

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
January 16, 2024 MINUTES

The City of Virginia Beach Development Authority ("VBDA") held its regular meeting on Tuesday, January 16, 2024, at 8:30 a.m. in the Economic Development Town Center Boardroom at 4525 Main Street, Suite 700, Virginia Beach, VA, pursuant to notice given by the Chair.

Full video of item presentations and discussions can be viewed on our website at the following link – <https://www.yesvirginiabeach.com/vbda>

MEMBERS PRESENT: Lisa M. Murphy, Chair
W. Taylor Franklin, Vice-Chair
William Brown, Assistant Secretary
William Brunke, Treasurer
Eric Keplinger, Commissioner
Penny Morgan, Commissioner
Ronnie L. Parker, Commissioner
Michael J. Standing, Commissioner
David Weiner, Commissioner

MEMBERS ABSENT: Linda Garris-Bright, Commissioner
Guenter H. Weissenseel, Secretary

CITY COUNCIL: Council Member Michael Berlucchi
Council Member Worth Remick

CITY COUNCIL ABSENT: Vice Mayor Rosemary Wilson

ADVISORS PRESENT: Charles E. Rigney, Interim Director of Economic Development
Kathy M. Warren, Director, Planning & Community Development
Alexander W. Stiles, Senior City Attorney
Emily L. Archer, Project Development Administrator
Michael R. Anaya, Planner III
Charles J. Bauman, III, Business Development Coordinator
Henry W. Cobb, Business Development Representative II
Paige M. Fox, Business Development Manager II
J. D. Hines, Senior Project Manager
Blake Huffman, VBDA Senior Accountant
Matt Mader, Senior Land Development Engineer
Howie McEntee, Accountant II
Tecora McIntyre-Catlett, Executive Assistant II
Ihsane Mouak, Business Development Coordinator
Elisabeth D. Parker, Executive Assistant II
Paul Scully, Development Liaison
Joshua Spicer, Economic Development Intern
Annagid Walker, Account Clerk III
Pamela D. Witham, Senior Planner
Deborah Zywna, Planner III

REPORTED BY: Charles E. Rigney

RECORDED BY: Elisabeth D. Parker

Chair Lisa Murphy began the meeting at 8:30 a.m. and opened the floor for public comment.

OPEN FLOOR

No public speakers.

REGULAR MEETING

MEETING MINUTES

1. Approval of Meeting Minutes, December 19, 2023

MOTION: William Brunke

SECOND: Penny Morgan

APPROVED: 9-0-0

FINANCIALS

2. Review of Financial Statements for December 2023 presented by Blake Huffman.

Operating Account Summary: December 2023

Beginning Cash – December 1, 2023 **\$4,170,679**

Cash Receipts Detail

- Grand Total of Cash Receipts - \$575,060
 - \$ 529,350 Industrial Bond Fee Revenue – Westminster Canterbury
 - \$ 24,238 Industrial Bond Fee Revenue – LifeNet Health
 - \$ 21,472 Interest Income

Cash Disbursements Detail

- Cash Disbursements Detail - \$1,748,796
 - \$1,485,208 Innovation Park Phase II Infrastructure -Architectural Graphics (To be reimbursed by City CIP)
 - \$ 176,354 Corporate Landing Business Park – Pond Utility Construction – Seabreezy Enterprises (To be reimbursed by City CIP)
 - \$ 15,713 Innovation Park – Pump Station Redesign – Kimley Horn (To be reimbursed by City CIP)
 - \$ 13,240 Corporate Landing Park Business Park – Kimley Horn Project Closeout (To be reimbursed by City CIP)
 - \$ 13,005 Innovation Park Infrastructure (Reimbursed by City CIP)
 - \$ 14,632 Monthly recurring charge conduit management for Globalinx-January '24
 - \$ 7,277 Lishelle Place Buildout – HBA Architecture & Interior Design
 - \$ 6,743 Independent Audit Fees – Cherry Bekaert

Ending Cash – December 31, 2023 **\$2,977,244**

- Pending City Reimbursements
 - \$1,772,836 Reimbursement for Innovation Park Project #100576
 - \$ 233,905 Reimbursement for Corporate Landing Project #100635
- Total Cash After City Reimbursements** **\$4,983,985**

Capital Maintenance: December 2023

- Amphitheater - \$615,959
 - \$ 9,444 Held by VBDA
 - \$ 606,515 Held by City CIP
- Human Services Building - \$3,014,941

- \$ (19,789) Final Roof Payment
- \$ 47,911 Monthly Lease
- VB National Golf Course - \$313,828
- \$ 20,133 Revenue Agreement

Incentive & Initiative Account Summary: December 2023

Beginning Cash – December 1, 2023 **\$2,811,309**

Cash Receipts Detail

- No Significant Receipts

Cash Disbursements Detail - \$31,990

- Grand Total of Significant Cash Disbursements - \$78,829
 - \$ 11,329 Olympia Bendix Two (Bio Accelerator Lease Payment to include Pro-rata Real Estate Taxes-December 2023)
 - \$ 10,000 Lynnhaven, LLC (FIG Grant)
 - \$ 6,061 Pacific Moon Sun (FIG Grant)
 - \$ 4,600 Dan Miller & Associates PC (FIG Grant)

Ending Cash – December 31, 2023 **\$2,779,319**

Beginning VBDA EDIP Grant Balance **\$3,053,912**

Earned Interest and Activity Analysis Fee **+\$ 110**

EDIP Grant Funds Available as of December 2023 **\$3,054,022**

Construction in Progress

- Atlantic Park – Entertainment Venue - \$11,127,603
 - \$ 779,457 Venture Waves Draw #10
- Atlantic Park – Parking - \$13,420,929
- International Incubator - \$88,620
 - \$ 9,765 Project Management – HBA Architecture

No Discussion

VBDA ASSETS

3. VBDA Land Asset Overview updates presented by Emily Archer.

Discussion:

Councilmember Michael Berlucchi asked what is done with undevelopable land and if it could be dedicated to preservation. Ms. Archer stated it is essentially acting as such now. Chair Lisa Murphy added that some parcels could potentially be mitigated for development but it's worth looking into. Mr. Berlucchi would like to dedicate undevelopable wetlands for that use and inform constituents as appropriate. Chair Murphy asked who's doing the maintenance and insurance for the land we own. Ms. Archer shared that for the business parks we currently have contracts with Landscape Management and the BMPs are contracted with Public Works Stormwater. To the best of her knowledge, annual inspections are done for items such as sand. Chair Murphy asked if this presentation was just on land assets and Ms. Archer confirmed that was correct. Next month she will present on fixed building assets. Commissioner William Brunke asked to have an additional column added to the presentation spreadsheet a column that would identify what the ongoing obligations for each asset so that the Development Authority can be aware and responsive. Chair Murphy also announced there was a swap on the subcommittee for VBDA Assets. Commissioner Taylor Franklin has some potential conflicts with some properties, so Commissioner Eric Keplinger will now be working with Commissioner William Brunke on this subcommittee.

CORPORATE LANDING BUSINESS PARK

4. Request approval authorizing construction design approval for Sasnett-Zero Point Development presented by Emily Archer.

Discussion:

Chair Murphy asked if there was a 75-foot landscape buffer that will be seen from General Booth Blvd and Ms. Archer confirmed that was correct.

MOTION: Taylor Franklin

SECOND: Eric Keplinger

APPROVED: 9-0-0

INTERNATIONAL INCUBATOR

5. Request approval of a Resolution authorizing a sublease in the International Incubator sublease with Silogic Technology presented by Paige Fox.

Discussion:

Chair Murphy stated it was exciting to hear the companies that are in the space and it is also striking that this is exactly the kind of company the Development Authority is looking to try to recruit.

MOTION: Michael Standing

SECOND: Ronnie Parker

APPROVED: 9-0-0

ADMINISTRATIVE INFORMATION

6. VBDA Priorities: *No Discussion*
7. VBDA Members:

Discussion:

Chair Murphy reminded the Authority commissioners that the completed Statement of Economic Interest forms are due to the City Clerk's office by February 1, 2024. She also asked for a new volunteer to be the MEDAC liaison to represent the VBDA as is customary practice.

8. Interim Director's Report: *C. Rigney*

Discussion:

Interim Director, Charles Rigney, shared the following highlights:

- Today is the Oceana RFP deadline. Charlie Bauman and Steve Herbert have taken the lead on this project. Some submissions have been received so it will be interesting to see how this progresses for future base design.
- Josh Spicer has rejoined the department of Economic Development as an intern. He spent a couple of semesters in Bulgaria doing work study and has now returned.
- Henry Cobb has joined the department as well. He will be working with Ihsane Mouak at the HIVE. He started his career in Virginia Beach many years ago and it's great to have him back.
- A new staff member has been hired for GrowSmart and will be introduced at the next VBDA meeting.
- Emily Archer announced today is the kickoff for the Façade Improvement Grant Program for 2024. Applications are being accepted starting today on a first-come first-served basis until the funds are depleted. Information is posted on the Economic Development website, a press release is going out on social media platforms and the hope is to bring the first applications before the Authority in March for approval. The total grant fund is \$100,000 and the applicants can get up to \$10,000 in matching funds for exterior improvements.

Chair Lisa Murphy moved to recess into a closed session.

CLOSED SESSION

The VBDA moved to recess into a closed session pursuant to the exemptions from open meetings allowed by Section 2.2-3711(A) of the Code of Virginia (1950), as amended, for the following purpose:

CONTRACTS: Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Va. Code § 2.2-3711(A)(30). (*District 4*)

MOTION: William Brunke

SECOND: Taylor Franklin

APPROVED: 9-0-0

RECONVENED INTO OPEN SESSION

CERTIFIED CLOSED SESSION

MOTION: Penny Morgan

SECOND: David Weiner

APPROVED: 9-0-0

Chair Lisa Murphy adjourned the meeting at 9:13 a.m.



Lisa M. Murphy, Chair