

A RESOLUTION AUTHORIZING THE
EXECUTION OF AN AGREEMENT WITH THE
CENTER FOR ADVANCED INNOVATION FOR
A BIO CHALLENGE

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, to promote economic development in the City, the Authority has focused on attracting and assisting new and growing companies in the bio sector of the economy;

WHEREAS, to that end, the Authority has established its Bio Accelerator facility in the City (the "Accelerator") as a place where new or growing companies can become established;

WHEREAS, in 2017, the Authority and the Center for Advanced Innovation ("CAI") undertook a Bio Challenge in the City, prior to the establishment of the Accelerator;

WHEREAS, the parties have discussed CAI undertaking a second "Bio Challenge" with a focus on companies involved in transplant science who would establish in the City and preferably be able to locate in the Bio Accelerator;

WHEREAS, the challenge proposed by CAI (the "2022 Challenge") would be focused on the transplant sector of the bio market and would leverage CAI's unique contacts and experience in that area;

WHEREAS, the Authority is of the opinion that CAI is the only party who could reasonably or practically run the 2022 Challenge as contemplated; and

WHEREAS, the Authority believes the 2022 Challenge will further economic development in the City of Virginia Beach.

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

1. The Chair or Vice/Chair are hereby authorized to enter into an agreement with CAI to undertake the 2022 Challenge so long as such agreement is consistent with the Summary of Terms, attached hereto and incorporated herein as Exhibit A, and such and other changes as may be requested by the Chair or Vice-Chair and deemed appropriate by the City Attorney.

2. Given CAI's experience and contacts in the area of bio challenges involving the transplant sector, the Authority hereby finds that CAI is the only party practically available to operate the 2022 Challenge.

3. This Resolution shall not become effective unless and until the Virginia Beach City Council has appropriated sufficient funds to the Authority to allow the Authority to meet its obligations as set forth on Exhibit A.

Adopted this 16th day of May, 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 A
SUMMARY OF TERMS

- Parties: Center Advancing Innovation,
a Maryland 501(c)(3) corporation (“CAI”)
- City of Virginia Beach Development Authority,
a political subdivision of the Commonwealth of Virginia
 (“Authority”)
- Challenge Fee: \$300,000 payable by Authority to CAI
- Challenge Schedule:
1. Due Diligence. 3-5 months to identify up to 20 start-up companies with ideas in the transplant sector.
 2. Mentorship and Education. 8 months to provide mentorship and education to start-ups to allow concepts to become viable products/processes. CAI to draw on contacts in the business world to aid in the development of a business plan and help access capital markets, as well as those with scientific backgrounds aligned with the start-ups who could provide technical assistance.
 3. Challenge Concludes. Viable companies establish operations in Virginia Beach to continue to pursue concepts developed in the 2022 Challenge.
- Prize Money: Up to \$100,000 payable to 4-7 most successful start-ups who participated in the 2022 Challenge.
- Sponsorships: CAI to attempt to generate at least \$300,000 in sponsorships, in addition to funds from Authority, to fund the 2022 Challenge.

A RESOLUTION APPROVING THE CONTRIBUTION OF
PROPERTY TO ARCHITECTURAL GRAPHICS, INC.
LOCATED IN THE VIRGINIA BEACH INNOVATION PARK

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") is the owner of the Virginia Beach Innovation Park, consisting of approximately 93 acres, located along Princess Anne Road in the Princess Anne Commons area of Virginia Beach, Virginia (the "Innovation Park");

WHEREAS, Architectural Graphics, Inc. a Virginia corporation ("AGI") is an existing Virginia Beach business that plans to expand its operations and consolidate its headquarters and manufacturing facility in the City of Virginia Beach on up to 40 acres of land (a portion of GPIN: 1494-17-0763), at the Innovation Park, as depicted on Exhibit A, attached hereto (the "Property");

WHEREAS, in addition to Virginia Beach, AGI has considered expansion and relocation to other localities or other states;

WHEREAS, the retention of existing Virginia Beach companies is a key mission of the Authority;

WHEREAS, the full terms and conditions of the proposed transaction are set forth in the term sheet, attached hereto as Exhibit B;

WHEREAS, to provide access to the Property and adjacent properties in the Innovation Park, the Authority desires to extend Hudome Way, as shown on Exhibit A (the "Future Road Extension");

WHEREAS, to provide stormwater capacity for the Property and surrounding parcels, the Authority also desires to construct stormwater facilities on property it owns adjacent to the Property (the "Stormwater Facilities" and together with the Future Road Extension, the "Offsite Infrastructure");

WHEREAS, the Authority is of the opinion that AGI, via its general contractor, is the best and only practical party to construct the Offsite Infrastructure, and the Authority desires to enter into a cost participation agreement for that purpose as contemplated by §2.2-4303(e) of the Code of Virginia (1950, as amended); and

WHEREAS, the Authority is of the opinion that the transaction as currently contemplated would (i) help retain AGI and its employees in Virginia Beach, (ii) further advance development in the Innovation Park, and (iii) be in the best interests of the Authority and the City of Virginia Beach.

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

1. The Chair or the Vice Chair is hereby authorized to execute and deliver an Agreement with Architectural Graphics, Inc., a Virginia corporation, or its affiliate, for the conveyance of the Property, as depicted on Exhibit A, attached hereto and made a part hereof, on the terms and conditions outlined in the Term-Sheet, attached hereto as Exhibit B, and made a part hereof, and such other terms, conditions or modification as may be acceptable to the Chair or Vice Chair and in a form deemed satisfactory by the City Attorney.

2. The Chair or the Vice Chair is further authorized to execute and deliver all such other documents and agreements necessary to effectuate the transaction as contemplated herein, and to take all such actions as such officer and City Attorney may deem necessary or desirable in connection with the conveyance of the Property and construction of the Offsite Infrastructure, including a cost participation agreement.

Adopted this 17th day of May, 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 A

(Location Map)

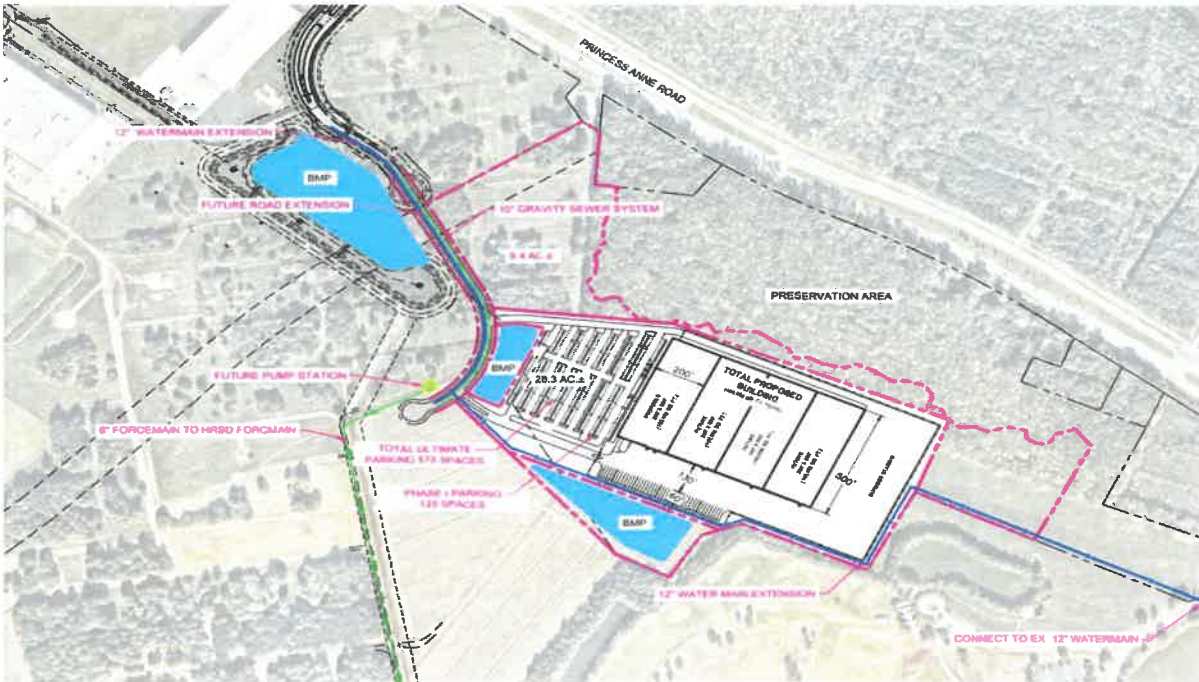


EXHIBIT B

TERM-SHEET ARCHITECTURAL GRAPHICS, INC. INNOVATION PARK

The City of Virginia Beach Development Authority (“Authority”) is the owner of the approximately 115 acre parcel known as the Innovation Park (the “Property”). The Authority has been tasked by the City of Virginia Beach with developing the Property consistent with the Proffers (defined below) to promote business and industry in the City of Virginia Beach.

Architectural Graphics, Inc. (“Developer” or “Purchaser”) submitted a letter offering to acquire as much as forty (40) acres of the Property (the “Parcel”) for the purpose of developing its corporate headquarters along with a manufacturing and warehouse facility.

Representatives of the Developer and Authority have discussed terms whereby Developer would acquire and develop the Parcel. This Term-Sheet is intended to reflect the shared understanding of the parties and their respective commitments. This Term-Sheet is not intended to be a legally binding agreement, and all proposals outlined are subject to approval by the Developer and Authority, and future appropriation by City Council if necessary.

Parcel: Up to as much as 40 acres, a portion of GPIN: 1494-17-0763, located in the south eastern end of the Innovation Park to the west of the First Tee facility at Virginia Beach National Golf course, as shown on Exhibit A, attached hereto. The Authority will provide offsite stormwater facilities sufficient to allow sixty percent (60%) impervious coverage on the Parcel. Authority to be responsible for subdividing the Property to create the Parcel.

**Owner/
Seller:** The City of Virginia Beach Development Authority.

**Purchaser/
Developer:** Architectural Graphics, Inc. or its affiliate.

Consideration: Authority will contribute the Parcel to Developer as an incentive to retain its Virginia Beach location and for the Developer to consolidate its operations in Virginia Beach. The Parties have agreed that the value of the property transferred is \$115,000 per acre.

**Due
Diligence:** Purchaser to have 270 days from execution of purchase agreement to access Property for purpose of conducting studies and other due diligence.

Closing: Forty-five (45) days from Site Plan approval including all permits for development of the Parcel.

Existing

Conditions:

Property is located in the Interfacility Traffic Area (ITA). Proffers recorded in the Virginia Beach Circuit Court Clerk's Office as Instrument No. 20090211000133710, as amended by Instrument No. 20140620000556310, and Instrument No. 20170120000055640, and all easements of record. The Parcel must also be developed in a manner consistent with the Design and Development Guidelines - Princess Anne Commons Biomedical Park, November 2016.

Use:

Developer proposes to construct its consolidated corporate headquarters along with a manufacturing facility with possible warehouse (the "Project").

Phasing:

The Project to be constructed in at least three (3) phases with the corporate headquarters and manufacturing of at least 15,000 square feet and 100,000 square feet square feet, respectively, to be constructed as a part of the first phase ("Phase I"). A second phase of up to an additional 15,000 square feet office and a cumulative total of 200,000 square feet of manufacturing (including Phase I) is planned ("Phase II") and a potential third phase of a cumulative total of 400,000 square feet of manufacturing space (including Phases I & II) is to be constructed within ten (10) years ("Phase III").

Developer

Investment:

In Phase I, the Developer will invest a minimum of \$13 million and retain 500 jobs to the project.

In Phase II, the Developer will invest a minimum of an additional \$7.9 million.

In Phase III, the Developer will invest a minimum of an additional \$21.6 million.

Access:

Access to be from an extension of Hudome Way to the Parcel as shown on Exhibit A. Such extension to be constructed pursuant to the Cost Participation Agreement detailed below.

Cost

Participation:

The parties to enter into a cost participation agreement whereby AGI or its contractor will design and construct infrastructure (water, sewer, pump station, stormwater, road as discussed above) to support the Parcel and surrounding Authority property. The Authority will bear the cost of the infrastructure to the boundary of the Premises with Developer responsible for the for any extensions on the interior of the Parcel.

Special:

Within twenty-four (24) months of Closing, Developer shall substantially complete construction on Phase I (evidenced by an architect's certificate confirming at least 75% completion ("Substantially Complete")). If construction on Phase I is not Substantially Complete within twenty-four (24)

months of Closing (allowing for delay for force majeure), Authority shall have the right, but not the obligation, to reacquire the Parcel at no cost to Authority.

If Phase II does not start within 10 years, a portion of the Parcel (the "Phase II Parcel") will revert to the Authority. The size of the Phase II Parcel will be agreed on prior to the transfer of title of the Parcel.

If investment and job targets are not met within 5 years. AGI would pay as a recapture, not a penalty an amount equal to \$2000 for each job less than 400 (80% of maximum) retained or created and \$1000 for each \$100,000 by which the investment targets are not met. Should AGI leave within five (5) years it will pay as a recapture not a penalty an amount equal to 20% of the value of the Parcel for each year less than five that AGI remained on the Parcel.

Definitive Documents:

The parties recognize and agree that if the proposal outlined in this Term-Sheet moves forward, there will be negotiated and prepared a more detailed development agreement, that will contain additional terms, conditions and obligations to the terms stated herein.

Appropriation:

All the financial obligations (including the infrastructure) of Authority are expressly subject to the appropriation by the Virginia Beach City Council of sufficient funds to satisfy those obligations.

RESOLUTION AUTHORIZING THE APPLICATION
OF NANDO'S RESTAURANT GROUP INC. FOR
THE OPERATION OF AN OUTDOOR CAFÉ
LOCATED AT BLOCK 8A OF TOWN CENTER

WHEREAS, the City of Virginia Beach Development Authority (the "Authority") owns a public plaza (known as Fountain Square), consisting of approximately 20, 287+/- sq. ft., located on Block 8A of Town Center in Virginia Beach (the "Public Plaza");

WHEREAS, to provide for the orderly use of the Public Plaza by restaurants seeking to establish outdoor dining in the Public Plaza, the Authority has adopted its Town Center Café Regulations (the "Regulations");

WHEREAS, Nando's Restaurant Group Inc., a Delaware corporation (authorized to transact business in Virginia) ("Nando's") has submitted its application (the "Application") for the operation of an approximately 1,140 square foot outdoor patio café in the Public Plaza (the "Café");

WHEREAS, the Café would include seating for 74+/- guests, railing, sail canopies and pendant-type heaters;

WHEREAS, the operation of the Café would be consistent with the Regulations and in a manner substantially similar to the existing cafés in the Public Plaza;

WHEREAS, the Café would encourage day and evening pedestrian, urban activities in the Public Plaza and further the Authority's goals for Town Center.

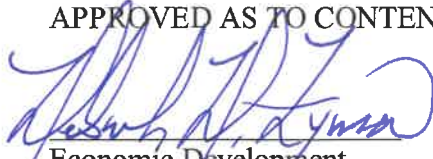
NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY:

1. The Authority hereby approves the application of Nando's Restaurant Group Inc. to operate the Café in the Public Plaza on the terms and conditions set forth on Exhibit A, attached hereto, and on such other terms and conditions as are acceptable to the Chair or Vice Chair.

2. The appropriate officers of the Authority are authorized to execute and deliver any and all documents necessary to evidence the approval of the Application, so long as such documents are consistent with the Town Center Café Regulations and are in a form acceptable to the Chair or Vice Chair and the City Attorney, and so long as Nando's Restaurant Group Inc. has obtained all necessary permits and approvals from the City of Virginia Beach and the Virginia Department of Alcoholic Beverage Control.

Adopted this 17th day of May, 2022, by the City of Virginia Beach Development Authority.

APPROVED AS TO CONTENT:




Economic Development

CITY OF VIRGINIA BEACH
DEVELOPMENT AUTHORITY

By:  _____
Secretary/Assistant Secretary

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:



City Attorney

Exhibit A

Café Operator: Nando's Restaurant Group, Inc.

Location: Northwest portion of the Public Plaza, adjacent to Nando's restaurant. The Café may be separated by a pedestrian walkway between the interior of the restaurant and the Public Plaza.

Size: Approximately 1,140 square feet.

Term: Five (5) years

Use Fee: \$6.14 per square foot payable annually

Operations: Food and beverage service only, consistent with the Town Center Café Regulations.