

**Innovation and Entrepreneurship Investment Authority  
Board Meeting**

**Location: Dominion Energy, 120 Tredegar Street, Richmond, VA 23219  
December 5, 2018**

**Directors Present**

Michael Steed, Chairman  
Duffy Mazan, Vice Chairman  
Bernard Mustafa  
The Honorable Brian Ball  
Marilyn Crouther  
Angela Kellett  
Stephen Chapin  
Emil Avram  
Marty Kaszubowski

**Directors Absent**

The Honorable Atif Qarni  
The Honorable Rob Quartel  
Jonathan Aberman (by phone)  
Tim Sands  
Ángel Cabrera  
Kristie Helmick Proctor

**Others Present**

Ed Albrigo, CIT President and CEO  
Susan Aitcheson, CIT Chief Financial Officer  
Bob Stolle, CIT SVP Policy and Regional Initiatives  
Robby Demeria, Deputy Secretary Commerce & Trade for Technology  
Nancy Vorona, CIT Vice President Research Investment  
Tom Weithman, CIT Vice President and Managing Director of GAP Funds  
David Ihrie, CIT Chief Technology Officer  
Karen Helderman, Director, Commonwealth Auditor of Public Accounts  
Joe Damico, Director, Department of General Services  
Holly Eve, Director, Division of Real Estate and Facilities Management  
Leslie Williams, CIT Staff

**Call to Order**

Chairman Michael Steed called the meeting of the Innovation and Entrepreneurship Investment Authority Board of Directors to order on December 5, 2018 at 12:05 p.m.

**Approval of Minutes**

The Board by voice, without nays and with abstentions from Secretary Ball and Emil Avram who were not in attendance at the May 24, 2018 meeting, approved the minutes of the May 24, 2018 meeting.

**Resolution to Elect Officers**

The Chairman reminded the Board the election of officers was deferred since, at its May meeting, the Board was awaiting appointment of six new or reappointed members. Upon discussion, Mr. Steed asked the Board for a motion to approve a ***Resolution to Elect Officers***. By voice vote, without nays, the Board approved the Resolution to elect the following slate of officers:

Michael Steed	Chairman
Duffy Mazan	Vice Chairman
Susan Aitcheson	Treasurer and Secretary

**Report from the Auditors of Public Accounts**

The Chairman asked the Commonwealth's Auditor of Public Accounts (APA) Audit Director Karen Helderman to present an overview of the FY2017 audit report. Ms. Helderman presented findings of a

clean audit, proper internal controls, and areas reviewed normal and customary. Due to a change in guidance from the APA, Ms. Helderman reviewed a prior year restatement with the Board. After discussion, Mr. Steed asked Board for a motion to pass the ***Resolution to Accept the Auditors' Report and Financial Statements for Period Ended June 30, 2017***. By voice vote, without nays, the Resolution was unanimously approved.

#### **Property Update**

The Chairman invited Joe Damico, Director of the Commonwealth's Department of General Services (DGS), and Holly Eve, Director of the Division of Real Estate and Facilities Management, to update the Board on the status of property disposition. Mr. Damico and Ms. Eve provided the Board an overview of activity since the Commonwealth designated the property surplus in 2016. DGS pressed pause on disposition of the property while the Virginia Economic Development Partnership (VEDP) included the property in a proposal to attract a large company to the Commonwealth. The company opted for another location. Pending any further interest by VEDP, DGS is prepared to continue marketing the property after the first of the year. The Board discussed DGS' termination of tenant leases on or before December 31, 2018. DGS reported the property would be more marketable vacant. Due to reduced revenue, the Board discussed projected operating loss and timeline for disposition. The Board expressed concern with a wait and see approach after actively terminating lease revenue. The Board discussed the possibility of an economic downturn during the period. Mr. Damico assured the Board DGS has been notifying Commonwealth decision makers of projected operating losses for more than a year. Mr. Damico assured the Board Mr. Albrigo would be included in discussions surrounding property disposal as it impacts the Authority and the Center for Innovative Technology (CIT). DGS reiterated CIT may move at any time, not bound by property disposition, and will work with the Authority and CIT to ensure its operations are not impacted by property disposition. Since legislation directs CIT relocation and first year rent from the Authority's building reserve, which will also be used in the event of operating loss, the Board discussed financial models to reflect various outcomes.

#### **Meeting Adjourned**

With no other business to come before the Board, Mr. Steed adjourned the meeting at 1:00 p.m.