

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY  
NOVEMBER 17, 2020 MINUTES

The City of Virginia Beach Development Authority (“VBDA”) held its regular meeting on Tuesday, November 17, 2020, 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/about-us/Pages/development-authority.aspx>

MEMBERS PRESENT: Lisa M. Murphy, Chair  
Joseph Strange, Vice-Chair  
William Brunke, Treasurer  
David Bernd, Secretary  
W. Taylor Franklin, Assistant Secretary  
William Brown, Commissioner  
Michael Standing, Commissioner  
Guenter Weissenseel, Commissioner  
Dorothy Wood, Commissioner

ADVISORS PRESENT: Taylor Adams, Director of Economic Development  
Vicki Kelley, VBDA Clerk  
Svetla Tomanova, Marketing Assistant  
Alex Stiles, City Attorney

Other staff attended the meeting as needed for presentations due to pandemic meeting restrictions

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki Kelley

OPEN FLOOR  
No public speakers

REGULAR MEETING

1. Approved Minutes
  - October 20, 2020

MOTION: William Brunke  
SECOND: Joseph Strange  
APPROVED: 9-0

REVIEW OF FINANCIAL POSITION

2. Sean Murphy gave the monthly financial overview
  - Presentation attached
  - See video of meeting

**Operating Account Summary: October 2020**

<b>Beginning Cash</b>	<b>\$ 4,500,981</b>
<b>Significant Cash Receipts</b>	
✓ \$132,367 of Industrial Revenue Bond fees	
✓ \$2,129 of interest income	
<b>Significant Cash Disbursements</b>	
✓ \$1,400 to City of Virginia Beach for Corporate Landing annual stormwater permit fee	
✓ \$13,390 to Globalinx for conduit management fee	
✓ \$2,875 to CliftonLarsonAllen for partial billing of FY2020 financial audit	
<b>Ending Cash</b>	<b>\$4,613,673</b>

**Incentive Account Summary: October 2020**

<b>Beginning Cash</b>	<b>\$ 5,870,455</b>
<b>Significant Cash Receipts</b>	
✓ \$699 of monthly interest income	
<b>Significant Cash Disbursements</b>	
\$131,435 of Part A award payments	
\$15,187 of Part B award payments	
\$360,029 of Part E award payments	
\$52,218 of Dome Site legal fees	
\$132,281 of Bio Initiative funding for:	
✓ Bio Accelerator rent (\$10,285)	
✓ Bio Accelerator consulting fees (\$79,659)	
✓ Bio Park engineering fees (\$42,337)	
<b>Ending Cash</b>	<b>\$5,180,004</b>

**Incentive Account Summary: October 2020**

Ending Cash held by VBDA	\$ 5,180,004
PLUS: EDIP and other Receivables	\$ 7,061,440
LESS: Payables and Commitments	<u>\$ 10,479,810</u>
<b>Ending Available Funding</b>	<b>\$ 1,761,634</b>

**CONTRACTS**

3. Approved a Resolution authorizing amended lease terms with Heron Ridge Partners
  - See video of meeting

MOTION: Dot Wood  
SECOND: David Bernd  
APPROVED: 9-0

**BUSINESS ASSISTANCE**

4. Approved a Resolution authorizing CARES Act awards to those applicants with verified receipts except for A Chance for Change as the business is in Norfolk
  - See video of meeting

MOTION: David Bernd  
SECOND: William Brunke  
APPROVED: 6-0-3

Lisa Murphy, Joseph Strange and Michael Standing abstained from voting on certain individual applications as detailed in partial abstention letters attached to these minutes.

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM – (EDIP)

5. Approved a Resolution amending 6 awards previously made under the EDIP Part E Grant
  - See video of meeting

MOTION: William Brunke  
SECOND: Dorothy Wood  
APPROVED: 9-0

Lisa Murphy abstained from voting on certain individual applications as detailed in partial abstention letters attached to these minutes.

ADMINISTRATIVE INFORMATION

6. Chair Lisa Murphy asked for an EDIP Part E Award report at the next meeting.
7. Chair Lisa Murphy shared with the board that according to the By-Laws attendance by phone can be counted, the commissioners would just not be able to vote
  - See video of meeting
8. Director Taylor Adams shared updates
  - Golf tournament update
  - Announced the VBDA Holiday celebration has been canceled
    - o The Members of the Authority expressed interest in having a celebration in the Spring or Summer – pending pandemic situation
      - See video of meeting

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:

Motion: William Brunke  
Second: Joseph Strange  
Approved: 9-0

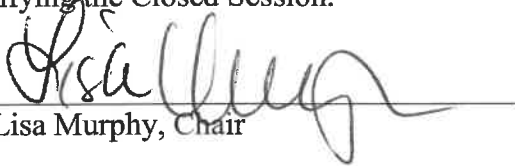
CONTRACTS: Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Va. Code § 2.2-3711(A)(30).

**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).

**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).

Motion: Guenter Weissenseel  
Second: William Brunke  
Approved: 8-0

Taylor Franklin left the meeting prior to the vote certifying the Closed Session.

  
Lisa Murphy, Chair



November 17, 2020

Ms. 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 § 2.2-3114(E)&(G)

Dear Ms. Kelley:

1. I am executing this written disclosure and abstention regarding the City of Virginia Beach Development Authority's discussion and/or vote on the approval of multiple awards under the CARES Act.

2. Based on my review of the excel spreadsheet provided, as well as an analysis of the same performed by my employer, we have determined that nine (9) of the applicants, or their landlords, under consideration by the Authority for a CARES Act award utilize the legal services of my employer, Willcox & Savage, P.C.

3. I have a personal interest in Willcox & Savage, P.C. located at 440 Monticello Avenue Suite 2200 Norfolk, Virginia 23510.

4. Therefore, I will abstain from voting on the proposed awards to the applicants identified on Exhibit A, attached hereto and incorporated herein.

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 black ink, appearing to read "Lisa M. Murphy", with a long horizontal flourish extending to the right.

Lisa M. Murphy  
Chair

LMM/AWS

**EXHIBIT A**

Anthony Walker
Anytime Fitness Kempsville
FREEDOM WASH
KEMPSHIRE ENTERPRISES LLC
LAURIE JOHNSON
Louie Ochave
ROBERT MAROON
Robert Stein
THE THERAPY NETWORK



November 17, 2020

Ms. Vicki L. Kelley  
Clerk, Virginia Beach Development Authority  
4525 Main Street, Suite 700  
Virginia Beach, Virginia 23462

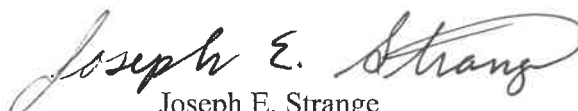
Re: Abstention/Disclosure Pursuant to Conflict of Interests Act § 2.2-3114(I)

Dear Ms. Kelley:

1. I am executing this written disclosure and abstention regarding the City of Virginia Beach Development Authority's discussion and/or vote on the approval of multiple awards under the CARES Act.
2. Based on my review of the excel spreadsheet provided, I have determined that I have a business relationship with three (3) of the applicants under consideration by the Authority for a CARES Act.
3. Although the City Attorney has advised me that I do not have a "personal interest" in any of the three applicants, as that term is defined by the Act, due to business relationship and to avoid any appearance of impropriety, and although I am able to participate in this transaction fairly and in the public interest, as provided by Virginia Code Section 2.2-3115(I), I am nonetheless electing to abstain from each of these votes.
4. Therefore, I will abstain from voting on the proposed awards to the applicants identified on Exhibit A, attached hereto and incorporated herein.

Please record this declaration in the official records of City of Virginia Beach Development Authority. Thank you for your assistance.

Sincerely,

  
Joseph E. Strange  
Vice Chair

JES/AWS

EXHIBIT A

60	Tidewater Sew-Vac Inc	1620 Centerville Turnpike Suite 106 Virginia Beach VA 23464	\$ 25,000.00	\$ 25,000.00	Joseph E Strange	Staffing Permanent	Joseph E Strange, Erik R Tate, Tamyra L Overstreet
61	Tidewater Sew-Vac Inc	1352 Fordham Drive Virginia Beach VA 23464	\$ 25,000.00	\$ 25,000.00	Tamyra Overstreet	Staffing Permanent	Joseph E Strange, Erik R Tate, Tamyra Overstreet
62	Tidewater Sew-Vac Inc	315 N Great Neck Road Virginia Beach VA 23454	\$ 25,000.00	\$ 25,000.00	Tamyra Overstreet	Staffing Permanent	Joseph E Strange, Erik R Tate, Tamyra L Overstreet





November 17, 2020

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 § 2.2-3114

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 ("VBDA") discussion and vote to approve multiple awards under the CARES Act.
2. As I have received awards of CARES Act funds via a prior action of the VBDA on October 16, 2020 (for which I was not in attendance and I did not participate in in anyway) I believe it inappropriate to participate in the consideration of other similarly situated awards.
3. Three companies in which I have a personal interest, (i) Fogg's Seafood located at 415 Atlantic Avenue, Virginia Beach, (ii) Festival LLC located at 712 Atlantic Avenue, Virginia Beach, and (iii) The Beach Nut located at 415 Atlantic Avenue, Virginia Beach, each received a prior CARES Act Award from the VBDA on October 16, 2020. I was not in attendance, nor did I participate in the approval of those awards in anyway. Nevertheless, I believe it inappropriate to participate in the consideration of other similarly situated awards.
4. For the reasons stated above, I choose to abstain from voting on the matter before the VBDA today.

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 "Michael J. Standing", written over a horizontal line.

Michael J. Standing  
Commissioner

MJS/AWS