

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
SEPTEMBER 15, 2020 MINUTES

The City of Virginia Beach Development Authority (“VBDA”) held its regular meeting on Tuesday, September 15, 2020, at 8:30 a.m. in the Economic Development Town Center Boardroom at 4525 Main Street, Suite 700, Virginia Beach, VA, pursuant to notice given by the Chair.

Full video of item presentations and discussions can be viewed on our website at the following link - <https://www.yesvirginiabeach.com/about-us/Pages/development-authority.aspx>

MEMBERS PRESENT: Dorothy Wood, Chair
Lisa M. Murphy, Vice-Chair
William Brunke, Treasurer
Joseph Strange, Assistant Secretary
William Brown, Commissioner
W. Taylor Franklin, Commissioner
Mike Standing, Commissioner

ADVISORS PRESENT: Taylor Adams, Director of Economic Development
Ron Williams, Deputy City Manager
Alexander Stiles, Senior City Attorney
Rosemary Wilson, Council Member Liaison
Vicki Kelley, VBDA Clerk
Svetla Tomanova, Marketing Assistant

The following Staff members attending the meeting only during their presentations to the Board as needed.

Charlie Bauman, Business Development Manager
Laura Hayes, Business Development Coordinator
David Couch, Business Development Administrator
Letitia Langaster, Business Development Manager
Ihsane Mouak, Project Development Manager
Sean Murphy, VBDA Accountant
Jeffrey Smith, Business Development Manager
Cole Trower, Business Development Manager

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki Kelley

OPEN FLOOR

No public speakers

ANNUAL MEETING

- Chair, Dot Wood asked Mr. Strange for the recommendations for Officers. Recommendations were accepted by the Board as follows:
 - Lisa Murphy – Chair
 - Joseph Strange – Vice Chair

- William Brunke - Treasurer
- David Bernd – Secretary
- Taylor Franklin – Assistant Secretary
- Taylor Adams – 2nd Assistant Secretary

MOTION: William Brown
 SECOND: Mike Standing
 APPROVED: 7-0

REGULAR MEETING

1. Approved Minutes
 - August 18, 2020.

MOTION: William Brunke
 SECOND: Joseph Strange
 APPROVED: 7-0

REVIEW OF FINANCIAL POSITION

2. Sean Murphy gave the monthly financial overview
 - Presentation attached

Operating Account Summary: August 2020

Beginning Cash	\$4,529,135
Significant Cash Receipts	
✓ \$2,412 of interest income	
Significant Cash Disbursements	
✓ \$13,000 to Globalinx for conduit management fee	
✓ \$1,500 for the 2 nd half FY2020 VBDA Commissioner stipend	
Ending Cash	\$4,514,602

Incentive Account Summary: July 2020

Beginning Cash	\$6,659,999
Significant Cash Receipts	
✓ \$772 of monthly interest income	
Significant Cash Disbursements	
✓ \$10,534 of Part B award payments to Hyatt Place Pembroke Park	
✓ \$96,078 of Part E award payments	
✓ \$483,000 Commonwealth Opportunity Fund award payment to LifeNet Health	
✓ \$10,285 of Bio Initiative funding for Bio Accelerator monthly rent	
Ending Cash	\$6,060,874

Incentive Account Summary: July 2020

Ending Cash held by VBDA	\$6,060,874
PLUS: EDIP and other Receivables	\$7,984,609
LESS: Payables and Commitments	<u>\$12,005,006</u>

Ending Available Funding **\$2,040,477**

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM – (EDIP)

3. Resolution approved authorizing an EDIP award to Prufrex USA Inc., in the amount of \$120,000
 - Presentation attached

MOTION: Taylor Franklin
SECOND: Joseph Strange
APPROVED: 7-0

4. Approved an amendment to just enacted Resolution to give Prufrex USA Inc. 6 months to meet their obligation for the Commonwealth Opportunity Grant, if not met, then the VBDA can pursue a fifty percent (50%) repayment of the \$120,000 grant.

MOTION: Lisa Murphy
SECOND: Brunke
APPROVED: 7-0

5. Resolution approved authorizing an amendment to prior EDIP-Part E Resolutions to expedite payment of awards.

MOTION: Lisa Murphy
SECOND: William Brunke
APPROVED: 7-0

Taylor Franklin, William Brunke and Lisa Murphy abstained from voting on certain individual applications as detailed in partial abstention letters attached to these minutes.

ADMINISTRATIVE INFORMATION

6. Chair Dot Wood welcomed our newest Commissioner Guenter Weissenseel
 - See video of meeting
7. Director, Taylor Adams shared an update on the Cares Act Grant:
 - See video of meeting
8. Taylor Adams and Lisa Murphy presented Dot Wood with a plaque for her years as Chair of VBDA.

CLOSED SESSION

The VBDA 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:

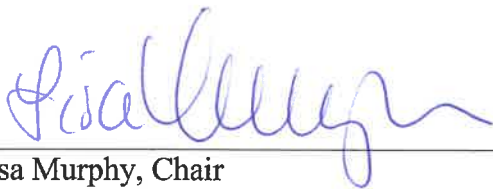
Motion: Lisa Murphy
Second: William Brunke
Approved: 7-0

CONTRACTS: 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).

PUBLICLY-HELD PROPERTY: 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).

PROSPECTIVE BUSINESS OR INDUSTRY: 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).

Motion: Lisa Murphy
Second: William Brunke
Approved: 7-0



Lisa Murphy, Chair



August 18, 2020

Ms. Vicki L. Kelley
Clerk, Virginia Beach Development Authority
4525 Main Street, Suite 700
Virginia Beach, Virginia 23462

Re: Abstention/Disclosure Pursuant to Conflict of Interests Act § 2.2-3114(E)&(G)

Dear Ms. Kelley:

1. I am executing this written disclosure and abstention regarding the City of Virginia Beach Development Authority's discussion and/or vote on the approval of multiple grants under Part E of the EDIP Policy.
2. Based on my review of the excel spreadsheet provided, as well as an analysis of the same performed by my employer, we have determined that forty-six (46) of the applicants, or their landlords, under consideration by the Authority for a Part E grant utilize the legal services of my employer, Willcox & Savage, P.C.
3. I have a personal interest in Willcox & Savage, P.C. located at 440 Monticello Avenue Suite 2200 Norfolk, Virginia 23510.
4. Therefore, I will abstain from voting on the proposed grants to the applicants identified on Exhibit A, attached hereto and incorporated herein.

Please record this declaration in the official records of City of Virginia Beach Development Authority. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lisa M. Murphy', written in a cursive style.

Lisa M. Murphy
Vice Chair

LMM/AWS

EXHIBIT A

B.H. Lewis Enterprises -
Blesto Restaurants DBA Pop's Diner Co. -
Centerville Bingo Inc. -
Dancesport Inc. -
Dr. Laura F. Dabney, MD, PC -
Global One Inc S. Jafri - 2nd application -
Hammer Fitness & Sports Performance -
Penang of Virginia Beach Inc. -
Rockefeller's Inc. -
Selective Search Inc./Double Take -
Tequila Inc/El Azteca Mexican Restaurant possibly 2nd submission -
THE MELTING POT (28 EMPLOYEES) -
TIDEWATER CLIPPERS LLC, GREAT CLIPPS (98 EMPLOYEES) -
Warriors Grill Inc -
3 Sisters VA LLC -
Back Bay Brewing -
Bay Cafe / Hot Tuna -
BEAUTY BUCKETS -
BEECROFT & BULL LTD -
BEST LAW OFFICE -
Blue Monkey Vapes, Inc -
FIDELITY SOUND REINFORCEMENT INC -
FITNESS RESOURCES INC -
GREENLIGHT FITNESS, LLC/FIT BODY BOOT CAMP -
Jai Mahadev LLC -
John D. Hooker Jr & Associates -
PHASE SALON -
Sai Rama Inc -
SAKURA POKE BOWL & SUSHI -
SHARPS BARBERSHOP -
Sloppy Seconds Grill LLC -
The Makeup School By Sarah Rillon -
The Nature Bus/Nature Kids LLC -
Top Shelf Art LLC/Red 5 -
Twin Tiger Ice Cream & Funnel Cake Cafe -
Beach Eye Care -
Audio Pros. INC. -
BBH Hughes Corp. -
Virginia Aquamarine & Marine Science Center Foundation, Inc. -
HLF Rock Inc/Venue 112 -
Iceland of Hampton Roads Inc -
Nail Design LLC -
Allergy & Asthma Center -
Porpoise Prints -
Rinaldo's Second Generations -
Sandbridge Tattoo/Altman Creations -



August 18, 2020

Ms. Vicki L. Kelley
Clerk, Virginia Beach Development Authority
4525 Main Street, Suite 700
Virginia Beach, Virginia 23462

Re: Abstention/Disclosure Pursuant to Conflict of Interests Act § 2.2-3114(E)

Dear Ms. Kelley:

Pursuant to the State and Local Government Conflict of Interests Act, I make the following declaration:

1. I am executing this written disclosure and abstention regarding the City of Virginia Beach Development Authority's discussion and/or vote on the approval of multiple grants under Park E of the EDIP Policy.
2. Five (5) of the applicants under consideration for a Part E grant are tenants of the Franklin Johnston Group Management & Development, LLC ("FJG"), or their landlords are affiliates of FJG.
3. I have a personal interest in FJG, located at 300 32nd Street, Suite 310, Virginia Beach, Virginia 23451.
4. Therefore, I will abstain from voting on the proposed grants to the recipients identified on Exhibit A, attached hereto and incorporated herein.

Please include this disclosure in the official records of the City of Virginia Beach Development Authority. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Taylor Franklin".

W. Taylor Franklin
Commissioner

WTF/AWS

Exhibit A

Tidewater Clippers LLC, Great Clips

Beacroft & Bull LTD

Fitness Resources Inc.

Greenlight Fitness, LLC/Fit Body Boot Camp

Top Shelf Art LLC/Red 5



August 18, 2020

Ms. Vicki L. Kelley
Clerk, Virginia Beach Development Authority
4525 Main Street, Suite 700
Virginia Beach, Virginia 23462

Re: Abstention/Disclosure Pursuant to Conflict of Interests Act § 2.2-3114(E)

Dear Ms. Kelley:

1. I am executing this written disclosure regarding the City of Virginia Beach Development Authority's (the "Authority") discussion and/or vote on the approval of multiple grants under Part E of the EDIP Policy.

2. Brunke & Company, LLC provides services to three of the proposed recipients of a grant, or the landlord of that recipient.

3. I have a personal interest in Brunke & Company, LLC located at 2809 S. Lynnhaven Rd., Suite 300, Virginia Beach, VA 23452.

4. Therefore, I will abstain from voting on the proposed grants to the recipients identified on Exhibit A, attached hereto and incorporated herein.

Please record this declaration in the official records of City of Virginia Beach Development Authority. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Brunke". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

William J. Brunke
Commissioner

WJB/AWS

Exhibit A

Blesto Restaurants DBA Pop's Diner Co.
The Coop
Back Bay Brewing