr. Smith – yes.

Mr. Donahue gave an update on the Local Incentive Program activity.

Mr. Moore updated the Commissioners on the demolition status of buildings on EDA-owned properties.

ACTION: At 9:33 a.m. on a motion by Mr. Smith and seconded by Mr. Hinds, the Authority entered a closed meeting pursuant to Virginia Code subsection 2.2-3711 A.3 for the purpose of discussing acquisition and/or 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, specifically regarding 3336 Victory Boulevard and 409 McLean. **Roll Call Vote:** Mr. Hinds – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Mr. Scott – yes; Ms. Barbara Smith – yes; Mr. Smith – yes.

City Councilwoman Psimas remained for the Closed Meeting.

ACTION: At 10:00 a.m., on a motion by Mr. Smith and seconded by Mr. Hinds, the Authority entered an open meeting whereby only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and 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. Hinds – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Mr. Scott – yes; Ms. Smith – yes; Mr. Smith – yes.

ACTION: On a motion by Mr. Kovachik and seconded by Mr. Mitchell, the Commissioners approved this resolution:

RESOLUTION
(409 McLean)
(Extension of Feasibility Period)

WHEREAS, pursuant to a resolution adopted on October 15, 2018 the EDA entered into a Purchase and Sale Agreement with The Miller Group of Virginia, Inc. (the “Developer”) for the residential development of 409 McLean Street (as amended, the “Agreement”); and

WHEREAS, the Feasibility Period under the Agreement expires on September 18, 2019; and

WHEREAS, Developer has been diligent in pursuing the development, including obtaining a wetlands delineation and filing a rezoning application; and

WHEREAS, despite Developer’s diligence certain issues have arisen that have prevented Developer from completing its Feasibility Period tasks; and

WHEREAS, the issues require the Developer to essentially start the zoning and use permit process from the beginning by refiling new applications and new conceptual site plans;

WHEREAS, to allow time for completion of the zoning and permitting process it is in the interest of all parties to extend the Feasibility Period to substantially match the original Feasibility Period of 210 days set forth in the Agreement;

NOW, THEREFORE, it is hereby RESOLVED that:

1. The amendment of the Agreement to extend the Feasibility Period through April 22, 2020 is hereby approved.
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.

Roll Call Vote: Mr. Hinds – no; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Mr. Scott – yes; Ms. Smith – yes; Mr. Smith – yes.

ACTION: On a motion by Mr. Hinds and seconded by Mr. Kovachik, the Commissioners approved this resolution:

**RESOLUTION
(3336 Victory Boulevard)
(Purchase and Sale Agreement)**

WHEREAS, Riptide IV, LLC (the “Developer”) has proposed to construct a Rip Tide car wash (the “Development”) at 3336 Victory Boulevard (Tax Parcel 0498-0360) (the “Property”); and

WHEREAS, EDA has negotiated a Purchase and Sale Agreement with Developer (the “Agreement”) pursuant to which the Developer will purchase the Property for a price of \$385,000 (the “Purchase Price”) and construct the Development; and

WHEREAS, the Purchase Price exceeds the assessed value of the Property; and

WHEREAS, the Property has been vacant for several years and the conveyance of the Property to the Developer and the construction of the Development will increase the City of Portsmouth tax base and provide an amenity for Portsmouth citizens;

NOW, THEREFORE, it is hereby RESOLVED that:

2. The Chair and Vice Chair are each 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.

Roll Call Vote: Mr. Hinds – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Mr. Scott – yes; Ms. Smith – yes; Mr. Smith – yes.

With no other business before the Board the meeting was adjourned at 10:03 a.m.

Respectfully submitted,



Robert D. Moore
Secretary