

A RESOLUTION APPROVING THE AWARD OF
\$125,000.00 IN ECONOMIC DEVELOPMENT
INVESTMENT PROGRAM FUNDS TO
FORTIS SOLUTIONS GROUP, LLC

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") was created pursuant to Chapter 643 of the Acts of Assembly of 1964, as amended (the "Act");

WHEREAS, one of the primary purposes of the Act is to enable development authorities "to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate in or remain in the Commonwealth....";

WHEREAS, pursuant to §6 of the Act, the Authority has the power, *inter alia*, "to sell, exchange, donate and convey any or all of its facilities or other properties whether realty or personalty whenever the Authority shall find any such action to be in furtherance of the purposes for which the Authority was organized";

WHEREAS, pursuant to §7 of the Act, "the Authority may foster and stimulate the development of industry in the area within its jurisdiction... [and] may accept, and expend for the purposes stated above, money from any public or private source....";

WHEREAS, pursuant to §10 of the Act, the City of Virginia Beach (the "City") "is authorized and empowered to make appropriations and to provide funds for the operation of the Authority and to further its purposes";

WHEREAS, the economic development goals and objectives of the City include achieving a higher ratio of nonresidential to residential real estate assessments, investing in land and infrastructure to benefit future economic growth, and maximizing the return of economic development efforts through the development and implementation of programs and strategies that facilitate new business investment and encourage retention and expansion activities, thereby improving the overall quality of life in the City;

WHEREAS, another economic development goal and objective of the City is to encourage the conversion of property in the Accident Potential Zone One around NAS Oceana ("APZ-1") that does not conform to the City's zoning amendments adopted in response to the BRAC Order of December 20, 2005 (the "APZ-1 Ordinance"), to uses that do conform to the APZ-1 Ordinance, including the relocation of nonconforming properties to areas of the City outside the APZ-1 and Clear Zones and the location of conforming properties within the APZ-1 and Clear Zones;

WHEREAS, the City established the Economic Development Investment Program ("EDIP") as part of its overall effort to enhance the City's ability to accomplish these goals and objectives;

WHEREAS, pursuant to the authority and power set forth in §10 of the Act, City Council has authorized the transfer of funds in the EDIP account to the Authority and the award

of future EDIP appropriations to the Authority in such instances where the Oceana Land Use Conformity Committee (“OLUCC”) has determined, and has advised the Director of Economic Development, that the development or redevelopment for which EDIP funds will be provided will have the effect of furthering the goals of the Oceana Land Use Conformity Program, including bringing new uses into APZ-1 and Clear Zone areas that conform to the APZ-1 Ordinance, converting nonconforming uses to conforming uses, retaining conforming uses in APZ-1 and Clear Zones, and relocating nonconforming uses in APZ-1 and Clear Zones to other areas of the City where such uses would be consistent with the Comprehensive Plan and the City Zoning Ordinance;

WHEREAS, on February 16, 2016, the Authority approved a resolution awarding up to One Hundred Thousand Dollars (\$100,000) to Fortis Solutions Group, LLC, a Virginia limited liability company (“Recipient”) (the “2016 Award”);

WHEREAS, the 2016 Award has expired and as a part of the award recommended by this Resolution, the 2016 Award is terminated and of no further force and effect;

WHEREAS, Recipient has contracted to expand its business on a parcel of land within APZ-1 located at 2505 Hawkeye Court, Virginia Beach, Virginia (the “Premises”). Recipient’s operations within APZ-1 would be a conforming use under the APZ-1 Ordinance;

WHEREAS, based on the proposed project, there is a recommendation by the staff of the Department of Economic Development to award Recipient \$125,000.00 in EDIP funds to underwrite a portion of the costs associated with the expansion of its operation in APZ-1;

WHEREAS, OLUCC has advised the Director of Economic Development of OLUCC’s recommendation of a \$125,000.00 award to Recipient to encourage Recipient’s expansion of a compatible use into APZ-1;

WHEREAS, Recipient has represented in its application and the Director of Economic Development (the “Director”), upon review of the application submitted by Recipient, has determined and has advised the Authority it will meet at least one of the following performance criteria (the “Performance Criteria”) within forty-eight (48) months after the date of this Resolution:

- (a) Tax Revenues: The net amount of direct tax revenues returned to the City as a result of the Recipient’s operation will exceed the amount of EDIP Funds provided in forty-eight (48) months; or
- (b) Capital Investment: For every dollar of EDIP funds received, Recipient shall make a new capital investment of at least Twenty-Four and 80/100 Dollars (\$24.80).

WHEREAS, “Capital Investment” means a capital expenditure in taxable real property, taxable tangible personal property, or both at the Project in the City of Virginia Beach. The Authority may, in its discretion, determine that the value of machinery and

equipment leased under an operating lease will qualify as a capital investment. The Authority may also, in its discretion, consider Capital Investments made by third parties at the Project for the overall benefit of the Project, and/or the value of moveable equipment retained by a business that was considering relocating outside of the City of Virginia Beach. The cost of the acquisition of land and existing buildings will not count toward the required capital investment thresholds unless the land and existing buildings are being purchased from a governmental entity and are being returned to the tax rolls.

WHEREAS, the Director has reviewed the recommendation of OLUCC and supports the award to Recipient of a \$125,000.00 grant under Part “C” of the EDIP; and

WHEREAS, the funding for such award shall be as set forth in Section 6 of Part “C” of the EDIP.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. That the Authority hereby finds that the award of \$125,000.00 in EDIP funds to Fortis Solutions Group, LLC, Virginia limited liability company (the “Recipient”) will primarily serve the valid public purpose of fostering and stimulating economic development in the City.
2. That the Authority hereby finds that the proposed provision of EDIP funds to the Recipient is in furtherance of the purposes for which the Authority was created.
3. That the Authority hereby finds that without the stimulus of the EDIP award, it is unlikely that the property would be developed to the extent proposed.
4. That as of the date of this action by the Authority, the expansion of Recipient’s business in APZ-1 has not yet commenced.
5. That the Authority hereby further finds that, based on the direct benefits to the City of Virginia Beach and its citizens resulting from the increase in tax revenues and new capital investment to be generated by the Recipient, the award of \$125,000.00 in EDIP funds to the Recipient will only incidentally enure to the benefit of private interests.
6. That the Authority hereby finds that, based on the Recipient’s representation that it will develop property in an area of the City designated as APZ-1, the City of Virginia Beach and its citizens will benefit from the Recipient’s development project and Recipient’s operations within the City of Virginia Beach.
7. That the Authority hereby finds that the proposed development is consistent with the City’s Comprehensive Plan, the City’s Economic Development Strategy, and the City’s APZ-1 Ordinance, and that it will serve to influence redevelopment and additional capital investment in adjacent or nearby properties.

8. That based on these findings, the Authority hereby approves the award of \$125,000.00 in EDIP funds to the Recipient to underwrite a portion of the expenses associated with the expansion of Recipient's operation in APZ-1.

9. That the Director may require the Recipient to enter into a Recapture Agreement approved by the Director. Such Recapture Agreement shall provide for the repayment by the Recipient of that portion of EDIP funds disbursed should it be determined by a court of competent jurisdiction that the Recipient's use of the Premises is inconsistent with uses allowed by easements in favor of the United States Navy encumbering the Premises, and shall contain certain other provisions as may be determined or required by the Director.

10. As a further condition of receiving the EDIP Funds, the Recipient shall conduct operations in the Property (or such other locations in the City of Virginia Beach as may be agreed to by the Authority, including an existing location for which funds are awarded) for a minimum of five (5) years from the time of this award. Even if the requirement of paragraph 1 is met, for each year less than five that the Recipient conducts operations at the Property (or other agreed to location) upon written request from the Authority, the Recipient shall pay to the Authority, as EDIP recapture and not as a penalty, one-fifth (1/5) of the amount of the EDIP Funds provided. Such amount shall be paid within fifteen (15) business days after receipt of request from the Authority, and if not paid by such date, the amount due will bear interest at the rate of ten percent (10%) per annum from such date until paid, and such interest shall be payable by the Recipient in addition to the amount due as calculated above.

11. The appropriate officers of the Authority are authorized to execute and deliver the documents necessary to evidence the award of EDIP funds to the Recipient as set forth herein, so long as such documents are in a form acceptable to the Chair and the City Attorney.

12. The 2016 Award is hereby terminated and is of no further force or effect.

13. The Authority may terminate this award and decline to pay any unpaid funds if the Recipient has not satisfied the Performance Criteria and requested the full \$125,000.00 within forty-eight (48) months of the date of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

Adopted this 16th day of August, 2022, by the City of Virginia Beach Development Authority.


CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:


City Attorney

A RESOLUTION APPROVING THE PROVISION
OF \$100,000 IN ECONOMIC DEVELOPMENT
INVESTMENT PROGRAM FUNDS TO ASLIN
BEER COMPANY

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") was created pursuant to Chapter 643 of the Acts of Assembly of 1964, as amended (the "Act");

WHEREAS, one of the primary purposes of the Act is to enable development authorities "to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate in or remain in the Commonwealth....";

WHEREAS, pursuant to §6 of the Act, the Authority has the power, *inter alia*, "to sell, exchange, donate and convey any or all of its facilities or other properties whether realty or personalty whenever the Authority shall find any such action to be in furtherance of the purposes for which the Authority was organized";

WHEREAS, pursuant to §7 of the Act, "the Authority may foster and stimulate the development of industry in the area within its jurisdiction... [and] may accept, and expend for the purposes stated above, money from any public or private source....";

WHEREAS, pursuant to §10 of the Act, the City of Virginia Beach (the "City") "is authorized and empowered to make appropriations and to provide funds for the operation of the Authority and to further its purposes";

WHEREAS, the economic development goals and objectives of the City include achieving a higher ratio of nonresidential to residential real estate assessments, investing in land and infrastructure to benefit future economic growth, and maximizing the return of economic development efforts through the development and implementation of programs and strategies that facilitate new business investment and encourage retention and expansion activities, thereby improving the overall quality of life in the City;

WHEREAS, the City established the Economic Development Investment Program ("EDIP") as part of its overall effort to enhance the City's ability to accomplish these goals and objectives;

WHEREAS, pursuant to the authority and empowerment set forth in §10 of the Act, City Council authorized the transfer of funds in the EDIP account to the Authority and the provision of future EDIP appropriations to the Authority to enable the Authority to more effectively continue its efforts to foster and stimulate economic development by inducing businesses to locate or remain in the City;

WHEREAS, the Department of Economic Development (the "Department"), acting on behalf of the Authority, has induced Aslin Beer Company, a Virginia corporation (the "Recipient"), to locate its operation in the City at property located at 821-829 Virginia Beach Blvd. (the "Property");

WHEREAS, the inducement includes an agreement to recommend the award to Recipient of \$100,000.00 in EDIP funds to underwrite a portion of costs associated with the location of the Recipient's operation at the Property;

WHEREAS, Recipient has represented in its application and the Director of Economic Development (the "Director"), upon review of the application submitted by Recipient, has determined and has advised the Authority it will meet at least one of the following performance criteria (the "Performance Criteria") within thirty-six (36) months after the date of this Resolution.

- (a) Tax Revenues: The net amount of direct tax revenues returned to the City as a result of the Recipient's operation will exceed the amount of EDIP Funds provided in thirty-six (36) months; or
- (b) Capital Investment: For every dollar of EDIP funds received, Recipient shall make a new capital investment of at least \$39.00;

WHEREAS, "Capital Investment" means a capital expenditure in taxable real property, taxable tangible personal property, or both at the Project in the City of Virginia Beach. The Authority may, in its discretion, determine that the value of machinery and equipment leased under an operating lease will qualify as a capital investment. The Authority may also, in its discretion, consider Capital Investments made by third parties at the Project for the overall benefit of the Project, and/or the value of moveable equipment retained by a business that was considering relocating outside of the City of Virginia Beach. The cost of the acquisition of land and existing buildings will not count toward the required capital investment thresholds unless the land and existing buildings are being purchased from a governmental entity and are being returned to the tax rolls.

WHEREAS, the Director of Economic Development, upon review of the application submitted by Recipient, has determined and has advised the Authority that one or more of the following criteria has been met: (i) the net amount of direct tax revenues returned to the City as a result of Recipient's operation will exceed the amount of EDIP funds provided in thirty-six (36) months and/or (ii) for every one dollar (\$1.00) in EDIP funds provided, Recipient will spend over Thirty-Nine and 00/100 dollars (\$39.00) in new capital investment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

- 1. That the Authority hereby finds:
 - a. that the provision of \$100,000.00 in EDIP funds to Aslin Beer Company, a Virginia corporation (the "Recipient") will primarily serve the valid public purpose of fostering and stimulating economic development in the City; and
 - b. that the provision of the EDIP funds is in furtherance of the purposes for which the Authority was created; and
 - c. that it is unlikely the Recipient would locate its operations within the City without the stimulus of the EDIP award.

2. That the Authority hereby further finds that, based on the direct benefits to the City of Virginia Beach and its citizens resulting from the capital investment and employment opportunities to be generated by the Recipient as a result of its proposed location in Virginia Beach, the provision of \$100,000.00 in EDIP funds to the Recipient will only incidentally enure to the benefit of private interests.

3. That as of the date of this Resolution, the Recipient has not yet commenced construction of the proposed improvements.

4. That based on these findings, the Authority hereby approves the provision of \$100,000.00 in EDIP funds to the Recipient to underwrite a portion of the costs associated with the location of the Recipient's operation in Virginia Beach.

5. That disbursement of EDIP Funds by the Authority shall be at the discretion of the Director of the Department of Economic Development of the City of Virginia Beach or his designee (the "Director"), who shall be authorized to require appropriate verification as to qualifying expenditures.

6. That disbursement of EDIP funds to the Recipient shall be on a pro-rata reimbursement basis upon presentation of original receipts for qualifying expenditures to the Director. At the sole discretion of the Director, disbursement may not be prior to the completion of the Employment Opportunity Performance Criteria. Disbursement of EDIP funds shall be from time to time, but not more frequently than once per month, until fully expended.

7. That where EDIP funds are paid prior to complete satisfaction of any Performance Criteria, the Director may require the Recipient to enter into a Recapture Agreement approved by the Director. Such Recapture Agreement shall provide for the repayment by the Recipient of that portion of EDIP funds so disbursed prorated for the percentage of the Performance Criteria satisfied prior to the expiration of the Performance Period, and shall contain certain other provision as may be determined or required by the Director.

8. As a further condition of receiving the EDIP Funds, the Recipient shall conduct operations in the building at the Property (or such other locations in the City of Virginia Beach as may be agreed to by the Authority) for a minimum of five (5) years from the time of this award. Even if the requirement of paragraph 1 is met, for each year less than five that the Recipient conducts operations at the Property (or other agreed to location) upon written request from the Authority, the Recipient shall pay to the Authority, as EDIP recapture and not as a penalty, one-fifth (1/5) of the amount of the EDIP Funds provided. Such amount shall be paid within fifteen (15) business days after receipt of request from the Authority, and if not paid by such date, the amount due will bear interest at the rate of ten percent (10%) per annum from such date until paid, and such interest shall be payable by the Recipient in addition to the amount due as calculated above.

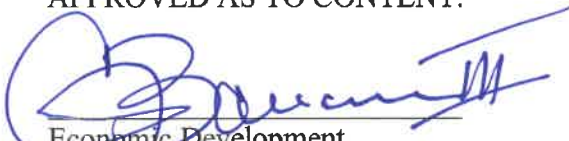
9. The Authority may terminate this award and decline to pay any unpaid funds if the recipient has not requested the full \$100,000.00 within thirty-six (36) months of the date of this Resolution.

Adopted this 16th day of August, 2022, by the City of Virginia Beach Development Authority.


CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:


City Attorney

A RESOLUTION APPROVING THE SALE OF
APPROXIMATELY 3.5 ACRES OF PROPERTY
LOCATED IN THE CORPORATE LANDING
BUSINESS PARK TO BMKV HOLDINGS, LLC

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") is the owner of Corporate Landing Business Park in Virginia Beach, Virginia; and

WHEREAS, the Authority desires to sell approximately 3.5 acres of a portion of GPIN: 2415-12-2650 located on Perimeter Parkway located in the Corporate Landing Business Park in the City of Virginia Beach, Virginia, as shown on Exhibit A attached hereto (the "Property") to BMKV Holdings, LLC, a Virginia limited liability company (the "Purchaser"), for a purchase price of \$200,000.00 per usable acres, pursuant to a Purchase Agreement, the substantive terms of which are summarized on Exhibit B, attached hereto.


NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. The Chair or the Vice Chair of the Authority is hereby authorized to execute and deliver a Purchase Agreement with the Purchaser for the purchase of the Property on the terms outlined on Exhibit B, and such other terms, conditions and modifications as may be satisfactory to and approved by the Chair or the Vice Chair, the Director of the City of Virginia Beach Department of Economic Development and the City Attorney.

2. The Chair or the Vice Chair is hereby authorized to execute and deliver all such other documents and agreements and to take all such actions as such officers and City Attorney may deem necessary or desirable in connection with the sale of such Property.

Adopted this 16th day of August, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:



City Attorney

EXHIBIT B

SELLER: City of Virginia Beach Development Authority

PURCHASER: BMKV Holdings, LLC, or a related entity

DEPOSIT: \$20,000.00

PURCHASE PRICE: \$200,000.00 per usable acre

DUE DILIGENCE PERIOD: 90 days after execution of the Purchase Agreement

CLOSING: On or before December 31, 2022

SIZE: Approximately 3.5 Acres

PROPERTY: Portion of GPIN: 2415-12-2650 (Corporate Landing Business Park)

ACCESS/INFRA-STRUCTURE: Purchaser shall have access to the Property from Perimeter Parkway and shall be responsible for the construction of any additional infrastructure needed for its project.

SUBDIVISION PLAT: Seller shall be responsible for all costs associated with subdividing the existing parcel

COVENANTS & RESTRICTIONS: Declaration of Protective Provisions and Covenants for Corporate Landing; Corporate Landing Design Criteria for the Business Park; Declaration of Easements; any other covenants, restrictions, and agreements of record.

REAL ESTATE COMMISSION: Seller shall pay the Purchaser's broker, Colliers International Virginia, LLC, a commission equal to 3% of the Purchase Price paid by the Purchaser.

CONDITIONS: Purchaser must construct its corporate headquarters, consisting of approximately 39,000 square feet.

REVERTER: If the Purchaser has not commenced construction of the improvements within twenty-four (24) months of the date of the Purchase Agreement, at Seller's option, title to the Property shall revert to Seller, and the Purchase Price (less the Real Estate Commission) shall be returned to the Purchaser.

A RESOLUTION APPROVING THE PROVISION
OF \$169,000 IN ECONOMIC DEVELOPMENT
INVESTMENT PROGRAM FUNDS TO
BMKV HOLDINGS, LLC

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") was created pursuant to Chapter 643 of the Acts of Assembly of 1964, as amended (the "Act");

WHEREAS, one of the primary purposes of the Act is to enable development authorities "to promote industry and develop trade by inducing manufacturing, industrial, governmental and commercial enterprises to locate in or remain in the Commonwealth...";

WHEREAS, pursuant to §6 of the Act, the Authority has the power, *inter alia*, "to sell, exchange, donate and convey any or all of its facilities or other properties whether realty or personalty whenever the Authority shall find any such action to be in furtherance of the purposes for which the Authority was organized";

WHEREAS, pursuant to §7 of the Act, "the Authority may foster and stimulate the development of industry in the area within its jurisdiction... [and] may accept, and expend for the purposes stated above, money from any public or private source....";

WHEREAS, pursuant to §10 of the Act, the City of Virginia Beach (the "City") "is authorized and empowered to make appropriations and to provide funds for the operation of the Authority and to further its purposes";

WHEREAS, the economic development goals and objectives of the City include achieving a higher ratio of nonresidential to residential real estate assessments, investing in land and infrastructure to benefit future economic growth, and maximizing the return of economic development efforts through the development and implementation of programs and strategies that facilitate new business investment and encourage retention and expansion activities, thereby improving the overall quality of life in the City;

WHEREAS, the City established the Economic Development Investment Program ("EDIP") as part of its overall effort to enhance the City's ability to accomplish these goals and objectives;

WHEREAS, pursuant to the authority and empowerment set forth in §10 of the Act, City Council authorized the transfer of funds in the EDIP account to the Authority and the provision of future EDIP appropriations to the Authority to enable the Authority to more effectively continue its efforts to foster and stimulate economic development by inducing businesses to locate or remain in the City;

WHEREAS, the Department of Economic Development (the "Department"), acting on behalf of the Authority, has induced BMKV Holdings, LLC, a Virginia limited liability company (the "Recipient"), to relocate its operation to a parcel of land in the Corporate Landing Business Park, in Virginia Beach, Virginia (the "Property");

WHEREAS, the inducement includes an agreement to recommend the award to Recipient of \$169,000.00 in EDIP funds to underwrite a portion of costs associated with the expansion and relocation of the Recipient's operation at the Property;

WHEREAS, Recipient has represented in its application and the Director of Economic Development (the "Director"), upon review of the application submitted by Recipient, has determined and has advised the Authority it will meet at least one of the following performance criteria (the "Performance Criteria") within thirty-six (36) months after the date of this Resolution.

- (a) Tax Revenues: The net amount of direct tax revenues returned to the City as a result of the Recipient's operation will exceed the amount of EDIP Funds provided in thirty-six (36) months; and/or
- (b) Capital Investment: For every dollar of EDIP funds received, Recipient shall make a new capital investment of at least \$50, with the maximum award for this criteria to be limited to \$139,000 of the \$169,000 total award; and/or
- (c) Employment Opportunity: For every \$1,500.00 of EDIP funds received, Recipient will create one (1) new "full-time equivalent" employment opportunity in its operation with an average annual salary of \$50,001 to \$75,000, excluding benefits, with the maximum award for this criteria to be limited to \$30,000 of the \$169,000 total award.

WHEREAS, "Capital Investment" means a capital expenditure in taxable real property, taxable tangible personal property, or both at the Project in the City of Virginia Beach. The Authority may, in its discretion, determine that the value of machinery and equipment leased under an operating lease will qualify as a capital investment. The Authority may also, in its discretion, consider Capital Investments made by third parties at the Project for the overall benefit of the Project, and/or the value of moveable equipment retained by a business that was considering relocating outside of the City of Virginia Beach. The cost of the acquisition of land and existing buildings will not count toward the required capital investment thresholds unless the land and existing buildings are being purchased from a governmental entity and are being returned to the tax rolls.

WHEREAS, the Director of Economic Development, upon review of the application submitted by Recipient, has determined and has advised the Authority that one or more of the following criteria has been met:

- (i) the net amount of direct tax revenues returned to the City as a result of Recipient's expanded operation will exceed the amount of EDIP funds provided in thirty-six (36) months, and/or

(ii) for \$139,000 of the award: for every one dollar (\$1) in EDIP funds provided, the Recipient will spend at least \$50 in new capital investment, and/or

(iii) for \$30,000 of the award: for every One Thousand Five Hundred Dollars (\$1,500) in EDIP funds provided to the Recipient will create at least one (1) new "full-time equivalent" employment opportunity in its operation with an average annual salary of \$50,001 to \$75,000, excluding benefits .

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. That the Authority hereby finds:
 - a. that the provision of \$169,000 in EDIP funds to BMKV Holdings, LLC, a Virginia limited liability company (the "Recipient") will primarily serve the valid public purpose of fostering and stimulating economic development in the City; and
 - b. that the provision of the EDIP funds is in furtherance of the purposes for which the Authority was created; and
 - c. that it is unlikely the Recipient would expand its operations within the City without the stimulus of the EDIP award.
2. That the Authority hereby further finds that, based on the direct benefits to the City of Virginia Beach and its citizens resulting from the capital investment and employment opportunities to be generated by the Recipient as a result of its proposed relocation and expansion in Virginia Beach, the provision of \$169,000.00 in EDIP funds to the Recipient will only incidentally enure to the benefit of private interests.
3. That as of the date of this Resolution, the Recipient has not filled any of the new full-time job positions being incentivized by this EDIP award.
4. That as of the date of this Resolution, the Recipient has not yet commenced construction of the proposed improvements being incentivized by this EDIP award.
5. That based on these findings, the Authority hereby approves the provision of \$169,000 in EDIP funds to the Recipient to underwrite a portion of the costs associated with the relocation and expansion of the Recipient's operation in Virginia Beach, with \$139,000 of the award to be based on capital investment and \$30,000 based on creation of new employment opportunities.
6. That disbursement of EDIP Funds by the Authority shall be at the discretion of the Director of the Department of Economic Development of the City of Virginia Beach or his designee (the "Director"), who shall be authorized to require appropriate verification as to qualifying expenditures.

7. That disbursement of EDIP funds to the Recipient shall be on a pro-rata reimbursement basis upon presentation of original receipts for qualifying expenditures to the Director, with not more than \$139,000 to be disbursed for capital investment and not more than \$30,000 to be dispersed for creation of employment opportunities. At the sole discretion of the Director, disbursement may not be prior to the completion of the Employment Opportunity Performance Criteria. Disbursement of EDIP funds shall be from time to time, but not more frequently than once per month, until fully expended.

8. That as a condition of receiving EDIP Funds, each new job created must be maintained without interruption for thirty-six (36) months from the date of this Resolution (the "Performance Period") or the funds advanced for that new job may be subject to recapture as set forth in Section 9, below.

9. That the Director may require the Recipient to enter into a Recapture Agreement approved by the Director to allow for the recapture of funds for any new job created that is subsequently terminated or eliminated by the Recipient. Such Recapture Agreement shall provide for the repayment by the Recipient of that portion of EDIP funds so disbursed prorated for the percentage of the Performance Criteria satisfied prior to the expiration of the Performance Period, and shall contain certain other provision as may be determined or required by the Director. Should an individual new job become vacant but Recipient is actively seeking a replacement employee, EDIP funds advanced for that new job shall not be subject to recapture.

10. That where EDIP funds are paid prior to complete satisfaction of any Performance Criteria, the Director may require the Recipient to enter into a Recapture Agreement approved by the Director. Such Recapture Agreement shall provide for the repayment by the Recipient of that portion of EDIP funds so disbursed prorated for the percentage of the Performance Criteria satisfied prior to the expiration of the Performance Period, and shall contain certain other provision as may be determined or required by the Director.

11. That as a further condition of receiving the EDIP Funds, the Recipient shall conduct operations in the building at the Property (or such other locations in the City of Virginia Beach as may be agreed to by the Authority) for a minimum of five (5) years from the time of this award. Even if the requirement of paragraph 1 is met, for each year less than five that the Recipient conducts operations at the Property (or other agreed to location) upon written request from the Authority, the Recipient shall pay to the Authority, as EDIP recapture and not as a penalty, one-fifth (1/5) of the amount of the EDIP Funds provided. Such amount shall be paid within fifteen (15) business days after receipt of request from the Authority, and if not paid by such date, the amount due will bear interest at the rate of ten percent (10%) per annum from such date until paid, and such interest shall be payable by the Recipient in addition to the amount due as calculated above.

12. That the Authority may terminate this award and decline to pay any unpaid funds if the recipient has not requested the full \$169,000.00 within thirty-six (36) months of the date of this Resolution.

Adopted this 16th day of August, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL SUFFICIENCY:


City Attorney

A RESOLUTION TO AMEND EXHIBIT A OF THE
AUTHORITY'S NOVEMBER 17, 2021 RESOLUTION
REGARDING THE ALLOCATION OF THE PERFORMANCE
GRANT BETWEEN PHASES OF THE ATLANTIC PARK
PROJECT

WHEREAS, on November 17, 2021 the City of Virginia Beach Development Authority adopted a resolution approving the First Modification to the Dome Site Development Agreement (the "2021 Resolution");

WHEREAS, 2021 Resolution included Exhibit A, Summary of Modified Terms;

WHEREAS, Paragraph 3 of Exhibit A, Summary of Modified Terms states:

3. The Performance Grant, which is currently a maximum of \$5,000,000 of Project-generated revenues, will be divided between the phases, with \$3,000,000 allocated to Phase I and \$2,000,000 allocated to Phase II.

WHEREAS, the anticipated project revenues for Phase I exceed the previous projections, and accordingly, the Authority desires to amend Exhibit A, Summary of Modified Terms to authorize the City Manager to agree to a revised allocation of the performance grant between the two phases of the Atlantic Park Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH, VIRGINIA DEVELOPMENT AUTHORITY, THAT:

1. Paragraph 3 of Exhibit A, Summary of Modified Term shall be deleted and replaced with the following:

3. The Performance Grant, which is currently a maximum of \$5,000,000 of Project-generated revenues, will be divided between the phases, with \$3,000,000 allocated to Phase I and \$2,000,000 allocated to Phase II, subject to a possible final adjustment prior to the closing on Phase I based on the then-projected uses, sales and tax revenues for Phase I and Phase II. Any such adjustment to the allocation of the Performance Cap between Phase I and Phase II may be documented through a Memorandum of Approval in accordance with the terms of Section 14.18 of the Development Agreement.

2. This Resolution shall be effective immediately.

[SIGNATURES ON FOLLOWING PAGE]

Adopted this 16th day of August, 2022, by the City of Virginia Beach Development Authority.

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By: 
Secretary/Assistant Secretary

APPROVED AS TO CONTENT:


Economic Development

APPROVED AS TO LEGAL
SUFFICIENCY:


City Attorney