

An aerial photograph of Virginia Beach at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, a teal-colored rectangular box contains white text. The background shows a cityscape with various buildings, including a prominent tall building with a pointed roof and a 'WESTIN' sign, and a large parking lot filled with cars. The city extends to the ocean in the distance.

# VBDA Monthly Update

City of Virginia Beach Development Authority

September 21, 2021

# Operating Account Summary: August 2021

## Account Activity – August 1 – August 31, 2021

- **Significant Cash Receipts**

- ✓ **\$19,599.90** VB National Golf rent and Capital Improvement

- ✓ **\$18,763.42** VB National Golf rent and Capital Improvement

- ✓ **\$500,000.00** Vanguard Landing

- ✓ **\$ 19,081.50** Norfolk EDA Bond Admin Fee

- Total Received** **\$540,344.82**

- **Significant Cash Disbursements**

- ✓ **\$ 2,950.00** Commissioner stipends

- ✓ **\$ 5,336.69** Utilities

- ✓ **\$26,780.00** Globalinx Data Center

- ✓ **\$ 13.77** Bank fees

- ✓ **\$101,534.82** City Treasurer Golf – Rent (VBDA annual transfer of rent revenue to City)

- ✓ **\$ 3,803.11** Architectural/Engineering Consulting Fees

- Total Expended** **\$140,418.39**





Learn more at  
**[www.VBgov.com/RippleEffect](http://www.VBgov.com/RippleEffect)**  
Navigating the Decision

September 14, 2021

# CITY OF VIRGINIA BEACH, VIRGINIA

## ECONOMIC DEVELOPMENT STRATEGIC PLAN

Virginia Beach Development Authority

Tuesday September 21st, 2021







# STRATEGIES

## ABOUT US

- ▶ Founded in 1995
- ▶ Based in Austin, TX, with offices in Seattle and Boston
- ▶ Over 500 consulting engagements in 44 states

## OUR PROJECT TEAM



**Tom Stellman**  
CEO/Founder



**Alex Cooke**  
SVP, Consulting

## SERVICES

- ▶ Strategic planning
- ▶ Economic analysis
- ▶ Workforce assessment
- ▶ Talent strategies
- ▶ Organizational development

## SAMPLE CLIENTS

- ▶ Greenville County, SC
- ▶ Richmond, VA
- ▶ Charleston County, SC
- ▶ Richland County, SC (Columbia)
- ▶ Delaware Prosperity Partnership
- ▶ Montgomery County, MD

# TIP'S PLANNING PROCESS

## 1. Quantitative analysis

- ▶ *Population & demographics*
- ▶ *Workforce characteristics*
- ▶ *Housing characteristics*
- ▶ *Industries & occupations*

## 2. Stakeholder input

- ▶ *Stakeholder phone interviews – over 30 participants representing VBDED staff, City administration, businesses, regional and state economic development partners, and real estate professionals*

## 3. Real estate review

- ▶ *Benchmark data analysis*
- ▶ *Review of key economic development sites in the city*



# PLAN FRAMEWORK

# VISION

*Virginia Beach is a global destination for premier investment, talent, innovation, and jobs.*



# MISSION

*The Virginia Beach Department of Economic Development drives economic vitality and inclusive prosperity in the city by fostering the attraction and creation of new investment, innovation, and jobs.*

# GOALS



## **Local Business Growth & Entrepreneurship**

*Foster an environment of growth and success for existing businesses and entrepreneurs.*



## **Domestic & International Business Development**

*Position Virginia Beach to compete with any community in the nation for new, high-quality investment and jobs.*



## **Sites & Infrastructure**

*Ensure that Virginia Beach has the sites and infrastructure to compete for high-wage employment, new capital investment, and business growth.*



## **Talent & Workforce**

*Expand the talent base and strengthen connections between workforce assets and local employers.*



# **RECOMMENDED STRATEGIES**

# LOCAL BUSINESS GROWTH AND ENTREPRENEURSHIP

1. Expand VBDED's existing business visitation program.
2. Raise the profile of VBDED's business retention and expansion (BRE) program and VB Hive within the region's business community.
3. Create a soft landing space and support program within VB Hive for young emerging businesses located inside and outside of Virginia Beach.
4. Support youth entrepreneurship programs at the local level to foster a culture of innovation and cultivate an entrepreneurial spirit.
5. Tell entrepreneurial success stories.





# DOMESTIC AND INTERNATIONAL BUSINESS DEVELOPMENT

- ▶ Build relationships with real estate brokers and national site selectors.
- ▶ Focus business development efforts on emerging strategic growth sectors.
- ▶ Position Virginia Beach as a desirable landing spot for emerging companies in larger mid-Atlantic metros such as Charlotte and Washington DC.
- ▶ Develop potential investment leads through the BRE program.
- ▶ Generate leads for economic development prospects from nontraditional sources.
- ▶ Leverage Virginia Beach's position as a tourism destination to support business attraction.
- ▶ Collaborate with the Hampton Roads Alliance and other regional partners to attract new investment to the region.
- ▶ Pursue new foreign direct investment business opportunities for Virginia Beach through international business development with markets in UK, Spain, and Germany.



# INTERNATIONAL RECRUITMENT STRATEGIES

1. Partnerships with trade organizations
  - ▶ Building a network of multipliers to reach companies
  - ▶ A member of 12+ international trade groups
    - ▶ Renewables – Spanish Association of Wind Energy, Renewable UK
    - ▶ Bio – Asebio, Oxford Biotech Network
    - ▶ Governmental Organizations – SPRI (Basque Country Export and Investments)
2. Sponsor and participate in international conferences and trade shows
3. Marketing Missions
  - ▶ Meetings with prospects, retention and expansion, and trade shows
4. Host prospective companies and international delegations
  - ▶ Showcase local quality of life, business districts, conduct site visits, meetings with international advisory committee
5. Proposed International Incubator



# INTERNATIONAL PROSPECTS AND PROJECTS

- ▶ VBDED in contact with over 44 international companies, with eleven probable projects (25%)
- ▶ Project Video, Information Technology, North American Headquarters locating in Virginia Beach October 1, 2021(UK)
  - ▶ In Proposed International Incubator
- ▶ Project Stripes, Warehouse and Distribution (Spain)
- ▶ Project Lightening, Manufacturing (Germany)



# OFFSHORE WIND WEEKEND

- ▶ Virginia Beach hosted the Business Network for Offshore Wind 2021 International Partnering Forum (IPF) Pre-Conference Weekend
- ▶ Companies represented: 113
- ▶ Countries represented: 7 (UK, Germany, Spain, Belgium, Norway, Denmark, Netherlands)
- ▶ Spent: \$95,343.03
- ▶ Virginia's Secretary of Commerce and Trade signed an MOU during IPF with the Basque Country of Spain due to the direct facilitation of our office





# INTERNATIONAL PROJECTS

Six Projects are in the renewable energy sector

- ▶ Progressed by IPF Pre-Conference Weekend
- ▶ Project Rise, offshore installation, has a physical Virginia Beach office (UK)
- ▶ Project Harbor and Project Cable, onshore and offshore workforce, positioned to join the international incubator (UK)
- ▶ Project Fisher, offshore manufacturing and support, conducting site visits (UK)
- ▶ Project Pipe, offshore manufacturing (UK)
- ▶ Project Green, solar, North American Headquarters (Spain)



# SITES AND INFRASTRUCTURE

1. Expand the inventory of sites and buildings suitable for advanced manufacturing and other high-wage employment sectors.
  - ▶ Manufacturers that are looking for a large, high-quality space in Virginia Beach have very little to choose from.
  - ▶ As of the 2nd quarter of 2021, the vacancy rate for industrial space in Virginia Beach was only 1.7 percent, compared to 5.1 percent for the nation and 2.4 percent for the Hampton Roads region.
  - ▶ Of the 5.7 million square feet of industrial property under construction in Hampton Roads, less than 500k SF was rated as high-quality by CoStar (rating of 4 or 5 on a 5-star system).
  - ▶ There were no properties located in the City of Virginia Beach, either existing or under construction, that met the CoStar high-quality criteria.
2. Explore the development of a new greenfield business park on the 750 acres of City-owned land southwest of Innovation Park for light industrial use.



## SITES AND INFRASTRUCTURE (CONT.)

3. Identify older sites and buildings in existing commercial areas that could be candidates for redevelopment or renovation.
4. Continue working with NAS Oceana to identify, market, and develop underutilized land in and around the installation for new commercial development through the Future Base Design Initiative.
5. Continue using financial incentives and other tools to promote growth and development.
6. Advance the emergence of Town Center as the region's premier urban center.



# TAX INCREMENT FINANCING

- ▶ Tax increment financing (TIF) is a tool that local governments can use to publicly finance needed improvements to infrastructure and buildings in areas that would not otherwise attract market interest (“but for” test).
- ▶ A developer may pay the cost of approved public improvements associated with a private development and be reimbursed over time from the increment associated with the development of the area.
- ▶ The taxing unit can choose to dedicate all, a portion, or none of the tax revenue gained as a result of improvements within the TIF district.
- ▶ Some TIF best practices:
  - ▶ TIF development should support city’s economic development strategy.
  - ▶ Target areas in special need of development.
  - ▶ Solicit public input on proposed TIF-financed developments.
  - ▶ The project should remain viable even if it did not receive any TIF assistance.
  - ▶ TIF agreements should include measurable targets for success.
  - ▶ Publish progress reports on achieving project and development goals.





# TALENT AND WORKFORCE

1. Connect military personnel separating from service in the region with local employers.
2. Through the BRE program, directly engage with local employers to identify specific talent and workforce initiatives and connect them with state and local assistance and resources.
3. Promote the formation and expansion of industry sector councils to ensure the critical workforce and business competitiveness needs of each sector are addressed.
4. Support the talent recruitment efforts of major employers by providing them with marketing resources that effectively promote Virginia Beach to potential employees.
5. Deepen collaboration and ties with regional educational institutions.



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# QUESTIONS?

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# Bio Accelerator Update

Devin Cowhey | September 21, 2021

# Accelerator Updates

- Higher Ed Open House
  - September 22
- Partnership with VA Bio
  - Tenants will have their 1<sup>st</sup> year of membership
- Tenant Application for office space
- Working on an MOU for International Networks
- Invited to be on VA Bio's Panel at Accelerate 2022
- Sponsor of Women Building Bio





# VA Bio Membership

- VA Bio membership for the organization.
- A Virginia's Best Innovations Premium Sponsorship for THRiVE
  - Carry over until the rescheduled April 2022 event
- Sponsorship of the Insights CEO luncheon series.
- Sponsorship of the ten (10) Commercialization luncheons.
- A Marquee Level sponsorship at the 2021 Women Building Bio
- Tenants access:
  - Discounted Purchasing Programs
  - Access to database
  - Member pricing for our meetings and events

# International MOU

- Allow our partners and their member companies to have access to:
  - U.S. address
  - Programming
  - Co-working space when visiting
- Cultivate prospects for expansion in the U.S. market in Virginia Beach



# Questions?





# Hampton Roads Transit New Southside Bus Operating Division Facility – Corporate Landing Business Park

| September 21, 2021 | Virginia Beach Development Authority Briefing

# Disclosures

- Applicant Name: Hampton Roads Transit
- Project Management, Engineering & Land Planning: STV Inc.
- Architects: Dills Architects
- Real Estate: Colliers International



# Project Summary

- Letter of intent from HRT to purchase 11+/- acres of southeast portion of GPIN 241-12-2650 in Corporate Landing Business Park
- Real estate purchase price: \$200,000/acre or appraised value
- New \$47 to \$64 million Southside Bus Operating Division Facility at Corporate Landing Business Park
- 120 permanent jobs at full-build-out



# Project Summary continued...

- Development to meet new Corporate Landing Design Guidelines
- Utilizing offshore wind purchased from Dominion Energy / CVOW
- Potential cost participation in new Park access road and/or stormwater management improvements
- Use is exempt from real estate tax
- Will require Conditional Use Permit from City Council

# Project Purpose

- Regional Transit Service (RTS) is a 13-route regional backbone bus service linking the six cities it serves with 15-minute frequency and enhanced customer amenities.
- New facility will allow HRT to launch the Southside portion of the RTS program.
- Parks Avenue facility can not accommodate staff or vehicles needed for program and does not meet current transit needs.
- Replacement has been planned for over a decade as part of the Capital Improvement Program (CIP).





**LEGEND**

- OVERALL WETLANDS
- JURISDICTIONAL LAKE
- PROPOSED STORMWATER POND
- AVANGRID PARCEL
- AVAILABLE VIDA OWNED PROPERTY ZONED I-1 (ACREAGE DOES NOT INCLUDE PROPOSED STORMWATER PONDS)
- AVAILABLE VIDA OWNED PROPERTY ZONED I-1 (ACREAGE DOES NOT INCLUDE PROPOSED STORMWATER PONDS)

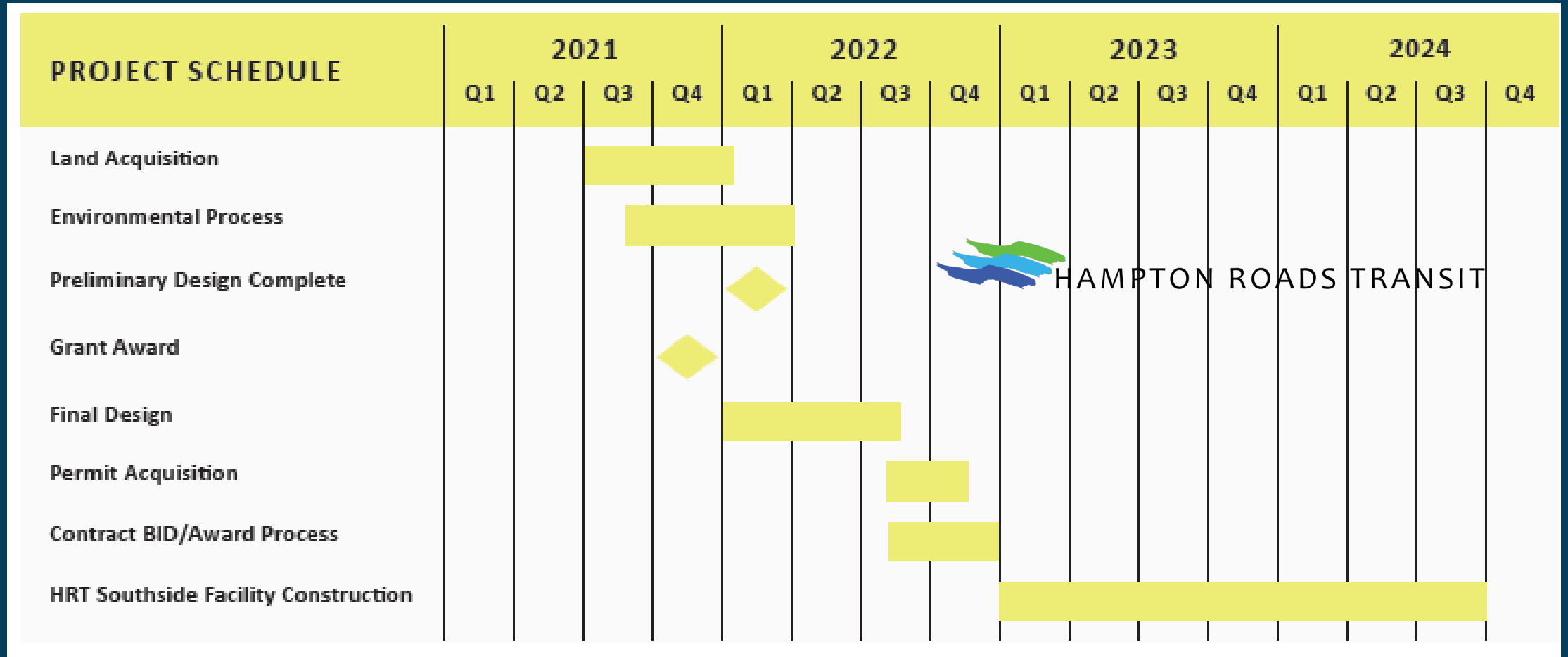
ZONED I-1, ETC. UNDERLYING CITY ZONING ORDINANCE CATEGORY  
MCO, RMD, ETC. CORPORATE LANDING COVENANTS AND RESTRICTIONS AND DESIGN CRITERIA CATEGORY

**GRAPHIC SCALE**

0' 300' 600' 1200'



# Project Schedule



HAMPTON ROADS TRANSIT



# Questions and Discussion





# 635 Lynnhaven Parkway- Sign Waiver Request



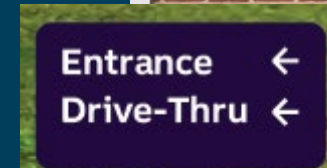
Virginia Beach Development Authority- Open Session  
September 21, 2021  
Ihsane Mouak

# Disclosure Statement

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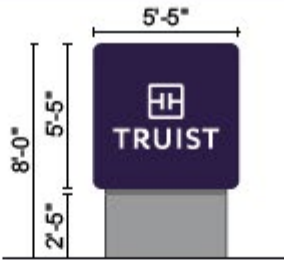
- Owner Name: Truist Bank
- Applicant Name: Damiane Handa
- Construction Contractor: Architectural Graphics, Inc.

# Signs Renewal





# Monument Sign- Height



Action:	Remove sign head & cladding and replace with new head & cladding on existing foundation
Sign Type:	MS30
Description:	5'-5" x 5'-5", 8' OAH Monument - Square - Purple Background (Head, Support & Reveal/Base Cladding)
Repair Action:	Ensure existing foundation is in good condition.
Signage Text:	Truist with monogram logo.
Comments:	N/A

EXISTING	Quantity:	1
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Height:	5'-7 3/4"	Available Height:	N/A
Width:	5'-8 3/4"	Available Width:	N/A

# Sign Waiver Request- Height

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Since this is a replacement sign on the existing pedestal, the owner is requesting a waiver for the height of the sign.

# Beach Fellowship Church Corporate Landing Business Park Land Purchase and Stormwater Easement

City of Virginia Beach Development Authority  
Open Session  
Ihsane Mouak  
September 21, 2021

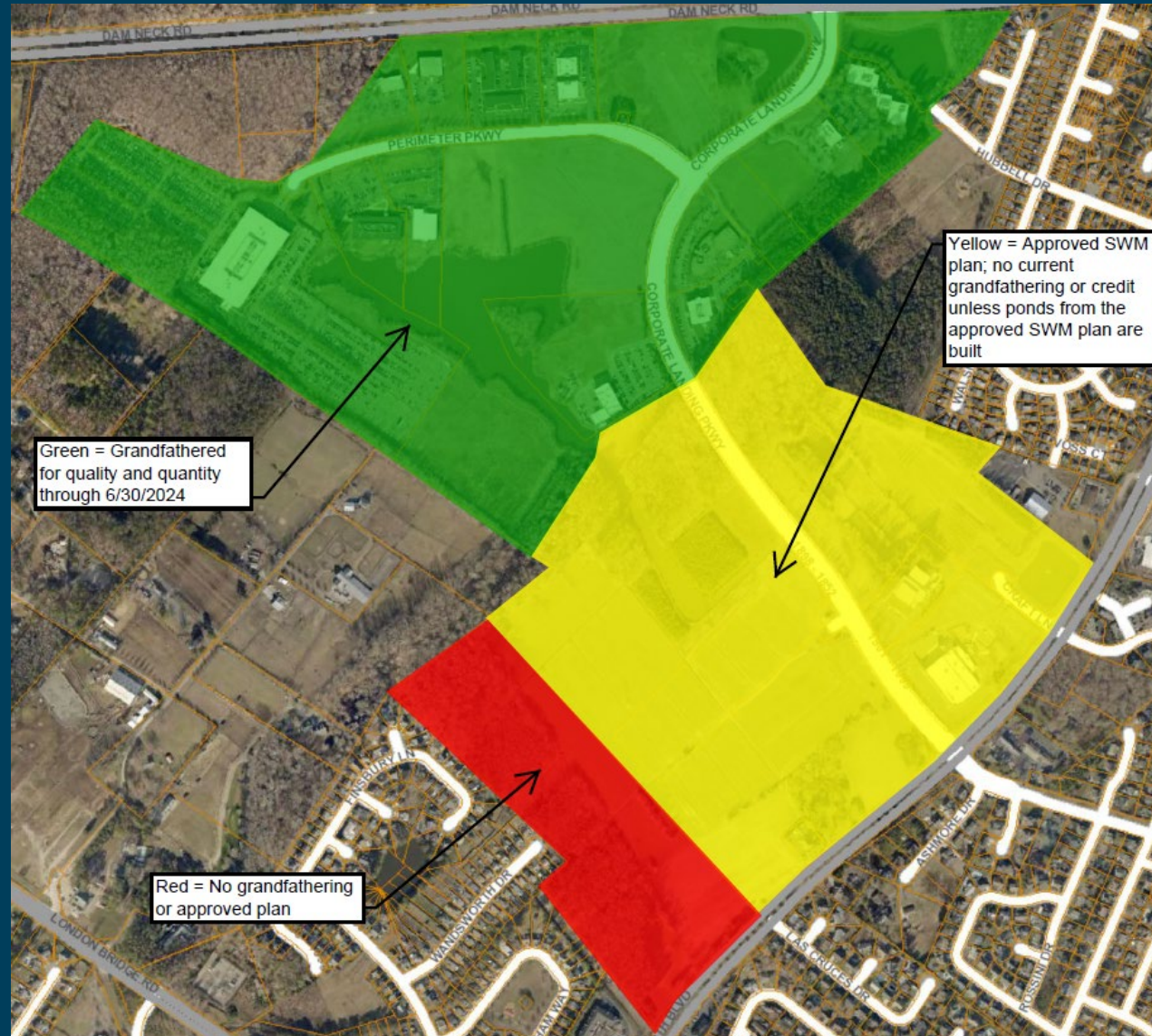




# Disclosure Statement

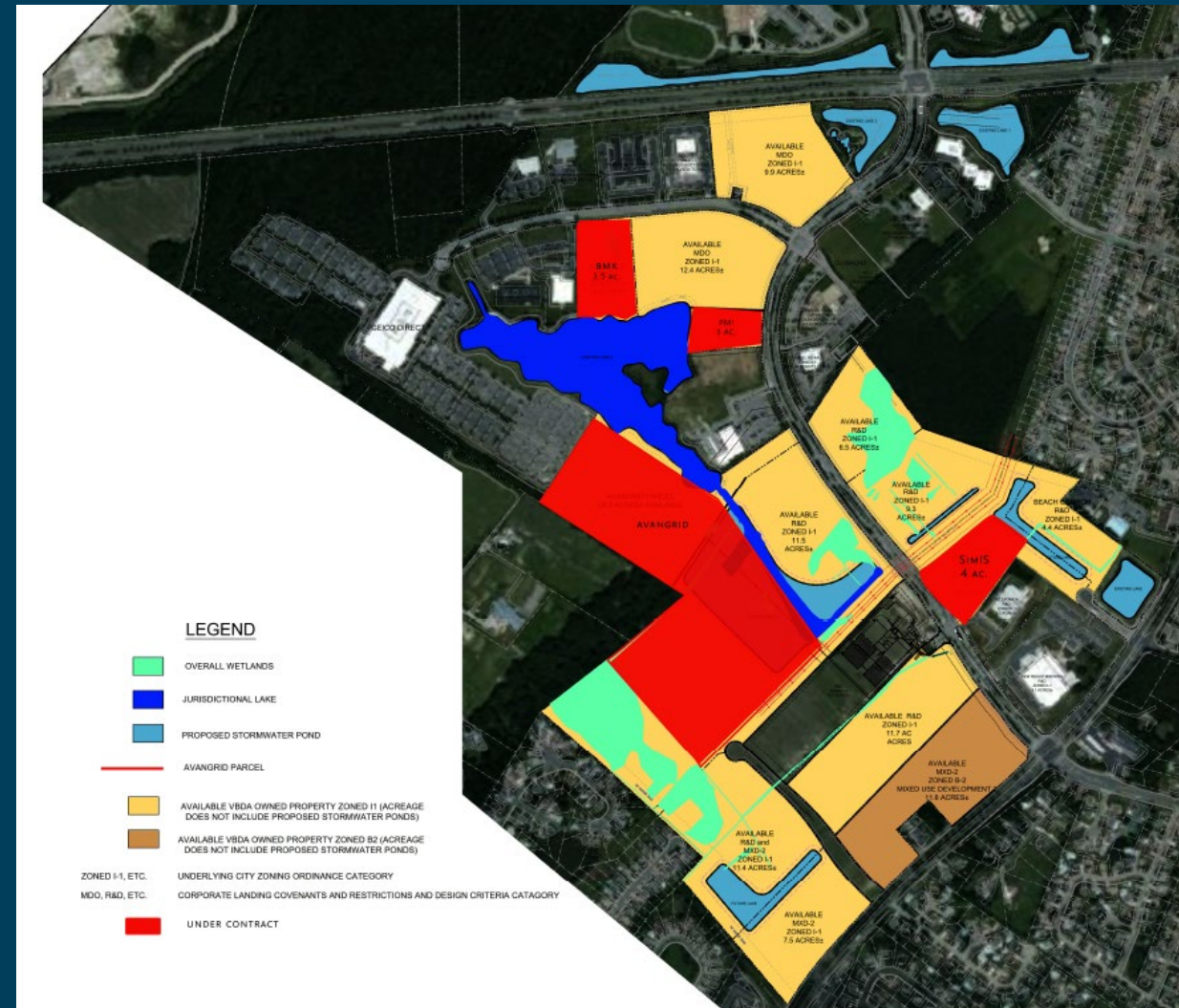
- Applicant: Beach Fellowship Church, Inc. Virginia Non-Stock Corporation
- Applicant Representative: Raymond Bjorkman and Joshua J. Coe, Esq.
- Officers: Raymond Bjorkman (President)- Elder (Director)- Jody Williams (Secretary)- Charles Gibson (Treasurer)- Carlos Solorzano- Elder (Director)
- Affiliated Business Entities: Beach Fellowship Operations, LLC.; Beach Fellowship Transportation, LLC.; Sonshine Preschool, LLC.;
- Accountant: Kim Painter- Barnes, Brock, Cornwell & Painter PLC
- Legal Services: Anchor Legal Group, PLLC- Attorneys Joshua J. Coe, Stephen D. Lentz and George Dillon III

# Corporate Landing-Stormwater Existing Conditions



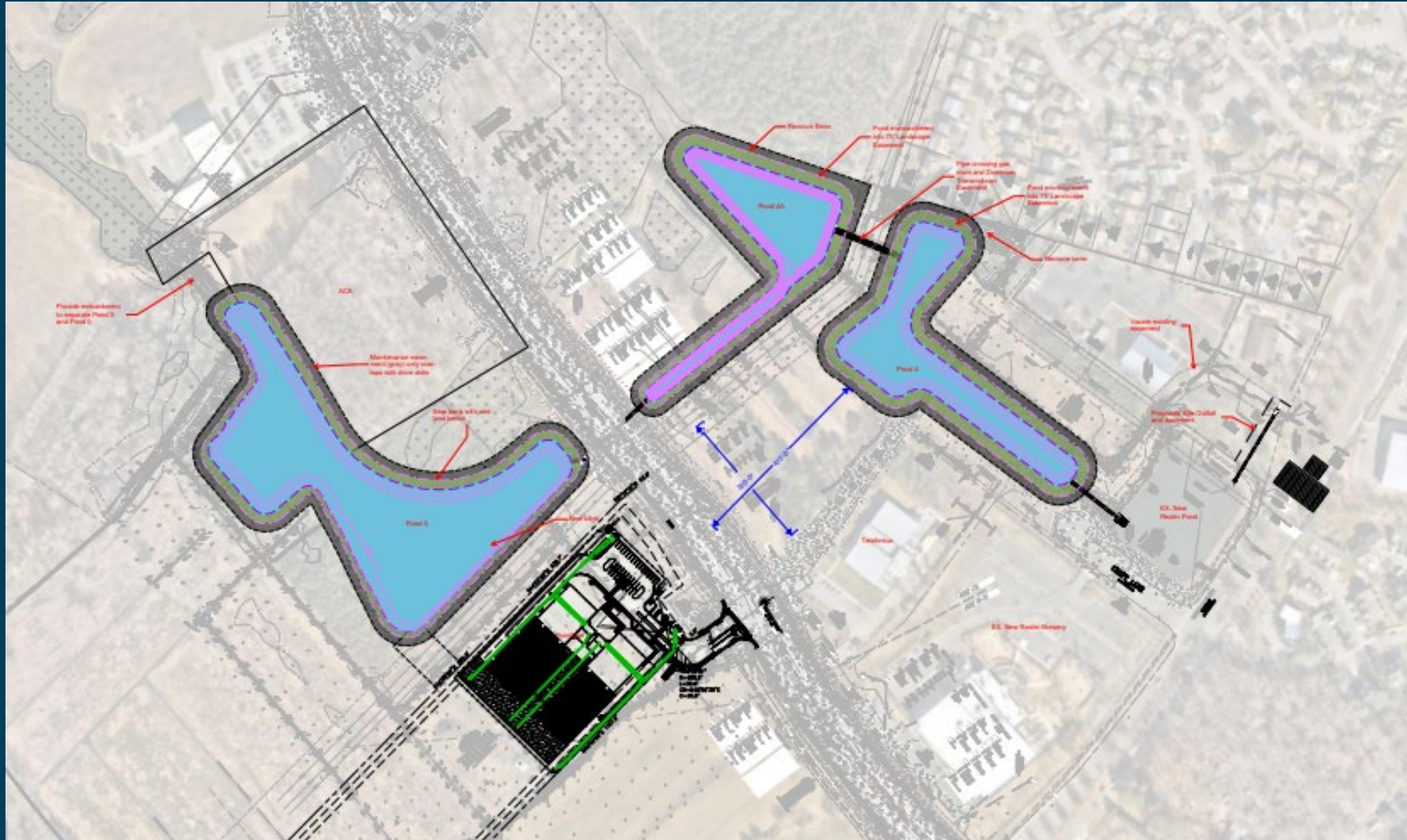


# Corporate Landing- Stormwater Revisions



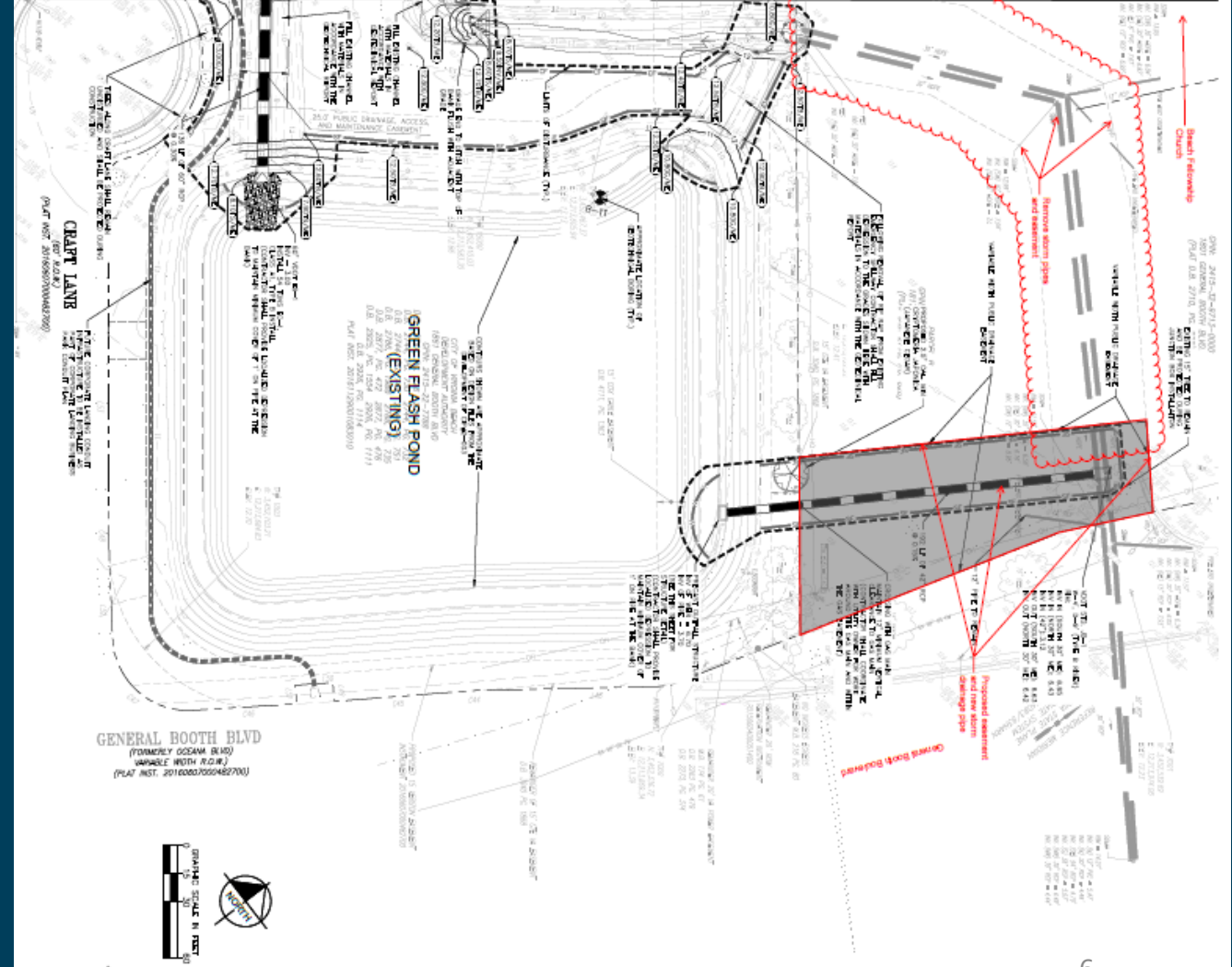


# Proposed Stormwater Revisions



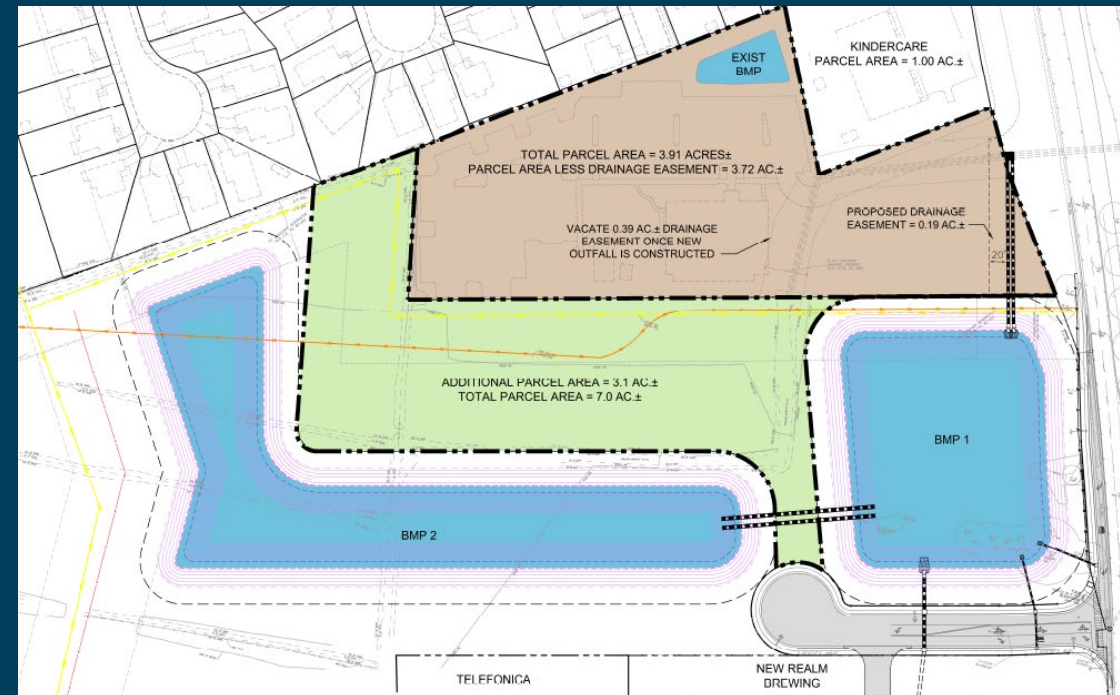


# Beach Fellowship Church (BFC)- Stormwater Easement



# Summary of Terms- Beach Fellowship Church (BFC)

- Price: \$200,000 per developable acreage (3.2 acres) = \$640,000
- A public drainage easement across the existing BFC site dedicated for new outfall is to be dedicated prior to closing on the property. The property is to be restricted to uses consistent with the non-profit mission of purchaser
- VBDA is to support vacation of the existing public drainage easement on the existing BFC site once a new outfall is constructed
- \$100,000 Credit for land purchase
- \$40,000 Credit for Stormwater
- Total parcel: +/- 7.7 acres
- Developable parcel: +/- 3.2 acres





# Recommendation

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Move forward with Land Purchase Agreement and Stormwater Easement as presented.

# International Incubator

VIRGINIA BEACH DEVELOPMENT AUTHORITY

AUGUST 17, 2021

# International Recruitment

- 3 Main International Markets: United Kingdom, Spain and Germany
- Benefits of Virginia Beach include:
  - ✓ Workforce
  - ✓ Lifestyle
  - ✓ Access to The Port of Virginia
  - ✓ One day drive to 47% of US Consumers
  - ✓ Cost of doing business
  - ✓ International Advisory Committee
- Want to add a new benefit– ease of establishing location

# International Incubator

- Incentive for business looking to locate in United States
- Most international businesses begin with a smaller US sales office, before growing to distribution and then manufacturing
- Meant for companies only needing 2 – 3 offices
- Synergies with other international companies new to US market
- Will partner with The Hive

# Incubator Terms

- Maximum 2 years
- Access to Conference Room
- Private Entrance
- Two offices equally a total of approximately 400 square feet
  - \$0.00 for the first 6 months
  - \$7.25 square foot for next 6 months, \$241.66 per month x 6- \$1,450
  - \$14.50 square foot for next 6 months, \$483.33 per month x 6 - \$2,900
  - \$20.25 square foot for the next 6 months, \$675 per month x 6 - \$4,050

\*Current lease is \$28.25 square foot



# First Tenant – Chorus Intelligence, Inc.

## DISCLOSURES

- Company: Chorus Intelligence Inc.
- Property Owner: Divaris

# Chorus Intelligence, Inc.

- Established in 2011 with a staff of 60
- Provides software to law enforcement agencies to help solve crime and protect the public
- Allows detectives and analysts to collect information, analyze data and disseminate intelligence and evidence for digital data
- Specifically targeted at serious and organized crime events like:
  - Gun Violence
  - Opioid Epidemic
  - Human Trafficking
  - ...and many more
- Award winning company – awarded the Queens Award for innovation

# Introducing Chorus Intelligence

UK Policing – 80% of agencies use our software



HEDDLU  
GOGLEDD CYMRU  
NORTH WALES  
POLICE



GREATER MANCHESTER  
**POLICE**



HEDDLU  
TRAFNIDIAETH  
PRYDEINIG  
BRITISH  
TRANSPORT  
POLICE



## UK National Agencies

NATIONAL  
TRADING  
STANDARDS  
Protecting Consumers  
Safeguarding Businesses



Home Office



SFO | serious  
fraud  
office



HM Revenue  
& Customs



FINANCIAL  
CONDUCT  
AUTHORITY

## North American Policing



# Recommendation

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Approve sublease of Authority's space to Chorus Intelligence

QUESTIONS?





Eastern Data of Virginia , Inc.  
City of Virginia Beach Development Authority  
EDIP Recommendation  
September 21, 2021

Confidential

# Disclosures

## *Executive Leadership*

Robert Reich, CEO

Donny Reyes, COO

Michael Darden, CTO

## *Professional Services*

Accounting, DesRoches & Company

Banking, Truist Bank

Contractors, Moliar Group, LLC

Real Estate Broker, Bobby Beasley, Harvey Lindsey

# About The Company

- Headquartered in Virginia Beach, 563 Central Drive
- 35 years of experience providing Information Technology Services
- Services include Project Design, IP Telephony, Hardware, Software, Printer Repair & Sales, Networking, and Help Desk
- Work with Local, Regional, and National clients in Public and Private Sector
- Specialize in Healthcare, Retail, Manufacturing, Real Estate, and Insurance industries.



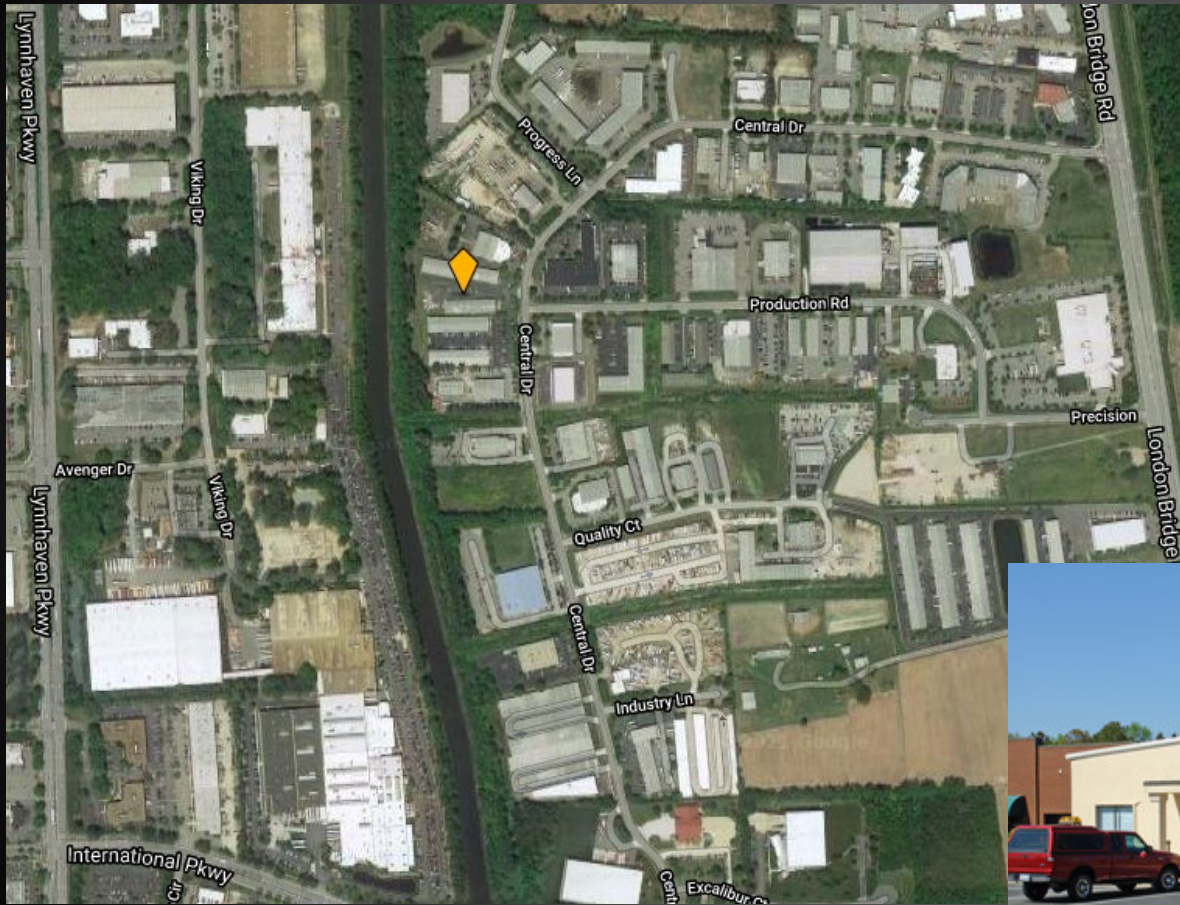
Confidential





# Current Location: 563 Central Drive

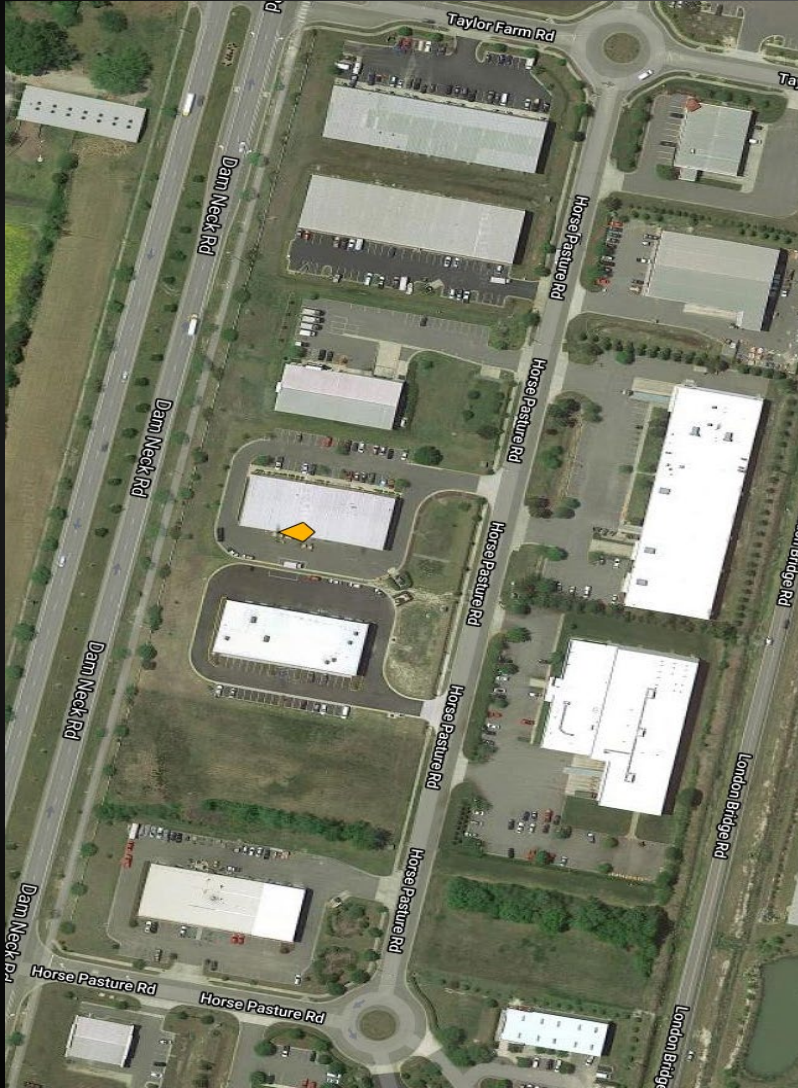
6,250SF



Confidential

# New Location: 2569 Horse Pasture Road

15,000SF



Confidential



# Project Summary

- Expanding and relocating HQ

✓ Address of Project:	2569 Horse Pasture Road
✓ Lease Term:	5 years (option to renew 5 additional at end of term)
✓ Acres:	1.81
✓ Total Building SF:	15,000 (includes 3,000 of warehouse)
✓ Year Built:	2012
✓ Zoning:	I-1
✓ Type of Facility/Use:	2 Story-Office/Warehouse
✓ Anticipated Completion:	December 2021

# Capital Investment and Jobs

(within 36 months)

JOBS	AMOUNT
RETAINED FTE'S	43
NEW FTE'S	10
TOTAL FTE'S:	53
AVERAGE ANNUAL SALARY (Exclusive of Benefits)	\$45,000

CAPITAL INVESTMENT	AMOUNT
REAL ESTATE	\$207,500
MACHINERY & TOOLS	\$ 20,000
FF&E	\$ 60,000
TOTAL:	\$287,500

# Recommendation

- Economic Development Investment Program (EDIP) Grant, Part A - \$20,000
  - ✓ *Pursuant to "Part A" of the EDIP Policy*
- Meets criteria "C-2" - \$2,000 in EDIP funds or less yields 1 FTE employment opportunity, salaries between \$35,000 - \$50,000
- Target industry sector:
  - ✓ *Information Technology*
  - ✓ *Corporate Office*

# Questions?