

**ECONOMIC DEVELOPMENT AUTHORITY
HENRICO COUNTY, VIRGINIA**

To wit:

A regular meeting of the Board of Directors of the Economic Development Authority of Henrico County, Virginia, was held at 6:30 p.m. on Thursday, January 18th, 2024 at the Henrico EDA offices at 4300 East Parham Road, Henrico, VA 23228.

DIRECTORS PRESENT

Edward S. Whitlock, III, Vice Chair
Dennis J. Berman, Treasurer
Sam Bagley
Robert W. Brown, Jr.
Tyee D. Mallory
S. Floyd Mays, Jr.
Travis Pearson
Suresh Soundararajan

DIRECTORS ABSENT

Philip C. Strother, Secretary

DIRECTORS PARTICIPATING ELECTRONICALLY

Susan W. Custer, Chair

OTHERS PRESENT

Robert Taylor, Executive Director, VCU Kornblau Real Estate Program
Lauren Grainger, Associate Director, VCU Kornblau Real Estate Program
Ryan Murphy, Deputy County Attorney
Anthony Romanello, Executive Director
Andrew Larsen, Managing Director
Ebonie Atkins, Managing Director
Twyla Powell, Managing Director
Ashley Kubat, Office Administrator

The Chair called the meeting to order at 6:30 p.m.

AUTHORIZATION OF ELECTRONIC PARTICIPATION

Mr. Whitlock announced that Ms. Custer is unable to attend the meeting in person following the election of officers because she is caring for her granddaughter. Following the election of officers, Ms. Custer wishes to participate remotely from her residence. The Board has arranged for Ms. Custer to be heard by all persons at this location, and a quorum is present at this location. Mr. Whitlock moved that the Board approve the electronic participation in the meeting by Ms. Custer. Mr. Pearson seconded the motion, with Ms. Mallory and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

REPORT OF NOMINATING COMMITTEE

Ms. Custer informed the Board that the Nominating Committee met prior to the regular meeting and Mr. Mays made the following nominations on behalf of the committee:

Chair: Edward S. Whitlock, III
Vice Chair: Dennis Berman
Treasurer: Philip C. Strother
Secretary: Sam Bagley

On a motion by Mr. Mays, seconded by Mr. Pearson, the Board accepted the nominations and elected the nominees to the positions for which they were nominated, with Ms. Custer, Ms. Mallory and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

APPROVAL OF MINUTES

Mr. Whitlock asked if there were any corrections or additions to the minutes for the November 16th, 2023 regular meeting. Hearing none, with a motion by Mr. Pearson, seconded by Mr. Bagley, the November 16th, 2023 minutes were approved, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

Mr. Whitlock asked if there were any corrections or additions to the minutes for the December 14th, 2023 special meeting. Hearing none, with a motion by Mr. Bagley, seconded by Mr. Soundararajan, the December 14th, 2023 minutes were approved, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

Mr. Romanello introduced Mr. Brown and Ms. Mallory, the two new members of the EDA Board of Directors appointed by the Board of Supervisors on January 9, 2024. Mr. Brown and Ms. Mallory are long-time Henrico residents and represent the Fairfield District.

VCU REAL ESTATE TRENDS SUPPORT REQUEST

Mr. Romanello introduced Mr. Robert Taylor, Executive Director, and Ms. Lauren Grainger, Assistant Director, of the VCU Kornblau Real Estate School. Mr. Taylor explained to the Board that the program's signature event is the annual Real Estate Trends Conference, which has been held at the Greater Richmond Convention Center for the past twenty years. This year, VCU would like to hold the event at the Henrico Sports and Events Complex, which offers a more expansive space.

Mr. Taylor clarified that since this would be the first year holding the event at the Sports and Events Center, there would be some additional start-up costs to outfit the space as necessary. The Kornblau Real Estate School asked the EDA to assist with a one-time contribution of \$30,000, most of which would be allocated to a custom-fitted floor protector designed to preserve the hardwood. Mr. Romanello stated that the County has some existing floor covering, but not enough to cover the entire space. Once this covering is made, it will be able to be reused at a decreased future cost. Mr. Romanello recommended the contribution for approval. On a motion by Mr. Mays, seconded by Mr. Pearson, the VCU contribution was approved, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting "aye."

PERSONNEL POLICY UPDATES

Mr. Berman stated that the Personnel Committee met prior to the regular meeting to discuss the proposed amendments to the EDA's personnel policy. Ms. Kubat said that the updates were mainly to mirror the updates Henrico County had made earlier in the year to their policy. Ms. Kubat said that the new update codifies the standing practice of a six-month probationary period where working remotely is not permitted, as well as defining the "work from home" practice to ensure equitable application. The EDA will no longer credit employees hired after April 30th with full floating holidays and wellness leave, and bereavement leave has now been changed to five days instead of three.

Ms. Kubat highlighted that, similarly to Henrico County, the EDA will now be offering eight weeks of paid parental leave, and additional leave for those who donate organs. What constitutes volunteer leave has also been clearly defined. The EDA has added a section on social media conduct and any EDA-owned vehicles may be used for business purposes only. The EDA is also choosing to add an FLMA policy to mirror Henrico County's.

Mr. Berman said that the Personnel Committee had reviewed the proposed changes and moved for approval. With a second by Mr. Whitlock, and Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye,” the personnel policy updates were approved.

RESOLUTION – SIGNATORY AUTHORITY – FOURTH AMENDMENT TO PURCHASE AGREEMENT – 7500 STAPLES MILL

Mr. Romanello explained that the proposed amendment to the current Purchase and Sale Agreement for 7500 Staples Mill Road would lower the purchase price to \$695,000 from \$750,000. The buyers have completed the rezoning process for the property and the reduction in price would assist with reimbursing costs incurred by the developer to address concerns raised by neighbors. Mr. Romanello recommended the resolution for approval. On a motion by Mr. Mays, seconded by Mr. Bagley, the resolution was approved, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

DUE DILLIGENCE FOR ST. GERTRUDE’S PROPERTY

Mr. Romanello stated that Timmons Engineering is proposing some due diligence work for the former St. Gertrude’s property now owned by the Sports and Entertainment Authority. The engineering analysis will assist the County and the Sports and Entertainment Authority to prepare the site for development, and the County will fully reimburse the EDA for the expense. The work includes a survey, subsurface utility exploration, geotechnical investigation, field exploration, laboratory testing, a geotechnical engineering report, wetlands delineation, and wetlands confirmation. The total price of the work is estimated to be \$75,000. On a motion by Mr. Pearson, seconded by Mr. Mays, the proposal was approved, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

RESOLUTION – AUTHORIZATION TO PURCHASE – 6061 ELKO TRACT ROAD

Mr. Romanello announced that the Commonwealth of Virginia has agreed to sell approximately 39 acres located at 6061 Elko Tract Road to the EDA. The property is zoned M-2 and adjoins White Oak Technology Park Sites 1 and 2. Timmons Engineering has begun due diligence work on the property, including a survey, wetlands analysis, and a phase one environmental site assessment. The resolution will authorize the Executive Director to execute all necessary documents to acquire the property and authorize Timmons to conduct their work, which is not expected to exceed \$27,500. The costs of the due diligence work would be recouped with the sale of Sites 1 and 2.

If successfully acquired, the EDA will petition the White Oak Technology Park Owner's Association to add the land to the Owner's Association, which would ensure its development is subject to the White Oak Technology Park covenants and consistent with existing development. On a motion by Mr. Mays, seconded by Mr. Berman, the resolution was approved with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting "aye."

RVA757 CONNECTS SUPPORT REQUEST

Mr. Romanello stated that the EDA has frequently discussed the value of the digital infrastructure in Virginia and its impact on our economy. RVA757 Connect's main initiative is creating state-of-the-art digital infrastructure and working to advance major opportunities, initiatives, and projects that meaningfully benefit both the Richmond and Hampton Roads region along the I-64 corridor. The RVA757 Connects Steering Committee has asked participants to give contributions to support the implementation of their Global Internet Hub Strategic Plan. Prior to now, the group has relied on now-depleted GO Virginia funding and needs a more sustainable source of income. They have requested a pledge of \$20,000.

Mr. Berman asked for clarification on if the money would be allocated to support broadband internet connectivity in homes. Mr. Romanello replied that it would not be used to support local broadband, but instead to support infrastructure development to attract worldwide companies to our area. This will support the attraction and retention of jobs and capital investment, which is economic development at its core. On a motion by Mr. Pearson, seconded by Mr. Soundararajan, the support request was approved, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting "aye."

COMMITTEE REPORTS

Finance: Mr. Berman reported that the EDA has almost \$25 million in laddered t-bills and over \$1 million in LGIP, with interest rates earning over 5.5%.

Marketing: Mr. Romanello stated that he would address the marketing updates during the Team Report.

Nominating: The Nominating Committee report was given earlier in the meeting.

Personnel: Mr. Berman said that the Committee discussed the aforementioned personnel policy updates which were outlined during the earlier agenda item, and also reviewed the draft for the Executive Director's annual review. The Committee voted to approve the review, and the Board Chair and Committee Chair will schedule a time to discuss it with Mr. Romanello.

Strategic Planning: Mr. Bagley stated that he would provide the Strategic Planning Committee report during the Team Report.

TEAM REPORT

Mr. Romanello told the Board that the Office Task Force had recently held their fourth meeting and had hosted Hanbury Architects to present ideas on office conversions. Employers are continuing to try to pull employees back into the office, and the subleasing has been very active. Interest rates and construction costs continue to be a challenge to building owners who want to upgrade their spaces and add amenities. The Office Task Force will reconvene shortly to brainstorm ideas to bring forward to the County.

Mr. Romanello displayed the new “Home of the Extra Mile” messaging that the EDA has been developing. The messaging focuses on good service being the differentiating factor for Henrico County and features examples of the team going “above and beyond” to get the task accomplished. The industrial sites marketing information went out in December and will be released again in January. The aim is to draw attention on social media to Henrico’s industrial sites, which have increased in importance due to the reduction in available land at White Oak Technology Park.

Mr. Larsen provided an update on the Henrico Global Business Gateway initiative, which is being developed as a soft-landing program for international companies to settle in Henrico County. The project is the first of its kind in the area and will provide invaluable resources such as low-cost office space, mentorship, and relocation assistance. Further updates will be provided as the project moves forward.

Mr. Larsen reviewed the EDA’s latest announcement, Tucker Door and Trim, which plans to be operational in early 2024. The company is located at 2700 Distribution Drive and produces doors and windows with automated pneumatic machinery. The company is investing \$10 million and will add over 50 jobs.

Mr. Romanello informed the Board that the EDA recently held the first meeting with SIR and discussed where Henrico’s economy stands currently. Analysis objects for the project were further refined and the next meeting was set for January 26th. The next meeting will focus on the future economy of Henrico and what that means for the EDA moving forward. SIR plans to provide an update to the Strategic Planning Committee in February.

Mr. Romanello stated that the EDA has been in direct communication with Robert Ward, Real Estate Advisor to Governor Youngkin about the Old Osborne Turnpike property and its potential for workforce housing and mixed-use development. The EDA will apply for a brownfield assistance grant and a Virginia Housing demolition grant to assist with due diligence and has met with engineering and development firms on the potential of the site. The EDA plans to present the strategy to the Commonwealth and ask that the land be provided at no cost. On a

motion by Mr. Mays, seconded by Mr. Pearson, the Virginia Brownfields grant application for Old Osbourne property project was approved and the Executive Director was authorized to proceed in accordance with the plan presented to the Board at the meeting, with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye.”

Mr. Romanello provided an overview of the Q2 strategic plan workplan update, noting that the EDA has already exceeded the goal for capital investment and square footage for the year. Mr. Romanello reviewed the Q2 metrics update as well, highlighting the that the office vacancy rate is hovering around 12%, and the vacancy rate for industrial is at 2%. Industrial space is essentially full, while office space continues to be a challenge. Brick and mortar retail continues to be an active sector.

OLD/NEW BUSINESS

Mr. Whitlock asked if there was any old business. Hearing none, he asked if there was any new business. Hearing none, he moved to the next agenda item.

CLOSED SESSION

Mr. Whitlock moved that the Board go into closed meeting for a briefing of the members of the Board of Directors and discussion concerning: 1) the expansion of an existing business in the County, including the targeted site, the business’s due diligence activities, the EDA’s role in those due diligence activities, and the business’s anticipated plans, where no previous announcement has been made of the business’s interest in expanding its facilities in the County; 2) the expansion of an existing business at its current site in the County, including investment and potential economic development incentives, where no previous announcement has been made of the business’s interest in expanding its facilities in the County; 3) a prospective business interested in locating facilities in the County, including the targeted site, the business’s due diligence activities, and the business’s anticipated plans, where no previous announcement has been made of the business’s interest in locating its facilities in the County; and 4) a prospective business where no previous announcement has been made of the business’s interest in locating its facilities in the County, including the site identified by the EDA for the prospect and potential competing sites.

With a second by Mr. Pearson, and with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye,” the Board entered closed session.

When the closed session discussion was completed, Mr. Whitlock moved that the Board exit the closed session and return to open session. Mr. Berman seconded the motion, and with Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan,

and Whitlock all voting “aye,” the Board returned to open session. Then, after returning to open session, Mr. Whitlock read the following Certificate of Closed Meeting into the record:

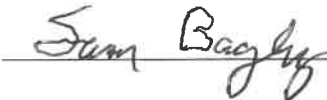
WHEREAS, the Economic Development Authority of Henrico County, Virginia, has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Board certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Board.

Mr. Whitlock moved that the Board certify the closed meeting in accordance with the Certificate of Closed Meeting. Ms. Mallory seconded the motion. With Ms. Custer, Ms. Mallory, and Messrs. Berman, Bagley, Brown, Mays, Pearson, Soundararajan, and Whitlock all voting “aye,” the Board certified the closed meeting.

There being no further business, the meeting adjourned at 8:01 p.m.



Mr. Sam Bagley
Secretary