

MINUTES
VIRGINIA BEACH DEVELOPMENT AUTHORITY
NOVEMBER 17, 2009

The regular meeting of the Virginia Beach Development Authority was held on Tuesday, November 17, 2009, at 8:31 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: Donald V. Jellig, Chair
John W. Richardson, Vice Chair
Douglas D. Ellis, Secretary
Prescott Sherrod, Assistant Secretary
Elizabeth A. Twohy, Treasurer
C. Maxwell Bartholomew, Jr., Commissioner
Dan H. Brockwell, Commissioner
Luke M. Hillier, Commissioner
Paul V. Michels, Commissioner
Shewling Moy Wong, Commissioner

ADVISORS PRESENT: Greg Anger, VBDA Accountant
Larry Barry, LandMark Design Group
Michelle Chapleau, Business Relocation Specialist
David Couch, Business Development Manager
Carissa Frasca, Media Communications Group
Warren D. Harris, Economic Development Department Director
Steve Herbert, Deputy City Manager
Rod Hudome, Project Development Manager
Louis Jones, Vice Mayor
Tammy Owens, SWAM Business Manager
Tony Russo, Project Development Manager
Joe Strange, Planning Commission
Jerry Stewart, Workforce Development Coordinator
Alex Stiles, City Attorney's Office
Mark Wawner, Project Development Coordinator
Cynthia Whitbred-Spanoulis, Strategy & Performance Coordinator
Rosemary Wilson, Councilmember

REPORTED BY: Mark Wawner

RECORDED BY: Linda Sheehan

The Authority convened into session and the following was discussed:

REGULAR MEETING

1. Approved minutes of regular meeting held on October 20, 2009.

MOTION: C. Maxwell Bartholomew, Jr.
SECOND: Douglas D. Ellis
APPROVED: 9-0

Prescott Sherrod noted a correction in Item #9 to reflect Mrs. Owens attended the 'COMTO conference' not 'COMPTO conference'.

BOND TRANSACTIONS

2. A Public Hearing was called. The Authority approved the issuance of Series 2009 Mortgage Revenue Bonds not to exceed \$6,000,000 (Westminster Canterbury of Hampton Roads, Inc.). Dan Ansell and Hugh Patterson, Westminster Canterbury Chief Financial Officer and general counsel with Wilcox Savage respectively, were present. Alex Stiles noted all documentation pertaining to this item is in order, and is hereby incorporated into these minutes. The public hearing was closed and the following vote was taken.

MOTION: Dan H. Brockwell
SECOND: Paul V. Michels
APPROVED: 10-0

John Richardson arrived at the beginning of discussion of this item.

REVIEW OF FINANCIAL POSITION

3. Greg Anger reviewed the Authority's financial statements for the month of October.

Monthly Cash Flows – Operating Account

The beginning operating cash on hand for the month was \$5,439,477, cash receipts for the month were \$140,287, and cash disbursements for the month were \$56,984 for a net increase in cash of \$83,304. The end of month cash balance in the operating account was \$5,522,781. Mr. Anger noted the following:

- Rental payment received for August and September from Virginia Beach National in the amount of \$37,476. Per agreement, half was transferred to the city.
- Final payment to Cherry, Bekaert & Holland in the amount of \$9,600 for FY09 independent audit.
- Paid \$5,534 for audio visual equipment being installed in the small conference room. Funds were provided from the rental reimbursement from Divaris for inconvenience due to flooding in office earlier this year.

Monthly Cash Flows – EDIP Account

Mr. Anger reviewed the Reconciliation of Cash to EDIP Status Report for October.

- Received reimbursement in the amount of \$5,000 for expenses related to the SGA program.
- Final EDIP payment to Tidewater Skanska Group in the amount of \$148,900.

This report is hereby incorporated into these minutes.

TOWN CENTER

4. Mark Wawner reported the following regarding Town Center:
 - Art Institute build out continues.
 - East Coast Appliance will be opening on the upcoming Saturday.
 - Condominium closings are slow.
 - Damage due to the recent Nor'easter was limited to pedestrian lights, few trees toppling, and a few leaks sprung. All will be cleaned up within the next several weeks.
 - a. Rob Hudome noted the following regarding the Second Annual Grand Illumination and parade scheduled for November 28:
 1. A 30' tree will be placed in the plaza;
 2. Felicia Barton – previous American Idol contender – will perform.

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM

5. Approved modification to the resolution granting an additional \$7,000.00 in Economic Development Investment Program, APZ funds, to Tidewater Fleet Supply. The company is purchasing Parcel 'A', and Parcels 'B', 'C', and 'D' are currently under negotiation (see PowerPoint). As indicated in a letter from Mayor Sessoms, at its November 9, 2009 meeting, OLUCC was presented with an approved site plan which results in an additional \$14,000.00 expenditure for ingress/egress to Parcel 'A'. Since the resulting drive aisle will also benefit Parcel 'B', staff has determined this \$7,000.00 increase is a valid expenditure and OLUCC recommended VBDA approve this additional funding. Warren Harris noted the EDIP is the vehicle to provide funding; however, the funds will be provided through the APZ program. Reimbursement will be provided to Tidewater Fleet Supply upon submittal of receipts verifying valid expenditures. All documentation and the PowerPoint pertaining to this item are hereby incorporated into these minutes.

MOTION: Shewling Moy Wong

SECOND: Dan H. Brockwell

APPROVED: 10-0

ADMINISTRATIVE INFORMATION

6. VBDA Priorities
 - a. VBDA Members Activity Update.

Regarding the Dome site, John Richardson reported a meeting is scheduled with Michael Jenkins in early December.

Regarding the Newtown Road SGA, Shewling Moy Wong reported the consultant design team, led by Urban Design Associates, will be in Virginia Beach the week of December 14th. The Steering Committee will meet with them on December 15th to review and refine alternative frameworks developed. The consultant design team will host Focus Groups, an open house, and a public meeting December 14 through December 17. The Steering Committee will meet with them again December 18 to review outcomes of the aforementioned public meetings.

Regarding Burton Station, Dan Brockwell noted Steve Herbert and Warren Harris met with City of Norfolk officials and it was agreed to bring both city teams together on a regular basis for coordination purposes.

While in Brazil recently, Paul Michels met with a Brazilian business interested in establishing a presence within the United States and noted the country's market is thriving.

Regarding Workforce Development (WFD), Prescott Sherrod reported an effort is being made to connect Virginia Beach companies with WFD resources. The Virginia Jobs Investment Program report indicates five Virginia Beach firms received over \$1 million in grants for the creation of 450 new jobs and training. Mr. Sherrod noted the WFD Committee will visit some additional existing firms and continue follow-up visits with those previously called on.

Regarding OLUCC, Don Jellig noted progress continues on the Committee's acquisition and disposition of APZ properties. Additionally, Mr. Jellig noted inclusion of two APZ area residents and one APZ area business owner enhances the overall achievement of the Committee's mission.

7. Director's Report

a. Project and Prospect Activity Report.

Scott Hall is currently in Israel. David Couch provided the monthly broad overview of the current Project and Prospect Activity Report as follows:

- Combined Project Activity – Calendar Year 2009
 - Project Type (#'s) - Expansions, New
 - Geographical Origin (#'s) - International, National, Local
 - Industry Type (#'s) – Other, Industrial, Office
- New Location Projects – October 2009
 - Geographical Origin (%) – Local, National, International
 - Industry Type (%) – Industrial, Office, Other
- Expanding Business Projects – October 2009
 - Geographical Origin (%) – Locally, Nationally, and Internationally Based
 - Industry Type (%) - Industrial, Office, Other
- Highlights

- Marketing Missions/Events
- Special Events

Tammy Owens is currently attending the COMTO conference in Virginia Beach.

This report is hereby incorporated into these minutes.

Warren Harris introduced Jerry Robertson, Vice Chair for the City of Norfolk Economic Development Authority. Mr. Robertson discussed the Hampton Roads Procurement Technical Assistance Center (PTAC) Virginia Applied Technology & Professional Development Center, and covered the following:

- What is a PTAC?
- How they work?
- Preferred Status
- Securing Necessary Registrations
- Determine Suitability for Contracting
- Researching Procurement Histories
- Identifying Bid Opportunities
- Contract Performance Issues
- Preparing for Audit
- PTAC Funding
- NEDA Motion
- Regional Program Participants

Mr. Robertson's PowerPoint is hereby incorporated into these minutes.

Warren Harris reported the departmental budget submittal date is prior to the Development Authority's December meeting. As previously mentioned, level of activity and outreach will be significantly impacted under the city's mandated 15% decrease.

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 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).

MOTION: John W. Richardson
SECOND: Prescott Sherrod
APPROVED: 10-0

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: Elizabeth A. Twohy
SECOND: C. Maxwell Bartholomew, Jr.
APPROVED: 10-0

The Authority and staff discussed the PTAC presentation given by Jerry Robertson and agreed to seek additional information regarding the endeavor and the services provided to identify any duplication that may exist with other entities providing similar services.

There being no further business, the meeting was adjourned.

John W. Richardson, Vice Chair