

A RESOLUTION APPROVING THE PROVISION
OF \$167,000 IN ECONOMIC DEVELOPMENT
INVESTMENT PROGRAM FUNDS TO
DOMA TECHNOLOGIES, LLC

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, the City established the Economic Development Investment Program ("EDIP") as part of its overall effort to enhance the City's ability to accomplish these goals and objectives;

WHEREAS, pursuant to the authority and empowerment set forth in §10 of the Act, City Council authorized the transfer of funds in the EDIP account to the Authority and the provision of future EDIP appropriations to the Authority to enable the Authority to more effectively continue its efforts to foster and stimulate economic development by inducing businesses to locate or remain in the City;

WHEREAS, the Department of Economic Development (the "Department"), acting on behalf of the Authority, has induced DOMA Technologies, LLC, a Virginia limited liability company (the "Recipient"), to relocate its headquarters to 585 London Bridge Road, Virginia Beach, Virginia 23464 (the "Property");

WHEREAS, the inducement includes an agreement to recommend the award to Recipient of \$167,000 in EDIP funds to underwrite a portion of costs associated with the relocation of Recipient's headquarters at the Property;

WHEREAS, Recipient has represented in its application and the Director of Economic Development (the "Director"), upon review of the application submitted by Recipient, has determined and has advised the Authority it will meet at least one of the following performance criteria (the "Performance Criteria") within thirty-six (36) months after the date of this Resolution.

- (a) Tax Revenues: The net amount of direct tax revenues returned to the City as a result of the Recipient's operation will exceed the amount of EDIP Funds provided in thirty-six (36) months; and/or
- (b) Capital Investment: For every one dollar (\$1.00) of EDIP funds received, Recipient shall make a new capital investment of at least \$25.00; with the maximum award for this criteria to be limited to \$67,000 of the \$167,000 total award; and/or
- (c) Employment Opportunity: For every \$363.64 of EDIP funds received, Recipient will create and/or retain one (1) new "full-time equivalent" employment opportunity in its operation with an average salary of \$50,001.00 to \$75,000.00, excluding benefits, with the maximum award for this criteria to be limited to \$100,000 of the \$167,000 total award.

WHEREAS, the Director of Economic Development, upon review of the application submitted by Recipient, has determined and has advised the Authority that one or more of the following criteria has been met:

- (i) the net amount of direct tax revenues returned to the City as a result of Recipient's expanded operation will exceed the amount of EDIP funds provided in thirty-six (36) months, and/or
- (ii) For \$67,000 of the award: for every one dollar (\$1.00) in EDIP funds provided, Recipient will spend at least twenty-five and 00/100 dollars (\$25.00) in new capital investment, and/or
- (iii) For the remaining \$100,000 of the award: for every Three Hundred Sixty-Three and 64/100 Dollars (\$363.64) in EDIP funds provided to the Recipient will create and/or retain at least one (1) new "full-time equivalent" employment opportunity in its operation, with an average salary of \$50,001.00 to \$75,000.00, excluding benefits.

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

1. That the Authority hereby finds:

- (a) that the provision of \$167,000 in EDIP funds to DOMA Technologies, LLC, a Virginia limited liability company (the "Recipient") will primarily serve the valid public purpose of fostering and stimulating economic development in the City; and
- (b) that the provision of the EDIP funds is in furtherance of the purposes for which the Authority was created; and
- (c) that it is unlikely the Recipient would expand its operation within the City without the stimulus of the EDIP award.

2. That the Authority hereby further finds that, based on the direct benefits to the City of Virginia Beach and its citizens resulting from the capital investment and employment opportunities to be generated by the Recipient as a result of its proposed expansion of its operation in Virginia Beach, the provision of \$167,000 in EDIP funds to the Recipient will only incidentally enure to the benefit of private interests.

3. That as of the date of this Resolution, the Recipient has not yet commenced construction of the proposed improvements or filled any of the new full-time job positions being incentivized by this EDIP award.

4. That based on these findings, the Authority hereby approves the provision of \$167,000 in EDIP funds to the Recipient to underwrite a portion of the costs associated with the expansion and relocation of the Recipient's operation in Virginia Beach, with \$67,000 of the award to be based on capital investment and \$100,000 based on creation and/or retention of new employment opportunities.

5. That disbursement of EDIP Funds by the Authority shall be at the discretion of the Director of the Department of Economic Development of the City of Virginia Beach or his designee (the "Director"), who shall be authorized to require appropriate verification as to qualifying expenditures.

6. That disbursement of EDIP funds to the Recipient shall be on a pro-rata reimbursement basis upon presentation of original receipts for qualifying expenditures to the Director with not more than \$67,000 to be disbursed for capital investment and not more than \$100,000 to be dispersed for creation of employment opportunities. At the sole discretion of the Director, disbursement may not be prior to the completion of the Employment Opportunity Performance Criteria. Disbursement of EDIP funds shall be from time to time, but not more frequently than once per month, until fully expended.

7. That as a condition of receiving EDIP funds related to the employment opportunities incentivized by this award, once a new full-time job is filled, it must be maintained without interruption for thirty-six (36) months from the date of this Resolution (the “Performance Period”) or the funds advanced for that job may be subject to recapture as set forth in Section 8, below.

8. The Director may require the Recipient to enter into a Recapture Agreement approved by the Director to allow for the recapture of funds for any job incentivized that is subsequently terminated or eliminated by the Recipient. Such Recapture Agreement shall provide for the repayment by the Recipient of that portion of EDIP funds so disbursed prorated for the percentage of the Performance Criteria satisfied prior to the expiration of the Performance Period, and shall contain certain other provision as may be determined or required by the Director. Should an individual job be vacant but Recipient is actively seeking a replacement employee, EDIP funds advanced for that position shall not be subject to recapture.

9. As a further condition of receiving the EDIP Funds, the Recipient shall conduct operations in the building at the Property (or such other locations in the City of Virginia Beach as may be agreed to by the Authority) for a minimum of five (5) years from the time of this award. Even if the requirement of paragraph 1 is met, for each year less than five that the Recipient conducts operations at the Property (or other agreed to location) upon written request from the Authority, the Recipient shall pay to the Authority, as EDIP recapture and not as a penalty, one-fifth (1/5) of the amount of the EDIP Funds provided. Such amount shall be paid within fifteen (15) business days after receipt of request from the Authority, and if not paid by such date, the amount due will bear interest at the rate of ten percent (10%) per annum from such date until paid, and such interest shall be payable by the Recipient in addition to the amount due as calculated above.

10. The Authority may terminate this award and decline to pay any unpaid funds if the recipient has not requested the full \$167,000 within thirty-six (36) months of the date of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

Adopted this 17th day of November, 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

RESOLUTION DEVELOPING A POLICY
FOR THE DISPOSITION OF THE DIRT
STOCKPILE AT CORPORATE LANDING

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, in furtherance of its mission as set forth in the Act, the Authority is the developer of the Corporate Landing Business Park ("Corporate Landing");

WHEREAS, in the process of expanding the infrastructure capacity of Corporate Landing, the Authority has accumulated a large stockpile of sand, clay, soil and other spoils (the "Stockpile");

WHEREAS, the Stockpile could be utilized as fill or surcharge by parties developing other sites within and outside Corporate Landing, and the Authority desires to develop a policy and procedures for the orderly disposition of the Stockpile (the "Stockpile Policy");

WHEREAS, the Authority desires to make the Stockpile available to any party who requests it following the Stockpile Policy attached hereto as Exhibit A;

WHEREAS, the Authority is of the opinion that the disposition of the Stockpile will promote development and is in the interests of the Authority.

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

1. The Authority hereby approves the Stockpile Policy, attached hereto as Exhibit A, and made a part hereof.

2. Staff is directed to dispose of the Stockpile as set forth on the Stockpile Policy and is further directed to report back to the Authority after any of the Stockpile is disposed of pursuant to the Stockpile Policy.

3. The Chair or Vice Chair is hereby authorized to execute and deliver any documents necessary to implement the Stockpile Policy so long as such documents are acceptable to the Chair or Vice Chair and in a form deemed satisfactory by the City Attorney.


[SIGNATURES ON FOLLOWING PAGE]

Adopted by this 17th day of November 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

Stockpile Policy

The City of Virginia Beach Development Authority authorizes staff to dispose of the Stockpile at Corporate Landing Business Park (“Corporate Landing”) and the Innovation Park as follows:

1. The stockpiled materials owned by the Authority and stored in Corporate Landing or the Innovation Park shall be made available to any party requesting it on a first come, first served basis.
2. When the stockpiled material is for a project within Corporate Landing or the Innovation Park, the price shall be one-half of market rate per cubic yard.
3. When the stockpiled material is for a project outside Corporate Landing or the Innovation Park, the price shall be market rate per cubic yard.
4. The requesting party shall coordinate the time for picking up the stockpiled material with City staff, (ii) shall only remove material when a City staff member is present, (iii) shall provide a truck ticket to verify the quantity, and (iv) shall be solely responsible for transporting and ultimate disposition of the purchased stockpile materials.
5. Should additional stockpiled material become available within Corporate Landing Business Park or the Innovation Park, staff is authorized to dispose of it pursuant to this policy.
6. Staff will report back to the Authority after disposal of any of the stockpiled material.

A RESOLUTION APPROVING THE REACQUISITION
OF APPROXIMATELY 14.438 ACRES IN THE
INNOVATION PARK FROM YCH, LLC AND
GRANTING AN OPTION FOR YCH, LLC TO
REPURCHASE APPROXIMATELY 3.75 ACRES OF
THAT PROPERTY

WHEREAS, on May 12, 2020 the City of Virginia Beach Development Authority (the “Authority”) approved a Resolution for the sale of approximately 14.438 acres of Authority-owned property at the intersection of Princess Anne Road and Hudome Way in the Innovation Park, designated as 2008 Hudome Way, GPIN: 1494-08-6398, as shown on Exhibit A, attached hereto (the “Property”) to YCH, LLC, a Virginia limited liability company (the “Developer”), for a price of \$124,897.96 per acre (the “2020 Approval”);

WHEREAS, the 2020 Approval contemplated the development of three (3) commercial buildings, each with approximately 45,000 square feet of office space;

WHEREAS, due to negative economic factors and the global pandemic, Developer has not yet commenced construction of any development on the Property;

WHEREAS, as set forth in the purchase agreement between the Authority and the Developer dated June 11, 2020, and recorded in the Clerk’s Office of the Circuit Court of the City of Virginia Beach, Virginia, as Instrument No. 202203052902, the Authority has the right to reacquire the Property if construction had not commenced by June 11, 2022;

WHEREAS, the parties have negotiated a settlement whereby Developer will convey the Property to the Authority for the original purchase price and the Authority will grant Developer the option to reacquire approximately 3.75 acres of the Property as shown on Exhibit C, attached hereto (the “Option”), all as more particularly described and on the terms and conditions set forth on Exhibit D, attached hereto; and

WHEREAS, the Authority believes a settlement of this matter as set forth below is 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 hereby approves the (i) reacquisition of the Property by the Authority from Developer, and (ii) granting of an Option to the Developer to acquire 3.7+/- acres, each on the terms and conditions outlined in 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.

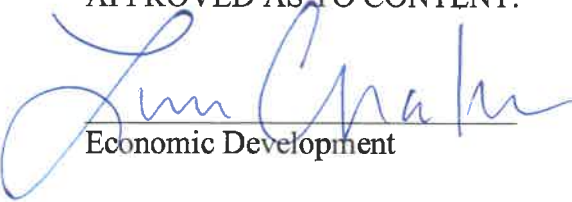
2. The Chair or the Vice Chair is further authorized to execute and deliver all such other documents and agreements and to take all such actions as such officers and City Attorney may deem necessary or desirable in connection with the transactions contemplated hereby.

Adopted this 17th day of November, 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



EXHIBIT B

SUMMARY OF TERMS AS APPROVED BY AUTHORITY 11/17/23

Authority: City of Virginia Beach Development Authority.

Developer: YCH LLC, a Virginia limited liability company, or a related entity.

Property: Approximately 14.438 acres of property in the Innovation Park, designated as 2008 Hudome Way, Virginia Beach, Virginia 23456 (GPIN: 1494-08-6398), located near the intersection of Princess Anne Road and Hudome Way.

Reacquisition: The Authority to reacquire the entirety of the Property for the price of \$1,856,308, the price paid by Developer to acquire the Property in 2020, which equals \$128,571 per acre.

Closing on Authority's Acquisition Property: Not later than December 31, 2023.

Option: For a period of one (1) year from the date the Authority reacquires the Property from Developer, Developer to be granted an option to purchase the approximately 3.75-acre parcel on the northwest corner of the Property (the "Option Parcel") as shown on Exhibit C, below, with the Authority responsible for preparing a subdivision plat.

Option Price: If exercised, the Purchase Price for the Option shall be \$128,571 per acre.

Condition To Exercise Option: Developer shall have approved site plan for construction of Developer's (or affiliate of Developer's) headquarters building, with additional space for occupancy by third parties.

Construction Commencement: Once option exercised and Developer reacquires Option Parcel, Developer to have one (1) year to commence construction and shall diligently pursue to completion. Authority to have right of reverter for price paid by Developer to Authority for Option Parcel if condition not satisfied.

Covenants & Restrictions: At all times, the Property, including the Option Parcel, is EXPRESSLY SUBJECT to the Innovation Park Design and Development Guidelines, dated January 2023, and adopted on June 20, 2023, and the Modification of Proffers Agreement, recorded in the Clerk's Office of the Circuit Court of the City of Virginia Beach, Virginia, as Instrument No. 202303023337.

EXHIBIT C

