

A RESOLUTION APPROVING THE SALE OF AN
EASEMENT ON APPROXIMATELY 2.25 ACRES
OF PROPERTY LOCATED IN INNOVATION
PARK TO DOMINION ENERGY VIRGINIA

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") owns property located in the Princess Anne Commons area of Virginia Beach, Virginia, commonly known as Innovation Park, designated as GPIN: 1494-27-2021 (the "Property");

WHEREAS, Virginia Electric and Power Company, a Virginia public service corporation, d/b/a Dominion Energy Virginia ("Dominion") desires to purchase an approximately 2.25-acre easement on a portion of the Property, as shown on Exhibit A attached hereto (the "Easement"); and

WHEREAS, Dominion has offered to pay the Authority \$1,046,941.00 for the Easement, pursuant to a purchase agreement, the substantive terms of which are summarized on Exhibit B attached hereto.

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

That the Chair or the Vice Chair is hereby authorized to execute and deliver a purchase agreement and all documents necessary to convey the Easement to Dominion on the terms set forth in Exhibit B, attached hereto, and such other terms, conditions, and modifications as may be satisfactory to and approved by the Chair or the Vice Chair, the Director of the City of Virginia Beach Department of Economic Development, and the City Attorney.

Adopted this 19th day of September, 2023, 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
(Easement outlined in red)

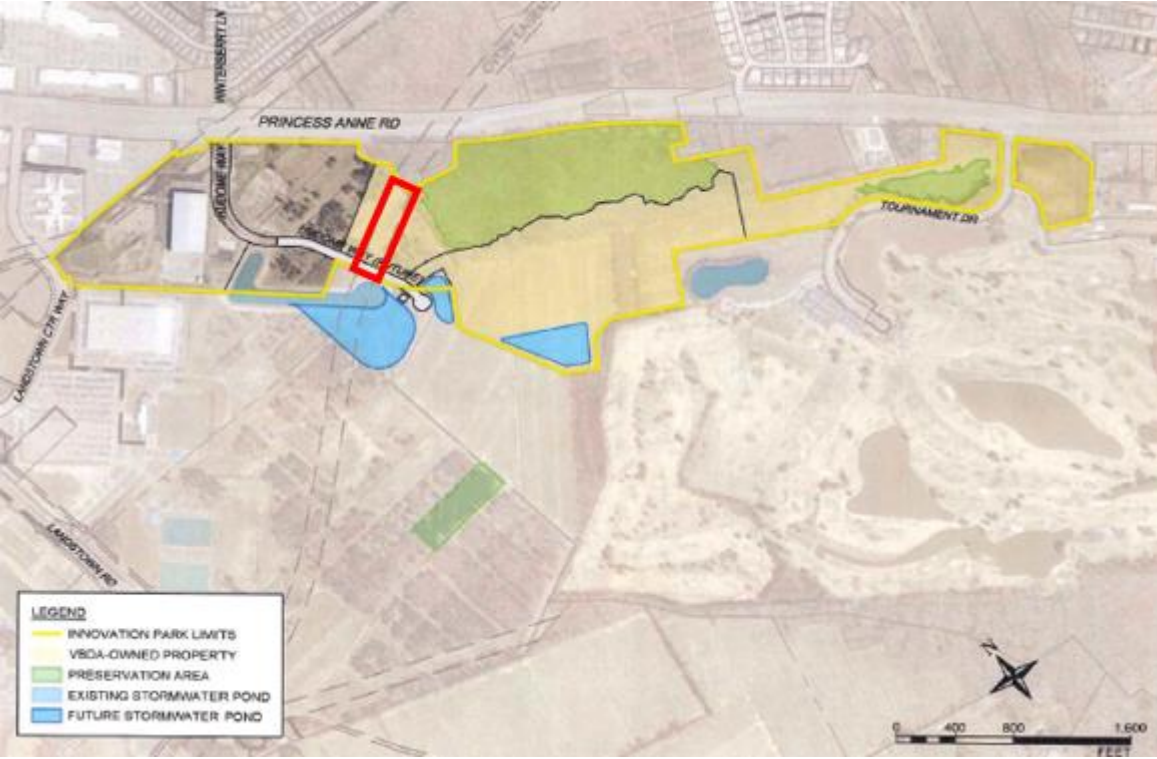


EXHIBIT B

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

PURCHASER: Virginia Electric and Power Company, a Virginia public service corporation, d/b/a Dominion Energy Virginia (“Dominion”)

EASEMENT: An approximately 2.25-acre easement on Authority-owned property located in Innovation Park, near the intersection of Princess Anne Road and Hudome Way (portion of GPIN: 1494-27-2021)

PROJECT: Construction and maintenance of a transmission tower corridor for Dominion’s Coastal Virginia Offshore Wind project

SALE PRICE: \$1,046,941.00

DEPOSIT: \$25,000.00

DUE DILIGENCE PERIOD: None

CLOSING: Not later than November 1, 2028

COVENANTS & RESTRICTIONS: The Project is EXPRESSLY SUBJECT to the Innovation Park Design and Development Guidelines (dated January 2023 and adopted June 20, 2023)

RIGHTS RETAINED: (a) Easement is subject to uses and facilities existing as of the date of Closing, including existing roadways, stormwater facilities, utilities, rights-of-way, etc.
(b) Easement will generally allow, with restriction, future uses and facilities, including future water lines, sanitary sewer lines, roadways and parking lots, stormwater facilities, multi-use paths, lighting, etc.

REAL ESTATE COMMISSION: N/A

**RESOLUTION EXTENDING THE TIME PERIOD
FOR DEFEASANCE OF VANGUARD LANDING
PROMISSORY NOTE BY SENTARA HEALTHCARE**

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, 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, on December 17, 2013 the Authority adopted a resolution authorizing a loan to Vanguard Landing, Inc., a Virginia non-profit corporation ("Vanguard Landing") to provide funding for Vanguard Landing's purchase of approximately 74.54 acres of property off Princess Anne Road, located south of the intersection of Princess Anne Road and Sandbridge Road (the "Property");

WHEREAS, Vanguard Landing proposed to develop the Property into a mixed-use facility consisting of residential, retail and commercial components for citizens with intellectual disabilities (the "Project");

WHEREAS, on February 13, 2014, the Authority made a loan in the amount of \$2,850,406.00 to Vanguard Landing (the "Loan") and Vanguard Landing acquired the Property;

WHEREAS, the Authority funded the Loan with appropriation from City Council for the purpose of making the Loan;

WHEREAS, the Loan is evidenced by a promissory note dated February 13, 2014 (the "Promissory Note") and secured by a deed of trust also dated February 13, 2014 and recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia, as Instrument No. 2014022000014460 (the "Deed of Trust");

WHEREAS, under the terms of the Promissory Note, Vanguard Landing was required to have completed construction of at least one (1) building at the Project on or before February 13, 2019, and (2) submit an annual written report of its progress towards obtaining necessary approvals for the Project;

WHEREAS, to date, Vanguard Landing has not commenced construction on any buildings for the Project and remains in default under the Promissory Note;

WHEREAS, Vanguard Landing has timely made all payments due under the Promissory Note, totaling \$728,032.48, and the current outstanding balance is \$2,122,373.52;

WHEREAS, Sentara Healthcare, a Virginia nonstock corporation (“Sentara”), has approached the Authority about defeasing the Authority’s interest in the Promissory Note for the discounted price of \$1,200,000, upon which the Promissory Note shall be immediately retired and the Deed of Trust shall be released;

WHEREAS, Sentara has represented that it recognizes the need for the Project, or a similar project allowed by the current zoning, on the Property and that its defeasance of the Promissory Note is contingent upon Sentara entering into an agreement with Vanguard Landing pursuant to which the Project will be required to be built;

WHEREAS, the Authority believes that agreeing to the defeasance and retirement of the Promissory Note to Sentara will both increase the chance of success of the Project and best protect the interests of the Authority;

WHEREAS, on April 18, 2023, the Authority approved the defeasance and retirement of its interest in the Promissory Note and Deed of Trust upon payment of \$1,200,000 by Sentara Healthcare to the Authority within sixty (60) days (the “April Resolution”);

WHEREAS, on June 20, 2023, the Authority approved a 90-day extension of time for Sentara to reach an agreement with Vanguard Landing and pay the Authority \$1,200,000; and

WHEREAS, on September 12, 2023, Sentara requested an additional extension of time to continue its due diligence prior to reaching a final agreement with Vanguard Landing, and the Authority believes the extension is in the best interest of the Authority.

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

1. That the Authority hereby approves extending time for Sentara to reach an agreement with Vanguard Landing and pay the Authority \$1,200,000 for ninety (90) days.
2. Except for the extension of time set forth herein, all other terms and conditions of the April Resolution remain unchanged and in full force and effect.
3. The Chair or Vice-Chair are hereby authorized to execute such documents as may be necessary to evidence the transactions referenced above, including but not limited to certificates of satisfaction and release of the Promissory Note and the Deed of Trust, so long as such documents are acceptable to the Chair or Vice-Chair, and are in a form deemed satisfactory by the City Attorney.


[SIGNATURES ON FOLLOWING PAGE]

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