

An aerial photograph of Virginia Beach at sunset. The sky is a mix of orange, yellow, and blue. In the center, a tall, modern building with a pointed top is illuminated. To its right, another building with a bright light on its roof is visible. The city extends to the horizon with various buildings and parking lots. A large blue rectangular overlay covers the lower-left portion of the image, containing white text.

Monthly Cash Flow – April 2026

City of Virginia Beach Development Authority

May 12th, 2026

Operating Account Summary: April 2026

Beginning Cash April 1, 2026

\$ 9,978,950

- ✓ \$ 14,443 Interest income – April 2026
- ✓ \$ 25,000 Deposit for Land sale in Corporate Landing Business Park – GovSolutions
- ✓ \$ 9,163 Quarterly Revenue Share (Jan.-Mar. 2026)- \$.50 per ticket sold - Live Nation
- ✓ \$ 2,025 International Incubator Sublease months 19-24 - Nose Corporation

Total Cash Receipts During April

\$ 50,631

- ✓ (\$ 15,523) Corporate Landing Monthly Conduit Management Agreement – April 15th - May 15th, 2026 – Globalinx
- ✓ (\$ 11,382) Addition of two new offices in the International Incubator and Exit sign relocation – AH Construction
- ✓ (\$ 3,733) Legal Services for the Atlantic Park Dome Site Project through 3/31/2026 - Davis Commercial Law

Total Cash Disbursements During April

(\$ 34,889)

Ending Cash – April 30th, 2026

\$ 9,994,682

Cont. Operating Account Summary: April 2026

Amounts Paid and Reimbursed by City of VB – April 2026

✓ (\$	146,892)	Atlantic Park Entertainment Venue Draw #38 – Venture Waves
✓ (\$	1,232)	Atlantic Park Offsite Infrastructure – Retainage and Development Fee - Venture Waves
✓ (\$	220,954)	Corporate Landing Business Park – Offsite Utility Construction Draw #13 – Seabreezy Enterprises
✓ (\$	35,684)	Corporate Landing Business Park– Pond C Final Design – VHB
(\$	404,762)	Total Reimbursable VBDA Expenses for April
<u>\$</u>	<u>404,762</u>	Amount Reimbursed by the City of Virginia Beach on 4/28/2026
\$	-	Change in VBDA Operating Cash related to CIP transactions

Capital Maintenance: April 30, 2026

Human Services Building

\$ 2,227,937

- ✓ Monthly Lease – May 2026 \$ 47,910
- ✓ Elevator Replacement Project – Management and construction – HBA Architecture (\$ 3,067)

Encumbered Funds as of 4/30/2026

\$ 819,467

Funds Available for Future Human Services Building Expenses

\$ 1,408,470

Atlantic Park Entertainment Venue

\$ 120,240

- ✓ Quarterly Revenue Share (Jan.-Mar. 2026)- \$1 received per ticket sold - Live Nation Worldwide \$ 18,325

Capital Maintenance: April 30, 2026 (Continued)

VB National Golf Course	\$ 1,635,211
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- | | |
|--|------------|
| ✓ March Monthly Revenue Share Agreement | \$ 15,875 |
| ✓ Lake Maintenance – Construction Admin. – VHB | (\$ 4,220) |
| ✓ Furniture Rental and Installation – Cort Furniture | (\$ 1,822) |

Encumbered funds as of 4/30/2026	<u>\$ 884,217</u>
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Funds available for future VBNGC expenses	\$ 750,994
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EDIP Grant Summary Reporting: April 2026

Ending EDIP appropriations 4/30/2026	\$ 11,857,209
✓ Approved at 4/14 meeting \$32K for qualifying Capital Investment & 4K for job creation– PT2GO, LLC	36,000
✓ Approved at 4/14 meeting \$9.2K for qualifying Capital Investment & 3K for job creation - OpenSpace Architects	12,240
EDIP Part A – Encumbered as of 4/30/2026	\$ 5,366,257
✓ No EDIP part B activity during April 2026	
EDIP Part B – Encumbered as of 4/30/2026	\$ <u>812,269</u>
EDIP Grant Funds Available as of 4/30/2026	\$ 5,678,683

* Actual EDIP Cash received from the City and held by the VBDA on April 30, 2026 is \$533,016. by the City and will be reimbursed to the VBDA. The remaining \$11,324,193 is being held A when EDIP recipients receive their awards.

TDFP Performance Agreement Assignment

Dana Harmeyer
Deputy City Attorney



Statutory Background

- Tourism Development Financing Program (aka “Gap Financing”) is a creature of statute (Va. Code § 58.1-3851.1)
- Three revenue streams – Each equivalent to a 1% sales tax:
 - State portion
 - Local portion
 - Developer “access fee”
- “Prior to any entitlement to tax revenues for an authorized tourism project...the owner of such project shall...enter into a performance agreement with the economic development authority or political subdivision and enter into an agreement to pay the access fee.”

Project Background

- Court-ordered sale of the two Cavalier Hotels in 2013.
- City Council approved Term Sheet July 2, 2013, which included: “3. Take steps necessary to assist the Developer in qualifying for gap financing as contemplated by Va. Code § 58.1-3851.1.”
- City Council and VBDA approved use of Gap Financing for Cavalier project in 2014: \$18,000,000 total with \$4,000,000 for Historic Cavalier and \$14,000,000 for Oceanfront Cavalier.
- City Council and VBDA amended approval in 2017 to add \$6,500,000 of Gap Financing for the Embassy Suites within the project footprint

The Ask

- Representatives of the owners of the Cavalier properties request the City and the VBDA assign the performance agreement.
- The assignees are related entities of the Wheelock Street Acquisitions, LLC.
- All terms and conditions of the performance agreement remain.
- Performance agreement requires approval of an assignment. However, the VBDA and City approval “shall not be unreasonably withheld.”



Globalinx Expansion & EDIP Request

The City of Virginia Beach Development Authority
May 12, 2026 | Open Session
Ihsane Mouak, Business Retention, Expansion & Workforce



Disclosures

- Applicant: Globalinx Data Centers LLC
- Applicant Representative: Greg Twitt, President
- Officers: Greg Twitt, President
- Financing: Fulton Bank
- Architect: Sal Lemole
- Engineer: Larry Barry
- General Contractor: Fuller Construction
- Legal Services: Howard Sykes

Discussion

- Business Expansion within the current site.
- An EDIP request based on capital investment and creation of new jobs.

Proven Investment & Active Expansion

Phase 1 – Delivered (\$26M)

- Operational Cable Landing Station at 1632 Corporate Landing
- Offshore subsea connectivity constructed
- Domestic & international carriers active

Phase 2 – Underway (\$34.5M)

- ~53,000 SF campus expansion (committed customer requirement)
- Supports additional international cable systems
- Ready for Service: Q3/Q4 2027

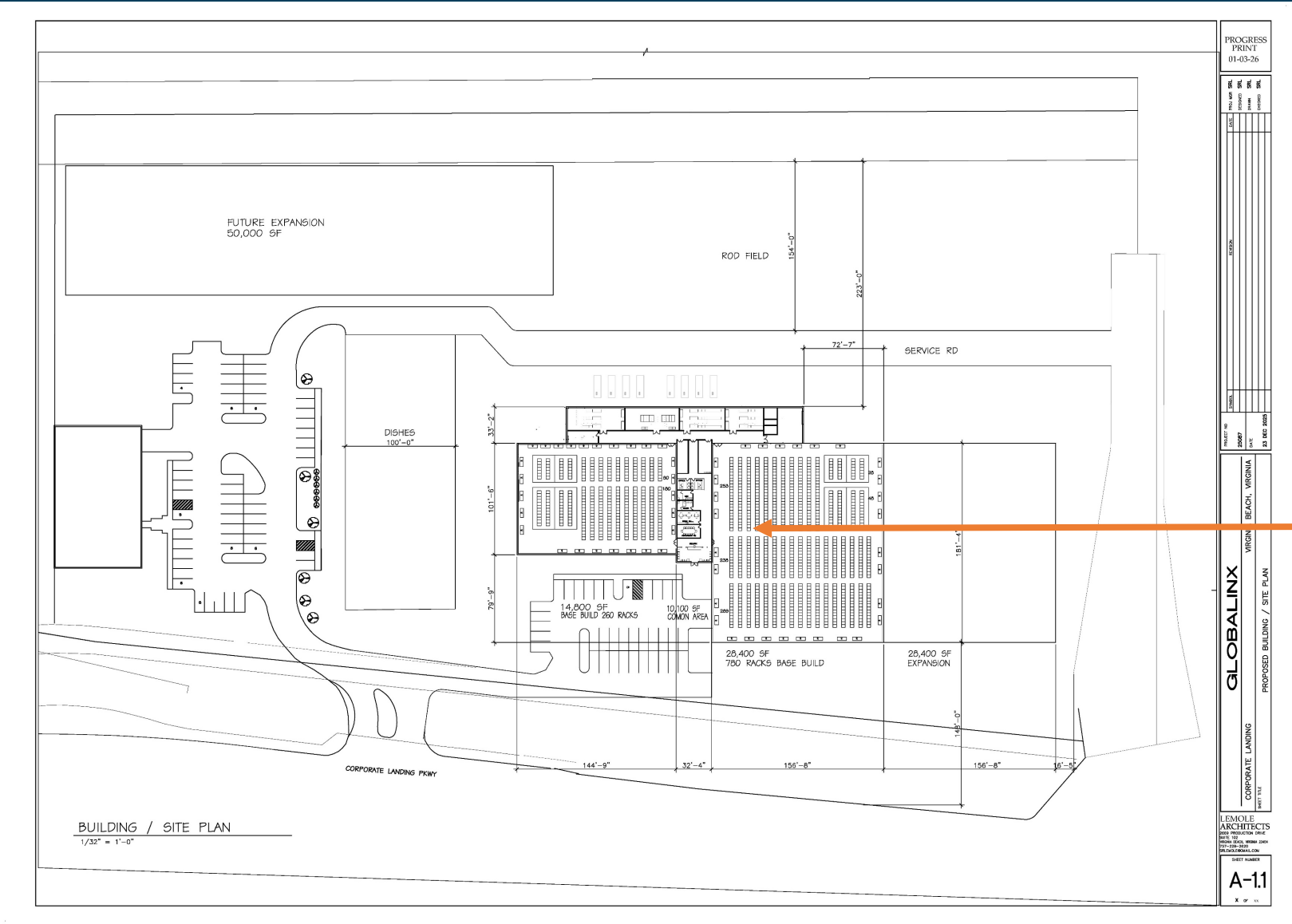


Globalinx Expansion- Conceptual Site Plan

Existing

Satellite Dishes

Expansion

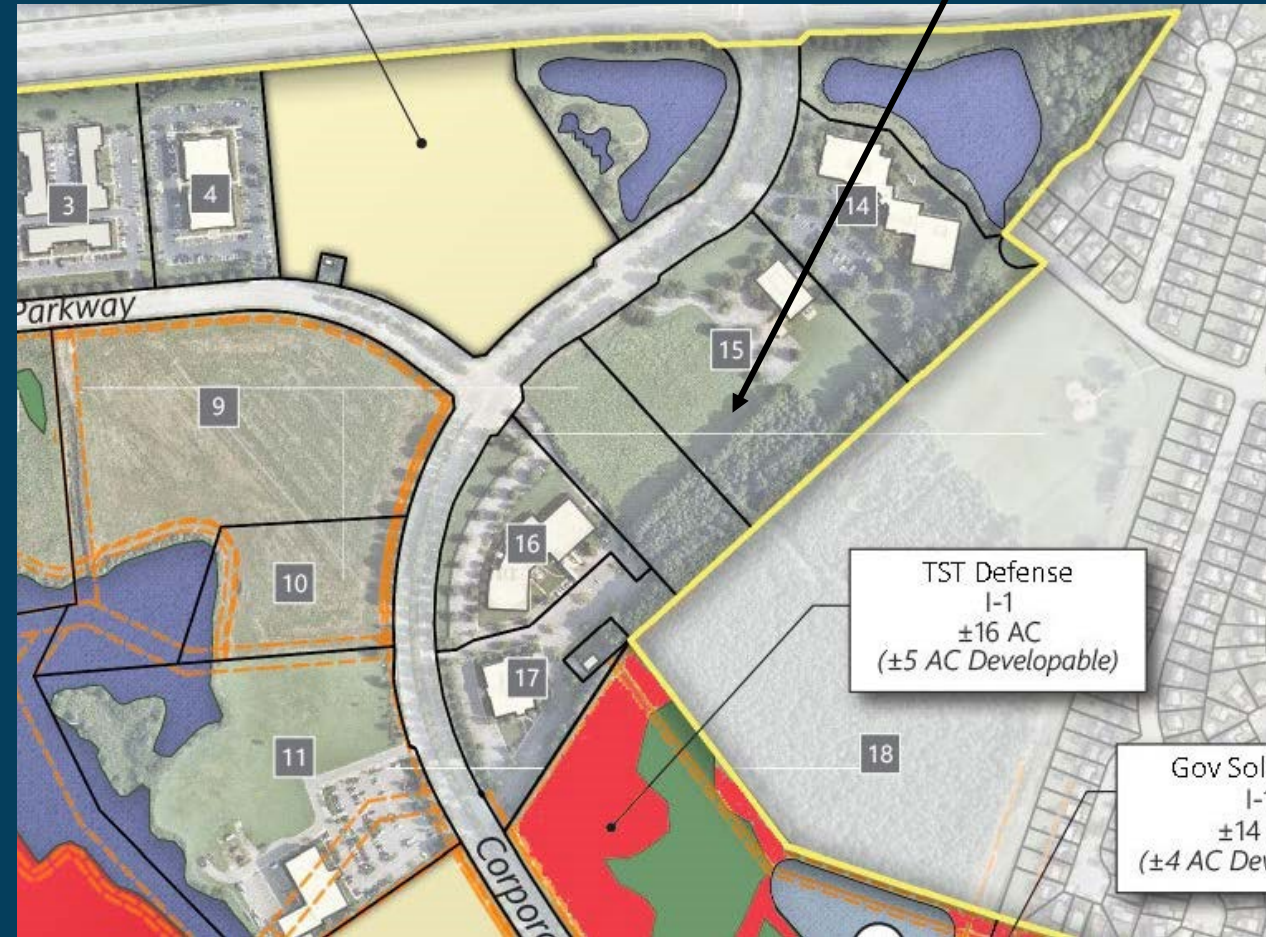
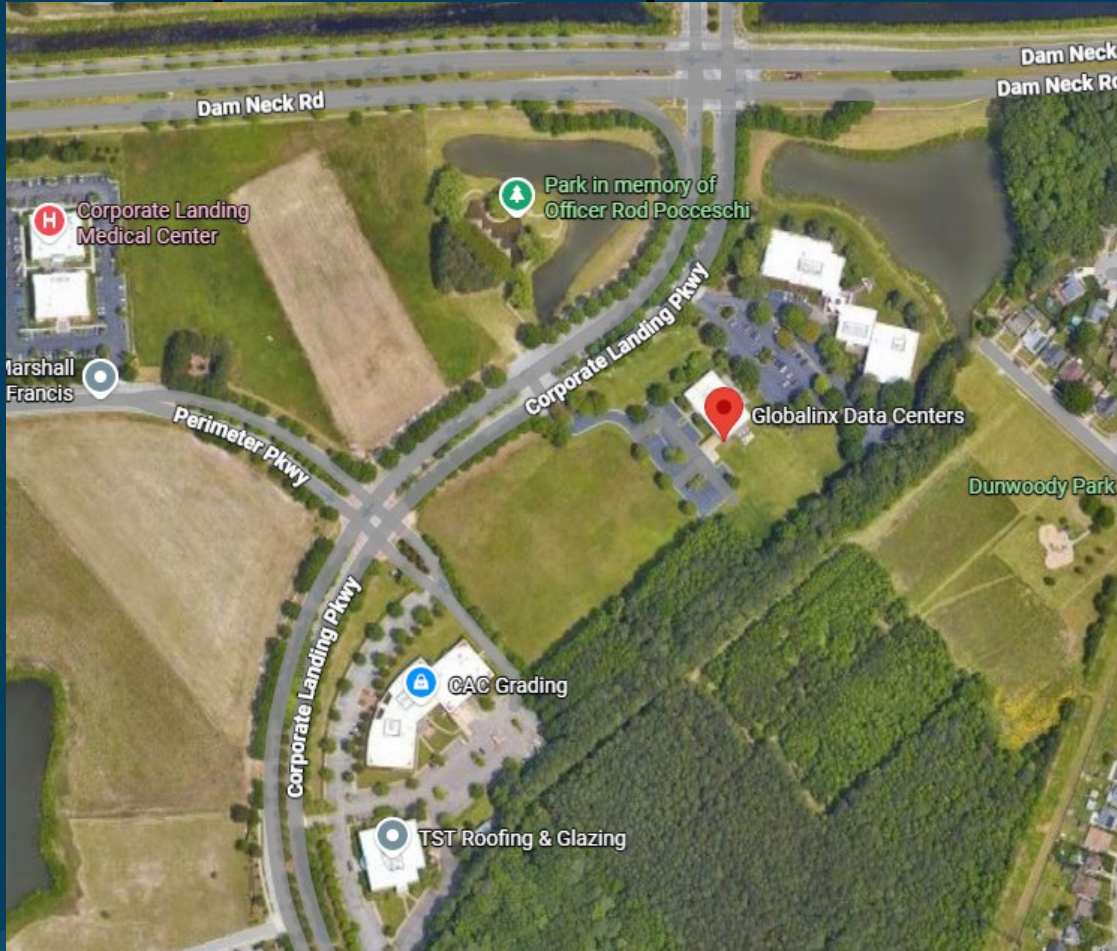


Current Location: 1632 Corporate Landing Pkwy

Expansion

Satellite Dishes

Globalinx



EDIP Request: Project Parameters

Capital Investment	Amount
Land Acquisition	\$1,000,000
Building Construction	\$33,500,000
Machinery & Tools	\$15,000
FF&E	\$18,000
Total Investment	\$34,533,000
Total Qualified Investment	\$33,533,000

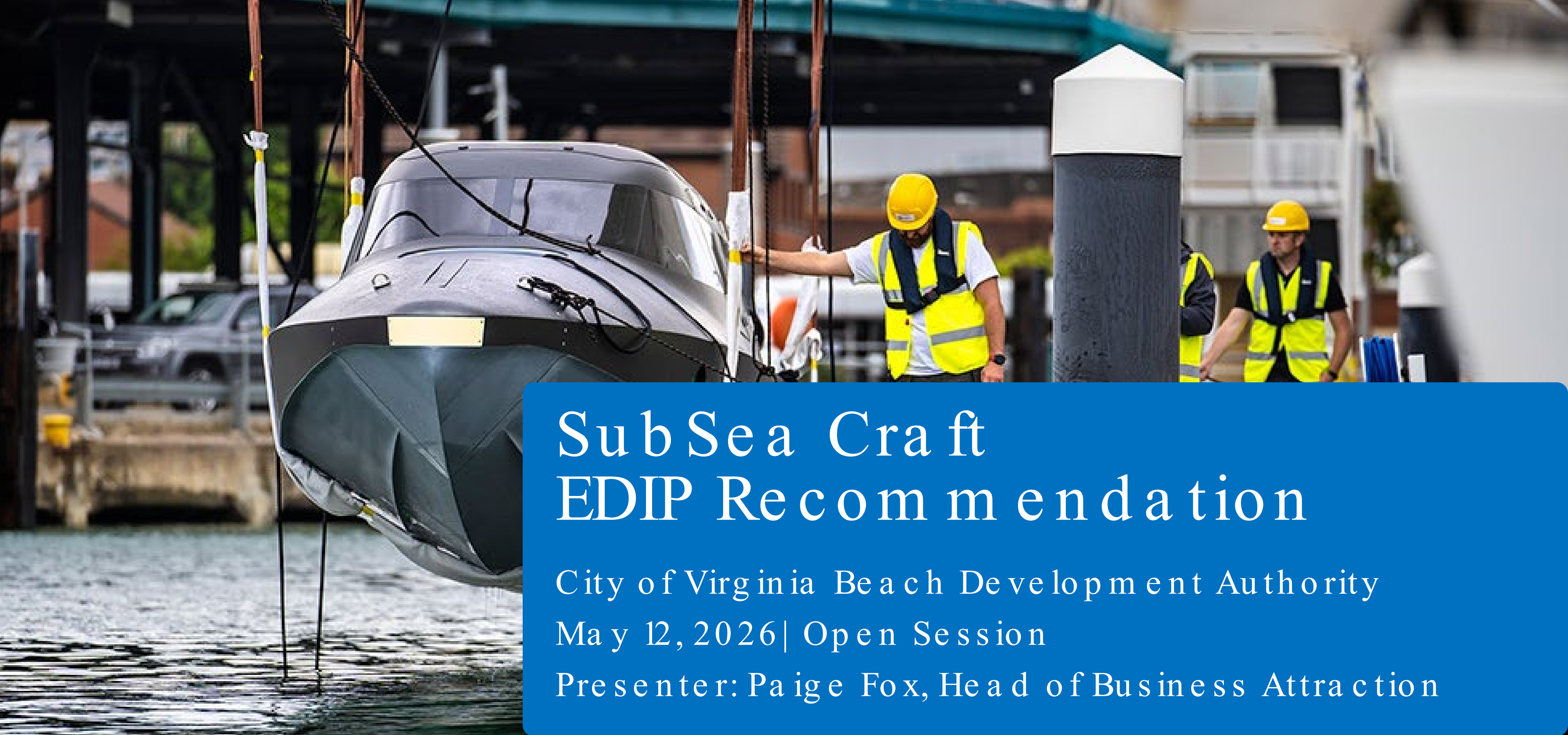
Jobs	Amount
Retained FTEs	4
New FTEs	16
Total FTEs	20
AVERAGE ANNUAL SALARY (Exclusive of Benefits)	\$100,313

Incentivizing 9 jobs out of the 16 new jobs
2 job Tier 2 (\$120,000); 7 jobs Tier 1 (\$75K- \$95K)

Recommendation

- Award \$800,000 to Globalinx pursuant to EDIP Part A
 - \$787,000 for Capital Investment
 - \$13,000 for Job Creation (2 jobs @ Tier 2; 7 jobs @ Tier 1)

QUESTIONS



Sub Sea Craft EDIP Recommendation

City of Virginia Beach Development Authority

May 12, 2026 | Open Session

Presenter: Paige Fox, Head of Business Attraction

Disclosures - Applicant

- Applicant Name: Sub Sea Craft, Inc; or other Sub Sea Craft affiliates
- Parent Company: Sub Sea Craft, Limited
- Officers: Camilla Martin, Chris Carrington-Smith, Jeffrey Johnson
- Broker: Colliers

Disclosures – Property Owner

- Property Owner: Lap Realty, LLC,
- Officers: Bharat Patel
- Broker: Harvey Lindsey
- Financing: Towne Bank

Company Profile



- Based in Portsmouth, United Kingdom
- Maritime technology company for commercial and defense applications
- Products focused on high-speed surface vessels, both crewed and uncrewed
- Additional drone products
- Company has active partnerships with a Virginia Beach defense company
- Joined International Incubator in January, as part of a larger growth plan



Project Overview



- Address: 2517 Squadron Court, 23453 (District 5)
- Initial growth plan to include warehouse for operations center and vessel storage
- Vessels arriving from the U.K. in June
- Capital investment to outfit their operations center: Electric crane, forklift, boats, IT equipment, etc.
- Job creation will build office functionality and their operations team
- Phase I project to meet current demand, with expected growth in 2027



EDIP Project Parameters



CAPITAL INVESTMENT	AMOUNT
Construction/ Up fits	\$ 30,000
Machinery & Tools	\$ 31,000
FF&E	\$ 409,500
TOTAL Investment:	\$ 470,500

JOBS	AMOUNT
RETAINED FTEs	0
NEW FTEs	13
TOTAL FTEs :	13
AVERAGE ANNUAL SALARY (Exclusive of Benefits)	\$ 119,385

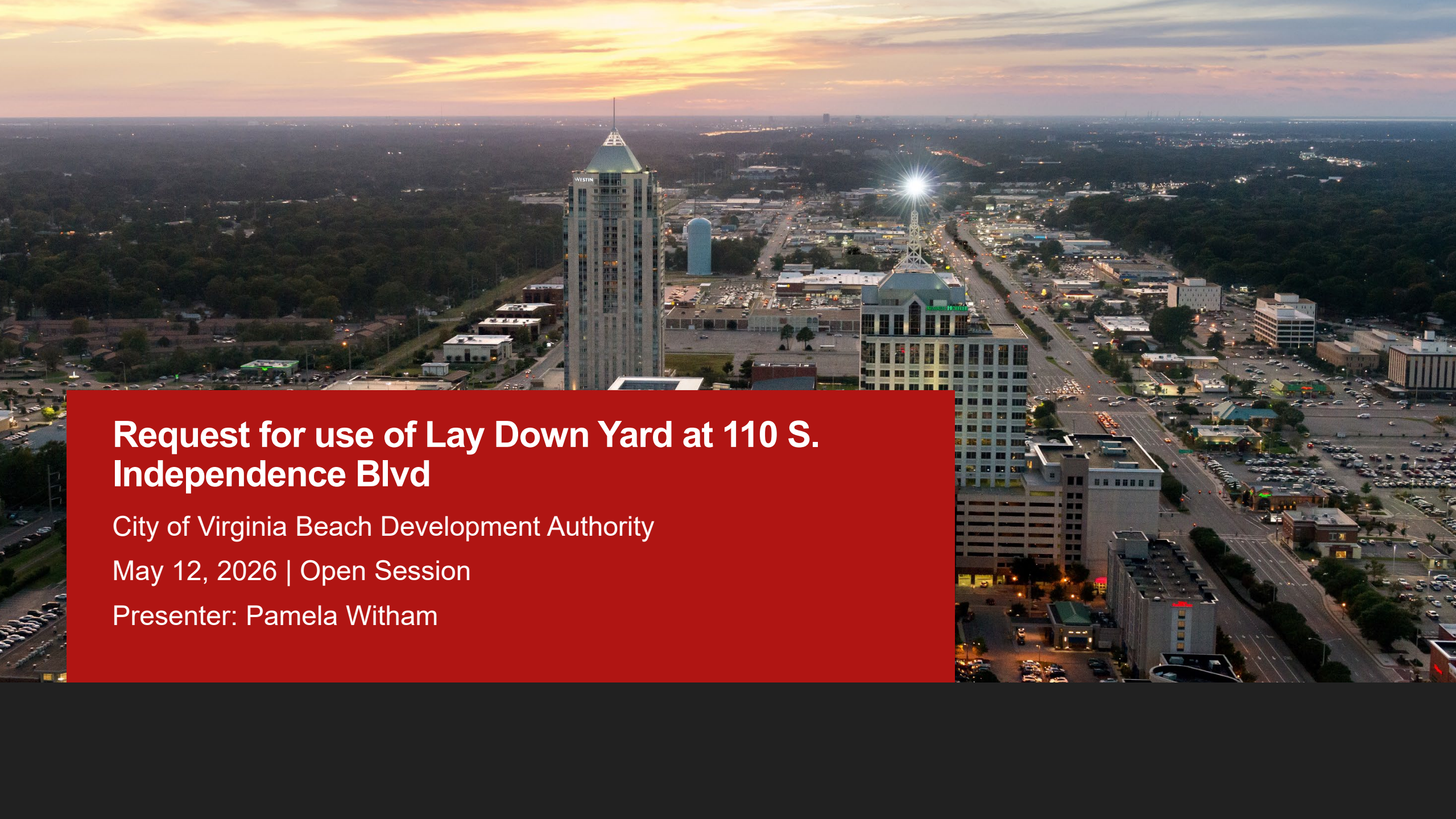
Parameters represent Phase I project, with investment and job creation expected within 12-18 months

Recommendation

- Award Sub Sea Craft a \$45,820 EDIP Grant pursuant to Part A
 - *\$18,820 for Capital Investment*
 - *\$27,000 for Job Creation (7 Jobs Tier 2, 6 jobs Tier 1)*

An aerial photograph of Virginia Beach at sunset. The sky is a mix of orange, yellow, and blue. In the center, a tall, modern skyscraper with a pointed top is illuminated. To its right, a large, multi-story building with a prominent tower and a bright light on top is visible. The city is spread out with various buildings, parking lots, and green spaces. A large blue rectangular overlay covers the bottom left portion of the image.

Questions?

An aerial photograph of Virginia Beach, Virginia, taken at sunset. The sky is a mix of orange, yellow, and blue. In the center-left, the Westin Virginia Beach Oceanfront hotel stands out with its distinctive green-tinted glass facade and pointed top. To its right, a bright light source, likely the setting sun, creates a starburst effect. The city's grid of streets and various buildings, including parking lots and commercial structures, are visible across the landscape. A large red rectangular box is superimposed on the lower-left portion of the image, containing white text.

Request for use of Lay Down Yard at 110 S. Independence Blvd

City of Virginia Beach Development Authority

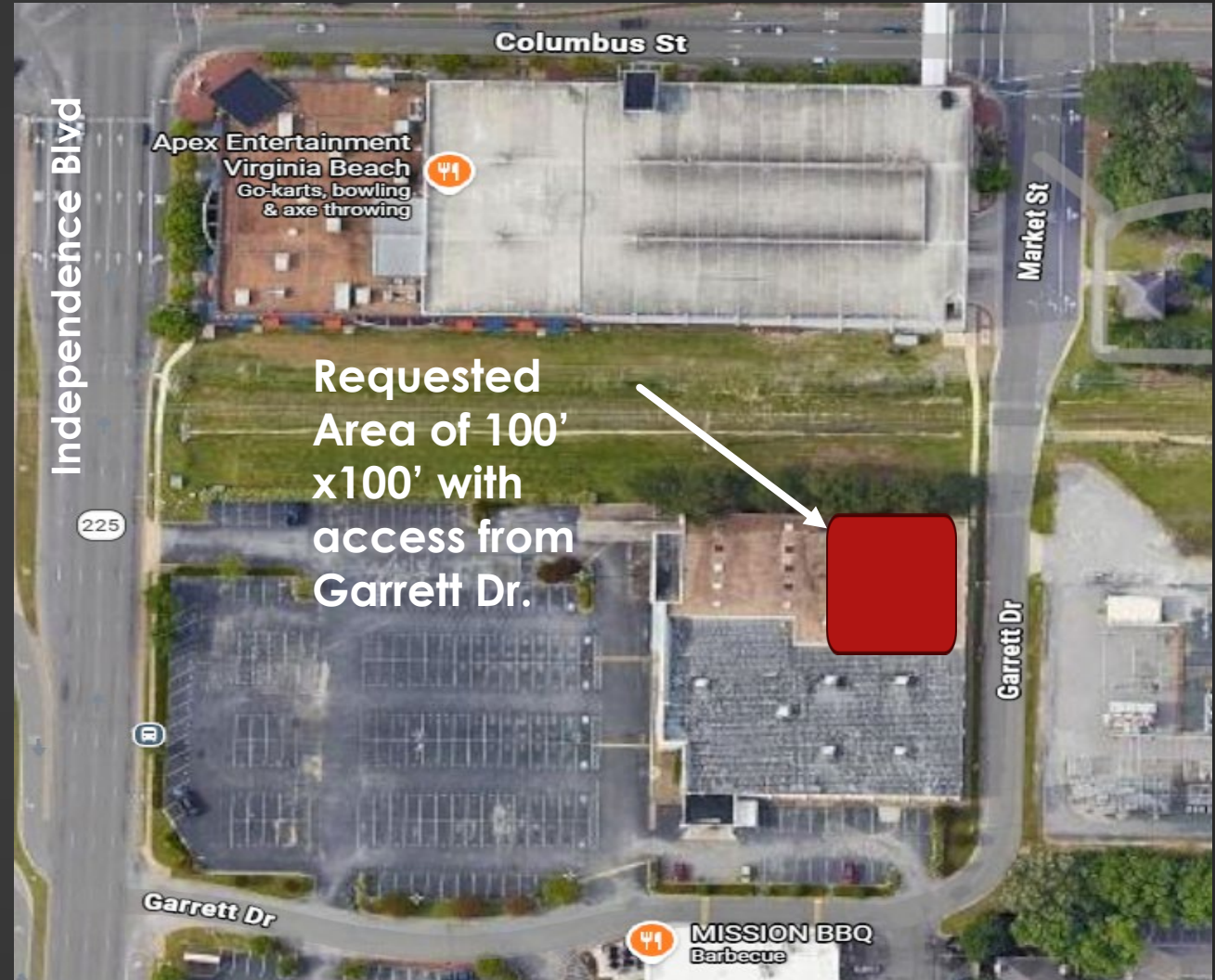
May 12, 2026 | Open Session

Presenter: Pamela Witham

Project Request

2

- City of Virginia Beach Public Utilities is requesting to utilize a 100' x 100' area as a laydown yard for utility relocation work on Columbus Street in Town Center
- The project is anticipated to begin Mid-May 2026, and is expected to take roughly 45 days to complete.



Recommendation

3

- Allow for Laydown area on same footprint of the demolished structure.
- Access to the site will be from Garrett Drive.
- Maintain opaque screening.
- Permit use as a laydown area until June 30, 2026.

An aerial photograph of Virginia Beach at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, a large red rectangle covers the lower-left portion of the image. The word "Questions?" is written in white, sans-serif font on this red background. The rest of the image shows a cityscape with various buildings, including a prominent tall building with a pointed top and a "WESTIN" sign. A bright light source, likely the setting sun, creates a starburst effect in the center-right. The city extends to the horizon, with lights from buildings and streets visible.

Questions?



Sasnett - Zero Extension Request

Virginia Beach Development Authority, May 12, 2026

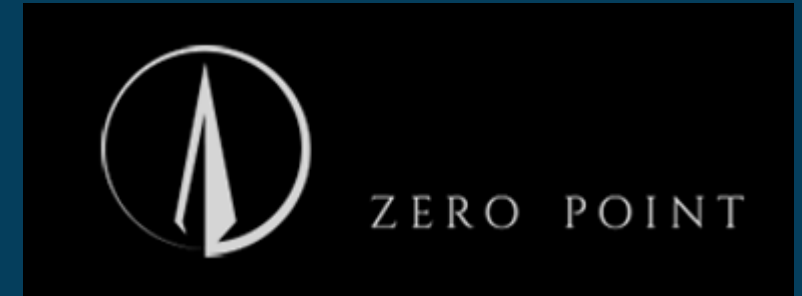


Disclosures

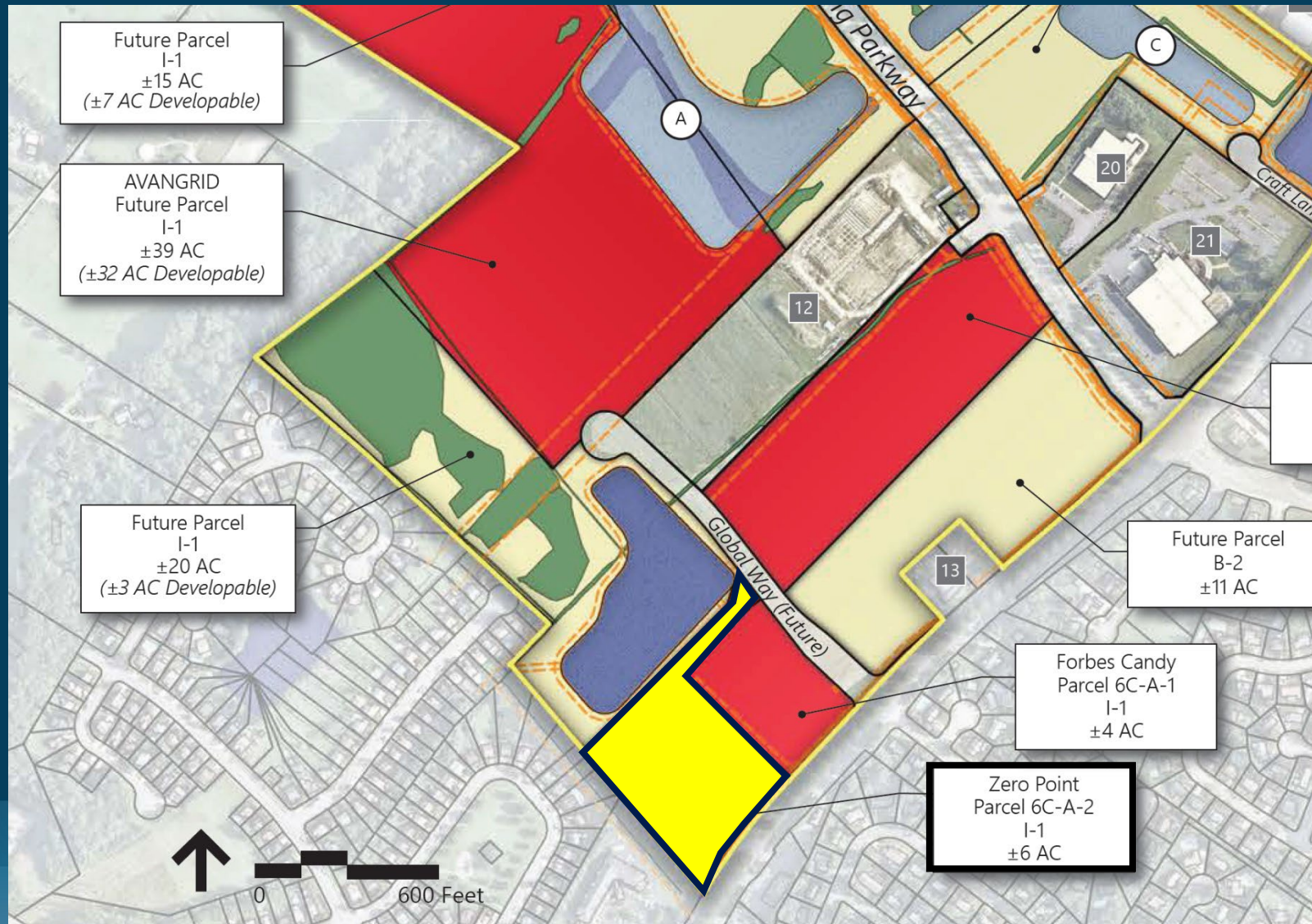
- *Applicant:* Arsenick Acres, LLC
- *Members:* Perry Sasnett (representative), Stacy Sasnett
- *Financing:* Servis First
- *Broker:* Colliers, Chamie Borroughs
- *Accountant:* Brown Edwards
- *Construction Contractor:* CL Pincus
- *Architect:* Sal Lemole
- *Engineering:* John Sandow, PE
- *Legal Services:* Delphine Carnes Law Group

About the Company

- Founded by veterans and continues to be managed and owned by former members of the U.S. military
- A diversified government contractor providing goods and services to the U.S. Armed Forces
- Supporting the special warfare community with training, equipment and specialized products especially for the U.S. Navy

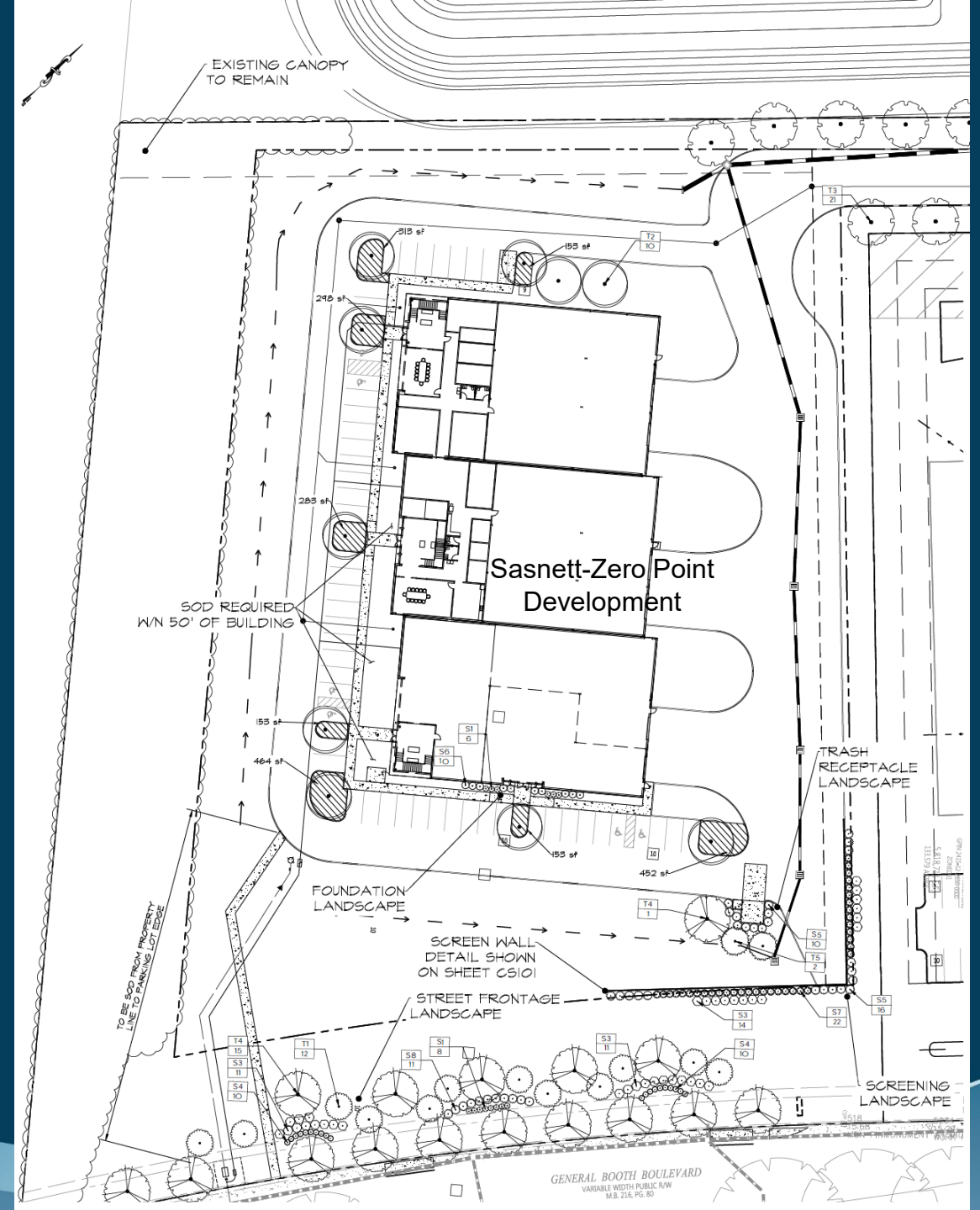


Location – Corporate Landing Business Park



Background

- Project: construction of 16,400 sf warehouse, 7,600 sf of office and 22,700 sf of manufacturing for up to (3) tenants
- 59 parking spaces
- 2 story, 32 ft height building
- Primarily a metal structure
- All required setbacks met



Proposed View from General Booth Blvd



Timeline

- March 2022 – VBDA Approves Sale: \$200K per useable acres, @ 4.307 acres = \$861,400
- July 2023 – Purchase agreement executed
- Jan. 2024 – VBDA Approves Construction Design
- Oct. 2024 – Site Plan Approved
- Jan. 2025 – Purchase agreement required construction commencement

Requested Purchase Agreement Amendment

- Requesting an extension until Dec. 2026 to close
- If no construction commences post-closing, VBDA has the opportunity to recapture in one year (Dec. 2027)

