

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
MARCH 16, 2021 MINUTES

The City of Virginia Beach Development Authority (“Authority”) held its regular meeting on Tuesday, March 16, 2021, 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: Lisa M. Murphy, Chair
Joseph Strange, Vice-Chair
W. Taylor Franklin, Assistant Secretary
William Brown, Commissioner
Penny Morgan, Commissioner
Guenter Weissenseel, Commissioner

MEMBERS PRESENT BY PHONE;
David Bernd, Secretary
Dorothy Wood, Commissioner

ADVISORS PRESENT: Taylor Adams, Director of Economic Development
Alexander Stiles, Senior City Attorney
Charles Bauman, Senior Business Development Manager
David Couch, Business Development Coordinator
Laura Hayes, Business Development Coordinator
Blake Huffman, Interim Accountant, VBDA
Vicki Kelley, VBDA Clerk
Letitia Langaster, Business Development Rep II
Olivia O’Bry, Executive Assistant
Lyndon Remias, City Auditor
Jeffrey Smith, SWAM Business Coordinator
Svetla Tomanov, Marketing Assistant
Ray White, Business Development Coordinator
Kathy Warren, Planning and Community Development

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki Kelley

Chair, Lisa Murphy, began the meeting at 8:30 a.m.

OPEN FLOOR
No public speakers

REGULAR MEETING

1. Approved Minutes
 - December 15, 2020

MOTION: William Brown
SECOND: Dot Wood
APPROVED: 10-0

REVIEW OF FINANCIAL POSITION

2. Blake Huffman gave the monthly financial overview for February 2021
- See video of meeting
 - Presentation attached

Operating Account Summary: February 2021

Beginning Cash	\$ 4,609,668
Significant Cash Receipts	
✓ None	
Significant Cash Disbursements	
✓ \$13,390 to Globalinx for Feb conduit management fee	
✓ \$13,390 to Globalinx for Mar conduit management fee	
✓ \$10,000 to TIP Strategies, Inc for Economic Development strategic plan	
Ending Cash	\$4,577,491

Incentive Account Summary: February 2021

Beginning Cash	\$ 4,624,322
Significant Cash Receipts	
✓ \$2,407,760 of CARES Act funding held by City	
Significant Cash Disbursements	
✓ \$81,950 of Part A and award payments	
✓ \$2,464,677 of CARES Act award payments	
✓ \$356,508 of Bio Initiative funding for	
✓ Bio Accelerator rent (\$10,285)	
✓ Bio Accelerator management fees and reimbursable expenses (\$342,070) (two months)	
✓ Bio Park engineering fees (\$4,135)	
Ending Cash	\$4,122,901

DEVELOPMENT AUTHORITY FACILITIES

3. Approval to utilize accrued funds for capital improvements at Virginia Beach National Golf Course
- See video of meeting
 - Presentation attached

MOTION: Taylor Franklin
SECOND: Guenter Weisenseel
APPROVED: 6-0

CORPORATE PARKS

4. Direction to proceed forward to issue an RFI for development of industrial space at VBDA corporate parks.
- See video of meeting

ECONOMIC DEVELOPMENT INCENTIVE PROGRAM (EDIP)

5. Approved a Resolution authorizing an EDIP Part A award in the amount of \$20,000 for Integrity Bank for Business (an organization).
 - See video of meeting
 - Presentation attached

MOTION: Taylor Franklin
SECOND: Joseph Strange
APPROVED: 5-0-1

Lisa Murphy abstained from voting on this and abstention letter attached to these minutes.

Ray White read a response letter from the CEO of Integrity Bank for Business.

- See video of meeting
6. Director Taylor Adams asked that ABW Virginia Beach LLC (dba) New Realm Brewing Company be deferred until the next monthly meeting.
 - See video of meeting

ADMINISTRATIVE INFORMATION

7. Chair, Lisa Murphy made announcements.
 - Our previous Chair, Dot Wood had an accident and was participating by phone as she was home recovering. Chair Murphy wished her a speedy recovery.
 - Chef, Jesse Wykle of Aloha Snacks won against Bobby Flay on the Food Network Show Beat Bobby Flay.
 - i. See video of meeting
8. Director Adams shared updates and a video of Virginia Beach projects.
 - See video of meeting

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: Taylor Franklin
Second: Joseph Strange
Approved: 6-0

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).

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: Taylor Franklin
Second: Joseph Strange

Approved: 6-0

Board Members reconvened into Open Session to vote on an item that was brought to their attention during the Closed Session.

Chair Murphy announced, there was a report given by City Auditor, Lyndon Remias during Closed Session, regarding a loan to Vanguard Landing Inc., currently in default. In connection with the default, the City Attorney's Office has advised we needed to go back to Open Session and vote to give staff direction in this matter.

Staff was directed to give notice of default to Vanguard Landing as provided for in the promissory note. The notice was to advise that the Authority would forebear immediate acceleration of sums due for sixty (60) days on the condition that the City Auditor be given full access to all of Vanguard Landing's books and records within ten (10) days.

Motion: Taylor Franklin
Second: Guenter Weissenseel
Approved: 6-0

Chair Murphy adjourned the meeting at 9:52 am



Lisa Murphy, Chair



March 16, 2021

Ms. Vicki Kelley
City of 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 regarding the City of Virginia Beach Development Authority's discussion and/or vote on the award of an Economic Development Investment Program (EDIP) funds grant to Integrity Bank for Business (the "Applicant"), whose address is 2901 S. Lynnhaven Road, Suite 100, Reflections IV, Virginia Beach, Virginia 23452.

2. Willcox Savage is a service provider for the Applicant, and I am employed by, and have a personal interest in, Willcox Savage, and I work in their office at 440 Monticello Avenue, Suite 2200, Norfolk Virginia 23510.

4. The City Attorney's Office has advised me that although I have a personal interest in this transaction, because I do not personally provide services to the applicant, the Act provides that I may participate in the Authority's discussion and vote on this application, upon disclosure of this interest. I have nevertheless chosen to voluntarily abstain from the Authority's consideration of this matter.

Accordingly, I respectfully request that you record this declaration in the official records of the Authority.

Thank you for your assistance and cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa M. Murphy".

Lisa M. Murphy
Vice Chair

LMM/AWS