

**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, March 21st, 2024 at the Henrico EDA offices at 4300 East Parham Road, Henrico, VA 23228.

DIRECTORS PRESENT

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

DIRECTORS ABSENT

None

DIRECTORS PARTICIPATING ELECTRONICALLY

None

OTHERS PRESENT

Andrew Newby, County Attorney
Ryan Murphy, Deputy County Attorney
Brandon Hinton, Deputy County Manager for Administration
Eric Leabough, Director of Community Revitalization
Greg Revels, Building Official
Anthony Romanello, Executive Director
Ebonie Atkins, Managing Director
Andrew Larsen, Managing Director
Twyla Powell, Managing Director
Wendy Miller, Manager of Placemaking
Krista Rodgers, Marketing Manager
Ashley Kubat, Office Administrator

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

AUTHORIZATION OF ELECTRONIC PARTICIPATION

Mr. Whitlock announced that no directors would be participating electronically and moved to the next agenda item.

APPROVAL OF MINUTES

Mr. Whitlock asked if there were any corrections or additions to the minutes for the February 15th, 2024 regular meeting. Hearing none, he asked if there were any corrections or additions to the minutes for the February 15th, 2024 Ad Hoc By-Laws committee meeting minutes. Hearing none, on a motion by Mr. Berman, seconded by Mr. Soundararajan, the February 15th, 2024 regular meeting and the Ad Hoc By-Laws committee minutes were approved, with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, and Whitlock all voting “aye.”

CLOSED SESSION

Mr. Whitlock moved that the Board go into a closed session pursuant to Virginia Code Section 2.2-3711(A)(6) & (A)(8) for a briefing of the Board members, discussion, and consultation with the EDA counsel concerning the investment of EDA funds to stimulate the private redevelopment of real estate including competing proposals, anticipated investment amount, collateral, term of the investment, other contractual terms, and the expected return and risks of such investment, where competition or bargaining is involved and where, if made public initially, the financial interest of the EDA would be adversely affected. With a second by Ms. Mallory, and with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, 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. Pearson seconded the motion, and with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, 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 the 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. Mr. Mays seconded the motion, and with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, and Whitlock all voting "aye," the Board certified the closed meeting.

RESOLUTION – SIGNATORY AUTHORITY – MEMORANDUM OF UNDERSTANDING AND TERM SHEET FOR REVITALIZATION OF GLENWOOD FARMS – HENRICO COUNTY

By unanimous consent, the Board added consideration of a resolution authorizing the Executive Director to execute a memorandum of understanding with the County of Henrico memorializing the agreement between the parties regarding the use of funds appropriated to the EDA for investment in an EDA loan for the acquisition of real estate in the County known as Glenwood Farms on the terms set forth in a term sheet between the EDA and the prospective borrower; execute the term sheet with the prospective borrower for one or more EDA loans to the prospective borrower to facilitate the acquisition of Glenwood Farms and promote safe and affordable housing at the site; negotiate contracts, instruments, and other agreements to provide for such loans and security for such loans; and authorizing additional funds from EDA accounts to provide for the purchase money loan.

Mr. Whitlock moved that the Board approve the resolution. Mr. Pearson seconded the motion. With Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, and Whitlock all voting "aye," the Board approved the resolution.

RESOLUTION – SIGNATORY AUTHORITY – SECOND AMENDMENT TO SECOND AMENDED AND RESTATED ECONOMIC DEVELOPMENT AGREEMENT – 1420 N. PARHAM ROAD, LC.

RESOLUTION – SIGNATORY AUTHORITY – ECONOMIC DEVELOPMENT AGREEMENT – REGENCY ACQUISITIONS II, LLC

Mr. Romanello explained that both items relate to the Regency redevelopment plan and that the items would be discussed together. He introduced Mr. Hinton for questions. Mr. Romanello stated that the plan was to invest \$80 million to add 300 additional multifamily rental housing units and illustrated the location of the apartments on the map. This proposal would remove the RISE2 apartments from the original Regency agreement, otherwise leaving the original intact without further changes. The developers asked for this amendment due to already completing the demolition work, which renders them ineligible for certain partial tax exemptions under the County Code.

Mr. Romanello clarified that the developers of the new apartments have committed to leasing at least 20% of the units to people earning not more than 80% of the area median income for the Richmond metropolitan area. The developers and the County expect that the new housing will bring further direct and indirect benefits to Henrico residents through the availability of additional workforce housing, tax revenue, and stimulation of economic activity. After the planned redevelopment has been completed and provided that the affordability restrictions remain in place, the EDA will provide a 15-year real estate tax exemption to the developers.

Ms. Custer asked why the agreement was proposing a 15-year real estate tax exemption instead of a ten-year exemption, like in the original agreement. Mr. Romanello stated that the timeline was established in order to align with the Virginia Housing funding requirement. On a motion by Mr. Pearson, seconded by Mr. Mays, both resolutions were approved, with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, and Whitlock all voting “aye.”

AMENDED AND RESTATED BY-LAWS

Mr. Whitlock stated that an Ad Hoc By-Laws committee, composed of past Board Chairs, was assembled to review and revise the EDA’s by-laws alongside Mr. Murphy. The revised by-laws were then circulated to the entire Board for review and comments. Mr. Murphy explained that the revisions have been made to align the EDA’s by-laws with those of the Sports and Entertainment Authority’s, remove provisions that no longer apply, and streamline certain outdated procedures. On a motion by Mr. Mays, seconded by Ms. Custer, the amended and restated by-laws were approved, with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, and Whitlock all voting “aye.”

WEBSITE VENDOR RFP REVIEW

Mr. Pearson announced that the Marketing Committee met from 5:00 p.m. – 6:00 p.m. prior to the regular meeting to discuss the vendor for the website update and to hear an update on the EDA's current marketing efforts. The RFP returned 38 proposals with a wide range in pricing. The EDA currently uses West Cary Group for their website as well as their general marketing.

Mr. Romanello stated that the recommendation is to approve Destination by Design to complete the website refresh, with a two-year contract price of \$56,000. West Cary Group would continue its general marketing work for the EDA, but the proposal from Destination by Design would allow the EDA more flexibility with what it can do in-house. After the initial contract term, the yearly cost of website maintenance will be around \$10,000. On a motion by Mr. Mays, seconded by Ms. Custer, the recommended website vendor was approved, with Ms. Custer, Ms. Mallory, and Messrs. Bagley, Berman, Brown, Mays, Pearson, Soundararajan, Strother, and Whitlock all voting "aye."

COMMITTEE REPORTS

Marketing: Mr. Pearson stated that the marketing update had been provided.

Finance: Mr. Strother said that the EDA currently has \$1.1 million invested in the Local Government Investment Pool, earning 5.6% interest. The EDA also has \$17.5 million invested in treasury bills, earning between 5.2 – 5.5% interest. \$7.1 million rests in the EDA's matured funds money market account, earning 5.2% interest, while awaiting the upcoming property acquisitions. The EDA presented the FY25 budget to the Board of Supervisors on March 19th, 2024, and will present it to the Board at the May meeting.

Strategic Planning: Ms. Custer stated that the EDA continues to work with SIR on the "Trends and Disruptors" analysis. The analysis has been broken down into five steps: 1) Current State: Henrico's Economy – Top Industries and Occupations Today; 2) Henrico's Emerging Economy – Top Industries and Occupations of Tomorrow; 3) Future Trends and Disruptors; The Evolution of and Future Practices in Economic Development; 4) Actionable Recommendations. Steps 1-4 have been completed. SIR will meet with the EDA on March 22nd, 2024, to present their final deliverable. SIR will also present their findings at the April Board meeting.

Nominating: Nothing to report.

Personnel: Nothing to report.

TEAM REPORT

Mr. Larsen informed the Board that the EDA is waiting on a draft lease agreement for office space in Innsbrook to house the Global Business Gateway, the international soft-landing program. The EDA is fine-tuning the details of what the program will offer and finalizing the program's budget. Currently, two companies are interested in using the program to expand in Henrico.

Mr. Larsen said that the EDA continues to work with the state on the Old Osborne property. The EDA remains in close communication with the developer on moving forward with the project, and the necessary utility work to build an extension on the site has begun. The due diligence work will commence once the property acquisition is complete.

Mr. Romanello provided an update on the 6061 Elko Road property, saying that the Phase 1 environmental survey had returned with concerns about potential seepage from an adjoining VDOT site. The Phase 2 environmental survey has now been completed and has confirmed that the property is clean. The EDA plans to close on the acquisition of the property in April.

Mr. Larsen stated that the EDA has found momentum with potential projects for the former Dragway site. While all are in the early stages, the EDA is optimistic about the possibilities. The EDA is working on the site characterization through the Virginia Business Ready Sites program, which will elevate the property's visibility and provide additional credibility.

Mr. Romanello announced that the EDA is well into March Madness, with the ribbon cuttings for Coca-Cola Consolidated and Amazon, as well as two announcements. Earlier in March, Ms. Atkins received the VEDA award for the PUMP program on behalf of the EDA at the VEDA conference in Charlottesville. Mr. Romanello reiterated the details of Monday, March 25th, 2024, stating that the ribbon cutting at Coca-Cola Consolidated was at 10:00 a.m. and the ribbon cutting at Amazon would be at 1:30 p.m. The EDA will host lunch at 12:00 p.m. at Belmont Recreation Center between the events.

Mr. Romanello highlighted the announcements for Tucker Door and Trim and RopeBlock, the crane supply business which is opening a small outpost in Henrico. Mr. Romanello also discussed his attendance at the RVA Hot Wheels grand opening. RVA Hot Wheels rents recreational Polaris vehicles and is a SWaM company owned by Hermitage High School graduates.

Ms. Atkins spoke to the Board about her trip to Japan, where she recently visited alongside representatives from the Greater Richmond Partnership, Hanover, and the City of Richmond. The agenda included meetings with nine companies and the US Embassy. Industries targeted included food and beverage, pharmaceutical, and semiconductor manufacturing. Henrico met

separately with K-Line, a Japan-based cargo and container shipping company with U.S. headquarters in Glen Allen. Ms. Atkins is working with the Greater Richmond Partnership to follow up on leads.

Ms. Powell reviewed her recent trip to the Select USA Roadshow in Spain, sponsored by U.S. Commercial Service and the U.S. Embassy in Spain, in conjunction with VEDP. Three cities were visited over the course of three days. Other participating states included North Carolina, South Carolina, Georgia, Texas, Pennsylvania, New York, Ohio, and Wisconsin. The targeted industries were advanced manufacturing, life science, chemicals and advanced materials, and food and beverage. 150 companies were in attendance.

Mr. Romanello said that he attended the QTS Topping Out ceremony at White Oak Technology Park alongside Ms. Powell and Ms. Miller, where new data center construction continues. The construction will take a few years to complete. Most of the workers are from HIIT, a company that QTS commonly contracts with, and the others are from DPR.

Mr. Romanello reminded the Board that the EDA still has tickets to the Henrico Education Foundation Dinner on April 11th available, and to let him know if anyone would like to attend. Mr. Romanello also informed the Board that Mr. Miller recently resigned from the EDA. The available Business Manager position will be posted after spring break.

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 adjourned the meeting.

There being no further business, the meeting adjourned at 8:17 p.m.

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Sam Bagley

Secretary