

**Economic Development Authority of the City of Portsmouth
May 19, 2026
9:00 AM**

- COMMISSIONERS PRESENT:** Malcom Mitchell – Chairman
Neal Barber – Vice Chairman
Theresa Saunders-Smith – Treasurer
Camille Cherry
Joe Harmon
Ross Morgan
- ALSO PRESENT:** Brian Donahue – Secretary
Charles Bauman – Assistant Secretary
Jeff Miller – Deputy City Attorney
Kelsey Swieringa – Assistant City Attorney
- ABSENT:** Heather Harkleroad – Commissioner
Steven Carter – City Manager
Stephanie Council – Finance
Lakeitha Forest – Finance
Vernon Tillage – City Council Liaison
Mark Hugel – City Council Liaison
- GUESTS:** Bill Dodson – City Council
Steve Edwards – City Assessor
Dorothy Morgan – Deputy City Assessor
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Welcome & Call to Order

- The Chairman called the meeting to order at 9:01 a.m.

Roll Call

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

Minutes

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

ACTION: On a motion by Mr. Mitchell and seconded by Mr. Barber, the Commissioners approved the minutes from April 21, 2026, Regular Meeting as presented.

Roll Call Vote: Mr. Mitchell- yes; Mr. Barber - yes; Mrs. Saunders-Smith - absent;
Mrs. Cherry - yes; Ms. Harkleroad - absent; Mr. Harmon - yes; Mr. Morgan - yes.
Approved 5-0 vote.

Financials

- **FY26 Budget Amendment**– Mr. Donahue, reported that three FY26 Budget categories exceeded their allocations, including: Contractual Services, Insurance, and Capital Improvements. Staff recommended transferring \$193,789 from an underutilized Economic Development Grant line item to fully fund the categories.

Budget overages stemmed primarily from: Property acquisition-related studies and assessments; Increased insurance costs resulting from newly acquired properties; and Building improvement expenses associated with redevelopment efforts.

ACTION: On a motion by Mr. Morgan and seconded by Mrs. Cherry, the Commissioners unanimously approved the FY26 Budget amendment.

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

- **FY27 Budget Adoption** – Mrs. Saunders-Smith presented the EDA's proposed FY27 Operating Budget for the Commissioners consideration and adoption.

ACTION: On a motion by Mrs. Saunders-Smith and seconded by Mrs. Cherry, the Commissioners unanimously approved adoption of the proposed FY27 Budget.

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

Old Business

- **Waterfront Development** – Mr. Donahue provided an update on the Crawford Bay Waterfront Development Project. The Request for Qualifications closed on May 7, responses were received and are under review. Shortlisted firms that will be asked to respond to a Request for Proposals (RFP) are expected to be notified by May 29. A community update meeting has been scheduled for June 11 and will announce shortlisted firms, provide public information about the development teams, and continue stakeholder engagement efforts. The RFP issuance is planned for June 30.
- **LINC District**
 - **Property Updates** – Ms. Chop, Real Estate Development Specialist, provided an update on EDA activities in the LINC District.
 - **1028 High St., 1013 Queen St., & 1015 Queen Street** – New LINC District branding signage was installed before the 2026 Wall Street Mural Fest. Demolition of 1028 High Street is complete. The remaining Queen Street structures are roughly 80% demolished. The projected completion date for all remaining work is June 5.
 - **1117-1121 High St.** – GC Commercial has started the roof replacement and building renovation process. Building permits have been obtained, interior

demolition is underway and plumbing rough-ins are in progress. Completion of the work is projected for July 21.

- **1220 High St.** – A bid package for exterior renovations and roof replacement at 1220 High St. was issued March 12, 2026. The construction contract is being finalized, and the permitting process is underway. A construction schedule is expected soon, and a completion timeline will be available at the June meeting.
- **934 High St.** – Moseley Architects has completed a Structural Assessment Report for the building at 934 High St. The assessment identified significant structural issues requiring repairs, though the building remains sound and secure for future repurposes. The structural assessments identified issues requiring further evaluation. Staff requested authorization for a cost-estimating study from Moseley Architects with a cost of \$4,274. A separate historic preservation assessment was proposed but deemed premature as the eventual end user is unknown.

ACTION: On a motion by Mrs. Cherry and seconded by Mr. Morgan, the Commissioners unanimously authorized the cost-estimating study to be performed by Moseley Architects in the amount of \$4,274.

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

- **817-833 High Street** – A Phase 2 Environmental Site Assessment was performed on these properties to evaluate if Recognized Environmental Conditions (RECs) previously identified in a Phase 1 report had resulted in any impacts to the soil and groundwater. Contractors collected soil and groundwater samples from locations considered most likely to be affected by the property's history. The Phase 2 environmental assessment identified contamination concerns. Consultants stated redevelopment planning could continue, additional investigations depend on the property's future use; Demolition/construction planning can proceed.
- **Cradock Property Update** – Ms. Chop provided an update on 53, 60 Afton Parkway and 73 Farragut Street. Demolition plans for 53 Afton Parkway have been submitted to the city for review. Historic Preservation Commission approval is pending. If approved, demolition bidding and contractor procurement would begin with several procedural steps remaining before demolition can occur. Discussion focused on how to attract private investment. Suggestions included QR codes on properties with direct links to property information and enhanced public-facing marketing materials.
- **EDA/City Council Joint Meeting (May 11, 2026) Recap** – Mr. Mitchell opened the floor to any discussion about the Joint Meeting; all members agreed that it was productive meeting with no further discussion needed.

New Business

- **EDA Business Investment Grant Eligibility Guidelines** – Ms. Drake reported that EDA's Business Investment Grants were technically open for-profit businesses and nonprofit organizations. However, staff reported that nonprofit applications rarely demonstrated direct economic or taxable impacts. Therefore, staff recommended effective July 1, grant guidelines restrict eligibility to for-profit businesses and direct nonprofits toward alternative funding sources, refocusing grants on measurable economic development outcomes.

ACTION: On a motion by Mrs. Saunders-Smith and seconded by Mr. Morgan, the Commissioners unanimously approved the amendment of the Business Investment Grant Guidelines effective July 1, 2026, to restrict funds to for-profit businesses, continuing to evaluate currently pending nonprofit applications under existing guidelines.

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

- **DeLong Agricultural Transloading Facility** – Mr. Bauman provided updates on the DeLong Company building a major agricultural export terminal adjacent to Portsmouth Marine Terminal. The total project value approaches \$40 million. Phase 1 of the project is already under construction. The project has secured up to \$16 million in federal funding for Phase 2 through the U.S. Department of Transportation and Maritime Administration. Expected benefits include new operational and trucking jobs, rail-related employment, additional maritime industry activity, and increased national visibility for Portsmouth as an agricultural export hub. The facility will primarily export soybeans and other grains.
- **American Cruise Lines** – Mr. Bauman briefed the Commissioners on American Cruise Lines operations in Portsmouth. He highlighted the partnership between American Cruise Lines, Portsmouth Port and Industrial Commission, and the City of Portsmouth, securing approximately \$300,000 in total funding for planned waterfront infrastructure improvements, including \$200,000 in grant funding from the Virginia Port Authority, and \$100,000 in local matching funds to enhance water, sewer, and seawall infrastructure, which will support these vessels and other future waterfront activity. With the planned infrastructure upgrades, the cruise line aims to increase the number of ship calls and bring larger, newer vessels to Portsmouth.
- **Portsmouth@Work Workforce Development Update** – Mr. Akujuobi provided an update on the Portsmouth@Work program. The workforce development update emphasized: Key Challenges - Reaching residents who need services, improving credentialing and certification outcomes, increasing successful job placement rate; Initiatives - Staff are building partnerships with Department of Social Services, Portsmouth Redevelopment and Housing Authority, TCC Workforce Solutions, and other workforce organizations. The Portsmouth@Work program focuses on training efforts that are aligned with regional growth sectors, including maritime industries, skilled trades, manufacturing, healthcare, welding and technical occupations.

Closed Meeting

ACTION: At 10:40 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 - yes; Ms. Harkleroad - absent; Mr. Harmon - yes; Mr. Morgan - yes. Approved 6-0 vote.

Open Meeting

ACTION: At 11:39 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 - yes; Ms. Harkleroad - absent; Mr. Harmon - yes; Mr. Morgan - yes. Approved 6-0 vote.

Added to Agenda - AECOM Contract Amendment for Crawford Bay Development

ACTION: On a motion by Mr. Barber and seconded by Mrs. Saunders-Smith, the Commissioners voted to approve an amendment to the AECOM contract for the Crawford Bay Development, expanding it to include the preparation of a Phase 2 Environmental Assessment in an amount not to exceed \$50,000.

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

Items Submitted by Commissioners

- None

Report Backs

- None

Adjourn

- The meeting adjourned at 11:48 a.m.

Respectfully submitted,
Brian Donahue, Secretary
Malcom Mitchell, Chair