

Economic Development Authority of the City of Portsmouth

September 15, 2020

Electronic Meeting via GoToMeeting

COMMISSIONERS PRESENT:

Neal J. Barber
Bette “Cathy “ Drewry
Kyle J. Kovachik – Treasurer
Malcom Mitchell – Vice Chairman
Theresa J. Saunders-Smith
Barbara B. Smith
Ray A. Smith, Sr. – Chairman

ALSO PRESENT:

Robert D. Moore – Secretary
Brian Donahue – Assistant Secretary
Jeff Miller – Deputy City Attorney
Kelsey Swieringa – Assistant City Attorney
LaVoris Pace – Interim City Manager
Elizabeth M. Psimas – City Councilwoman
Robert Baldwin – Planning Director

Due to the novel coronavirus pandemic, this EDA meeting was held electronically via GoToMeeting pursuant to Ordinance No. 2020-21; each Commissioner attended the meeting electronically.

The Chairman called the meeting to order at 8:00 a.m. The Chairman stated that the meeting was being held electronically, and identified the notices provided to the public to access the meeting.

The minutes from the August 18, 2020 meeting were reviewed.

ACTION: On a motion by Mrs. Saunders-Smith and seconded by Mr. Kovachik, the Commissioners approved the minutes from the August 18, 2020 meeting as presented. **Roll Call Vote:** Mr. Barber – yes; Ms. Drewry – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Ms. Smith – yes; Mr. Smith – yes.

Mr. Moore reported that Economic Development Staff is working with the CFO and Finance Staff, and Cherry Bekaert to complete the FY2020 Audit.

Mr. Moore reminded the Commissioners to complete the on-line, semi-annual Freedom of Information Act (FOIA) training. Ms. Ogelby will forward the link for the training to the Commissioners. Mr. Moore asked that the Commissioners forward copies of their completion certificates to the Economic Development office.

Mr. Moore and Mr. Donahue provided information regarding the COVID-19 Business Recovery Grant Program.

Mr. Moore reported that the EDA closed on the purchase of several properties from the Greater Portsmouth Development Corporation on September 3, 2020.

Mr. Moore provided an update on the development agreement concerning 602 Fifth Street which should be endorsed soon.

Mr. Moore indicated that a virtual retreat will be planned for Tuesday, October 20, 2020 to be conducted directly after the EDA's regular meeting. The Commissioners were asked to block their calendars from 8:00 a.m. to 12:00 p.m. and to forward items of interest for the agenda to staff, by close of business, Friday, September 18, 2020.

ACTION: At 8:44 a.m. on a motion by Mr. Mitchell and seconded by Mr. Barber, the Authority entered a closed electronic meeting pursuant to Virginia Code subsections 2.2-3711 A.3 and 2.2-3708.2 A.3 and City Council Ordinance 2020 - 21 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 the Entertainment District, North Pier, GPDC properties, 800 Block of High Street, and 2700 Block of Turnpike Road. **Roll Call Vote:** Mr. Barber – yes; Ms. Drewry – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Ms. Smith – yes; Mr. Smith – yes.

City Councilwoman Psimas remained for the Closed Meeting.

ACTION: At 9:37 a.m., on a motion by Mr. Mitchell and seconded by Mr. Barber, 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. Barber – yes; Ms. Drewry – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Ms. Smith – yes; Mr. Smith – yes.

ACTION: On a motion by Mr. Barber and seconded by Ms. Saunders-Smith, the Commissioners approved the following resolution:

RESOLUTION
(Entertainment District/Zoning Application and Traffic Infrastructure)

WHEREAS, EDA entered into a Portsmouth Entertainment District Development Agreement with Portsmouth Gaming Holdings, LLC, an affiliate of Rush Street Gaming (the "Developer") dated May 26, 2020 (the "Development Agreement"); and

WHEREAS, under the Development Agreement the Developer is to construct a casino, hotel, and other uses to create an entertainment district (the “Development”); and

WHEREAS, under the Development Agreement the EDA agreed to support applications for rezoning to permit the Development; and

WHEREAS, under the Development Agreement the Developer agreed to construct traffic improvements required for the Development; and

WHEREAS, Developer is seeking to rezone the Victory property (the “Property”) to MU-H (Mixed Use High Intensity); and

WHEREAS, it is desirable for EDA and the Developer to enter into an additional agreement governing EDA’s cooperation with the rezoning request and Developer’s obligation to perform and submit a Chapter 527 Traffic Impact Analysis and an Intersection Modification Review to VDOT, and to construct required traffic improvements.

NOW, THEREFORE, it is hereby RESOLVED that:

1. The Chair and Vice Chair are each authorized to execute a Zoning Application/Traffic Infrastructure Agreement with Developer (the “Agreement”).
2. The Chair, Vice Chair, and Secretary are each authorized to execute such zoning applications, plats and materials as may be necessary or desirable in furtherance of the performance of EDA’s obligations under the Agreement.
3. This Resolution shall be effective immediately upon its adoption.

Roll Call Vote: Mr. Barber – yes; Ms. Drewry – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Ms. Smith – yes; Mr. Smith – yes.

ACTION: On a motion by Mrs. Saunders-Smith and seconded by Ms. Drewry, the Commissioners approved the following resolution:

RESOLUTION
(2701, 2709, and 2715 Turnpike Road)
(Sale of Property)

WHEREAS, the Virginia Department of Transportation performed a project to widen Turnpike Road in Portsmouth; and

WHEREAS, VDOT acquired property necessary for the road widening project and upon completion of the project it conveyed all remnant parcels of the property that were not necessary for the project to the City of Portsmouth; and

WHEREAS, the remnant parcels include 2701 Turnpike Road (Tax Parcel 0189-0240), 2709 Turnpike Road (0189-0270), and 2715 Turnpike Road (0189-0290); and

WHEREAS, 2705 Turnpike Road (Tax Parcel 0189-0250) is privately owned and located between 2701 Turnpike and 2709 Turnpike, and control of 2705 Turnpike Road is necessary for the development of infill housing in the area; and

WHEREAS, Gary Muhammad (the "Developer") has entered into a contract with the private owner of 2705 Turnpike Road to purchase said parcel; and

WHEREAS, the Developer has offered to acquire 2701 Turnpike Road, 2709 Turnpike Road, and a portion of 2715 Turnpike Road having a width of approximately 30 feet (collectively, and less any portion of the area to be dedicated as public right of way, the "Property") for a purchase price of Thirty-Five Thousand Dollars (\$35,000) (the "Purchase Price"); and

WHEREAS, the Developer intends to construct single family detached residential dwellings on the Property; and

WHEREAS, conveyance of the Property to the Developer would provide new housing stock, and would benefit the City and its residents financially by returning the Property to the tax rolls and saving the City costs for mowing and other maintenance; and

WHEREAS, the Developer will be responsible for all platting and surveys required (1) to dedicate necessary right of way and (2) to carve out the area of 2715 Turnpike Road to be acquired, and will be entitled to deduct the third party out of pocket costs of same from the Purchase Price; and

WHEREAS, by Resolution R-20-19 adopted on July 16, 2020, City Council authorized conveyance of the Property from the City to EDA for the purpose of development;

NOW, THEREFORE, it is hereby RESOLVED that:

1. The Chair, Vice Chair, and Secretary are each authorized to execute on behalf of EDA an Agreement for the sale of the Property to Developer for the Purchase Price.

2. The Chair, Vice Chair, and Secretary 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 of the Property in accordance with the Agreement.

Roll Call Vote: Mr. Barber – yes; Ms. Drewry – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Ms. Smith – yes; Mr. Smith – yes.

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

RESOLUTION
(0 Harbor Center Court (Tax Parcel 0003-0010))
(Purchase and Sale Agreement)

WHEREAS, Waterfront Acquisition, LLC, a wholly owned subsidiary of Fairlead Integrated, (the “Developer”) has proposed to develop a facility for the fabrication, preservation, outfitting and temporary storage of sections of aircraft carriers and submarines (the “Development”) at 0 Harbor Center Court (Tax Parcel 0003-0010), commonly known as the North Pier (the “Property”); and

WHEREAS, EDA and Developer intend to enter into a Purchase and Sale Agreement (the “Purchase Agreement”) pursuant to which the Developer will purchase the Property for a price of \$500,000 (the “Purchase Price”); and

WHEREAS, the Purchase Agreement will require Developer to agree to covenants and restrictions that are substantially similar to those encumbering the adjacent Fairlead facility and that have as their purpose the protection of the Atlantic Union Bank Pavilion and other uses in the area; and

WHEREAS, the Developer will further be required to provide such landscaping and screening of the Development as are required to protect the Pavilion and other adjacent uses; and

WHEREAS, the conveyance of the Property to the Developer and the construction of the Development will increase the City of Portsmouth tax base and provide employment opportunities for Portsmouth citizens;

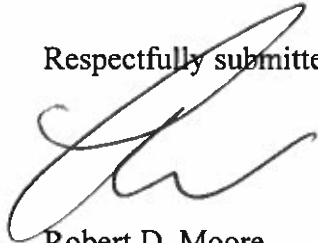
NOW, THEREFORE, it is hereby RESOLVED that:

1. The Chair, Vice Chair and Secretary are each authorized to execute the Purchase Agreement on behalf of EDA.
2. The Chair, Vice Chair, and Secretary 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 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. Barber – yes; Ms. Drewry – yes; Mr. Kovachik – yes; Mr. Mitchell – yes; Ms. Saunders-Smith – yes; Ms. Smith – yes; Mr. Smith – yes.

With no other business before the Board the electronic meeting was adjourned at 9:44 a.m.

Respectfully submitted,



Robert D. Moore
Secretary