

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY  
June 20, 2023 MINUTES

The City of Virginia Beach Development Authority (“VBDA”) held its regular meeting on Tuesday, June 20, 2023, 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  
David Bernd, Secretary  
William Brown, Commissioner  
William Brunke, Treasurer  
Nneka Chiazor, Commissioner  
W. Taylor Franklin, Assistant Secretary  
Michael J. Standing, Commissioner  
Joseph E. Strange, Vice-Chair  
Guenter H. Weissenseel, Commissioner
- MEMBERS ABSENT:** Penny Morgan, Commissioner  
Ronnie L. Parker, Commissioner
- CITY COUNCIL:** City Councilman Michael Berlucchi  
City Councilman Worth Remick  
Vice Mayor Rosemary Wilson
- ADVISORS PRESENT:** Taylor V. Adams, Deputy City Manager  
Alexander W. Stiles, Senior City Attorney  
Kathy Warren, Deputy Director, Economic Development  
Laura Hayes Chalk, Deputy Director, Economic Development  
Charles E. Rigney, Business Attractions Administrator  
Lyndon Remias, City Auditor  
Kaitlen Alcock, Planner II  
Michael R. Anaya, Project Development Planner III  
Emily Archer, Project Development Manager  
Autumn Bailey, Business Development Manager II  
Charles J. Bauman, III, Business Development Coordinator  
Katrina N. Flowers, VBDA Accountant  
Paige Fox, Business Development Manager II  
Erin Goldmeier, Director of Public Relations  
J. D. Hines, Civil Engineer & Project Manager  
Vicki Kelley, Administrative Specialist I  
Letitia Langaster, Business Development Manager II  
Tecora McIntyre, Administrative Specialist I  
Ihsane Mouak, Business Development Coordinator  
Elisabeth D. Parker, Administrative Technician  
Katelyn Philleo, Business Development Representative I  
Jeffrey L. Smith, Business Development Coordinator  
Annagid Walker, Account Clerk III  
Deborah Zywna, Planner III

REPORTED BY: Taylor V. Adams

RECORDED BY: Elisabeth D. Parker

**OPEN FLOOR**

No public speakers.

**REGULAR MEETING**

**MEETING MINUTES**

1. Approval of Meeting Minutes, May 16, 2023

MOTION: William Brunke  
SECOND: Taylor Franklin  
APPROVED: 9-0-0

**FINANCIALS**

2. The monthly financials were presented by Katrina Flowers.

**Operating Account Summary: May 2023**

Beginning Cash – May 1, 2023 **\$ 542,974**

*Significant Cash Receipts*

- Grand Total of Significant Cash Receipts - \$4,917,633
- \$1,295,495 Atlantic Park Offsite, Atlantic Park Entertainment Venue, Corporate Landing Work, and Amphitheater Reimbursement from the City
- \$1,839,804 Atlantic Park Entertainment Venue and Atlantic Park Offsite Reimbursement from the City
- \$ 638,309 Atlantic Park Entertainment Venue Reimbursement from the City
- \$1,064,953 Atlantic Park Offsite Reimbursement from the City
- \$ 17,179 Innovation Park Work Reimbursement from the City
- \$ 41,400 Innovation Park Sewer Construction Design from GO VA Grant
- \$ 20,493 Interest Income

*Significant Cash Disbursements*

- Grand Total of Significant Cash Disbursements - \$1,945,374
- \$ 64,439 Kimley Horn - Innovation Park Offsite Infrastructure - Reimbursable
- \$1,064,953 Atlantic Park Offsite Work - Reimbursable
- \$ 638,309 Atlantic Park Entertainment Venue - Reimbursable
- \$ 24,388 Atlantic Park Construction Inspection
- \$ 89,478 Hunton Andrews Kurth – Legal Services for Dome Site Project
- \$ 20,806 HBA Architecture & Interior Design – Lishelle Place Renovation Design
- \$ 6,000 Kimley Horn – CL SW Stormwater Design – Reimbursable
- \$ 28,410 Globalinx – Monthly Charge for Conduit Management - May and June 2023
- \$ 8,641 Atlantic Park Entertainment Venue Reimbursable

**Ending Cash – May 31, 2023 **\$3,934,078****

**Incentive & Initiative Account Summary: May 2023**

Beginning Cash – May 1, 2023 **\$2,994,950**

*Significant Cash Receipts*

- Grand Total of Significant Cash Receipts - \$460
- \$ 460 Bank Interest Income

*Significant Cash Disbursements*

- Grand Total of Significant Cash Disbursements - \$52,610
- \$ 11,002 Olympia Bendix-Two – Bio Accelerator Monthly Rent – June 2023
- \$ 36,058 Cavalier Ventures, LLC – Final Payment for EDIP Grant (Part A)
- \$ 5,550 Koch Development Corp – Remove & Install brick molding, storm windows – FIG Grant

**Ending Cash – May 31, 2023** **\$2,942,260**

**Incentive Summary Reporting: May 2023**

<b>Beginning VBDA EDIP Grant Balance</b>	<b>\$3,303,310</b>
<b>Earned Interest and Activity Analysis Fee</b>	<b>+\$ 84</b>
<b>EDIP Grants Expired (Closed)</b>	<b>+\$ 0</b>
<b>New Grants Approved by VBDA</b>	<b>-\$ 0</b>
<b>EDIP Grant Funds Available as of May 2023</b>	<b><u>\$3,303,394</u></b>

3. Review and approval of VBDA Fiscal Year 2023-2024 Annual Budget presented by Katrina Flowers.

*Discussion:*

Deputy City Manager Taylor Adams expressed two key items to note regarding the budget:

- The \$1,310,000 for land sales is consistent with past practices as pledging proceeds from land sales are an appropriating action for the Authority. Traditionally, the Authority would hold the proceeds, request appropriation guidance from City Council and then appropriate the proceeds for the Authority’s use. In this instance, the proceeds are being used to shore up a predicted and planned operating shortfall from the prior year as an appropriating action.
- Lishelle Place is flagged as a general expenditure because the building was acquired through the APZ-1 program that is owned by the City, however, the Authority operates and manages the building for the City. The expenses pledged to that facility are through the Authority’s operation and is budgeted under a general expenditure accordingly rather than a capital expenditure because the building is city-owned.

Chair Lisa Murphy added that Ms. Flowers indicated in the budget notes that some items that were not called out as line items last year that are now being included with more detail in this year’s budget.

MOTION: David Bernd  
SECOND: Taylor Franklin  
APPROVED: 9-0-0

4. Approval of Virginia Beach National Golf Club House maintenance in the total amount not to exceed the Authority’s share of revenue profit presented by Deputy City Manager Taylor Adams.

*Discussion:*

Commissioner David Bernd asked how old the facilities are. Mr. Adams informed him that the building is 25 years old and added that the Authority has reinvested about a quarter of a million dollars into the facility over the last four years and it’s in pretty good shape. The current request is for punch list items. Commissioner Bernd also asked if the roof should be replaced instead of repaired. Mr. Adams explained that the roof was replaced on the main clubhouse two years ago and the current request includes a replacement of the roof on the cart barn which is leaking.

MOTION: Nneka Chiazor  
SECOND: Joseph Strange  
APPROVED: 9-0-0

Deputy City Manager asked to move agenda item 5 regarding an EDIP request to the end of the open session agenda to ensure it does not precede Governor Youngkin's scheduled announcement. Chair Lisa Murphy approved the request.

**VANGUARD LANDING**

5. Approval of a Resolution extending the time to close on the sale of the Authority's Promissory Note to Sentara presented by Deputy City Manager Taylor Adams.

*No Discussion.*

MOTION: Taylor Franklin  
SECOND: Guenter Weissenseel  
APPROVED: 8-0-1

Commissioner David Bernd abstained from voting due to a conflict of interest. His abstention letter is attached to these minutes.

**ADMINISTRATIVE INFORMATION**

6. VBDA Priorities: *No Discussion*
7. VBDA Members:

*Discussion:*

Chair Lisa Murphy acknowledged Deputy City Manager Taylor Adams for his 8-year tenure with the City of Virginia Beach with the last four being Economic Development's Director. This is his last meeting with the VBDA as he has accepted another position outside of the City. Ms. Murphy thanked Mr. Adams for his leadership, cleanup efforts, navigating the pandemic, and contributing to the City outperforming other jurisdictions in our area getting money to businesses that desperately needed it. Mr. Adams was presented with a token of appreciation on behalf of the Authority.

8. Director's Report: *T. Adams*

*Director's Report:*

Deputy City Manager Taylor Adams thanked Ms. Murphy for her kind words and thanked the Authority for working with the Department of Economic Development to support all of the expressed initiatives and efforts. Mr. Adams acknowledged Charles Rigney and introduced him as the new Interim Director of Economic Development. He also thanked the staff within the department for their hard work and commitment to the continued success of the department's mission.

Chair Lisa Murphy invited Interim Director Charles Rigney to give a few remarks. Mr. Rigney expressed his gratitude for the opportunity to serve as Interim Director of the City of Virginia Beach's Department of Economic Development. He has a long career in Economic Development in the cities of Norfolk and Hampton. He is excited to work with this team and the Authority on future business partnership endeavors.

**ECONOMIC DEVELOPMENT INVESTMENT PROGRAM (EDIP)**

9. Approval of a Resolution authorizing an EDIP Part "A" award in the amount of \$1,500,000 to ZIM American Integrated Shipping Services announced by Governor Youngkin at 8:45 that morning.

*Discussion:*

Vice Mayor Rosemary Wilson welcomed the company representatives that were present and thanked them for the exciting opportunity to work with them in the City of Virginia Beach. She then presented Mr. Nissam Yochai, President of ZIM American Integrated Shipping Services, with the City Flag.

Mr. Yochai thanked Deputy City Manager Taylor Adams for helping to close the deal. He shared that he came to the company eight months ago and met with the City Manager and Mr. Adams shortly thereafter. They both promised that this deal would be closed. He is excited to remain in the state of Virginia with this company that has been here for the last 22 years. They relocated from the World Trade Center in New York in 2001. The company currently employs about 600 employees in the United States and plans to have the headquarters here in Virginia Beach with about 400 more employees. They are looking forward to collaborating with this department to increase their employee retention efforts.

MOTION: Joseph Strange  
SECOND: Mike Standing  
APPROVED: 9-0-0

Chair Lisa Murphy moved to recess into a closed session.

**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 purpose:

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)(29). (District 2) (District 4)

LEGAL MATTERS: Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, pursuant to Va. Code § 2.2-3711(A)(8). (District 2) (District 5)

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 2*)


MOTION: Taylor Franklin  
SECOND: David Bernd  
APPROVED: 9-0-0

**RECONVENED INTO OPEN SESSION**

**CERTIFIED CLOSED SESSION**

MOTION: Taylor Franklin  
SECOND: Joseph Strange  
APPROVED: 9-0-0

Chair Lisa Murphy adjourned the meeting at 10:02 am.

  
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Lisa M. Murphy, Chair



June 20, 2023

Ms. Elisabeth D. Parker  
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. Parker:

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 regarding its Promissory Note made by Vanguard Landing, Inc. and the Promissory Note's defeasance to Sentara Healthcare.
2. I have a personal interest in Sentara Healthcare, with the address of 350 Centre Pointe Drive, Virginia Beach, Virginia 23462.
3. Therefore, I will abstain from participating in the discussion and/or vote on this matter.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Bernd', is written over a light blue horizontal line.

David L. Bernd  
Commissioner

DLB/AWS/csk