

RESOLUTION APPROVING AN AMENDMENT  
TO THE DEVELOPMENT AGREEMENT FOR  
THE CITYVIEW TWO PROJECT

WHEREAS, CityView Two, LLC, a Virginia limited liability company (the “Developer”), and its affiliates, are constructing a three-phased, mixed-use development project, consisting of apartments, commercial space, restaurants, retail, hotel and structured parking located in the Town Center area of the City (the “Project”);

WHEREAS, the Developer originally anticipated investing approximately \$60.5 Million to complete all three phases of the Project;

WHEREAS, on July 18, 2017 and August 15, 2017, the Authority and City Council each respectively approved a Development Agreement reflecting the rights and responsibilities of the parties for the development of the Project (the “Development Agreement”) and authorized execution of the Development Agreement and related project documents;

WHEREAS, among other things, the Development Agreement required the Authority to pay the Developer incentive payments equal to the incremental real estate taxes paid at the Project to offset the additional costs associated with the structured parking for up to twenty-five years or until the total amount paid equals \$10.2 Million, whichever first occurred;

WHEREAS, the Development Agreement further gave the Authority the right to terminate the incentive payments if the entire Project was not completed within 72 months of commencement of construction of Phase I, which commenced the second quarter of 2019;

WHEREAS, the Developer has completed construction of Phase I and Phase III, with a total actual investment to-date of over \$87.8 Million, which exceeds the original anticipated investment by over \$22 Million;

WHEREAS, due to unforeseen circumstances and economic impacts, construction of the entire Project will exceed 72 months;

WHEREAS, the Developer has requested that the completion deadline for the entire Project be extended until January 31, 2029; and

WHEREAS, the Authority acknowledges that Developer has exceeded its anticipated investment even without yet starting Phase II and believes the requested extension will promote the successful completion of the Project to the benefit of the City.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

1. That Authority hereby approves amending the Development Agreement to extend the deadline for the completion of the Project until January 31, 2029.

2. The Chair or Vice-Chair is hereby authorized to execute such documents as may be necessary to evidence the transactions contemplated herein, so long as such documents are acceptable to the Chair or Vice-Chair and are in a form deemed satisfactory by the City Attorney.

Adopted this 13th day of January, 2026, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH  
DEVELOPMENT AUTHORITY

By:Signed by David Weiner  
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:

Signed by Natalie Guilmeus  
Economic Development

APPROVED AS TO LEGAL  
SUFFICIENCY:

Signed by Alexander Stiles  
City Attorney

RESOLUTION (1) APPROVING ATTAINABLE WORKFORCE  
HOUSING PERFORMANCE GRANTS TO CONCORDE  
APARTMENTS, L.P. AND CONCORDE APARTMENTS PHASE  
II, L.P., AND (2) AUTHORIZING EXECUTION OF THE GRANT  
AGREEMENTS AND SUPPORT AGREEMENTS

WHEREAS, in 2022, the Virginia General Assembly amended the Industrial Development and Revenue Bond Act allowing development authorities, in conjunction with their local governing bodies, the power to make grants associated with the construction of affordable housing;

WHEREAS, in furtherance of its priority to increase affordable housing in the City, on April 1, 2025, City Council approved an Ordinance adopting the Attainable Workforce Housing Performance Grant Program (the "Program") and requested the City of Virginia Beach Development Authority (the "Authority") also adopt the same;

WHEREAS, on May 13, 2025, the Authority approved a Resolution adopting the Program;

WHEREAS, Concorde Apartments, L.P., a Virginia limited partnership, and Concorde Apartments Phase II, L.P., a Virginia limited partnership (collectively, "Concorde"), proposes to construct apartments on approximately 6.2 acres of land located in Burton Station, adjacent to the City of Norfolk border (GPIN: 1458-69-5582) (the "Project").

WHEREAS, the Project will be constructed in two phases and Concorde has applied for a grant under the Program for each of the two phases, on the terms and conditions set forth in the Summary of Terms, attached hereto as Exhibit A (collectively, the "Grant");

WHEREAS, Staff has determined that the applications of Concorde meet the eligibility requirements and recommends approval;

WHEREAS, the grants would be paid by the Authority to Concorde pursuant to the terms of the Grant Agreements as contemplated by and set forth in the Program documents; and

WHEREAS, in accordance with the Program, the City and the Authority would enter into Support Agreements, wherein the City would agree to provide sufficient funds to the Authority to meet its obligations under the Grant Agreements

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. That Authority hereby approves the Program grants to Concorde and authorizes the Chair or Vice Chair to execute Grant Agreements and Support Agreements, so long as such documents are in substantial conformity with the terms set

forth in the Summary of Terms, attached hereto as Exhibit A, and made a part hereof, and such other terms, conditions or modifications as may be acceptable to the Chair and in a form deemed satisfactory by the City Attorney.

2. The Authority's approvals set forth in this Resolution shall not be effective unless and until the City Council adopts a similar Resolution approving the Program grants and authorizing execution of the relevant documents.

Adopted this 13<sup>th</sup> day of January, 2026, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH  
DEVELOPMENT AUTHORITY

By: Signed by David Weiner  
Secretary / Assistant Secretary

APPROVED AS TO CONTENT:

Signed by Natalie Guilmeus  
Economic Development

APPROVED AS TO LEGAL SUFFICIENCY:

Signed by Alexander Stiles  
City Attorney

## **EXHIBIT A**

### **SUMMARY OF TERMS**

- Grantor:** The City of Virginia Beach Development Authority ("Authority")
- Recipient:** Phase I: Concorde Apartments, L.P. a Virginia limited partnership  
Phase II: Concorde Apartments Phase II, L.P. a Virginia limited partnership
- Property:** Approx. 6.2 acres located in the Burton Station area of the City, adjacent to the City of Norfolk border, and known as GPIN: 1458-69-5582.
- Grant Amount:** An amount equal to 100% of incremental real estate taxes with the increment calculated as the difference between real estate taxes paid in fiscal year FY25-26 (the "Base Real Estate Tax Revenue") and those paid each year after completion of the Project, defined below.
- Grant Term:** 15 years, with an option to renew for an additional 15 years if Recipient makes the Reinvested Capital Improvements in the Project in the first 15 years. Total term is 30 years.
- Project:**
- New Construction at the Property.
  - 180 multi-family residential units (Phases I and II each having 90 units)
  - 100% of the 180 units will be affordable units serving households with an average income of not more than 60% of the Area Median Income.
  - Grant Amount = 100% of incremental real estate taxes.
  - Reinvested Capital Improvements \$900,000 per phase (\$10,000 per unit within fifteen years), \$1,800,000 total.
  - Estimated Project Gap: \$2,403,000.
- Other Terms:**
- City and Authority obligations under the Grant Agreements are subject to funds being appropriated and budgeted by City Council.
  - Administrative fee: 1% of grant payment to be paid by Recipient to Authority to cover administrative expenses for managing the grant.
  - Strive for goal of 50% small, woman, and minority (SWaM) business participation during the construction phase of development and require reporting of expenditures to the City's SWaM Office.

A RESOLUTION AUTHORIZING THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY TO SUBLICENSE APPROXIMATELY 200 SQ. FT. OF OFFICE SPACE TO SUBSEA CRAFT, INC.

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") entered into a lease with Town Center Associates 11, LLC, for approximately 23,000 sq. ft. of office space (the "Premises") located at 4525 Main Street, Suite 700, in Virginia Beach;

WHEREAS, SubSea Craft, Inc., a corporation based in the United Kingdom that will be authorized to transact business in Virginia prior to the commencement of operations at the Premises ("SubSea Craft"), desires to sublease approximately 200 sq. ft. of the Premises from the Authority; and

WHEREAS, the terms and conditions of the sublease are set forth in the Summary of Terms, attached hereto as Exhibit A, and made a part hereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

That the Chair or Vice-Chair is hereby authorized to execute a sublease between the Authority and SubSea Craft, so long as the terms and conditions are in accordance with the Summary of Terms attached hereto as Exhibit A, and made a part hereof, and such other terms, conditions and modifications as may be acceptable to the Chair or Vice-Chair and in a form deemed satisfactory by the City Attorney.

Adopted this 13th day of January, 2026, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH  
DEVELOPMENT AUTHORITY

By: Signed by David Weiner  
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:

Signed by Natalie Guilmeus  
Economic Development

APPROVED AS TO LEGAL  
SUFFICIENCY:

Signed by Alexander Stiles  
City Attorney

## **EXHIBIT A**

### **Summary of Terms**

LANDLORD: TCA Block 11 Office, LLC, a Virginia limited liability company (c/o Divaris Property Management Corp.)

TENANT / SUBLLESSOR: City of Virginia Beach Development Authority (the “Authority”)

SUBLLESSEE SubSea Craft, Inc., a corporation based in the United Kingdom that will be authorized to transact business in Virginia prior to the commencement of operations at the Premises

PREMISES: Approx. 200 sq. ft. of office space located at 4525 Main Street, Suite 700, Virginia Beach, VA 23462 (within the City of Virginia Beach’s Office of Economic Development)

TERM: Two (2) years

RENT: Months 1-6: N/A (no rent)  
Months 7-12: \$7.25 / sq. ft. = \$1,450 / yr. (\$120.83 / mo.)  
Months 13-18: \$14.50 /sq. ft. = \$2,900 / yr. (\$241.66 / mo.)  
Months 19-24: \$20.25 / sq. ft. = \$4,050 / yr. (\$337.50 / mo.)

SECURITY DEPOSIT: \$0.00

CONDITIONS: The Sublease is subject to all the terms and conditions of the Master Lease between the Landlord and the Authority.

SPECIAL FEATURES: Sublessee shall have the right to terminate the Sublease on thirty (30) days’ written notice to the Sublessor, without penalty.