

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
June 15, 2021 MINUTES

The City of Virginia Beach Development Authority (“Authority”) held their regular meeting on Tuesday, June 15, 2021, 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
Guenter Weissenseel, Commissioner
Dot Wood, Commissioner

ADVISORS PRESENT: Taylor Adams, Director of Economic Development
Dana Harmeier, Senior City Attorney
Kaitlen Alcock, Planning Department
Emily Archer, Senior Planner
Charles Bauman, Senior Business Development Manager
Devin Cowhey, Business Manager
Laura Hayes, Senior Business Development Coordinator
Vicki Kelley, VBDA Clerk
Paige McGraw, Business Manager
Olivia O’Bry, Executive Assistant to the Director
Lyndon Remias, City Auditor
Brian Solis, Assistant to the City Manager
Svetla Tomanova, Marketing Assistant
Ray White, Business Development Coordinator
Kathy Warren, Planning and Community Development

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki Kelley

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

OPEN FLOOR

There were 8* citizens that made public comments.

- See list of speakers attached
- See video for complete content

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 purposes:

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).

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)(7).

MOTION: Joseph Strange
SECOND: Taylor Franklin
APPROVED: 8-0-0

RECONVENED INTO OPEN SESSION

CERTIFIED CLOSED SESSION

MOTION: Dot Wood
SECOND: Joseph Strange
APPROVED: 8-0-0

**Note: Barbara Messner was given 3 minutes at the end of the closed session as she was late for the public comment session at the beginning of the meeting.*

VANGUARD LANDING

1. Approval of a Resolution continuing forbearance of loan to Vanguard Landing Inc including the following terms:
 - Forbearance will continue for twelve (12) months from the date of this Resolution - until June 15, 2022; Borrower shall make written quarterly reports to lender describing all progress in obtaining site plan approval, debt financing currently completed through the Department of Virginia Housing and raising sufficient funds to satisfy capital equity requirements.
 - Within sixty (60) days of this Resolution, Borrower shall make a lump sum principal payment of \$500,000.00 on the amount outstanding on the Promissory Note to the Development Authority.
 - In the event of breach of the terms of this Resolution, staff is directed to initiate foreclosure of the loan.
 - The remaining funds owed to the Development Authority shall be paid at closing of the debt financing.

MOTION: William Brunke
SECOND: Taylor Franklin
APPROVED: 8-0-0

MEETING MINUTES

2. Approval of Meeting Minutes, May 18, 2021.

MOTION: Taylor Franklin
SECOND: Joseph Strange
APPROVED: 8-0-0

Due to time constraints the following items were skipped.

3. Financials – May 2021 Report
4. BIO – FY 22 Budget for Facility Logix

INNOVATION PARK

5. Approval of a Resolution authorizing the sale of approximately 3.5 acres of land at the Innovation Park to Intrepid Powder Coating LLC.
 - See video of meeting
 - See presentation attached

MOTION: David Bernd
SECOND: Taylor Franklin
APPROVED: 8-0-0

VIRGINIA BEACH NATIONAL

6. Approval of the expenditure of \$18,636.74 for capital repairs to drainage systems at the golf course.
 - See video of meeting
 - See presentation attached

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

BOND

7. Approval of a Resolution authorizing the issuance of the Authority’s Multi-Family Residential Housing Facility Revenue Bonds and the execution of related project documents for the Atlantis Apartments Project.
 - See video of meeting

MOTION: William Brown
SECOND: William Brunke
APPROVED: 7-0-1*

*Taylor Franklin abstained from voting on this and abstention letter attached to these minutes.

DOMESITE

8. Approval of a Resolution authorizing the filing of a petition for the creation of a Community Development Authority for the Dome Site Project.
 - See video of meeting

MOTION: William Brunke
SECOND: Dot Wood
APPROVED: 8-0-0

ECONOMIC DEVELOPMENT INVESTMENT PROGRAM

9. Approval of a Resolution clarifying the award made to ASGN Incorporated (d/b/a Apex Systems).
 - See video of meeting
 - See presentation attached to these minutes

MOTION: Dot Wood
SECOND: Joseph Strange
APPROVED: 8-0-0

Due to time constraints the following item was skipped.

10. Prufrex – EDIP extension

DISTRICT IMPROVEMENT PROGRAM (DIP) GRANT

11. Approval of a Resolution approving one District Improvement Program grants of \$10,000 to Cutezma Corp/Froggies Cantina by the Bay.
- See video of meeting
 - Presentation attached to these minutes

MOTION: Dot Wood
SECOND: William Brunke
APPROVED: 7-0-0

ADMINISTRATIVE INFORMATION

12. The members had no priorities to discuss.
13. The Chair had no items to discuss.
14. The Director had nothing to report.

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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: William Brunke
SECOND: Dot Wood
APPROVED: 7-0-0

RECONVENED INTO OPEN SESSION

CERTIFIED CLOSED SESSION

MOTION: Joseph Strange
SECOND: Dot Wood
APPROVED: 6-0

Taylor Franklin stepped out during the vote to certify closed session.

Chair Murphy adjourned the meeting at 10:50am.



Lisa Murphy, Chair



June 15, 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(F)

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 discussion and/or vote regarding the request by Atlantis Preservation, L.P. for the issuance of the Authority's revenue bonds in an amount not to exceed \$39,000,000.
2. I have a business relationship with the Atlantis Preservation, LP.
3. Although the City Attorney has advised me that I do not have a "personal interest" in Atlantis Preservation, L.P. as that term is defined by the Act., due to my business relationship, 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 this vote.

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 blue ink, appearing to read "W. Taylor Franklin", is written over a light blue horizontal line.

W. Taylor Franklin
Commissioner

WTF/AWS