

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY

October 8, 2024, MINUTES

The City of Virginia Beach Development Authority (“VBDA” or “Authority”) held its regular meeting on Tuesday, October 8, 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 each item presented and discussed at this meeting can be viewed on the Economic Development website at the following link – <https://www.yesvirginiabeach.com/vbda>

MEMBERS PRESENT: Lisa M. Murphy, Chair
Guenter H. Weissenseel, Secretary
William Brunke, Treasurer
Penny Morgan, Commissioner
Ronnie L. Parker, Commissioner
Michael J. Standing, Commissioner
Linda Garris-Bright, Commissioner
David Weiner, Commissioner
Donald Horsley, Commissioner

MEMBERS ABSENT: W. Taylor Franklin, Vice-Chair
Eric Keplinger, Assistant Secretary

CITY COUNCIL: Vice Mayor Rosemary Wilson
Council Member Michael Berlucchi
Council Member Worth Remick

ADVISORS PRESENT: Amanda Jarratt, Deputy City Manager
Alexander W. Stiles, Senior City Attorney
Emily L. Archer, Deputy Director, Economic Development
Kathy M. Warren, Director, Planning & Community Development
Charles J. Bauman, III, Business Development Coordinator
Dominique DeBose, Business Development Representative I
Kayla Dotson, Administrative Technician
Madison Eichholz, Development Liaison Planner
Paige M. Fox, Business Development Manager II
Jadon Gayle, Business Development Representative II
J.D. Hines, Senior Project Manager
Letitia E. Langaster, Business Development Manager II
Vicki Kelley, Administrative Specialist I
Howie McEntee, Accountant II
Devin Rondeau, Economic Development Intern
Paul J. Scully, Development Liaison Coordinator
Jeffrey L. Smith, Business Development Coordinator
Annagid Walker, Account Clerk III
Pamela D. Witham, Project Development Planner III

REPORTED BY: Amanda Jarratt

RECORDED BY: Kayla B. Dotson

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

INTRODUCTION OF NEW COMMISSIONER

1. Chair Lisa Murphy welcomed newly appointed Commissioner Donald “Don” Horsley. Mr. Horsley served over 30 years on the Virginia Beach Planning Commission, Mr. Horsley shared some of his personal background of being a local Virginia Beach farmer.

MEETING MINUTES

2. Approval of Meeting Minutes, September 6, 2024

MOTION: Guenter Weissenseel

SECOND: Penny Morgan

APPROVED: 8-0-1

Mr. Horsley was not in attendance at the September 6, 2024 meeting.

FINANCIALS

3. Review of Financial Statements for September 2024 presented by Howie McEntee.

Operating Account Summary: September 2024

Adjusted Beginning Cash – September 1, 2024 **\$8,146,081**

Cash Receipts Detail

- Grand Total of Cash Receipts
 - \$ 9,254 Interest Income
 - \$ 84,056 Annual Industrial Revenue Bond Fee #473 – Virginia Wesleyan University

Cash Disbursements Detail

- Grand Total of Significant Cash Disbursements
 - \$ 52,718 Atlantic Park Construction and support services through 7/31/2024 – MBP
 - \$ 14,632 Monthly Conduit Management September 15th-October 15th Globalinx
 - \$ 4,338 Professional Services for Corporate Landing Preliminary and Final Subdivision Plat – VHB
 - \$ 14,632 Fiscal Year 2024 Audit Progress Billing #2 – Cherry Bekaert
 - \$ 4,000 Corporate Landing Data Conduit- Mid-Atlantic Surveying

Ending Cash – September 30, 2024 **\$8,163,472**

- Payments Reimbursed by City of VB – September 2024
 - \$ 2,017,295 Atlantic Park -Venture Waves Draw #19– Entertainment Venue

\$ 1,074,275	Atlantic Park -Venture Waves Draw #19 – Offsite Infrastructure (City Asset)
\$ 662,820	Innovation Park – Architectural Graphics – Offsite Infrastructure construction through August 2024 Draw #11
\$ 5,395	Innovation Park -VHB – Geotechnical Services
\$ 42,294	Corporate Landing – Town Insurance Agency – Insurance Policy for Storm Water Management
\$ 4,878	Corporate Landing – VHB – New Roadway & Pond C Final Design

Capital Maintenance: September 2024

- Amphitheater - \$780,665*
 - FY2025 Appropriations (transferred by the City July 2025) **\$200,000**
 - Water Bottle Refill Station Maintenance – Live Nation **\$(35,393)**

*Amphitheater Capital Maintenance funds are being held the City and are reimbursed to the VBDA as Capital Maintenance expenses are incurred.

- Human Services Building - \$3,479,970
 - \$ 47,910 Monthly Lease – September
- VB National Golf Course - \$2,155,765
 - \$ 24,515 Revenue Agreement

Incentive & Initiative Account Summary: September 2024

Beginning Cash – September 1, 2024 **\$1,200,614**

Cash Receipts Detail

- No Significant Receipts

Cash Disbursements Detail -

- FIG signage and parking lot lighting and building - Cosmo's Corner Inc **\$10,000**
- September 2024 monthly Rent, Operating Expenses, and R.E. Taxes – Olympia Bendix Two **\$11,826**

Ending Cash – September 30, 2024 **\$1,178,113**

Total EDIP appropriations as of September 30, 2024* **\$11,464,477**

EDIP Part A – Encumbered as of 9/30/2024 **\$4,939,660**

EDIP Part B Encumbered as of 9/30/2024 **\$ 873,830**

EDIP Grant Funds Available as of September 30, 2024 **\$5,659,987**

* Actual EDIP Cash received from the City and held by the VBDA on September 30, 2024 is \$1,388,795. The remaining \$10,075,682 is being held by the City and will be transferred to the VBDA as needed for payment of approved EDIP awards.

Construction in Progress**

- Atlantic Park – Entertainment Venue - \$28,204,154 (Paid to date)
- \$2,017,295 Venture Waves Draw #19

- Atlantic Park – Parking - \$34,300,847

Discussion: Chair Lisa Murphy asked what the insurance policy for Stormwater Management in the Operating account expense entailed. Mr. McEntee shared it was an annual fee, and Deputy Director Emily Archer offered to find the full details of the policy to share with the Commissioners.

VBDA VISIONING SESSION RECAP

4. Review of identified goals from the September 6, 2024 Visioning Session and Strategic Workshop presented by Economic Development Deputy Director, Emily Archer

Presentation: Economic Development Deputy Director, Emily Archer reviewed the information gathered at the September 6, 2024 workshop. Ms. Archer reviewed the goals identified from the workshop, the discussions to be continued and future agenda item topics, and verified the documents requested for distribution to VBDA. Ms. Archer asked Commissioners to make staff aware of any additional requests before the November 2024 VBDA meeting.

Full Presentation located at minute [10:25 of the meeting video](#).

No Discussion

CONTRACTS

5. Request approval of a Resolution to Amend the Purchase Agreement and Cost Participation Agreement for Forbes Candy presented by Economic Development Deputy Director, Emily Archer
- *Presentation:* Economic Development Deputy Director, Emily Archer, presented information and a request to amend the cost participation agreement with Forbes to construct an additional phase of business park infrastructure for \$7.1mil and amend the purchase agreement with Forbes to extend the date for closing on the property and commencement of construction to July 2025. Ms. Archer provided historical background on Forbes and the VBDA's prior involvement and support of the company.

Full Presentation located at minute [15:22 of the meeting video](#).

Discussion: Chair Lisa Murphy asked Ms. Archer to explain how the infrastructure being requested by Forbes would benefit all Corporate Landing Business Park. Ms. Archer pointed out that Forbes would need a stormwater pond and roadway developed to move forward with construction, this proposed stormwater pond and roadway would benefit the future development of Corporate Landing and create more shovel ready parcels.

MOTION: William Brunke
SECOND: Linda Garris-Bright
APPROVED: 8-0-1

Commissioner David Weiner abstained from the vote pursuant to the Conflict of Interests Act §2.2-3114(E) and his letter of abstention is incorporated into these minutes.

INDUSTRIAL PARKS

6. Request approval of a Resolution authorizing the release of the Oceana West Industrial Park Sign Restrictions presented by Project Development Planner III, Pamela Witham

Presentation: Project Development Planner III, Pamela Witham, requested to remove the Oceana West Industrial Park Sign Restrictions allowing businesses to follow the City of Virginia Beach zoning sign ordinance to improve the permitting process for applicants. In 2024 the Authority considered five requests for exceptions to the allowable signage under the existing restrictions.

Full Presentation located at minute [21:09 of the meeting video](#).

Discussion: Chair Lisa Murphy provided clarification that the Oceana West Industrial Park Sign Restrictions set up by the VBDA are more restrictive than the City of Virginia Beach's zoning ordinance. The review of these requests adds to staff work hours and can slow the process of getting signage up. Commissioner Penny Morgan asked why the guidelines were created to be so restrictive in 1989. Ms. Witham was unsure of why the decision was made. Commissioner David Weiner asked if these guidelines would be amended with the Comprehensive Plan. Planning and Community Development Director Kathy Warren stated that guidelines are not outlined in the Comprehensive Plan. Treasurer William Brunke noted that the change from 6 ft. to 12 ft. seems rather large, and asked if staff had any standing examples of a 12 ft. sign. Ms. Archer points out that under zoning regulations, there is a 75 sq. ft. limitation, so a taller sign would need to be thinner to adhere to the zoning ordinance. Commissioner Mike Standing noted that we have set the precedent for approving the exceptions to the current guidelines in the past and stated that it should be equal throughout the park. Chair Murphy asked the Commissioners if they would like to have more time to review the information and consider retaining some of the restrictions and asked Ms. Witham if the tenants requesting exceptions often went for the max signage sizing allowed by the City. Ms. Witham confirmed that requesters often did not ask for the max. Mr. Brunke expressed his reservation on the street signage of up to 12 ft. Commissioner Ronnie Parker added that leaving restrictions as is would not benefit city staff or residents of the park. Ms. Pamela Witham reiterated that Oceana West Industrial Park is the only park with these standing restrictions, while other VBDA industrial parks may have design guidelines, they do not have the same sign restrictions, they adhere to the City's zoning sign ordinance. The body chose to vote on removing all the current Oceana West Industrial Parking Sign Restrictions to be consistent with the other parks.

MOTION: Ronnie Parker

SECOND: Penny Morgan

APPROVED: 9-0-0

INTERNATIONAL INCUBATOR

7. Request approval of a Resolution authorizing a sublease in the International Incubator to CASC USA Inc. presented by Business Development Manager II, Paige Fox.

Presentation: Business Development Manager II Paige Fox presented information on CASC USA Inc, a Company based in Northern Ireland, that has completed over 40 offshore wind projects all over the world and has been awarded a contract on the Dominion Energy CVOW project. Ms. Fox gave a reminder that the International Incubator was created to serve as a soft-landing spot for international companies coming to the region and looking to establish a foothold in Virginia Beach. Ms. Fox stated that Chorus Intelligence, the first tenant of the International Incubator has successfully outgrown the Incubator and is operating out of their own office space in Town Center. The Virginia Beach Police Department is a major customer of Chorus Intelligence's analytic software programs. This success reflects the importance of programs like the International Incubator.

Full Presentation located at minute [36:24 of the meeting video](#).

No Discussion

MOTION: Mike Standing

SECOND: Guenter Weissenseel

APPROVED: 9-0-0

ADMINISTRATIVE INFORMATION

8. VBDA Priorities: *VBDA Members*

Discussion: Commissioner David Weiner asked that the VBDA receive updates on VB National Golf Course every few months, so Commissioners are aware of any changes and progress with the renovations.

9. VBDA Members: *L. Murphy*

Discussion: Chair Lisa Murphy provided a “Save the Date” for the VBDA Holiday Party on December 18th from 6 pm-8 pm at the Virginia Beach Town Center Westin.

10. Interim Directors Report: *A. Jarratt*

Discussion:

- Deputy City Manager Amanda Jarratt welcomed two new interns with Economic Development, Devin Rondeau will be a junior at George Mason University in January majoring in Global Affairs who will be in the office full-time until December. Clarissa Thurston is a sophomore at Virginia Wesleyan University majoring in Business and International Studies.
- Ms. Jarratt shared the Economic Development office would be returning to the structure of two Deputy Directors, the newest Deputy, Natalie Guilmeus, will be joining the office on October 28th. Ms. Guilmeus holds a master’s degree in public administration from the University of Maryland and has worked in several localities across Virginia.
- The EDIP Part F small business program has received an overwhelming response. All in-person training sessions are at capacity and the virtual classes are almost at capacity.

RECESS TO CLOSED SESSION

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

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)

PUBLICLY-HELD PROPERTY: Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an

open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Va. Code § 2.2-3711(A)(3). (District 2) (District 3) (District 4)

MOTION: William Brunke

SECOND: David Weiner

APPROVED: 9-0-0

RECONVENED INTO OPEN SESSION

CERTIFIED CLOSED SESSION

MOTION: William Brunke

SECOND: Penny Morgan

APPROVED: 9-0-0

BIO ACCELERATOR - Project Microscope

11. Request approval of a Resolution authorizing the terms of the assignment VBDA's interest and lease of the Bio Accelerator presented by Business Development Manager II Letitia Langaster.
12. Request approval of a Resolution of an EDIP Part "A" award in the amount of \$80,000 for Project Microscope presented by Business Development Manager II Letitia Langaster.

Presentation: Business Development Manager II Letitia Langaster, presented information on the request for approval of a Resolution authorizing the terms of the assignment of VBDA's interest and lease of the Bio Accelerator and a request for approval of a Resolution of an EDIP Part "A" award in the amount of \$80,000 to LifeNet Health. Ms. Langaster explained that LifeNet is a global leader in providing transport solutions, from organ procurement to new innovations in bio-implant technologies and cellular therapies, and is a leader in regenerative medicine. LifeNet has facilitated more than 13,000 organ transplants. Currently, they have over 1,000 employees in Virginia Beach and 18 locations worldwide. If the assumption of 277 Bendix Road is achieved, LifeNet plans to conduct scientific research and testing for large pharmaceutical companies. A \$170,000 rent offset for the next 24 months is requested to incentivize the lease assumption. Project investment qualifies LifeNet for an EDIP Part "A" award in the amount of \$80,000.

Discussion: Chair Lisa Murphy asked to confirm that the Bio funds are City Council allocated funds to incentivize bio-life science businesses to come to Virginia Beach. Ms. Langaster confirmed this is accurate. Mr. Brunke asked if the \$250,000 would all come from the Bio funds since it was established for this reason. Chair Murphy stated that because of LifeNet's employee investment into the space the \$80,000 would come from the existing EDIP Part A funds. There would still be a small pool of Bio funds left after the rent offset payments. Senior City Attorney Alex Stiles stated that the Resolutions can be amended into one if approved by the Authority for the entire funding to come from the Bio Initiative funds, with the \$80,000 based on performance criteria. Penny Morgan made the motion to approve the assignment of the Authority's interest in the lease to LifeNet Health and to authorize a \$250,000 rent offset award to LifeNet Health, with \$80,000 subject to EDIP performance criteria.

Chair Murphy disclosed that while her employer is not representing LifeNet in this matter, she has partners who have worked with them in the past but has been advised by Mr. Stiles that she does not need to abstain.

MOTION: Penny Morgan
SECOND: Linda Garris-Bright
APPROVED: 9-0-0

Chair Lisa Murphy adjourned the meeting at 10:06 a.m.



Lisa M. Murphy, Chair



October 8, 2024

Ms. Kayla B. Dotson
City of Virginia Beach Development Authority
4525 Main Street, Suite 700
Virginia Beach, Virginia 23462

Re: Abstention/Disclosure Pursuant to Conflict of Interests Act § 2.2-3115(F)

Dear Ms. Dotson:

Pursuant to the State and Local Government Conflict of Interests Act, I make the following declaration:

1. I am executing this written disclosure regarding the City of Virginia Beach Development Authority's discussion and/or vote on the proposed amendment to the Purchase Agreement and Cost Participation Agreement between the Authority and Seabreezy Enterprises, LLC, an affiliate of Forbes Candies, Inc. ("Forbes Candies") in connection with its development at the Corporate Landing Business Park.

2. I have a personal interest in Batchelder & Collins Inc. located at 2305 Granby Street Norfolk, Virginia 23517.

3. Batchelder & Collins Inc. provides goods and services to Forbes Candies and/or its contractor for the development at the Corporate Landing Business Park, therefore, I will abstain from voting on the proposed bond issuance items.

Please record this declaration in the official records of City of Virginia Beach Development Authority. Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Weiner'.

David Weiner
Commissioner

DWW/AWS/csk