

An aerial photograph of Virginia Beach, Virginia, taken at sunset. The sky is filled with soft, orange and yellow light. In the center, a tall, modern skyscraper with a distinctive pointed top stands out. To its right, a large, multi-story building with a prominent tower is visible. The city's streets and buildings are illuminated by streetlights and building lights, creating a warm, golden glow. A teal-colored rectangular box is overlaid on the lower-left portion of the image, containing white text.

VBDA Monthly Cash Flow

City of Virginia Beach Development Authority

July 20, 2021

Operating Account Summary: June 2021

Beginning Cash - May 1, 2021 **\$ 4,520,281**

- **Significant Cash Receipts**
 - ✓ \$18,080 VSBFA bond administrative fee share
 - ✓ \$1,761 bank interest income
- **Significant Cash Disbursements**
 - ✓ \$13,390 to Globalinx for May conduit management fee
 - ✓ \$13,390 to Globalinx for Jun conduit management fee
 - ✓ \$33,884 to Vanasse Hangen Brustlin for Apr engineering services
 - ✓ \$10,000 to TIP Strategies for Strategic Plan (payment 3 of 4)

Ending Cash – June 30, 2021 **\$ 4,455,217**

Incentive & Initiative Account Summary: June 2021

Beginning Cash - May 1, 2021 **\$2,653,698**

- **Significant Cash Receipts**
 - ✓ \$588,141 Atlantic Park Expense Reimbursement from City Capital Project
- **Significant Cash Disbursements**
 - ✓ \$357,399 Atlantic Park expenditures reimbursable from City Capital Project
 - ✓ \$14,289 to Jones at 1888 for APZ1 fees reimbursable
 - ✓ \$16,991 to Lingerfelt CP for final EDIP Part A payment (capital investment)
 - ✓ \$93,431 to Apex Systems for initial EDIP Part A payment (employment)
 - ✓ \$217,000 COF Reimbursement to State for LifeNet Health
 - ✓ \$347,367 of Bio Initiative funding for management fees/reimbursable construction expenses

Ending Cash – June 30, 2021 **\$ 2,142,606**



VA BEACH BIO

FY22 Budget Approval

with

Facility Logix

June 15, 2021

DISCLOSURES

- Consultant
 - Pat Larrabee, President, Facility Logix
 - Nancy Conwell, Senior Consultant, Economic Development
- Facility On-Site Representative
 - Kelly Gwin
- Property Owner
 - Olympia Development
- Architect
 - Hanbury Architects
 - PACE Engineers (mechanical, electrical, plumbing)
 - Lynch Mykins (structural)
- Contractors
 - Whiting-Turner Contracting





THE PROJECT

- Purpose: The Development of a VA Beach Bio Accelerator lab space
 - Compatible to Biosafety Level 2 (BSL-2)
 - This is a next step in the development of the Bio industry initiative
- Premises: 577 Bendix Road, Suite 550 (Convergence II)
 - Approx. 5,700 sq. ft.
 - Space is built out; small tasks list for completion
- Consultant: Working with a consultant (Facility Logix) for the development of the space and the Accelerator Program
 - Equipment fit out
 - Ongoing Management
 - Programming
 - *Budget Approval*

THREE AGREEMENTS

- Consultant Agreements for the Development of the VaBeach Bio Accelerator Space with Facility Logix
 - Consultant Services Agreement- *concluded*
 - Assessment of needs
 - Fee Development Agreement – *concluded*
 - Bidding of design/construction
 - Build out oversight and equipment procurement
 - Property Management Agreement – *term ending January 2022*
 - Facility management and accelerator programming
- 

PROJECT PROGRESS

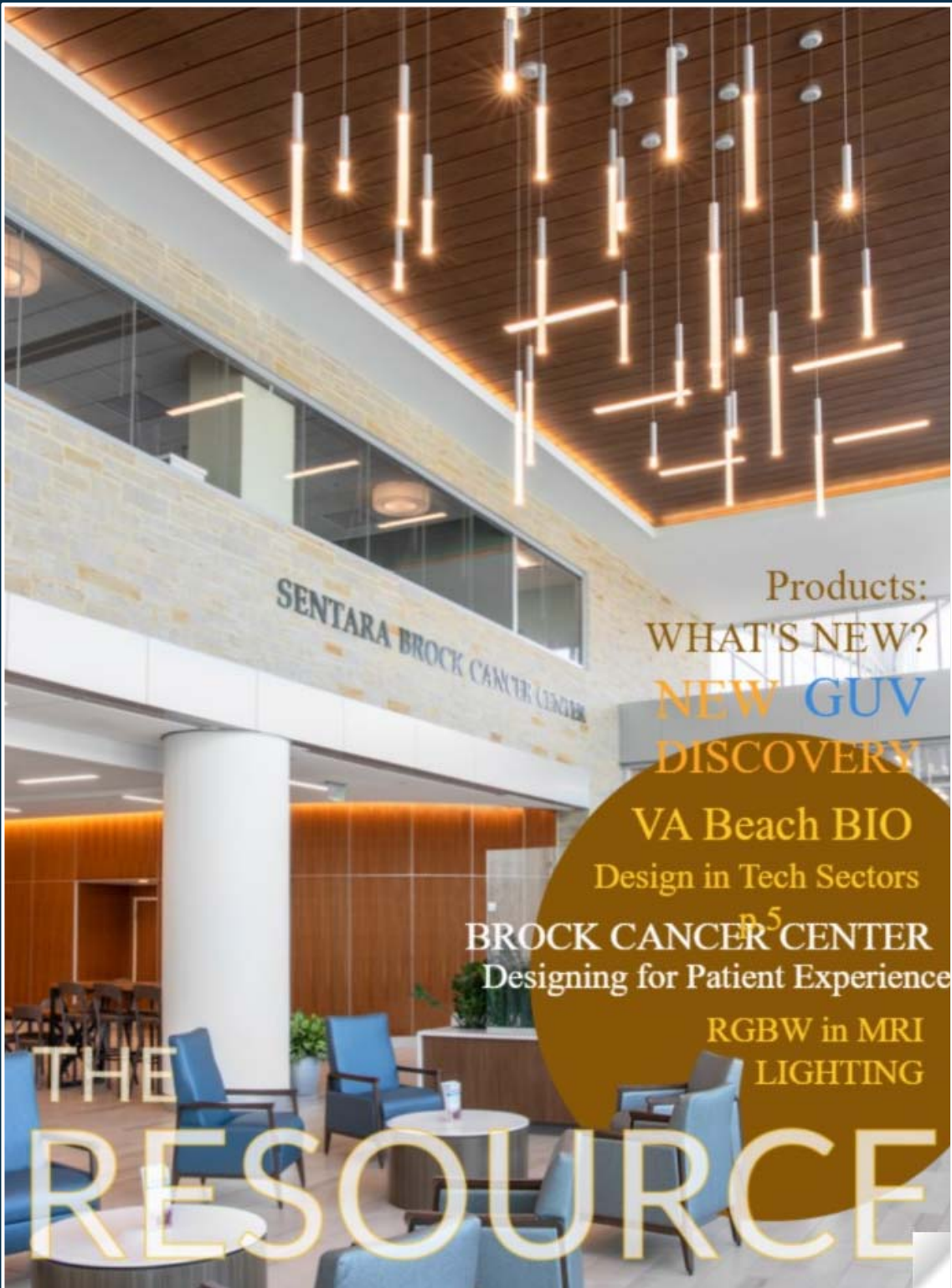
- Grand Opening: August 4 at 11:00 a.m.
- Accelerator build-out is complete
- Potential Tenants scheduling 1-on-1 tours of the space
- Second event being planned with local colleges, universities, and compatible companies
- Marketing to prospects both domestic and international
- Bio Challenge Winners have been invited to tour the finished space



ACCELERATOR RATES

- Memberships rates
 - Affiliate/Virtual: \$100/month – mailing address provided, use of meeting rooms
 - Supporter: \$15/day – coworking one day a month
 - Basic: \$50/month – coworking one day per week, 9:00 a.m. – 5:00 p.m. access
 - Basic Plus: \$75/month – coworking seven days per month
- Lab Rates
 - Tech Labs starting at \$430 per month
 - Wet Labs starting at \$706 per month
- Office Rates
 - Private Office starting at \$221 per month





Products:
 WHAT'S NEW?
 NEW GUV
 DISCOVERY

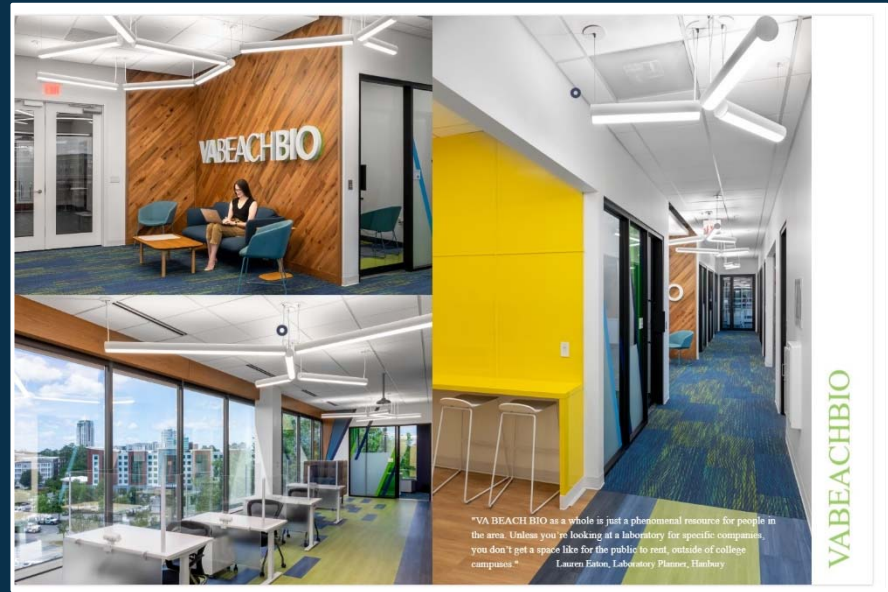
VA Beach BIO

Design in Tech Sectors

BROCK CANCER CENTER
 Designing for Patient Experience

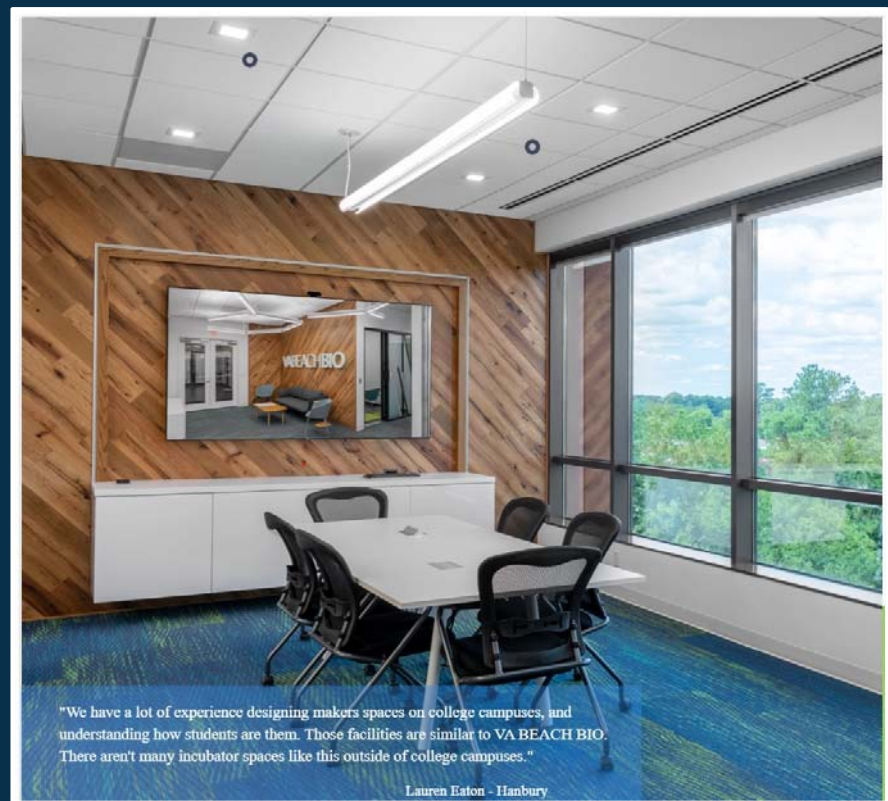
RGBW in MRI
 LIGHTING

THE
 RESOURCE



"VA BEACH BIO as a whole is just a phenomenal resource for people in the area. Unless you're looking at a laboratory for specific companies, you don't get a space like this for the public to rent, outside of college campuses."
 Lauren Eaton, Laboratory Planner, Hanbury

VABEACHBIO



"We have a lot of experience designing makers spaces on college campuses, and understanding how students are them. Those facilities are similar to VA BEACH BIO. There aren't many incubator spaces like this outside of college campuses."

Lauren Eaton - Hanbury

OPERATING BUDGET FY22

VABeach Bio-Accelerator FY 2022 Operating Budget DRAFT

Description	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21	Jan '22	Feb '22	Mar '22	Apr '22	May '22	June '22	Aggregate
Income													
(1) Lab Rent													
Small Labs 2 @ 250 sft @ \$22 psf	575	575	575	575	575	575	1205	1205	1205	1205	1205	1205	10680
Large Lab 1 @ 440 sft @ \$22 psf	1010	1010	1010	1010	1010	1010	1110	1110	1110	1110	1110	1110	12720
(2) Drylab Rent													
Small Drylabs 2 @ 150 sft @ \$22 psf	305	305	305	305	305	305	635	635	635	635	635	635	5640
Large Drylab 1 @ 520 sft @ \$22 psf	1050	1050	1050	1050	1050	1050	1155	1155	1155	1155	1155	1155	13230
(3) Private Office Rent - 400 sqft @ \$20.00 psf	415	415	415	415	415	415	875	875	875	875	875	875	7740
(4) Shared Lab One Time Membership Fee	125	125	125	125	125	125	165	165	165	165	165	165	1740
(5) Co-Work Income	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000
(6) Affiliate/Virtual Client Income	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000
(7) Sponsor-Related Income	1250	1250	1250	1250	1250	1250	1250	1250	1250	1250	1250	1250	15000
(8) Service Related income - Conference room rentals	215	215	215	215	215	215	215	215	215	215	215	215	2580
Economic Development Subsidy	5420	5420	5420	5420	5420	5420	5420	5420	5420	5420	5420	5420	65040
Subtotal Income:	12365	12365	12365	12365	12365	12365	14030	14030	14030	14030	14030	14030	158370
Expenses													
Contracted Services													
(9) Program & Property Management Services - FLGX	-5500	-5500	-5500	-5500	-5500	-5500	-5720	-5720	-5720	-5720	-5720	-5720	-67320
One-Time Setup Fee for Third Party Services	0	0	0	0	0	0	0	0	0	0	0	0	0
(10) Outsourced PT Tenant Services Coordinator	-2500	-2500	-2500	-2500	-2500	-2500	-5800	-5800	-5800	-5800	-5800	-5800	-49800
(11) Lease of Convergence Center with 3% annual escalations	0	0	0	0	0	0	0	0	0	0	0	0	0
(12) Additional Rent and Common Area Maintenance costs per lease	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative													
(13) Bad debt allowance - uncollected rents/dues	-124	-124	-124	-124	-124	-124	-140	-140	-140	-140	-140	-140	-1584
Office supplies	-200	-200	-200	-200	-200	-200	-150	-150	-150	-150	-150	-150	-2100
(14) Phone and Internet Service	-400	-400	-400	-400	-400	-400	-400	-400	-400	-400	-400	-400	-4800
Postage	-40	-40	-40	-40	-40	-40	-40	-40	-40	-40	-40	-40	-480
Catering - programmatic/other - 12 programs on site/yr	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-12000
Incidental Advertising & marketing	-165	-165	-165	-165	-165	-165	-165	-165	-165	-165	-165	-165	-1980
Insurance	-415	-415	-415	-415	-415	-415	-415	-415	-415	-415	-415	-415	-4980
Annual audit by VABED	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-1000	-12000
(15) Legal fees	-415	-415	-415	-415	-415	-415	-415	-415	-415	-415	-415	-415	-4980
Lab Compliance and Safety Fees, includes BSC and CFH Cert.	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	-300	-3600
Repair & Maintenance													
Fire Protection, includes extinguisher inspections	-170	-170	-170	-170	-170	-170	-170	-170	-170	-170	-170	-170	-2040
(16) Maintenance Engineer-outsourced	-1905	-1905	-1905	-1905	-1905	-1905	-1905	-1905	-1905	-1905	-1905	-1905	-22860

Recommendation

- We are requesting approval of the Operating Budget from Facility Logix for July 1, 2021 – June 30, 2022

QUESTIONS ?



Stormwater Pipe and Fence Repairs



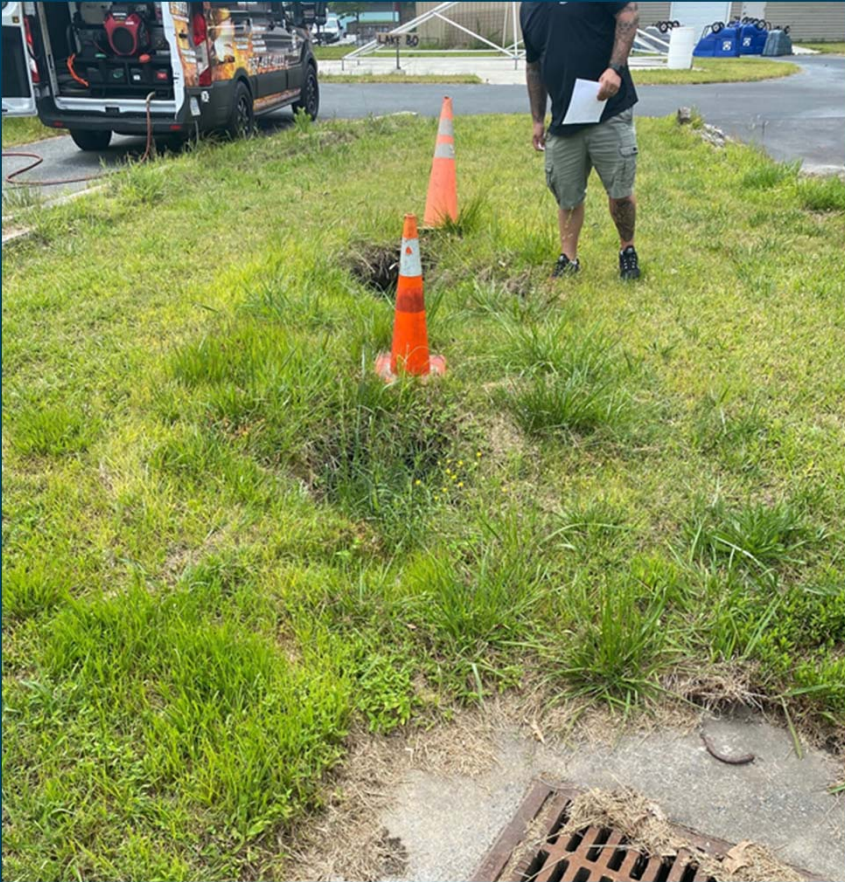
City of Virginia Beach Development Authority
Open Session
July 20, 2020



LIVE NATION CAPITAL IMPROVEMENTS 2020

- Parking lot E light replacement (phase 2)
 - Forest Plaza Brewhouse conversion
 - Replacement of ADA ramps to pavilion seating
 - Replacement of two back-up generators
 - Replacement of Forest Plaza merchandise stand
-
- Total Improvements: \$308K
 - VBDA's portion: \$174,020

Stormwater Pipe Repair



- 2 Cave-ins at the rear of the property
- Repairs needed for the 27” stormwater pipe
- Estimated Cost: \$22,252.80
- VBDA : \$12,572.83
- Live Nation: \$9,679.97

Fence Replacement



- Perimeter fence replacement
- Total Cost: \$16,150
- VBDA: \$9,124.75
- Live Nation: \$7,025.25

Recommendation

Approve the repairs as presented for a total cost of \$21,697.58 from the Capital Improvements fund.

2021 Concert Schedule

8/5	Jason Aldean
8/25	Alanis Morissette
8/28	Dave Matthews Band
8/29	Brad Paisley
8/31	Pitbull
9/2	311
9/9	Judas Priest w/ special guest
9/16	Dierks Bentley
9/17	Outlaw Festival
9/30	Chris Stapleton
10/2	Rebelution
10/7	Florida Georgia Line
10/9	Jonas Brothers

Alion Science and Technology Corporation- Conex Boxes

City of Virginia Beach Development Authority
Open Session
July 20, 2020



Disclosure Statement

- Applicant: Alion Science and Technology Corporation
- Owner: Norfolk Airport Authority
- Real Estate Broker/Agent/Realtor: JLL- Wesley Edwards
- Legal Services: Vandeventer Black LLP- Anita Poston

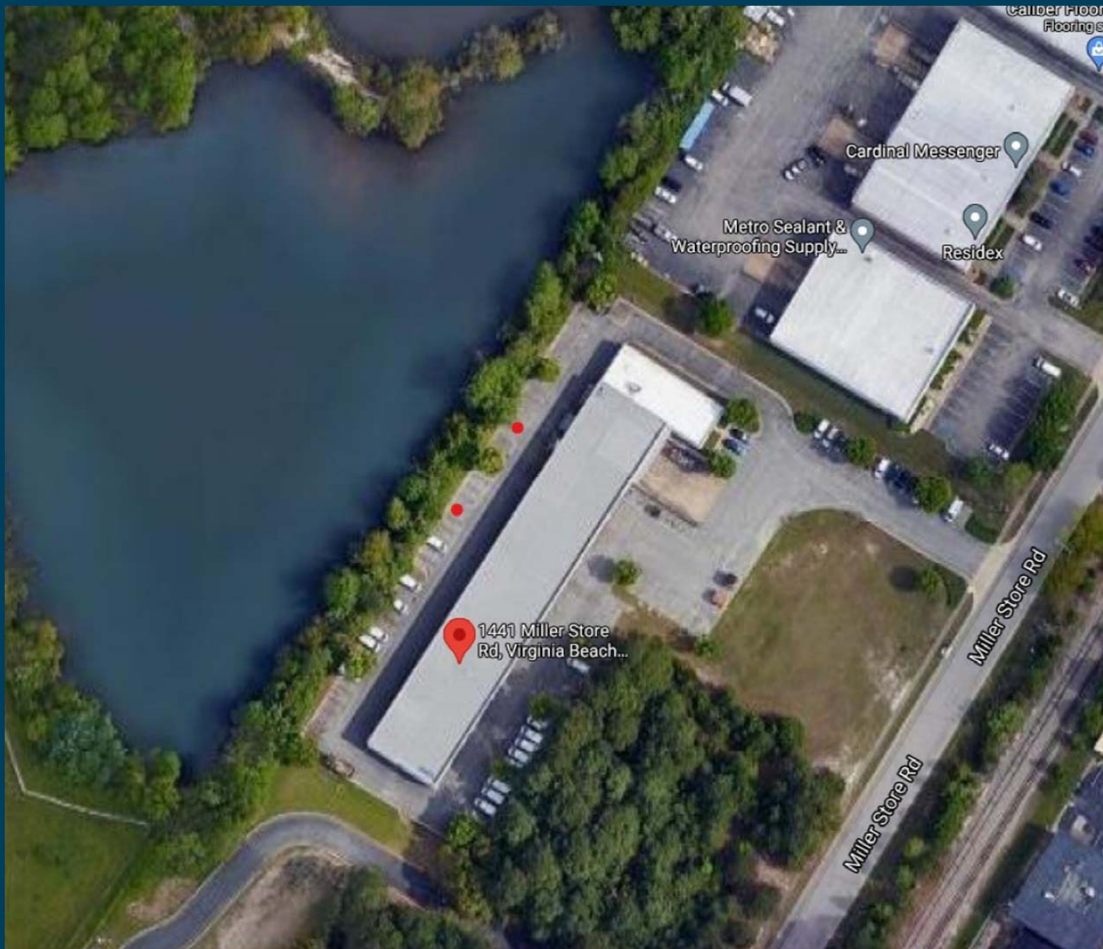
Alion Science and Technology Corporation

Alion engineers solutions for the U.S. Department of Defense and employs 25 in the Virginia Beach location.

- Artificial Intelligence
- Cyber Solutions
- Electronic Warfare
- ISR Technology
- LVC Solutions
- Weapons Platforms



Conex Boxes



- Set up of two 40' boxes in the parking lot
- Boxes to be utilized for overflow storage items

Recommendation

Approve Alion's request to set up two boxes in the parking lot for overflow storage

Corporate Landing Business Park

Modifications to Design Criteria and Proffers Update



City of Virginia Beach Development Authority
July 20, 2021

Corporate Landing Business Park Design Criteria



Purpose of the Design Criteria is to provide guidance on land use, site design, building design, landscaping, and signage to ensure a unified, qualitative park environment.

Design Criteria and Proffers Updates

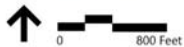


1. Ensure that the Park remains relevant for current and future market opportunities,
2. Reduce redundancy and better align the document with current code requirements
3. Consolidate multiple subsequent amendments into one user-friendly and attractive document
4. Permit more flexibility with new and innovative materials and construction methods
5. Provide more guidance on light industrial and advanced manufacturing building types

Existing Business Owners Communication



- Since we cannot modify the proffers for land the Authority does not own, the updated Design Criteria will only apply to the remaining Authority-owned property.
- If existing developments want to redevelop, they will have to follow the former proffers and Design Criteria. Or apply, individually, for inclusion in the new proffers and updated Design Criteria.
- Sent a letter to all existing owners explaining the update and giving them the opportunity to be a party to this application if they choose.



Legend

- Corporate Landing Business Park Limits
- VBDA Owned Property
- Jurisdictional Lake/Stormwater Pond

Other Applicant

- FROB LLC. at 12080 Perimeter Parkway
- GPIN: 24150407700000

Schedule

- VBDA approval: May 18, 2021
- Communication to existing owners: May 28, 2021
- Signs are posted around the Park: July 11, 2021
- Planning Commission meeting: August 11, 2021
- City Council meeting: September 7, 2021, or September 21, 2021



THE VIRGINIA BEACH DEVELOPMENT AUTHORITY

EDIP REQUEST PRUFREX

JULY 20, 2021

CONFIDENTIAL

DISCLOSURES

- Company: Prufrex USA, Inc.
- Property Owner: Oceana Development LLC



CONFIDENTIAL

ABOUT THE COMPANY

- German-based manufacturers of electronic ignition devices
- U.S. Headquarters moved from Gainesville, GA
- In 2013, Virginia Beach selected as initial U.S. manufacturing facility
 - Location: 2573 Quality Ct., Virginia Beach, VA 24354
- Project Numbers as of July 19,2021:
 - Capital Investment: \$5,736,222
 - Number of Employees: 60 (6 openings)
 - Average Wage: \$44,240 +
 - 10% increase in hourly wage
 - 7% increase in supervisors



CONFIDENTIAL

2013 Incentives Granted

- \$120,000 Commonwealth Opportunity Fund (COF)
- \$120,000 Economic Development Investment Program (EDIP)
- Based on \$7,330,000 capital investment and 60 new jobs
- Could have qualified for \$317,448 under EDIP Part A based on current investment

CONFIDENTIAL

The logo for PRUFREX, featuring the word "PRUFREX" in a bold, blue, sans-serif font with a registered trademark symbol (®) to the right. The letter "f" is stylized with a lowercase, cursive-like font.

Challenges

- COF forwarded to Prufrex
- Due to several administrative discrepancies in 2017 and 2018, deadline to request an extension to VEDP's performance period was missed
- VEDP requested COF to be returned to Commonwealth
- September 15, 2020 - \$120,000 EDIP awarded, and payment could be used to repay COF
 - Contingent on original capital invest and jobs goals met within 6 months or repay 50% of EDIP (March 15, 2021)
 - Jobs numbers met
 - \$1,593,778 in capital investment short

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The logo for Prufrex, featuring the word "PRUFREX" in a bold, sans-serif font with a registered trademark symbol, and a stylized blue "f" that is part of the "PRUFREX" text.

RECOMMENDATION

Allow for an additional extension of 1 year, while economy and labor market stabilizes.

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The logo for PRÜfREX® is displayed in a white rectangular box. The word "PRÜfREX" is written in a blue, sans-serif font, with a registered trademark symbol (®) to the right. The letter "f" is stylized with a lowercase, cursive-like font.

QUESTIONS?

CONFIDENTIAL