

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
MAY 17, 2022, MINUTES

The City of Virginia Beach Development Authority (“VBDA”) held its regular meeting on Tuesday, May 17, 2022, 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/vbda>

MEMBERS PRESENT: Lisa M. Murphy, Chair
Joseph Strange, Vice Chair
William Brunke, Treasurer
W. Taylor Franklin, Assistant Secretary
William Brown, Commissioner
Nneka Chiazor, Commissioner
Ronnie Parker, Commissioner

ADVISORS PRESENT: Taylor V. Adams, Deputy City Manager/Director of Economic Development
Alexander W. Stiles, Senior City Attorney
Kathy Warren, Deputy Director of Economic Development
Kaitlen Alcock, Planner II
Emily Archer, Project Development Manager
Charles J. Bauman, III, Senior Business Development Manager
Devin Cowhey, Business Development Manager
Katrina N. Flowers, VBDA Accountant
Laura D. Hayes, Business Development Coordinator
Steve Herbert, Consultant for Business Development
Olivia O’Bry, Executive Assistant II
Elisabeth D. Parker, Administrative Assistant
Svetla Tomanova, Business Development Rep
Raymond White, Business Development Coordinator
Deborah Zywna, Planner III

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki L. Kelley

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

OPEN FLOOR

No Public Speakers

REGULAR MEETING

MEETING MINUTES

1. Approval of Meeting Minutes, April 19, 2021.

MOTION: William Brunke

SECOND: Joseph Strange

APPROVED: 7-0-0

FINANCIALS

2. Katrina Flowers presented financials for April 2022.

Operating Account Summary: April 2022

Beginning Cash – April 1, 2022 \$4,338,348

Significant Cash Receipts

- Grand Total of Significant Cash Receipts - \$91,843

\$12,802	VB National Golf Club for Jan & Feb Operations Rent
\$26,104	VSBFA for Sentara Healthcare Bond Fee
\$40,387	Virginia Wesleyan University for Bond Fee
\$12,550	Charity Donation for Annual Business Appreciation Golf Tournament

Significant Cash Disbursements

- Grand Total of Significant Cash Receipts - \$125,907

\$13,792	Globalinx for Mar. Conduit Management Fee
\$13,792	Globalinx for Apr. Conduit Management Fee
\$11,923	Vanasse Hangen Brustlin, Inc. (VHB) for CL Road & Utilities Design
\$19,225	Kimley Horn for CL – Northeast Redesign Stormwater – Feb. 22
\$34,150	Kimley Horn for CL – Southwest Design Stormwater – Feb. 22
\$12,775	Kimley Horn for CL – Northeast Redesign Stormwater – Mar. 22
\$20,250	Kimley Horn for CL – Southwest Design Stormwater – Mar. 22

Ending Cash – April 30, 2022 \$4,372,955

Incentive & Initiative Account Summary: April 2022

Beginning Cash – April 1, 2022 \$3,821,503

Significant Cash Receipts

- Grand Total of Significant Cash Receipts - \$57,824

\$57,413	Reimbursables for Dome Site Project
\$411	Bank interest income

Significant Cash Disbursements

- Grand Total of Significant Cash Disbursements - \$38,916

\$ 3,853	Davis Advertising, Inc. – FIG is formerly known as DIP Grant
\$10,000	Virginia Coast Restaurant Group, LLC - FIG is formerly known as DIP Grant
\$ 3,042	Kimley Horn – A&E Services for Dome Site Studies
\$ 5,916	Feb. Legal Services for Dome Site
\$10,605	Olympia Bendix Two for May Bio Accelerator Rent
\$ 5,500	Facility Logix – Mar. – Bio Management Fee

Ending Cash – April 30, 2022 \$3,839,448

Incentive Summary Reporting: April 2022

Total Approved Appropriations (5yrs.) \$ 11.5 M

Fund Balance in City CIP \$ 5.984 M

Balance in VBDA EDIP \$ 1.960 M

Total Outstanding Commitments \$ 5.262 M

Remaining EDIP Funds \$ 2.682 M

Accountant Katrina Flowers shared with the Board that there will be a new appropriation of \$1.9 Million Dollars for the EDIP program for the new fiscal year effective July 1st.

BIO

3. Approval of an agreement with CAI for a Bio Challenge presented by Ms. Devin Cowhey

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

Discussion:

Secretary David Bernd asked why CareDx is involved with this. Devin Cowhey explained that CareDx has been working with the owner of CAI to find a partner and they felt this would be a good partnering opportunity knowing LifeNet is in our area.

Mr. Bernd also asked what the occupancy percentage of the BIO space was. Ms. Cowhey explained there are no signed leases presently, but the staff is working with a couple of companies to lease. We have let CAI know of the available space in the BIO Lab.

Vice-Chair Joseph Strange asked if this was our second agreement with CAI. Ms. Cowhey answered yes. Mr. Strange then asked how the VBDA felt about the first agreement.

Deputy City Manager Taylor Adams explained that during our first BIO Challenge CAI brought us 19 companies before we even had a lab. The Lab was a coming thing. We have seen and are satisfied with what CAI accomplished and look forward to working with them.

Chair Lisa Murphy said that the challenge we had with the first agreement was we had no space to put people in. Now that we have the space hopefully the Challenge will help us find winners to fill the space.

Ms. Cowhey shared that we have attempted to reach out to the companies and have not obtained the same results. Two years had passed since the first attempt in contacting these companies.

Mr. Adams also explained that it was important to note that we delayed the completion of the challenge for 15 months as we were still working on the property development in Innovation Park. The 19 companies waited on us to complete the BIO Lab. For those companies to hang on speaks to the strength of CAI and we believe they are the right partner for this project.

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

INNOVATION PARK

4. Approval of a Resolution authorizing the dedication of 40 acres to Architectural Graphics Inc., presented by Deputy City Manager Taylor Adams.

Mr. Adams recognized Jimmy Rainer and expressed appreciation for his partnership.

Discussion:

Treasurer William Brunke asked Mr. Adams if he could speak on the preservation land swap with the City and what the access would look like. And where is the access to the piece of property in yellow and what is the future of the property south?

Mr. Adams explained this would all have to be taken to City Council for approval. To try to develop the property in question, trees would have to be cut down and mitigation started, but there is no way that would be acceptable to the community, if that is what we must do we will. Personally, I don't believe that is the responsible thing to do. We like the screening it provides Princess Anne Road and the hardwood that is

there. So, we would like to swap this preservation land for the agricultural land on the south end. With this approval, I will move forward and ripen the plan with the City.

Mr. Adams added that Tournament Drive would be the access to this property and there would need to be some improvements to the right-of-way.

Mr. Bernd asked what a live oak grove was. Mr. Adams explained it was a plant nursery years ago. When the nursery closed down the live oak trees were growing and now, they have matured, and it is owned by the City.

MOTION: William Brunke
SECOND: Taylor Franklin
APPROVED: 6-0-1

Chair Lisa Murphy abstained from voting on this item and the letter of abstention is attached to these Minutes.

TOWN CENTER

5. The request for approval to exercise the final one-year renewal option for the Town Center Security Agreement with Divaris Property Management Corp was deferred until the June VBDA Meeting.
6. Approval of a Resolution authorizing an Open-Air Café proposal for 221 Central Park Ave. (Fountain Square Plaza) for Nando's Peri-Peri Chicken presented by Deborah Zywna.

Discussion:

Ms. Murphy explained this is being brought before the VBDA because we are the landlord of the café area, and the Open-Air Café Regulations is something that we enforce. Looking at this, it is about the same size that Bravo has for their outdoor café. The main difference is that the installation is a bit more of a permanent nature than what we have allowed in the past. This is more of approval of a modification and since the pandemic, outdoor dining is important to the restaurant business. This provides them the additional outdoor space. It looks like a very nice space just a little more permanent than what we have allowed in the past.

Commissioner Nneka Chiazor asked if the raised flooring would pose a problem for those with disabilities or in wheelchairs. Ms. Zywna explained by raising it would now be flush with the existing sidewalk.

Ms. Murphy asked if the existing area was lower than the rest of the sidewalk. Ms. Zywna explained the floating decking would make it flush with the rest of the sidewalk area.

Commissioner Ronnie Parker asked if everything we were discussing included just the outdoor space. Ms. Zywna explained the Restaurant has an indoor space that is privately owned, but this is just the outdoor space owned by the VBDA. This is the space where the Ann Taylor Loft was located.

Ms. Murphy asked how much indoor space is there versus the outdoor space. Ms. Zywna apologized that she did not know the size of the indoor space but agreed with Ms. Murphy that it might be a fifty/fifty of indoor and outdoor space.

MOTION: Nneka Chiazor
SECOND: Ronnie Parker
APPROVED: 7-0-0

ECONOMIC DEVELOPMENT

7. The request for a Resolution authorizing an EDIP Part A award in the amount of \$20,000 to United Property Associates was deferred until the June VBDA meeting.

ADMINISTRATIVE INFORMATION

8. Chair Lisa Murphy introduced Mr. Ronnie Parker as the newest VBDA member and asked him to share a little about himself.

Mr. Parker stated he had been a resident of Virginia Beach for quite some time by the way of the Military that brought his family to Virginia Beach by way of North Carolina, and he has a wife and twin children at home.

He has been looking around regionally as far as MSA's and making Virginia Beach more prosperous than we already are.

He is delighted to be here working with such a great group and looks forward to further expanding our region to become even more inviting for those to come to Virginia Beach

Ms. Murphy announced we would move on to number 10, the Director's Report and come back to items 9 A and B.

9. Director's Report:

Deputy City Manager Taylor Adams thanked the members of the VBDA for their support as we bring projects to them.

Mr. Adams recognized Nicole Riff, the Chief Strategy Officer with the Hampton Roads Alliance and thanked her for joining in the meetings the past few months.

Mr. Adams also announced that the City Council approved the Budget last week and announced he appreciated their hard work.

Chair Lisa Murphy asked if the VBDA appropriations were tied to the cigarette tax. Mr. Adams affirmed that the EDIP funds are carved out of the cigarette tax and are projected to be around 2.2 million dollars.

Ms. Murphy announced that we wanted to honor Dot Wood for her commitment to the VBDA at this time, but we will recess to a closed session and then reconvene to another open session to conserve time.

RECESS TO 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:

CONTRACT NEGOTIATION: 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). (*District 4, Innovation Park*)

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). (*District 4*)

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). (*District 4*)

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

RECONVENED INTO OPEN SESSION

CERTIFIED CLOSED SESSION


MOTION: David Bernd
SECOND: William Brunke
APPROVED: 7-0-0

Chair Lisa Murphy read a Resolution from the City of Virginia Beach to Dorothy L. Wood, honoring her eleven years of service to the VBDA, and presented her with a framed picture of Town Center.

Ms. Wood thanked everyone and shared that she has had a wonderful time with the City and appreciates all the support and asked everyone to take care of one another. Commissioner Joseph Strange shared that he and Ms. Wood had spent sixteen years together between the Planning Commission and the VBDA.

Ms. Murphy shared that we all appreciate Ms. Wood.

Chair Murphy adjourned the meeting at 10:20 am.



Lisa M. Murphy, Chair



May 17, 2022

Mrs. 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 § 2.2-3112

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 dedication of property located in the Innovation Park to Architectural Graphics, Inc. (the "AGI").
2. I have a personal interest in Willcox & Savage, P.C. located at 440 Monticello Avenue Suite 2200 Norfolk, Virginia 23510.
3. Willcox & Savage, P.C. provides services to AGI; therefore, I will abstain from voting on this matter.

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 blue ink that reads 'Lisa M. Murphy'.

Lisa M. Murphy
Chair

LMM/AWS/csk