

MINUTES  
VIRGINIA BEACH DEVELOPMENT AUTHORITY  
MARCH 15, 2011

The Virginia Beach Development Authority held its regular meeting on Tuesday, March 15, 2011, at 8:36 a.m. in the large conference room at 222 Central Park Avenue, Suite 1000, Virginia Beach, VA, pursuant to notice given by the Chair.

MEMBERS PRESENT:        John W. Richardson, Chair  
                                 Elizabeth A. Twohy, Vice Chair  
                                 Prescott Sherrod, Secretary  
                                 Dan H. Brockwell, Treasurer  
                                 C. Maxwell Bartholomew, Jr., Commissioner  
                                 Linwood O. Branch, Commissioner  
                                 Jerrold L. Miller, Commissioner

ADVISORS PRESENT:     Larry Barry, LandMark Design Group  
                                 Ron Berkebile, SGA Office  
                                 Michelle Chapleau, Business Development Manager  
                                 Marc Davis, Media & Communications  
                                 Scott Hall, Business Development Coordinator  
                                 Warren D. Harris, Director of Economic Development  
                                 Steve Herbert, Deputy City Manager  
                                 Rob Hudome, Project Development Manager  
                                 Lloyd Jackson, Business Development Manager  
                                 Sean Murphy, VBDA Accountant  
                                 Tammy Owens, SWAM Business Manager  
                                 Karen Prochilo, Planning  
                                 David Redmond, Planning Commission  
                                 Jim Ricketts, Convention & Visitors Bureau  
                                 Tony Russo, Project Development Manager  
                                 Jerry Stewart, Workforce Development Coordinator  
                                 Alex Stiles, City Attorney's Office  
                                 Mark Wawner, Project Development Coordinator  
                                 Cynthia Whitbred-Spanoulis, Strategy & Performance Coordinator

REPORTED BY:             Mark Wawner

RECORDED BY:            Linda Sheehan

The Authority convened into session and discussed the following:

**REGULAR MEETING**

1.        Approved minutes of regular meeting held on February 15, 2011.

MOTION:     Elizabeth A. Twohy  
SECOND:     Prescott Sherrod  
APPROVED: 6-0

## **REVIEW OF FINANCIAL POSITION**

2. Sean Murphy reviewed the Authority's financial statements for the month of February.

### Monthly Cash Flows – Operating Account

The beginning operating cash on hand for the month was \$6,112,405, cash receipts for the month were \$67,667, and cash disbursements for the month were \$43,561 for a net increase in cash of \$24,106. The end of month cash balance in the operating account was \$6,136,511.

- Received \$18,105 in IRB fees;
- Received rent in the amount of \$21,671 from East Coast Appliance (ECA) which includes pro-rata increase;
- Received \$5,691 interest income on CDs and bank accounts;
- Received rent in the amount of \$14,700 from Virginia Beach National (VBN);
- Received to date \$7,500 for Charity Golf Outing sponsorships;
- Remitted \$27,473 to city for ECA rent and the city's portion of VBN rent;
- Set aside \$7,350 of VBN rent into restricted cash for capital maintenance.

### Monthly Cash Flows – EDIP Account

Mr. Murphy reviewed the Reconciliation of Cash to EDIP Status Report for February.

- Received \$4,379 in interest income;
- Received \$12,000 reimbursement from city for APZ-1 EDIP grant awarded to Lumber Liquidators.

This report is hereby incorporated into these minutes.

## **TOWN CENTER**

3. Mark Wawner reported the following regarding Town Center:
  - Although the newspaper announced the addition of a new restaurant, it was premature. Negotiations are still pending for the Yard House with a proposed location at the corner of Independence Blvd. and Commerce Street in Armada Hoffler Construction Company's current location.
  - St. Patrick's day events were well attended.

Max Bartholomew arrived during the discussion of this item.

## **INDUSTRIAL PARKS**

4. Mark Wawner briefed the authority regarding Tidewater Valve and Fitting, located at 1373 London Bridge Road on Parcel J in OWCP, request for approval of the following:
  - a. Request for waiver to remove requirement for perimeter curbing around proposed overflow parking expansion.
  - b. Request for approval of site and landscape plans for an overflow parking expansion for seven spaces and building modifications for addition of an overhead door with a paved entranceway.

The tenant, Mike Bernier of Tidewater Valve and Fitting, attended the meeting and is funding the improvements. He is negotiating with the landlord on a lease with an option to buy. The tenant is anxious to move ahead with these plans in order to occupy the building, and staff is working to expedite the required permits with the appropriate departments. It was noted the required set-backs will remain in force, and the proposed landscaping will provide a visual buffer from London Bridge Road. Both the facility and future signage will improve the property from what currently exists. This building is located within APZ-1 and will qualify for incentives under the program. Staff recommended approval of both a and b.

MOTION: Linwood O. Branch  
SECOND: Dan H. Brockwell  
APPROVED: 7-0

The Powerpoint relative to this item is hereby incorporated into these minutes.

5. Corporate Landing Business Park Landscape Grounds Maintenance Services
  - a. Request for approval of the first of two, one-year extensions of the Corporate Landing Landscape Grounds Maintenance Contract, from April 1, 2011 through March 31, 2012, to Claud's Lawn Care in the amount of \$6,800.00 annually.
  - b. Request for approval of the first of two, one-year extensions of the contract for bush hogging and mulching, from April 1, 2011 through March 31, 2012, to All-Pro Landscape Services, in accordance with the contract executed on May 18, 2010.
  - c. Request for approval of one-year agreement with the Sheriff's Department Sheriff's Workforce for landscape maintenance of the Corporate Landing property along General Booth Boulevard in the annual amount of \$6,917.85.

MOTION: Jerrold L. Miller  
SECOND: Elizabeth A. Twohy  
APPROVED: 7-0

Mark Wawner noted this is an annual housekeeping item and the entities performing the mowing and maintenance of the approximately 40 acres in Corporate Landing do a good job.

## **INTERFACILITY TRAFFIC AREA (ITA)**

6. Karen Prochilo briefed the authority on the Interfacility Traffic Area (ITA) Master Plan. She noted Warren Harris, Mark Wawner and David Couch within the Economic Development Department participated in this endeavor. Her presentation covered the following:
  - Location
    - Regional Locator Map
    - Diagram Illustrating Noise Contours
  - Existing Transportation and Green Network Analysis
    - Transportation Connectivity
    - Open Space Network
  - Growth Scenario Summaries
    - Scenario 1

- Scenario 2
- Scenario 3
- Preferred Growth Scenario
- Infrastructure & Utilities
- Transportation Plan
- Building Type Guidelines
  - Mixed Use and Commercial Buildings
  - Single-Family Residences
  - Office and Institutional Campus Buildings
  - Multi-Family Residential Buildings
  - Parking Garages
- Greenway & Blueway Trail Network
- Open Space
- Special Places
  - Municipal Center
  - Historic/Cultural District
    - Princess Anne Historic District
  - Princess Anne Commons
  - Princess Anne Corporate Park
  - Brown Farm Area
  - Sustainable Laboratory and Services
- Conclusion and Next Steps
  - Land Use
  - Infrastructure

As part of the ‘Next Steps’, city staff will establish a steering committee to move into the next phase of this Interfacility Traffic Area and Vicinity Master Plan.

Mrs. Prochilo’s PowerPoint is hereby incorporated into these minutes.

## **CONVENTION CENTER HEADQUARTERS HOTEL**

7. Approved resolution authorizing the execution of an interim agreement under the PPEA for the Headquarters Hotel. This resolution allows funds to be appropriated for the redevelopment phase with City Council direction. Lou Haddad attended the meeting and reported the construction climate regarding hotel flags and financing appears to be more positive. He noted construction prices are approximately 20% less. Mr. Haddad hopes to return to the Authority within the next three months with project plans at 25% and refined numbers. He believes the project can be accomplished for \$400,000, with a maximum city exposure of \$160,000. It was noted all plans would be retained by the Authority if the project did not come to fruition. Staff recommended approval.

MOTION: Linwood O. Branch

SECOND: Dan H. Brockwell

APPROVED: 7-0

## **ADMINISTRATIVE INFORMATION**

8. VBDA Priorities

a. VBDA Members Activity Update.

Regarding the Virginia Small Business Financing Authority (VSBFA) revenue sharing bond issue, Mrs. Twohy reported a conference call is scheduled for March 30 and she will provide an update at the April meeting. She noted progress is being made with VSBFA Commissioner Scott Parsons under the direction of Senator Tommy Norment.

9. Director's Report

Warren Harris informed the Authority that Tony Russo announced his intent to retire at the end of May. He makes this announcement with mixed emotions, and noted Tony has been an asset to this department for nearly 25 years.

Responses have been extremely positive regarding the Charity Golf event scheduled for May 13 in conjunction with the state's Business Appreciation Month.

Mayor Sessoms' State of the City is scheduled April 13 at noon at the Convention Center. The department will coordinate the Authority's attendance for this event.

The next Mayor's roundtable is scheduled for May 10 at Oceana West Corporate Park.

The Amphitheater announced its new name and title, Farm Bureau Live, which has made a three year commitment. The venue announced its Country Megaticket which entails six country artists and Jimmy Buffett will kick off the season on May 26.

Rosemont SGA consultants are in town this week. An Open House is scheduled Thursday at 6:00 p.m. at Windsor Woods Elementary. Community sessions will also be planned as part of the UDA process, and a June or July completion is anticipated.

Mr. Harris noted since the department is three years into the most recent Target Industry Study, staff will be reviewing and updating this document and making necessary modifications. Anticipate completion of this review by late spring.

Responses received for the former Circuit City/East Coast Appliance site will be discussed in Closed Session.

Mr. Harris informed the Authority the Hampton Roads Economic Development Alliance (HREDA) is initiating its annual capital campaign, and they may be contacted.

Mr. Harris noted meetings with Town Center liaisons, Mr. Bartholomew, Mrs. Twohy and Mr. Sherrod, will take place as needed regarding proposed activity and space usage.

a. Project and Prospect Activity Report.

Scott Hall provided the monthly broad overview of the current Economic Development Marketing Activity Report as follows:

- Project Types
  - Expansions
  - New
- Project Origins

- International
- National
- Local
- Project Sectors
  - Other
  - Industrial
  - Office
- Retention Visits
  - SWaM
  - Non-SWaM
- Highlights

Mr. Hall noted the department is entering its major marketing travel season, and anticipates numbers in the above categories will rise.

Mr. Hall noted the increase in SWaM contacts is primarily due to workshops and seminars held for companies considering doing business in this area and next month's numbers will probably drop to reflect normal activity.

The self-generated trip to Dallas proved to be worthwhile and provided an opportunity to make contact with site consultants. The handout generated specifically for this trip is hereby incorporated into these minutes.

David Couch is on a marketing trip in the UK with Hampton Roads Economic Development Alliance.

This PowerPoint report is hereby incorporated into these minutes.

The Authority was provided a summary report, generated by the Virginia Economic Development Alliance (VEDA), regarding General Assembly actions in its most recent session as they relate to economic development.

## **CLOSED SESSION**

The Authority 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 purposes:

1. 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). **(Corporate Landing)**
2. 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). **(Oceanfront) (Pembroke)**

MOTION: Prescott Sherrod  
SECOND: Dan H. Brockwell  
APPROVED: 7-0

The Authority concluded its closed meeting and certified that to the best of each member's knowledge, only public business matters identified above and lawfully exempted from open meeting requirements under the Code of Virginia were heard, discussed or considered in the closed meeting of the Authority.

MOTION: Prescott Sherrod  
SECOND: C. Maxwell Bartholomew, Jr.  
APPROVED: 7-0

There being no further business, the meeting was adjourned.

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John W. Richardson, Chair