

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY  
October 18, 2022, MINUTES

The City of Virginia Beach Development Authority (“VBDA”) held its regular meeting on Tuesday, October 18, 2022, 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/vbda>

MEMBERS PRESENT: Lisa M. Murphy, Chair  
William Brunke, Treasurer  
David Bernd, Secretary  
Taylor Franklin, Assistant Secretary  
William Brown, Commissioner  
Nneka Chiazor, Commissioner  
Penny Morgan, Commissioner  
Ronnie Parker, Commissioner  
Michael J. Standing, Commissioner  
Joseph Strange, Commissioner  
Guenter H. Weissenseel, Commissioner

CITY COUNCIL: Vice Mayor Rosemary Wilson

ADVISORS PRESENT: Taylor V. Adams, Deputy City Manager  
Alexander W. Stiles, Senior City Attorney  
Dana Harmeyer, Senior City Attorney  
Kathy Warren, Deputy Director of Economic Development  
Kaitlen Alcock, Planner II  
Michael Anaya, Project Development Planner III  
Emily Archer, Project Development Manager  
Devin Cowhey, Business Development Manager II  
Katrina N. Flowers, VBDA Accountant  
Paige Fox, Business Development Manager II  
Laura Hayes Chalk, Business Development Coordinator  
Letitia Langaster, Business Development Manager II  
Olivia O’Bry, Executive Assistant II  
Elisabeth D. Parker, Administrative Assistant  
Jeffrey Smith, Business Development Coordinator  
Josh Spicer, Economic Development Intern  
Svetla Tomanova, Project Development Planner II  
Raymond White, Business Development Coordinator  
Deborah Zywna, Project Development Planner III

REPORTED BY: Taylor V. Adams

RECORDED BY: Vicki L. Kelley

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

**OPEN FLOOR**

No Public Speakers

## REGULAR MEETING

### MEETING MINUTES

1. Approval of Meeting Minutes, September 20, 2022.

MOTION: Taylor Franklin  
SECOND: Joseph Strange  
APPROVED: 9-0-0

William Brunke arrived after the vote.

### FINANCIALS

2. Katrina Flowers presented financials for September 2022.

#### **Operating Account Summary: September 2022**

Beginning Cash – September 1, 2022 **\$4,291,814**

##### *Significant Cash Receipts*

- Grand Total of Significant Cash Receipts - \$26,021
- \$ 20,080 VB National for Operations Rent  
\$ 4,941 Interest Income  
\$ 1,000 Harvest (Golf Tournament Sponsorship)

##### *Significant Cash Disbursements*

- Grand Total of Significant Cash Disbursements - \$58,111
- \$ 10,383 HBA Architecture & Interior Design-Facility Assessment and Feasibility Study for Lishelle Place  
\$ 13,792 Globalinx for Monthly Conduit Management Fee for September 2022  
\$ 28,148 Singer Davis LLC-Legal Services for Dome Site for August 2022  
\$ 11,793 Vanasse Hangen Brustlin, Inc. (VHB)- for Corporate Landing New Roadway Design,  
**Ending Cash – September 20, 2022** **\$4,232,364**

#### **Incentive & Initiative Account Summary: September 2022**

Beginning Cash – September 1, 2022 **\$2,955,125**

##### *Significant Cash Receipts*

- Grand Total of Significant Cash Receipts - \$497
- \$ 497 Bank interest income

##### *Significant Cash Disbursements*

- Grand Total of Significant Cash Disbursements - \$532,899
- \$ 10,000 Cutezma Corp T/A Froggie Cantina for FIG Grant  
\$177,289 Kimley Horn – Reimbursable for Dome Site  
\$282,918 Cooper Carry – Reimbursable for Dome Site  
\$ 62,692 Gensler – Reimbursable for Dome Site  
**Ending Cash – September 30, 2022** **\$2,422,183**

#### **Incentive Summary Reporting: September 2022**

<b>Beginning VBDA EDIP Grant Balance</b>	<b>\$3,528,617</b>
<b>EDIP Grants Expired (Closed)</b>	<b>+\$ -</b>
<b>New Grants Approved by VBDA</b>	<b>- \$ -</b>
<b>EDIP Grant Funds Available as of September 2022</b>	<b>\$3,528,617</b>

**Atlantic Park**

- 3. Approval of the Resolution approving the imposition of special assessments and special taxes for the Atlantic Park Community Development Authority and approving a memorandum of understanding in connection therewith presented by Dana Harmeyer.

Senior City Attorney Dana Harmeyer explained the resolution has two pieces. One is related to the VBDA as the property owner and that has special assessments, and in the CDA transaction, the special assessments serve as the security, if the revenues underperform. As the landowner, the special assessment is before you today.

The second piece is a reference to an MOU which takes the finance provisions out of the development agreement and puts it in a document that will be signed by the City, the Developer, the VBDA, and the CDA. The CDA membership is City Council, and they have an organizational meeting today at 2:00 pm, and they will have the MOU before them at their meeting. City Council will have the MOU in front of them at 6:00 pm.

*Discussion:*

Chair Lisa Murphy asked if the special assessments are treated like taxes where the property owner would agree to the taxes imposed. Mr. Harmeyer responded to clarify that special assessments are treated differently than taxes. Because of the particularities of special assessments, the value of the special assessments relates to the actual value of the improvements apportioned to the owners of the property. The VBDA as the owner would agree and then the special assessments would be attached to the various condo owners within the project.

Taylor Franklin if the MOU is connected to the special assessments. Mr. Harmeyer responded that the MOU is the relates to the performance agreement, and it is a lift of financing provisions in the Development Agreement. The MOU adds a party, the CDA, which was not in existence when the Development Agreement was executed. The MOU provides for the gathering and forwarding of the revenues to the Trustee to service the CDA debt. .

Ms. Murphy asked if the CDA was made up of all council members. Mr. Harmeyer confirmed the membership of the CDA Board is the member of the City Council. Mr. Harmeyer added that the CDA revenues are from within the district, and a CDA is like an SSD on steroids. It has a real estate levy piece, some state money and local money that would otherwise go to the TIP Fund. The combination of these three will service the debt.

MOTION: William Brunke  
SECOND: Ronnie Parker  
APPROVED: 9-0-1

Michael Standing abstained from voting on this item and the letter of abstention is attached to these Minutes.

**BUSINESS PARKS**

- 4. Approval of construction plans for Norfolk Virginia Beach Airport, Inc. in the Airport Industrial Park Property presented by Emily Archer.

*No discussion*

MOTION: Taylor Franklin  
SECOND: Michael Standing  
APPROVED: 9-0-1

Lisa Murphy abstained from voting on this item and the letter of abstention is attached to these Minutes.

5. Approval of construction plans for BMKV Holdings, LLC in the Corporate Landing Park Property presented by Emily Archer.

*Discussion:*

William Brunke asked if the sign was plywood, and it seems that doesn't last long out there. Michael Standing stated that it could be Marine Grade Plywood. Ms. Archer confirmed and said they would make note of that and make sure they use durable material.

MOTION: Taylor Franklin  
SECOND: Penny Morgan  
APPROVED: 10-0-0

6. Approval of a Resolution approving an extension of the Mid-Atlantic NAP, LLC option in the Corporate Landing Park presented by Ray White.

*Discussion:*

Ray White introduced Tom Darby and Adam Nole with Mid-Atlantic NAP and thanked them for joining the meeting today.

MOTION: Michael Standing  
SECOND: Joseph Strange  
APPROVED: 10-0-0

**TOWN CENTER**

7. Approval of a Resolution authorizing the renewal of the Open-Air Café Agreement for Virginia Restaurant Holding, LLC (d/b/a Quirks) presented by Debbie Zywna.

*No Discussion*

MOTION: Penny Morgan  
SECOND: Guenter Weissenseel  
APPROVED: 10-0-0

**ADMINISTRATIVE INFORMATION**

8. VBDA Priorities: No discussion
9. VBDA Members: No discussion
10. Director's Report:

Deputy Director Taylor Adams recognized Ray White who is retiring after 27 years. He has worked right up to the last day in the office. Mr. Adams thanked Ray for his service to the community with a great career in Economic Development in Virginia Beach and throughout the region. Mr. Adams wished Mr. White the very best going forward and thanked him for all he has done. Charlie Bauman will be serving as Interim Coordinator while we search to fill the position.

Mr. Adams also announced that he would be following the direction of the City Manager and keeping the title of Economic Development Director for the foreseeable future. The reason is that the City Manager likes being connected with the work and directly connected to the economy. With that, he has agreed to allow our department to hire 2 deputy directors. Kathy Warren has the permanent title of Deputy Director of Project Delivery, and the City Manager has allowed me to create a second deputy director over business attraction. That position has been advertised and closed and interviews are scheduled in the coming days. Laura Chalk has agreed to serve in an acting capacity while we go through the search. Mr. Adams thanked Laura and Charlie for being willing to step up and serve in these acting roles while we go through the search.

Nneka Chiazor congratulated Ray on his wonderful service and said that last week she was at a Virginia Tech Conference, titled Women Impact Virginia, and had the privilege of sitting next to Traci Gregoria with G2 Ops who sang Ray's praises. She talked about the support that Ray had given her as a business owner as well as the Development Authority, particularly through the pandemic. So, I wanted to give a shout-out to your service and to Taylor and the staff for all you do for our community.

Mr. Adams also shared that he was hip-deep in closing the Atlantic Park Project and wanted to thank the Board for their action on that this morning as it was a critical step for us in closing.

Chair Lisa Murphy thanked Ray White for 27 years of service and congratulated Laura Chalk as well.

David Bernd arrived at 8:58 am as Chair Lisa Murphy moved to recess into a closed session.

**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:

**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). *(District 3)*

**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). *(District 6)*

**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). *(District 2) (District 6)*

MOTION: William Brunke  
SECOND: Nneka Chiazor  
APPROVED: 11-0-0

**RECONVENED INTO OPEN SESSION**

**CERTIFIED CLOSED SESSION**

MOTION: Joseph Strange  
SECOND: William Brunke  
APPROVED: 11-0-0

Chair Lisa Murphy adjourned the meeting at 9:45 am.

  
Lisa M. Murphy, Chair



October 18, 2022

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)

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 a request by Norfolk-Virginia Beach Airport, LLC (the "Company"), for approval of construction plans on property located in the Airport Industrial Park.

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

3. As a part of my employment with Willcox & Savage, P.C. I provide legal services to an affiliate of the Company on other matters. The Company's address is 2859 Virginia Beach Blvd., #106, Virginia Beach, Virginia 23452.

4. Therefore, I will abstain from voting on the proposed request for waiver by the Company.

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



October 18, 2022

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)

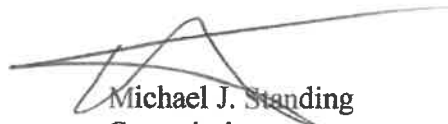
Dear Ms. Kelley:

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 City of Virginia Beach Development Authority's discussion and/or vote related to the Dome Site Project at its October 18, 2022 meeting.
2. I have a personal relationship with the owners of property located at 324 Virginia Beach Boulevard which may be impacted by the proposed development.
3. Therefore, I will abstain from participating in the discussion and/or vote on this matter.

Please include this disclosure in the official records of the Development Authority. Thank you for your assistance in this matter.

Sincerely,



Michael J. Standing  
Commissioner

MJS/AWS/csk