

**Choice Neighborhood V-Downtown Development Corporation  
Board of Directors Meeting  
July 15, 2025**

227-27<sup>th</sup> Street  
Newport News, VA 23607

**Agenda**

1. Roll call
2. Consider approval of minutes of Board of Director's meeting, May 20, 2025
3. New Business
  - a. Consider a resolution Choice Neighborhood V-Downtown Development Corporation as Manager of Choice Neighborhood V-Downtown LLC
4. Any other business to come before the Board
5. Adjourn

**Minutes of a Meeting of the  
Choice Neighborhood V-Downtown Development Corporation  
May 20, 2025**

Having duly given public notice, the Board of Directors of the Choice Neighborhood V-Downtown Development Corporation met at the offices of the Authority at 227-27<sup>th</sup> Street, in the City of Newport News, Virginia, at 9:12 a.m. on Tuesday, May 20, 2025.

**Roll Call**

The meeting was called to order by Chairperson Davis and those present were as follows:

Directors Present:           Lisa Wallace-Davis  
                                  Thaddeus Holloman  
                                  William Black  
                                  George Knight  
                                  Barbara Holley  
                                  Alonzo R. Bell, Jr.  
                                  Andrea R. Diggs - Absent

Also present:           Raymond H. Suttle, Jr.  
                                  Kaufman & Canoles, P.C.

                                  Lysandra M. Shaw  
                                  Executive Director

                                  Tera Lockley  
                                  Director of Housing

                                  Valarie Ellis, Director  
                                  Administrative Services

                                  Lisa Dessoify, Director  
                                  Finance

                                  David Staley, Director  
                                  Community Development

                                  Kayonia M. Betts  
                                  Executive Assistant

                                  Justin Orie  
                                  NNRHA IT Department

                                  Tricia Wilson  
                                  City of Newport News, Department of Development

                                  Doug Sbertoli  
                                  WilliamsMullen

**Approve Minutes of  
January 21, 2025  
Meeting**

Director Holloman made a motion to approve the minutes of the January 21, 2025 meeting. The motion was seconded by Director Black and passed with a majority vote. Mr. Bell voted abstain as he was not present at the previous meeting.

**A Resolution of the  
Board of Directors  
Authorizing the  
President to Sign Loan  
Documents for the  
Choice Neighborhood  
V-Downtown**

Ms. Shaw reported that as President, she is requesting Board approval of a resolution authorizing the execution of loan documents for the final housing phase of the Choice Neighborhood Implementation Grant—**Choice Neighborhood V – Downtown**. The project is owned by **Choice Neighborhood V – Downtown LLC**, with its managing member being **Choice Neighborhood V – Downtown Development Corporation**, in which **NNRHA** is a shareholder. All documents will be reviewed by NNRHA counsel, **Raymond Suttle**, before signing. Board approval is recommended.

Director Black made a motion to approve the resolution. Director Knight seconded the motion which passed with a unanimous vote. The resolution is attached to and made a part of these minutes.

**Adjournment**

There being no other business to come before the Board, the Chairman adjourned the meeting at 9:24 a.m.

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President


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**NEWPORT NEWS REDEVELOPMENT AND HOUSING AUTHORITY**

**MEMORANDUM**

**DATE:** July 15, 2025

**TO:** Members, Board of Directors – Choice Neighborhood V – Downtown Development Corporation

**FROM:** Lysandra M. Shaw, President 

**SUBJECT:** Resolution Of Choice Neighborhood V-Downtown Development Corporation as Manager of Choice Neighborhood V-Downtown LLC

Please see the attached resolution to approve the above referenced items. This is recommended for your approval to facilitate Phase V of the Choice Neighborhood Initiative development.

**RESOLUTION OF  
CHOICE NEIGHBORHOOD V-DOWNTOWN DEVELOPMENT CORPORATION AS  
MANAGER OF CHOICE NEIGHBORHOOD V-DOWNTOWN LLC**

WHEREAS, the Newport News Redevelopment and Housing Authority (the "Authority" or "NNRHA"), was created pursuant to the Virginia Housing Authorities Law (the "Act"), Chapter 1, Title 36, Code of Virginia of 1950, as amended (the "Virginia Code"), and exist and operates as a public body corporate and politic; and

WHEREAS, the Act empowers the Authority: (a) to issue its notes or bonds in accordance with the provisions of the act for the purpose of making loans for the prevention and elimination of slum or blighted areas, for assistance in housing construction or rehabilitation by private sponsors and to refund prior obligations issued for any such purposes; (b) with the approval of the local governing body or its designee, to form corporation, partnerships, joint ventures, trusts, or any other legal entity or combination thereof, on its own behalf or with any person or public or private entity; and (c) in connection with any housing project, to transfer, convey, sell, lease or rent lands embraced in any housing project; and

WHEREAS, the City of Newport News, Virginia (the "City") and the Authority were awarded a Choice Neighborhood Initiative Grant pursuant to that Choice Neighborhood Initiative Implementation Grant Agreement dated June 27, 2019 (the "Grant Agreement") by and among the United States Department of Housing and Urban Development ("HUD"), the Authority and the City; and

WHEREAS, the Authority with consent of the City formed and organized Choice Neighborhood V-Downtown LLC, a Virginia limited liability company ("Choice V LLC") and Choice Neighborhood V-Downtown Development Corporation, a Virginia corporation ("Choice V Development") to act as manager of Choice V LLC, to develop and construct Choice Neighborhood V-Downtown, a residential development in the southern part of the City (the "Project"); and

WHEREAS, the Authority, with the consent of the City, formed and created Choice Neighborhood Downtown Commercial Partners LLC, a Virginia limited liability company ("Choice Downtown Commercial") and Choice Neighborhood Commercial Partners Development Corporation, a Virginia corporation ("Choice Downtown Commercial Development Corporation") to act as manager of Choice Downtown Commercial, to develop and construct Choice Downtown Commercial, a commercial retail component of the Project; and

WHEREAS, Choice V LLC will develop and construct both the residential and commercial/retail components of the Project and will enter into a master lease (the "Master Lease") at a market rate with Choice Downtown Commercial for the commercial/retail components of the Project.

WHEREAS, the Authority has entered into an agreement with Pennrose Holdings, LLC ("Pennrose"), for the development and construction of the Project; and

WHEREAS, the Authority, Choice V LLC and Pennrose entered certain loan agreements for the design, development, and construction of the Project; and

WHEREAS, the parties are obtaining construction and permanent financing through Truist Bank ("Truist"), the Authority, and other funding sources; and

WHEREAS, Choice V LLC is obtaining the following loans for financing as follows: (1) construction loan from Truist in an amount not to exceed \$13,190,298 at an interest rate of SOFR plus 2.75% (the "Construction Loan"), (2) a permanent loan from Virginia Housing-REACH in an amount not to exceed \$3,760,000 at an annual interest rate of \_\_\_\_\_%, (3) a permanent loan from Virginia Housing in an amount not to exceed \$1,106,200 at an annual interest rate of \_\_\_\_\_%, (4) a permanent loan from Virginia Housing Trust Fund ("VHTF"), Home Fund ("Home"), and National Housing Trust Fund ("NHTF") not to exceed \$3,000,000 at an annual interest rate of \_\_\_\_\_%, (5) a permanent loan from HIEE not to exceed \$2,000,000 at an annual interest rate of \_\_\_\_\_%, and (6) a permanent loan from NNRHA and its funding sources not to exceed \$13,116,280 with no interest with a term of thirty (30) years (the "NNRHA Loan") (the above loans are collectively referred to as the "Loans"); and

WHEREAS, the financing of the Project will continue the operations of the Authority and the Project and further discharge its lawful purposes, duties and responsibilities by making additional affordable, safe and sanitary dwelling accommodations available for persons of low or moderate income who reside in the City.

NOW THEREFORE, BE IT RESOLVED BY CHOICE NEIGHBORHOOD V-DOWNTOWN DEVELOPMENT CORPORATION:

1. The recitals made in the preambles to the Resolution are hereby adopted as a part of this Resolution.
2. That the President of Choice Neighborhood V-Downtown Development Corporation as manager of Choice Neighborhood V-Downtown LLC is hereby authorized to enter into the following documents, all subject to legal counsel review:
  - a. All loan documents associated with the Loans, to include any and all documents, notes, loan agreements, deeds of trust, pledge agreements, regulatory agreements, amendments, modifications, refinancing and any thereof.
  - b. Any and all related and necessary documents needed to effectuate the Loans and any refinance of the Loans to include any amendments, modifications, and refinancing thereof.
  - c. The Master Lease with Choice Neighborhood Downtown Commercial Partners LLC and all amendments and modifications thereto and any related documents.
3. The President of Choice Neighborhood V-Downtown Development Corporation shall have the authority to negotiate any further terms, conditions, and requirements for the Loans, and the Master Lease.

4. The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision of this Resolution shall be declared invalid, such invalidity shall not affect the validity of the remainder of the sections phrases and provisions of this Resolution.
5. The Authority shall perform such other acts and adopt such further resolutions as may be required to implement its undertakings hereinabove set forth.
6. This Resolution shall take effect immediately upon its adoption.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
CERTIFICATE OF VOTES FOLLOWS]

### **CERTIFICATE OF VOTES**

The following is a record of the vote by the Choice Neighborhood V-Downtown Development Corporation as manager of Choice Neighborhood V-Downtown LLC, on the foregoing Resolution, approved at the duly called public meeting of the Authority held on July 15, 2025:

<b>COMMISSIONERS</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Dr. Lisa Wallace-Davis, Chair				
Thaddeus Holloman, Vice Chair				
Andrea R. Diggs				
William Black				
George Knight				
Barbara Holley				
Alonzo R. Bell, Jr.				

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Secretary, Newport News Redevelopment and  
Housing Authority