

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
JANUARY 26, 2021 MINUTES

The City of Virginia Beach Development Authority (“Authority”) held a Special meeting on Tuesday, January 26, 2021, at 8:30 a.m. conducted via Webex:

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
Nneka Chiazor, Commissioner
Penny Morgan, Commissioner
Mike Standing, Commissioner
Guenter Weissenseel, Commissioner
Dorothy Wood, Commissioner

ADVISORS PRESENT: Taylor Adams, Director of Economic Development
Alexander Stiles, Senior City Attorney
Charles Bauman, Senior Business Development Manager
David Couch, Business Development Coordinator
Devin Cowhey, Grow Smart Development Specialist
Vicki Kelley, VBDA Clerk
Letitia Langaster, Business Development Rep II
Ihsane Mouak, Project Development Coordinator
Sean Murphy, Accountant, VBDA
Olivia O’bry, Executive Assistant
Jeffrey Smith, SWAM Business Coordinator
Cole Trower, Business Development Manager
Ray White, Business Development Coordinator
Kathy Warren, Planning and Community Development
Wendy Hu, Interim Finance Co-Director

Advisors and Commissioners all present via Webex.

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki Kelley

Chair, Lisa Murphy, began the meeting at 8:30 a.m. making the following announcements:

This morning’s meeting is being conducted electronically and is allowed based on the Governor’s state of emergency declaration for COVID-19. This meeting is being recorded.

The City of Virginia Beach Development Authority will consider only essential business items and begin with public comment on Authority business. Anyone who registered online to participate in the virtual meeting with the Clerk of the Authority will be called in the order in which they signed up. Speakers,

please identify yourself when you begin your comments. After all speakers have spoken, the Chair will ask for any comments from the Authority Members. The Clerk will then recognize the Authority Members in the order which they raise their virtual hand. Once discussion is over, the Chair will then move to the next item listed on the published Agenda until all items on the Agenda have been considered. All votes will be by roll call and recorded in the minutes.

As this is the Authority’s first fully electronic public meeting, and in order to ensure a successful live electronic event, the following meeting instructions must be followed. All citizens who wish to provide public comments will be called by name prior to being allowed to speak. Once called upon, each speaker will have up to three (3) minutes to make their comments. Again, please identify yourself when you begin your comments. There will be no question and answer interchange during the meeting. Once your name is called, please wait 2-3 seconds before beginning your comments to ensure we hear your complete remarks. If the speaker does not respond or if a technical issue occurs which renders the comments unintelligible, we will move on to the next registered speaker.

Authority discussion – it is important that Authority Members hold their comments until recognized. Again, the Clerk will recognize the Authority Members in the order which they raise their virtual hand.

Having no questions Vicki Kelly, VBDA clerk proceeded with roll call.

Commissioner, William Brunke was in attendance for the meeting but was having technical difficulties with sound and mic.

OPEN FLOOR

No public speakers

REGULAR MEETING

1. Approved Minutes
 - December 15, 2020

MOTION: William Brown
SECOND: Dot Wood
APPROVED: 10-0

REVIEW OF FINANCIAL POSITION

2. Sean Murphy gave the monthly financial overview for December 2020
 - See video of meeting
 - Presentation attached

Operating Account Summary: December 2020

Beginning Cash	\$ 4,581,779
Significant Cash Receipts	
✓ \$46,792 of Industrial Revenue Bond fees	
✓ \$1,117 of interest income	
Significant Cash Disbursements	
✓ \$13,390 to Globalinx for Jan conduit management fee	
✓ \$5,750 to CliftonLarsonAllen for partial billing of FY2020 financial audit	
Ending Cash	\$4,603,872

Incentive Account Summary: December 2020

Beginning Cash **\$ 6,569,139**

Significant Cash Receipts

- ✓ \$844,272 of CARES Act funding held by City
- ✓ \$699 of monthly interest income
- ✓ \$75,093 of cancelled checks from prior months, reissued in December

Significant Cash Disbursements

- ✓ \$715,558 of Part A and award payments
- ✓ \$148,506 of Part E award payments
- ✓ \$1,594,545 of CARES Act award payments
- ✓ \$394,776 of Dome Site legal fees and consultant expenses
- ✓ \$11,285 of Bio Initiative funding for Accelerator rent and Innovation Park fees

Ending Cash **\$4,624,322**

Incentive Account Summary: December 2020

Ending Cash held by VBDA	\$ 4,624,322
PLUS: EDIP and other Receivables	\$ 6,450,517
LESS: Payables and Commitments	<u>\$ 9,348,944</u>

Ending Available Funding **\$ 1,725,895**

Commissioner Penny Morgan joined the meeting after the financial report.

BIO

3. Approved a Resolution and Agreement for the Facility Logix Management
 - See video of meeting
 - Presentation attached

MOTION: Taylor Franklin
SECOND: Nneka Chiazor
APPROVED: 10-1-0 with Mrs. Wood voting no.

DOME

4. Approved a Resolution authorizing up to \$300,000 in Authority funds for additional studies related to the Dome Site
 - See video of meeting

MOTION: Dot Wood
SECOND: Joseph Strange
APPROVED: 10-0-1

Mike Standing abstained from voting and the abstention letter is attached to these minutes.

ECONOMIC DEVELOPMENT INCENTIVE PROGRAM (EDIP)

5. Approved a Resolution authorizing an EDIP Part A award in the amount of \$46,500 for the expansion of Regulus Global.
 - See video of meeting
 - Presentation attached

MOTION: William Brunke
SECOND: Dot Wood
APPROVED: 11-0-0

Ray White read a response letter from the CEO of Regulus Global.

- See video of meeting

6. Approved a Resolution authorizing the amendment of audit requirements for five (5) EDIP Part E Awards.

- See video of meeting
- Presentation attached

MOTION: William Brown
SECOND: Dot Wood
APPROVED: 10-0-1

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

7. Approved a Resolution authorizing the establishment of the District Improvement plan.

- See video of meeting
- Presentation attached

MOTION: William Brown
SECOND: Nneka Chiazor
APPROVED: 10-0-1


Mike Standing abstained from voting and the abstention letter is attached to these minutes.

ADMINISTRATIVE INFORMATION

8. Director Taylor Adams shared updates

- See video of meeting

Chair Murphy adjourned the meeting at 9:52 am



Lisa Murphy, Chair



January 26, 2021

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 establish the District Improvement Program ("DIP").

2. I own several businesses in areas covered by the DIP and may apply for an award under that program. I therefore believe it inappropriate to participate in the creation or administration of the DIP.

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.

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



January 26, 2021

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(E)

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 Development Authority's discussion and/or vote related to the Dome Site Development.
2. I have a personal interest in this transaction because I have an interest in property at 324 Virginia Beach Boulevard, which property may be impacted by the proposed development.
3. Because my property is potentially implicated by the Dome Site transaction, I abstained from voting on all matters related to the Dome Site Development.

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



January 26, 2021

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 and/or modification of multiple grants under Part E of the EDIP Policy.

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 four (4) of the applicants, or their landlords, under consideration by the Authority for a Part E grant 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 grants 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 blue ink, appearing to read 'Lisa M. Murphy', with a long, sweeping flourish at the end.

Lisa M. Murphy
Chair

LMM/AWS

EXHIBIT A

Waffles & Co.
LaRock Inc.
IFly Indoor Skydiving
Sakura Poke Bowl