

MINUTES  
VIRGINIA BEACH DEVELOPMENT AUTHORITY  
FEBRUARY 15, 2011

The regular meeting of the Virginia Beach Development Authority was held on Tuesday, February 15, 2011, at 8:30 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  
                                 Donald V. Jellig, Assistant Secretary  
                                 Dan H. Brockwell, Treasurer  
                                 C. Maxwell Bartholomew, Jr., Commissioner  
                                 Linwood O. Branch, Commissioner  
                                 Paul V. Michels, Commissioner  
                                 Shewling Moy Wong, Commissioner

ADVISORS PRESENT:     Larry Barry, LandMark Design Group  
                                 Ron Berkebile, SGA Office  
                                 Michelle Chapleau, Business Development Manager  
                                 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  
                                 David Redmond, Planning Commission  
                                 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  
                                 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 January 18, 2011.

MOTION:        Linwood O. Branch  
SECOND:        Shewling Moy Wong  
APPROVED: 10-0

## REVIEW OF FINANCIAL POSITION

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

### Monthly Cash Flows – Operating Account

The beginning operating cash on hand for the month was \$6,113,553, cash receipts for the month were \$249,571, and cash disbursements for the month were \$250,719 for a net decrease in cash of \$1,148. The end of month cash balance in the operating account was \$6,112,405.

- Received \$6,524 in IRB fees;
- Received rent in the amount of \$20,123 from East Coast Appliance (ECA);
- Received rent in the amount of \$176,893 from Cellar Door;
- Received \$7,672 interest income on CDs and bank accounts;
- Received \$24,132 in restricted cash reimbursements;
- Received rent in the amount of \$14,076 from Virginia Beach National (VBN);
- Disbursed \$8,621 for miscellaneous equipment, furnishings, and technological improvements;
- Remitted \$204,058 to city for Amphitheater rent, ECA rent, and the city's portion of VBN rent;
- Miscellaneous expenditure for temporary accountant staff during transition;
- Set aside \$7,033 of VBN rent into restricted cash;
- Disbursed \$24,132 for Amphitheater light pole replacement expenses.

### Monthly Cash Flows – EDIP Account

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

- Received \$8,136 in SGA fund reimbursement;
- Received \$7,368 in interest income;
- Disbursed \$32,918 for ITA study.

This report is hereby incorporated into these minutes.

## TOWN CENTER

3. Mark Wawner reported the following regarding Town Center:

- East Coast Appliance
  - 90 day notice given, vacating March 30;
  - There have been several inquiries for various uses regarding this available space;
  - RFI advertisement for 3-5 year short term tenant to be in Sunday's paper;
  - Has been placed into national real estate system (CoStar) for lease;
  - Information being taken to the International Council of Shopping Centers (ICSC) in DC at the end of February.

The Authority requested signage be placed at this site with Economic Development Department contact information.

4. Approved one-year renewal agreement of garage management contract with Republic Parking Systems. Rob Hudome reviewed the history of parking located on Block 4, Block 7, Block 10, Block 12 and Block 2. He noted Republic's performance has been satisfactory. Mr. Hudome noted the parking garage located on the Dicks Sporting Goods block is

patrolled by Sheriffs until all patrons have vacated. He recommended the Authority renew this agreement.

MOTION: Dan H. Brockwell

SECOND: Prescott Sherrod

APPROVED: 10-0

## **ADMINISTRATIVE INFORMATION**

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

Prescott Sherrod noted NGK was visited this past month but the company does not have any pressing workforce needs at this point in time.

Don Jellig noted he was unable to make the most recent MEDAC meeting, and it was a non-meeting month for OLUCC. He said he does anticipate some discussion regarding the state's \$7.5 million funding for the upcoming fiscal year. Councilmember Rosemary Wilson noted the legislators are not aware of the key details regarding acquisition figures, and Alex Stiles reported updated information will be provided to Bob Matthias who in turn will ensure the appropriate legislators are aware of the most current data.

Paul Michels reported he has been working with Scott Hall, they had a productive meeting with the state, and a marketing trip to Brazil is planned for March.

Dan Brockwell reported all is progressing well with Burton Station on the Virginia Beach side.

Regarding Marketing Committee activity, Shewling Moy Wong discussed various printing and distribution options under consideration for the VBDA Annual Report. Two representatives from Inside Business were in attendance. The Authority will have some control over what ads may be included and can also provide companies to be solicited, if any. Her handout with more details is hereby incorporated into these minutes. The Authority agreed that Inside Business readers are a primary target for this report. Warren Harris will explore further the options presented.

Regarding the Rosemont SGA study, Linwood Branch reported 50% of this area is paved parking and 75% is concrete and pavement. UDA will be returning within the next 15-17 days and will conduct a formal charrette.

Regarding Workforce Development, Mrs. Twohy reported she, Jerry Stewart, 16 counselors, and she held an informational event with SKANSKA's Human Resources. Subjects discussed were career planning, women in construction (laborer, estimator, surveyor, etc.) The Workforce Liaison Report is hereby incorporated into these minutes.

Regarding the Virginia Small Business Financing Authority bond issue, Mrs. Twohy reported the bill has been pulled and Senator Tommy Norment sent letter a letter to Scott Parsons directing the VSBFA and the localities find a compromise solution within the next 60 days. The Authority suggested a list of bond attorneys and other potential contacts be developed. Senator Norment's letter is hereby incorporated into these minutes.

## 6. Director's Report

Warren Harris informed the Authority an e-mail blast on Studio Center is being released today. He noted the US Headquarters for this company is located in Virginia Beach and site location consultants like these blasts that tie in a video testimonial. The video was presented to the Authority.

The Authority was informed a formal invitation is forthcoming from Live Nation regarding a major announcement to be made February 22 at 10:00 a.m.

The 4<sup>th</sup> annual golf charity event is scheduled for May 13 at Virginia Beach National. The chosen charities this year are: Children's Hospital of the Kings Daughters, Seton Youth Shelters, and the Virginia Beach Travel and Tourism Foundation.

Regarding the Kemps Landing, RFI discussions have been completed with the companies entailed in the four proposals received. A recommendation will be brought to the Authority in the near future.

Regarding Burton Station, it was reported the necessary infrastructure is at 90% design. Anticipate having RFP out by the end of summer. Another public meeting will be scheduled soon. The Scope of Services for the golf course and transportation was provided to the City of Norfolk.

### 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
- February Marketing Travel Highlights

Mr. Hall noted the City of Virginia Beach as a business location is looked at favorably and responses from consultants are positive.

This PowerPoint report is hereby incorporated into these minutes.

## **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). **(Princess Anne Commons)**
2. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community, pursuant to Va. Code § 2.2-3711(A)(5). **(Oceanfront)**
3. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, pursuant to Va. Code § 2.2-3711(A)(7). **(Princess Anne Commons)**

MOTION: Jerrold L. Miller  
SECOND: Shewling Moy Wong  
APPROVED: 10-0

Luke Hillier left meeting during Closed Session.

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: Prescott Sherrod  
APPROVED: 9-0

There being no further business, the meeting was adjourned.

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John W. Richardson, Chair