

A RESOLUTION APPROVING THE SALE OF UP TO
5 ACRES OF PROPERTY LOCATED IN THE
INNOVATION PARK TO ACOUSTICAL
SHEETMETAL COMPANY LLC

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") is the owner of the Virginia Beach Innovation Park, consisting of approximately 128 acres, located along Princess Anne Road in the Princess Anne Commons area of Virginia Beach, Virginia (the "Innovation Park");

WHEREAS, the Authority conveyed approximately 19 acres of land located in the Innovation Park to Acoustical Sheetmetal Company LLC ("ASC") for the development of a two-phased project consisting of light manufacturing and office (the "Project");

WHEREAS, ASC has completed the first phase of the Project and has begun planning the second phase;

WHEREAS, ASC intends to build a larger facility in the second phase of the Project than originally planned, and desires to purchase up to five (5) additional acres of land located adjacent to ASC's current site from the Authority, as shown on Exhibit A attached hereto;

WHEREAS, in order to accommodate a larger facility on its current site and meet the parking requirements, ASC would need to move the parking area from its current site and relocate it to the property it desires to purchase from the Authority;

WHEREAS, the full terms and conditions of the proposed transaction are set forth on Exhibit B, attached hereto; and

WHEREAS, the Authority is of the opinion that the transaction as currently contemplated would help ASC expand its business and further advance development in the Innovation Park and be in the best interests of the Authority and the City of Virginia Beach.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. The Chair or the Vice Chair is hereby authorized to execute and deliver a Purchase Agreement with Acoustical Sheetmetal Company LLC or its affiliate for the sale of up to 5 acres of land in the area depicted on Exhibit A, attached hereto and made a part hereof, on the terms and conditions outlined on Exhibit B, attached hereto and made a part hereof, and such other

terms, conditions or modification as may be acceptable to the Chair or Vice Chair and in a form deemed satisfactory by the City Attorney.

2. The Chair or the Vice Chair is further authorized to execute and deliver all such other documents and agreements and to take all such actions as such officer and City Attorney may deem necessary or desirable in connection with the sale of the Property.

Adopted this 20th day of September, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:


City Attorney

EXHIBIT A

(Property Description)

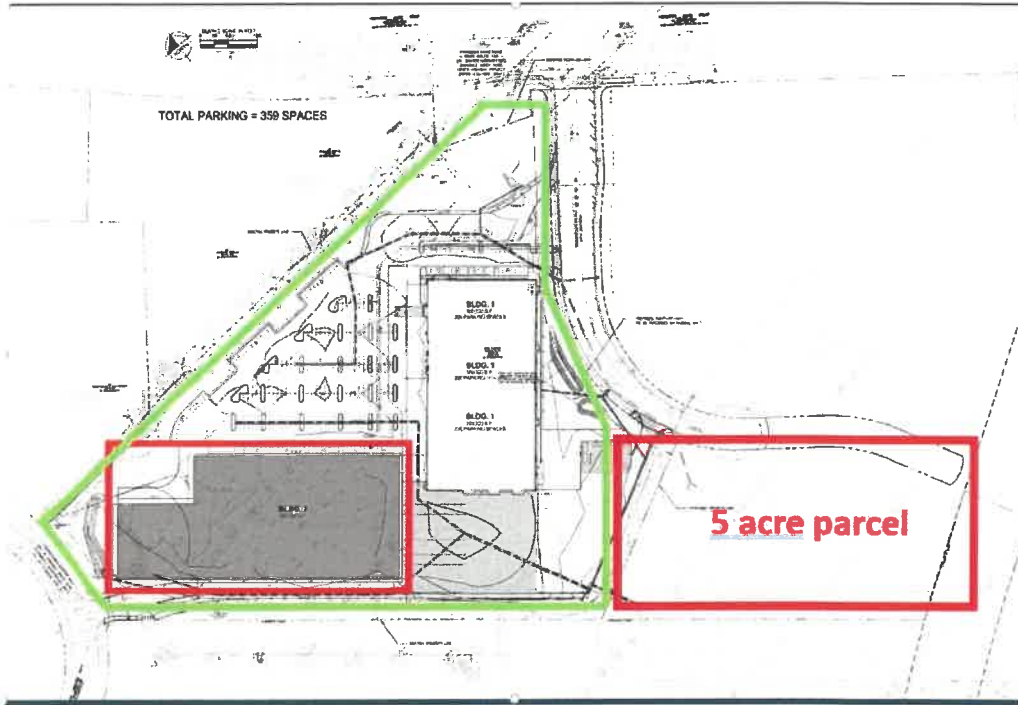


EXHIBIT B

LANDOWNER: City of Virginia Beach Development Authority (the “Authority”)

PURCHASER: Acoustical Sheetmetal Company LLC, a Virginia limited liability company, or a related entity (“ASC”)

PROPERTY: Up to five (5) acres to the east of the existing ASC parcel between Hudome Way and the existing stormwater management facility. (Virginia Beach Innovation Park - Princess Anne Commons)

PROJECT: Second phase of a 2-phase light manufacturing and office development, with an approximately 135,000 sq. ft. facility. To accommodate the development of the second phase, ASC is proposing to shift parking from its current site to the Property.

PRICE: Property valued at \$124,898 per usable acre. It is estimated that approximately 2.7 acres will be useable with the remainder encumbered by the stormwater management facility.

DEPOSIT: N/A

DUE DILIGENCE PERIOD: 120 days after execution of the Purchase Agreement.

CLOSING: 45 days from site plan approval.

SUBDIVISION PLAT: Authority shall be responsible for all costs associated with subdividing the parcel and incorporating it into the existing ASC parcel.

COVENANTS & RESTRICTIONS: The Project is expressly subject to the Design and Development Guidelines - Princess Anne Commons Biomedical Park and all proffers, easements and restrictions of record.

REAL ESTATE COMMISSION: N/A

**INFRASTRUCTURE/
STORMWATER:** ASC responsible for all infrastructure (including stormwater), utility, sitework, and environmental expenses associated with development of Property.

A RESOLUTION AMENDING THE TERMS OF
THE LAND SWAP BETWEEN THE MILLER
GROUP AND THE CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") was created pursuant to Chapter 643 of the Acts of Assembly of 1964, as amended (the "Act");

WHEREAS, one of the primary purposes of the Act is to enable development authorities "to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate in or remain in the Commonwealth....";

WHEREAS, pursuant to §6 of the Act, the Authority has the power, *inter alia*, "to sell, exchange, donate and convey any or all of its facilities or other properties whether realty or personalty whenever the Authority shall find any such action to be in furtherance of the purposes for which the Authority was organized";

WHEREAS, pursuant to §7 of the Act, "the Authority may foster and stimulate the development of industry in the area within its jurisdiction... [and] may accept, and expend for the purposes stated above, money from any public or private source....";

WHEREAS, pursuant to §10 of the Act, the City of Virginia Beach (the "City") "is authorized and empowered to make appropriations and to provide funds for the operation of the Authority and to further its purposes";

WHEREAS, the economic development goals and objectives of the City include achieving a higher ratio of nonresidential to residential real estate assessments, investing in land and infrastructure to benefit future economic growth, and maximizing the return of economic development efforts through the development and implementation of programs and strategies that facilitate new business investment and encourage retention and expansion activities, thereby improving the overall quality of life in the City;

WHEREAS, on August 16, 2022 the Authority approved a land swap (the "Land Swap") with The Miller Group, LLC (the "Miller Group") whereby the Authority was to acquire 7.72+/- acres of property at 465 Progress Lane from an affiliate of the Miller Group (the "Expansion Parcel") in exchange for 12.4+/- acres of Authority-owned property located in the Corporate Landing Business Park (the "Corporate Landing Parcel");

WHEREAS, as detailed in the Resolution approving the Land Swap, the purpose of the Land Swap was to secure the retention and expansion of Sanjo Virginia Beach, Inc. ("Sanjo") in Virginia Beach;

WHEREAS, the Land Swap would facilitate the construction of Phase II of Sanjo's facility on the parcel adjacent to the Expansion Parcel (the "Existing Parcel") and give Sanjo the option to further expand its operations onto the Expansion Parcel in the future;

WHEREAS, the Land Swap contemplated the Authority taking title to the Expansion Parcel as a separately subdivided parcel, however, due to timing concerns related to the proposed expansion of Sanjo and the related subdivision variance that would be required to effectuate the Land Swap, Miller Group has proposed establishing a land condominium to create the Expansion Parcel as a separate legal parcel within the framework of the Virginia Condominium Act, §55.1-1900 et. seq, Code of Virginia (1950), as amended;

WHEREAS, all other terms of the Land Swap would remain the same and the Authority would have the same rights to the Expansion Parcel as originally contemplated;

WHEREAS, the Authority is of the opinion that the Land Swap as amended by this Resolution would (i) produce results consistent with the Authority's goal of expanding the commercial tax base in the City of Virginia Beach, and (ii) would induce Sanjo to continue its operations and facilitate future expansion in the City of Virginia Beach; therefore, would be in the best interests of the Authority and the City of Virginia Beach.


NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. The Authority approves the Land Swap, as defined above, so long as such transaction is substantially consistent with the Amended Summary of Terms, attached hereto as Exhibit A, and incorporated herein, subject to such modifications as may be deemed appropriate and acceptable to the Chair or Vice Chair and deemed legally sufficient by the City Attorney.

2. The Chair or the Vice Chair is hereby authorized to execute and deliver all such documents and agreements and to take all such actions as such officers and City Attorney may deem necessary or desirable in connection with the transaction as contemplated herein.

Adopted this 20th day of September, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:


City Attorney

EXHIBIT A

AMENDED SUMMARY OF TERMS

PARTIES: The City of Virginia Beach Development Authority, a political subdivision of the Commonwealth of Virginia (“Authority”)

Sanjo Virginia Beach, Inc., a Virginia corporation (“Sanjo”)

The Miller Group of Virginia, LLC, a Virginia limited liability company (“Miller Group”)*

465 Progress Lane, LLC, a Virginia limited liability company (“456”)*

Oceana Development, LLC, a Virginia limited liability company (“Oceana”)*

**Miller Group, 465, and Oceana are all related entities with substantially similar ownership.*

- PARCELS:**
1. Existing Parcel: 4.16+/- acres at 465 Progress Lane, owned by 465 and shown on Exhibit A.
 2. Expansion Parcel: 7.72+/- acres adjacent to 465 Progress Lane, owned by Oceana and shown on Exhibit A.
 3. Corporate Landing Parcel: 12.4+/- acres in the Corporate Landing Business Park, owned by the Authority and shown on Exhibit B.

PARCELS TO BE SWAPPED: Authority to receive Expansion Parcel and Miller Group (or an affiliate) to receive Corporate Landing Parcel.

VALUATION: Corporate Landing Parcel (\$200,000 per usable acre) = \$2,480,000
Expansion Parcel (\$200,000 per usable acre) = \$1,232,000

Differential in Total Value of Parcels: \$1,248,000

VALUE

EQUALIZATION: Miller Group to (a) make a \$348,000 cash payment to Authority, and (b) give Sanjo a \$900,000 credit against development costs for the Phase II on the Existing Parcel (rent being a factor in the total development costs). This credit allows rent to be feasible for Sanjo.

OPTION TERMS: Sanjo to have the option to acquire the Expansion Parcel from the Authority, with the following terms and conditions:

- (a) Include three 5-year terms at Sanjo's option;
- (b) Option Price at appraised value at the time Option is exercised;
- (c) Option to terminate if Sanjo indicates in writing it will not expand onto Expansion Parcel; and
- (d) If lease with 465 still in effect, Sanjo to assign option to Miller Group to develop under a lease (same structure as Existing Parcel).

**CORPORATE
LANDING**

DEVELOPMENT: Miller Group agrees to commence construction on light industrial facility within eighteen (18) months of Land Swap.

AMENDED TERM The Existing Parcel and the Expansion Parcel to be subjected to a land condominium consisting of those two parcels. The Authority to take title to the Expansion Parcel condominium unit as opposed to a separately subdivided parcel.

RESOLUTION OF THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY AUTHORIZING
CERTAIN ACTIONS RELATED TO THE DEVELOPMENT OF A SURF PARK AT THE ATLANTIC PARK
PROJECT AT THE FORMER DOME SITE

WHEREAS, the City of Virginia Beach Development Authority (the “Authority”), a political subdivision of the Commonwealth of Virginia, was created pursuant to Chapter 643 of the Virginia Acts of Assembly of 1964, as amended (the “Act”); and

WHEREAS, the Authority was created with the intent that it may acquire, own, lease, and dispose of properties and make loans to the end that it may be able to promote industry and develop trade by inducing manufacturing, industrial, governmental, nonprofit and commercial enterprises, and institutions of higher education to locate or remain in the Commonwealth of Virginia (the “Commonwealth”) and further the use of its agricultural products and natural resources, and to vest the Authority with all the powers that may be necessary to enable it to accomplish such purposes, which powers shall be exercised for the benefit of the inhabitants of the Commonwealth, either through the increase of their commerce, or through the promotion of their safety, health, welfare, convenience or prosperity; and

WHEREAS, the Act grants the Authority the powers contained therein with respect to facilities for use by organizations (other than institutions organized and operated exclusively for religious purposes) which are described in §501(c)(3) of the Internal Revenue Code of 1986, as amended, to the end that the Authority may protect or promote the safety, health, welfare, convenience, and prosperity of the inhabitants of the Commonwealth by assisting in the acquisition, construction, equipping, expansion, enlargement, improvement, financing, and refinancing of such facilities of the aforesaid entities and organizations in order to provide operations, recreational, activity centers, and other facilities for the use of the inhabitants of the Commonwealth and vest the Authority with all powers that may be necessary to enable it to accomplish such purposes; and

WHEREAS, the Authority, after a lengthy, comprehensive and competitive selection process approved by the City of Virginia Beach (the “City”), selected Atlantic Park, Inc. (the “Developer”) to develop on the former Dome Site a comprehensive mixed-use project (collectively, the “Mixed-Use Project”) consisting of (a) an Entertainment Venue, a state-of-the-art music and entertainment facility accommodating approximately 3500 patrons, (b) certain Parking Facilities, (c) the Commercial Facilities, consisting of mixed-use commercial facilities including retail, experiential retail, attractions, a surf park open to the public (the “Surf Park”), food and beverage facilities, and office spaces, (d) the Residential Facilities consisting of multi-family dwelling units, and (e) upgraded hardscapes and landscapes and pedestrian areas, pedestrian bridges and other features customarily found in in a first-class urban mixed-use development, all in order to redevelop and improve the former Dome Site, which had been a landmark cultural venue for the City until being razed in 1994 due to deterioration and which has been vacant and underutilized since then; and

WHEREAS, the Authority has determined that (a) the development of the Mixed-Use Project on the Dome Site will (i) enhance the City's tax base; (ii) promote economic development and enhance and stimulate business and commercial activity in the City; (iii) promote the health, safety, and general welfare of the residents of the City; and (iv) create jobs, commerce, industry, and economic development for the City and its residents; and (b) in light of, among other things, the historical importance of, and participation in, surfing in the City, including as a part of the City hosting the East Coast Surfing Championships since 1963, the development of the Surf Park is an integral and critical component of the Mixed-Use Project; and

WHEREAS, the Authority has determined that (a) economic development for the benefit of its residents is a valid governmental function of the Authority; (b) the Mixed-Use Project (including the Surf Park) will serve an important public purpose, and lessen the Authority's governmental burden of providing economic opportunity, jobs and incentives to its citizens, by doing the following: (i) attracting businesses to the City; (ii) increasing the City's tax base, resulting in increased receipts from the City's sales taxes, admissions taxes and ad valorem taxes; (iii) enhancing and increasing revenues to the City to defray expenses, pay the City's debt, and maintain the availability of other City funds to pay for other governmental services provided to the citizens of the City; and (iv) increasing tourism, recreational opportunities, and providing economic, community and cultural development and additional jobs for the residents of the City; and (c) the City will receive substantial economic benefits from the Mixed-Use Project (including the Surf Park) (collectively, the "Governmental Burdens"); and

WHEREAS, the Authority and the Developer entered into a Dome Site Development Agreement, dated as of December 20, 2019, relating to the development of the Mixed-Use Project, including the Surf Park; and

WHEREAS, the Authority and the Developer have entered into a First Amendment to Dome Site Development Agreement, dated as of April 21, 2022 to accommodate certain modifications on account of the need to develop the Mixed-Use Project in two phases; and

WHEREAS, the Developer has encountered difficulty finding conventional financing mechanisms for the development, ownership and operation of the Surf Park given its unique nature and has indicated to the Authority that such encountered difficulties may threaten the successful development of the Mixed-Use Project; and

WHEREAS, the Development Agreement sets forth the level of financial and other support to be provided by the Authority and the City for the Mixed-Use Project but does not include the additional burden of undertaking the development, financing, ownership or operation of the Surf Park by the Authority; and

WHEREAS, pursuant to the request of the Developer, the Authority has requested the assistance of P3 Foundation Inc. ("P3"), a North Carolina nonprofit corporation and an organization described in §501(c)(3) of the Internal Revenue Code of 1986, as amended, to assist the Authority in fulfillment of its Governmental Burdens defined above by developing,

owning, financing, and operating the Surf Park, which will (i) promote economic development and enhance and stimulate the City's cultural resources, as well as business and commercial activity in the City; (ii) promote the health, safety, and general welfare of the residents of the City; and (iii) create jobs, commerce, industry, and economic development for the City and its residents; and

WHEREAS, the charitable purposes of P3 include furthering community development, promoting economic development, developing parks, community buildings and other public infrastructure and lessening the burdens of government, which charitable purposes may be accomplished through various means, including without limitation, the development, construction, acquisition, ownership, leasing, management, maintenance, operation and disposition of public facilities, public buildings, public works and infrastructure of various types, including but not limited to improvements that serve the economic development public purposes and functions of government, the provisions of services and financial assistance, and the performance of activities that enable state and local government to proficiently carry out its functions and responsibilities to its citizens; and

WHEREAS, the Developer and P3 have requested the Authority to encourage the Virginia Small Business Financing Authority to issue its bonds to finance the Surf Park;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY AS FOLLOWS:

1. In order to fulfill the Authority's Governmental Burdens defined above and in furtherance of the Act, the Authority approves the undertaking of P3, or any single member limited liability company whose sole member is P3, to develop, finance, own, lease and operate the Surf Park.
2. In order to assist the Developer and P3 in the financing of the Surf Park, the Authority respectfully requests the Virginia Small Business Financing Authority to give favorable consideration to issuing its bonds to finance the development of the Surf Park. Any such bonds shall not be an obligation or debt of the Authority or the City, and neither the Authority nor the City, nor any officials, officers, commissioners and/or employees, past, present or future, of either or both of them, are or shall be personally liable thereon. Neither the faith and credit of the Authority nor the faith and credit or the taxing power of the City shall be pledged to the payment of any indebtedness or other obligations relating to any such bonds.
3. These resolutions shall take effect upon adoption.

[SIGNATURES ON FOLLOWING PAGE]

Adopted this 20th day of September, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:


City Attorney

A RESOLUTION TO AWARD A ROOFING CONTRACT
AND TO AUTHORIZE THE CHAIR TO EXECUTE THE
RESULTING CONTRACT ON BEHALF OF THE CITY OF
VIRGINIA BEACH DEVELOPMENT AUTHORITY

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") solicited bids for maintenance of the roof of the Human Services Building located at 3432 Virginia Beach Blvd., Virginia Beach 23452; and

WHEREAS, the apparent low bidder is TST Tactical Defense Solutions, Inc., a Virginia corporation ("TST Roofing") with a bid of \$275,650.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY, THAT:

1. A contract for the repair of the roof of the Human Services Building is hereby awarded to TST Roofing with a bid of \$275,650.
2. The Chair or the Vice Chair of the Authority is hereby authorized to execute the construction contract between the Authority and TST Roofing, provided the contract has been approved as to legal sufficiency by the counsel for the Authority.

Adopted this 20th day of September, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

APPROVED AS TO CONTENT:



Economic Development

By: 

Secretary / Assistant Secretary

APPROVED AS TO LEGAL
SUFFICIENCY:



City Attorney