

An aerial photograph of Virginia Beach, Virginia, taken at sunset. The sky is a mix of orange, yellow, and blue. In the foreground, a teal-colored rectangular box is overlaid on the image. The box contains white text. The background shows a cityscape with various buildings, including a prominent tall building with a pointed top and a 'WESTIN' sign. A bright light source, likely the sun, is visible in the distance, creating a lens flare effect. The city extends to the horizon, with lights beginning to glow as dusk falls.

Monthly Cash Flow – September 2024

City of Virginia Beach Development Authority

October 8th, 2024

Operating Account Summary: September 2024

Beginning Cash September 1, 2024

\$ 8,146,081

Cash Receipts Detail

- ✓ \$ 9,254 Interest Income
- ✓ \$ 84,056 Annual Industrial Revenue Bond Fee #473 – Virginia Wesleyan University

Cash Disbursements Detail

- ✓ \$ 52,718 Atlantic Park Construction and support services through 7/31/2024– MBP
- ✓ \$ 14,632 Monthly Conduit Management September 15th-October 15th– Globalinx
- ✓ \$ 4,338 Professional Services for Corporate Landing Preliminary and Final Subdivision Plat - VHB
- ✓ \$ 8,000 Fiscal Year 2024 Audit Progress Billing #2 – Cherry Bekaert
- ✓ \$ 4,000 Corporate Landing Utility Line Markings – MidAtlantic Surveying

Ending Cash – September 30, 2021

\$ 8,163,472

Cont. Operating Account Summary: September 2024

Amounts paid and reimbursed by City of VB – September 2024

- ✓ \$ **2,017,295** Atlantic Park – Venture Waves – Draw #19 Entertainment Venue
- ✓ \$ **1,074,275** Atlantic Park – Venture Waves – Draw #19 Offsite Infrastructure (City Asset)
- ✓ \$ **662,820** Innovation Park – Architectural Graphics – Draw #11 Offsite Infrastructure construction through August 2024
- ✓ \$ **5,395** Innovation Park – VHB – Geotechnical Services
- ✓ \$ **42,294** Corporate Landing – Town Insurance Agency – Insurance Policy for Stormwater Management
- ✓ \$ **4,878** Corporate Landing – VHB – New Roadway & Pond C Final Design

Capital Maintenance: September 30, 2024

Amphitheater **\$ 780,665***

- ✓ FY2025 Appropriations \$ 200,000
(transferred by the City July 2025)
- ✓ Water Bottle Refill Station (\$ 35,393)
Maintenance – Live Nation

* Amphitheater Capital Maintenance funds are being held by the city and are reimbursed to the VBDA as Capital Maintenance expenses are incurred.

Human Services Building **\$ 3,479,970**

- ✓ Monthly Lease - September \$ 47,910

VB National Golf Course **\$ 2,155,765**

- ✓ Revenue Agreement \$ 24,515

Incentive & Initiative Account Summary: September 2024

Beginning Cash – September 1, 2024 **\$ 1,200,614**

Cash Receipts Detail

No Significant Receipts

Cash Disbursements Detail

FIG Grant – Window Signage and adding lighting
to parking lot and building - Cosmo's Corner Inc

\$10,000

September 2024 Monthly Rent, Operating Expenses,
and R.E. Taxes – Olympia Bendix Two

\$ 11,826

Ending Cash – September 30, 2024

\$ 1,178,113

EDIP Grant Summary Reporting: September 2024

Total EDIP appropriations as of 9/30/2024*	\$ 11,464,477
EDIP Part A – Encumbered as of 9/30/2024	\$ 4,939,660
EDIP Part B – Encumbered as of 9/30/2024	<u>\$ 873,830</u>
EDIP Grant Funds Available as of 9/30/2024	\$ 5,650,987

** Actual EDIP Cash received from the City and held by the VBDA on September 30th, 2024 is \$1,388,795. The remaining \$10,075,682 is being held by the City and will be reimbursed to the VBDA when EDIP recipients receive their awards.*

Construction in Progress

Atlantic Park - Entertainment Venue **\$ 29,204,154**

\$ 2,017,295 Venture Waves Draw #19

Atlantic Park – Parking **\$ 34,300,847**

VBDA Visioning Session & Strategic Workshop Recap

City of Virginia Beach Development Authority
October 8, 2024, Emily Archer, Deputy Director
Economic Development



CITY OF
**VIRGINIA
BEACH**

Purpose

Provide an overview of what staff heard and request confirmation from the Board Members

Contents

- Review Goals Identified from the Workshop
- Review Discussions to Continue/Future Agenda Item Topics
- Verify Documents Requested for Distribution to VBDA

Identified Goals - Economic Development Growth and Impact

- A. Adopt Economic Development Friendly Policies
 - i. Incorporate more redevelopment guidance and areas in the Comprehensive Plan
 - ii. Increase residential density limits in the areas identified for growth
 - iii. Prioritize zoning code rewrites after Comprehensive Plan adoption in 2025

- B. Increase Business Retention and Expansion (BRE) Efforts
 - i. Grow the Advertisement of The HIVE through the Hampton Roads Chamber of Commerce, Commissioner of Revenue, and VBED marketing efforts
 - ii. Improve the business license application process and collect and track more data on those applying
 - iii. Hold joint Work Force Development Round Tables to include VBED, The HIVE, VBCPS, and Workforce representatives

Identified Goals - Economic Development Growth and Impact

- C. Revisit Target Industries and Economic Development Strategy
 - i. With dwindling available greenfield sites, identify redevelopment incentives through proactive parking development, clarify public/private partnership guidelines
 - ii. Advertise and leverage the remaining shovel ready site better in VBDA control
 - iii. Focus on industries that fit Virginia Beach available land and culture, such as Green/Sustainable Companies and Renewable Energies
 - iv. Consider affordable housing incentives as a workforce enhancement strategy

Discussions to Continue/ Future Agenda Item Topics

- Affordable housing updates and Economic Developments roles
- Live Nation discussion on Future Plans of the Amphitheater
- Review Façade Improvement Grant criteria in December of 2024 prior to the 2025 application opening
- VBDA Retreat to be held annually with mid-year updates on stated goals

Documents Requested for VBDA Distribution

- Public draft of the Comprehensive Plan, CBRE, Central Beach Small Area Plan Studies for review and appropriate feedback
- EDIP Policy Amendment Adopted by Council 9/17/2024
- Economic Development FY 25/26 Department Performance Plan
- City Council Focused Action Plan Initiatives Related to Economic Development
- Guidelines for Evaluation of Investment Partners for Economic Development, (Public/Private Partnership Policy)
- Corporate Landing Development Tracking Spreadsheet



Forbes Candies Amendments

City of Virginia Beach Development Authority

October 8, 2024

Emily Archer, Deputy Director

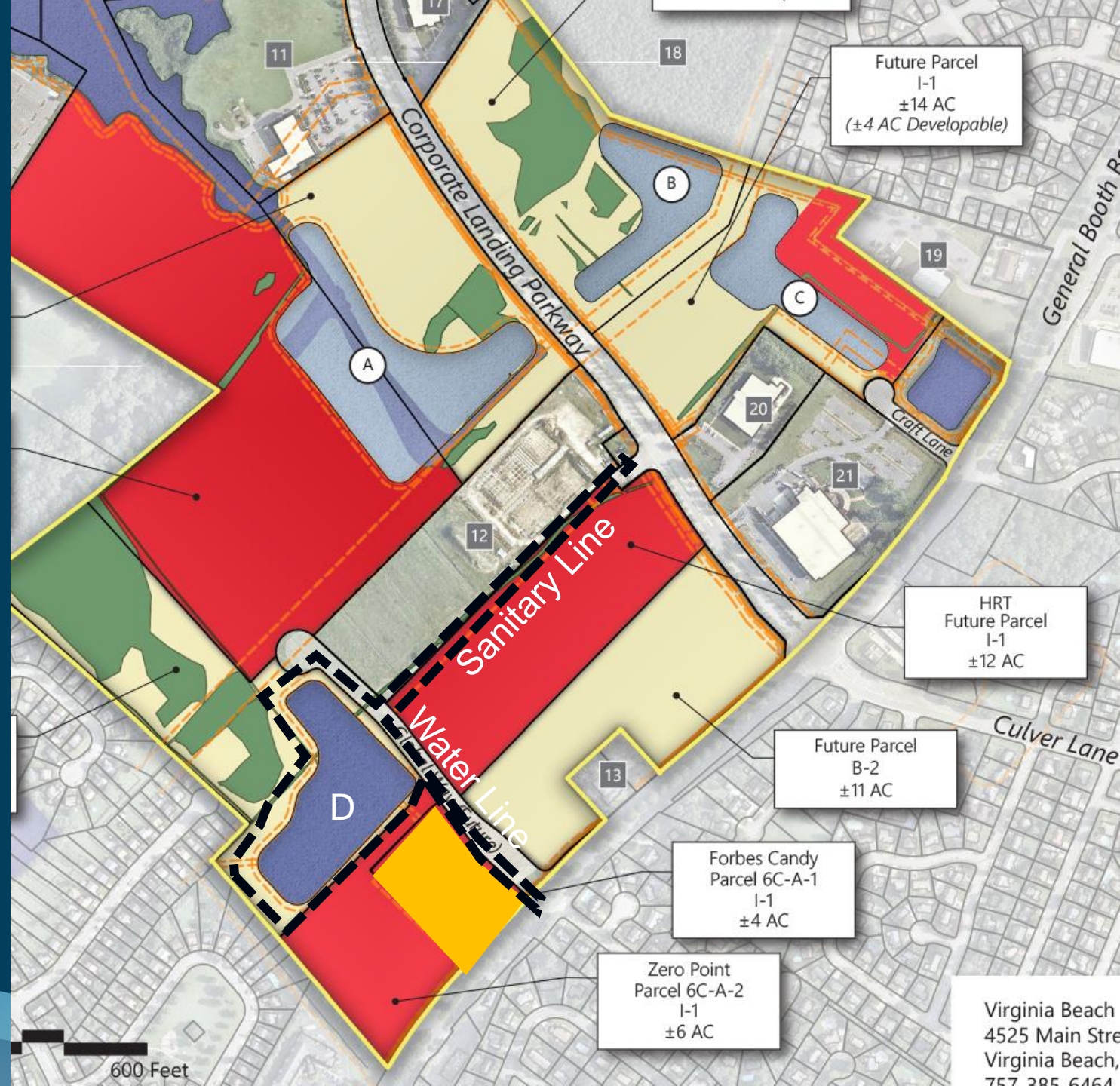


Disclosures – Forbes Candies, Inc.

- President – Martin Cochran
- Affiliated Entities – Seabreezy Enterprises, LLC
- CPA – DesRoches & Company
- Architect – RBA Architects
- Engineer – John Sandow Engineering
- Landscape Architect – Orbis Landscape Architecture
- Construction Contractor – C.L. Pincus
- Legal Services – Kaufman & Canoles, P.C., Rob Goodman
- Financing – Blue Ridge Bank

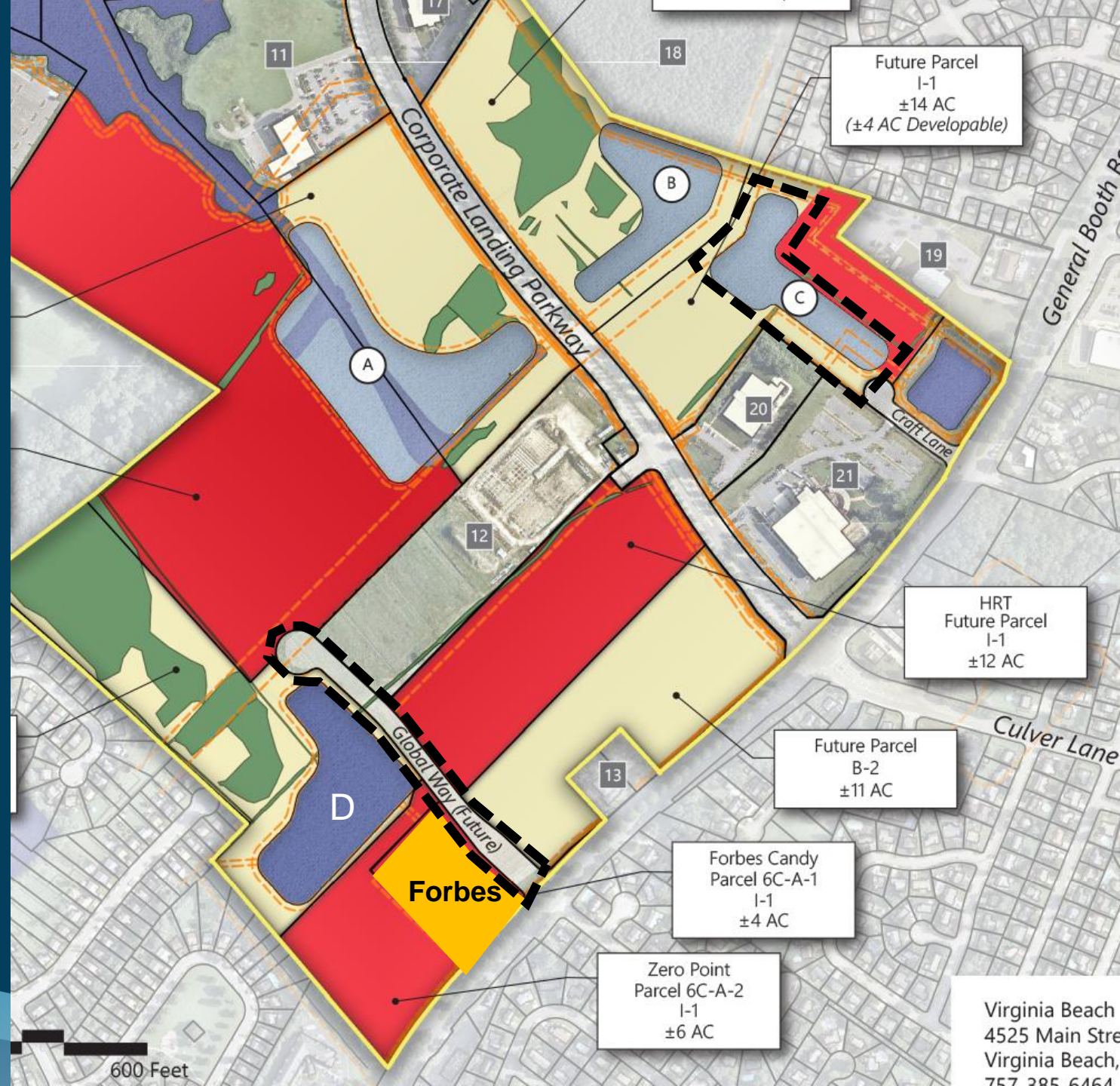
Cost Participation Background

- Forbes acted as the VBDA's developer and completed Business Park infrastructure with CIP funding (#100635 for \$4.5Mil)
- The first phase of Infrastructure construction began March 2023 and was completed August 2024



Cost Participation Amendment Proposal

- Forbes is proposing to develop additional infrastructure (Pond C and Global Way) for \$7.1Mil on VBDA's behalf
- Three bids were obtained in August 2024
- Site Plan Approvals were achieved for Pond C and Global Way was achieved in August 2024



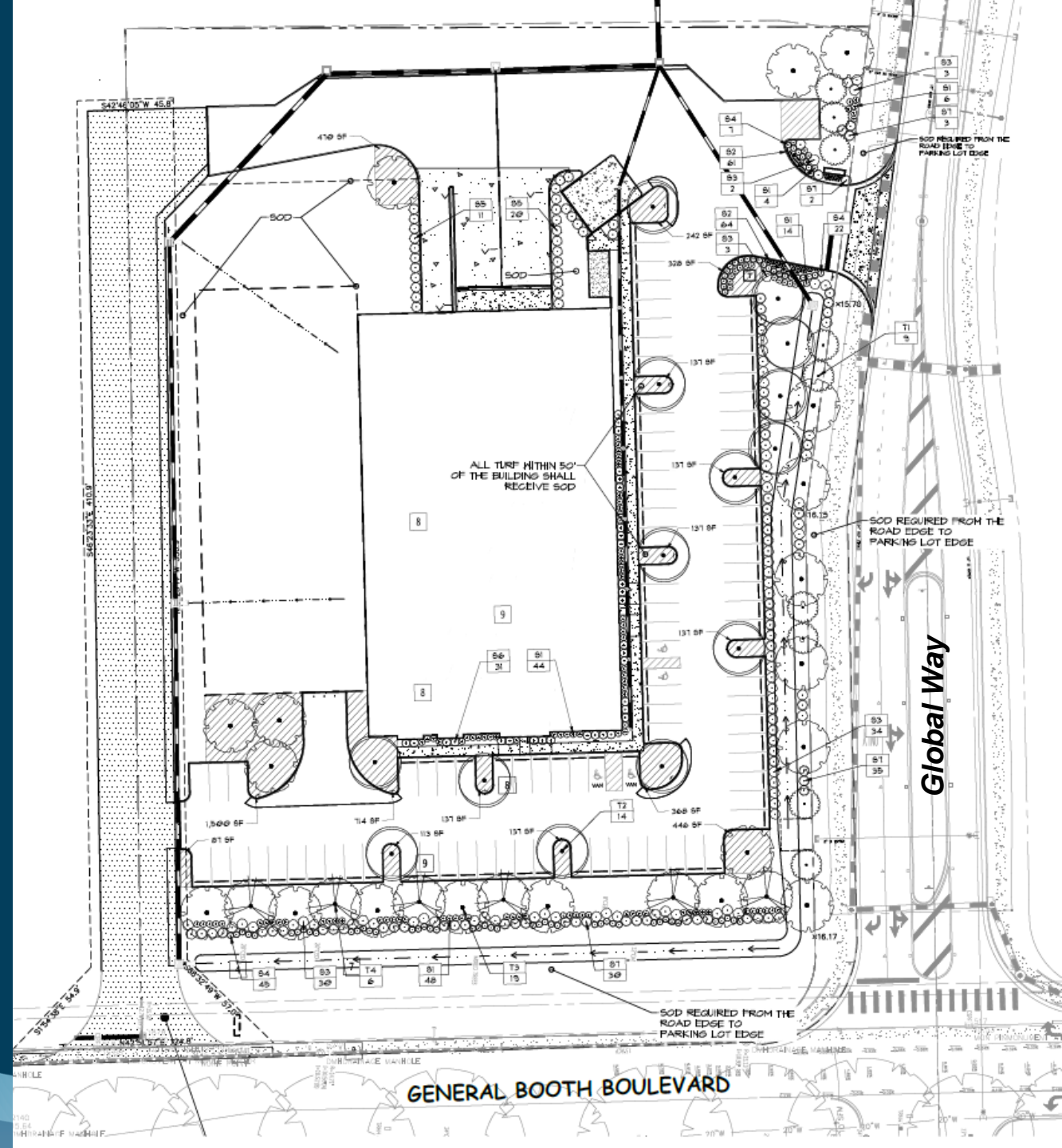
Cost Participation Amendment Funding

LOW BID	PROJECT COMPONENT
\$ 2,416,714	Global Way
\$ 48,400	Global Way Plantings
\$ 3,514,994	Pond C
\$ 55,294	Wetland Plantings
\$ 462,660	Electrical
\$ 102,187	Bonding
\$ 6,600,249	Subtotal
\$ 495,019	7.5% Contingency
\$ 7,095,268	TOTAL

AMOUNT	FUNDING SOURCES
\$ 4,715,375	Corporate Landing Infrastructure CIP 100635 Remaining
\$ 2,000,000	VBDA Corporate Landing Land Sale Proceeds Balance
\$ 379,893	Anticipated Forbes Candies Land Sale Proceeds (\$480,000 total)
\$ 7,095,268	TOTAL

Forbes Candies Background

- 3.43 acre site zoned I-1
- 26,179 SF total manufacturing facility and corporate HQ
- VBDA approved sale of land March 2022 at \$610k
- \$6.3Mil project investment
- 10 new jobs anticipated with an average salary of \$39,000
- VBDA approved assistance for Forbes Candies totaling \$188,375 in in-kind services and \$130,000 developer credit in August 2023



Forbes Candies Extension Request

- Development agreement dated 1/5/2023
- 180 day due diligence period expired, construction did not commence within 18 months
- Requesting a 9-month extension to close on the property and begin construction



Recommendation

- Amend the cost participation agreement with Forbes Candies to construct an additional phase of business park infrastructure for \$7.1mil
- Amend the purchase agreement with Forbes Candy to close on the property and begin construction by July 2025



QUESTIONS

An aerial photograph of Virginia Beach at sunset. The sky is a mix of orange, yellow, and blue. In the center, a tall, modern building with a pointed top is illuminated. To its right, another building with a large, bright light on its roof is also illuminated. The city extends to the horizon with various buildings and parking lots. A large blue rectangular box is overlaid on the bottom left of the image, containing white text.

Oceana West Industrial Park

Sign Regulations

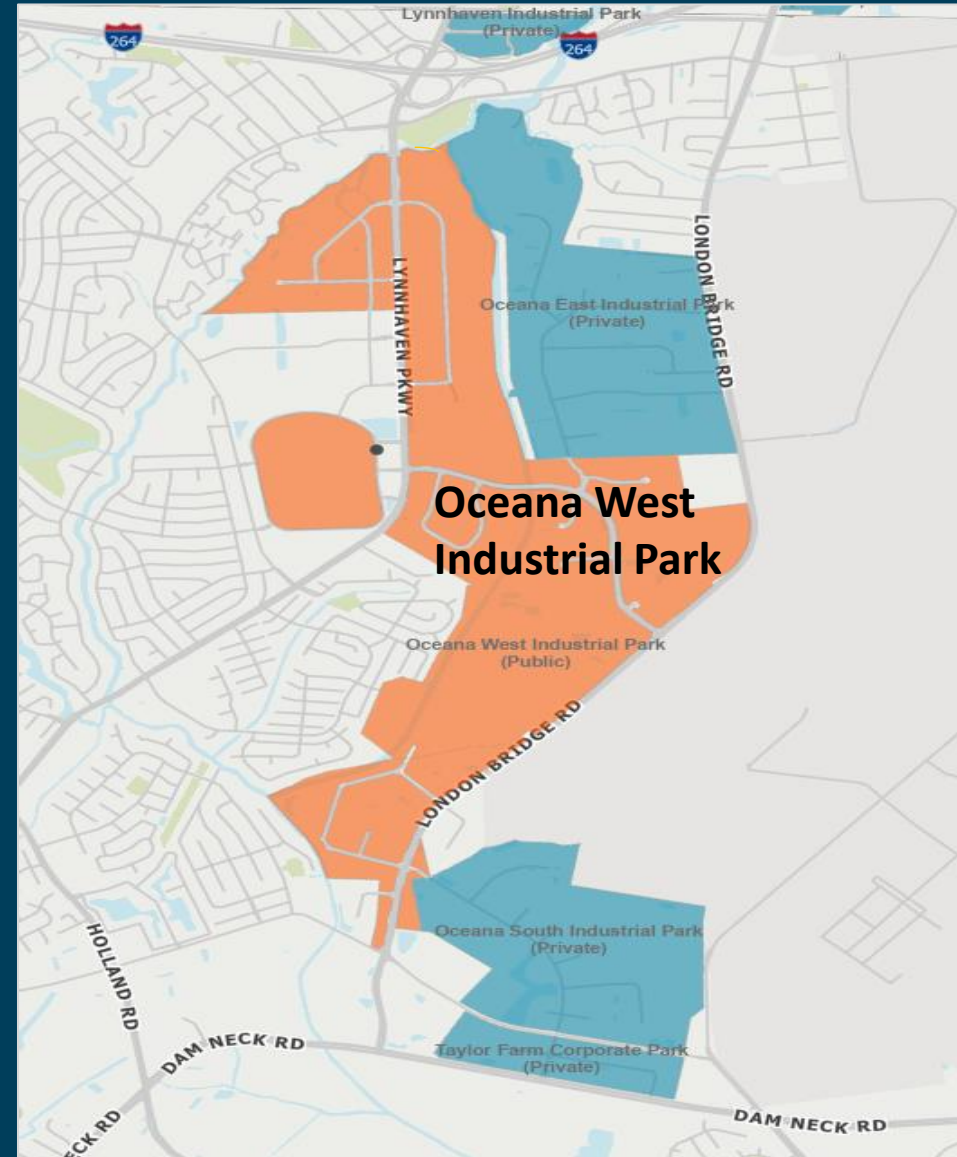
City of Virginia Beach Development Authority

October 8, 2024 | Open Session

Presenter: Pamela Witham

Background

- The VBDA first adopted sign restrictions for Oceana West Industrial Park in 1989 and updated them in 2014.
- The sign restrictions yielded less allowable signage per parcel than the City's zoning ordinance.
- Number of sign permit application reviews by Staff:
2023: 12
2024: 5



Guidelines

Current Guidelines	I-1, I-2, B-2 Zoning Guidelines
Maximum 2 signs per street frontage with Maximum 1 Additional sign for each additional street frontage	I-1, I-2: 3 Signs Maximum per major street frontage B-2: Minimum 1 sign @ 60 sq. ft. w/ 3 sign Maximum
Maximum 110 Sq. Feet total signage per parcel	I-1 & I-2: 1.5 Sq feet of signage per linear foot of building frontage B-2: No sign shall exceed 150 Sq. feet in area
Buildings with Multiple Tenants: Maximum one exterior building sign not to exceed 18 sq feet	I-1 & I-2: buildings with 3 or more establishments 1 additional sign @ 150 sq. ft Max B-2: -100 to 150 sq ft allowed depending on number of establishments



Guidelines²

Current Guidelines	I-1, I-2, B-2 Zoning Guidelines
Maximum 1 Ground or Free-standing sign	I-1 & I-2: 1 freestanding sign @ 32 -75 sq feet per face B-2: Frontage of less than 100 ft not allowed a Freestanding sign; 32-75 sq ft allowed depending on street frontage
Ground mounted sign maximum 2 faces at 40 sq. feet per face, and maximum 6 feet in height	I-1 & I-2: 75 sq ft Maximum and 12' height maximum B-2: 32-75 sq feet per space depending on frontage



Guidelines³

Current Guidelines	I-1, I-2, B-2 Zoning Guidelines
Maximum 24 Sq. Feet per wall-mounted sign	I-1 & I-2: 150 sq. feet per sign B-2: 40-150 sq feet depending on frontage
Sign illumination allowed: Back lit sign or ground-mounted flood lights	B-2: Beacon lights allowed for special events



Recommendation

- ✓ Approve the request to remove the Oceana West Industrial Park sign regulations allowing businesses to follow the City of Virginia Beach zoning sign ordinance to improve the permitting process for applicants.



Questions?



CASC International Incubator

City of Virginia Beach Development Authority

October 8, 2024 | Open Session

Paige Fox, Business Development Manager

Disclosures (Applicant)

- Applicant: CASC USA, Inc.
- Parent Company: CASC ASC Ltd
- Applicant Representative: Karl Crockard, Managing Director
- Legal Services: Williams Mullen

Company Profile



- Based in Northern Ireland, U.K.
- CASC has completed over 40 offshore wind projects with involvement all over the world
- Experience working in access and safety, engineering, electrical, renewable energies, and construction
- Awarded contract on Dominion Energy CVOW project – will support quayside mobilization and pre-assembly activities. Will also take on warehouse in the City
- Team first met on mission in U.K. in 2022, visited in Nov 2023 with Invest Northern Ireland

International Incubator

- VBDA approved 1st tenant in September 2021
 - Chorus Intelligence successfully expanded and opened its own office in Town Center in 2023
- Incentive for business looking to relocate or expand in the United States
- Most international businesses begin with a small US sales office before growing to distribution and large operations
- Meant for companies only needing 1 – 2 offices



The graphic features a background image of a modern office building with a glass facade. Overlaid on this are three blue triangles pointing towards the center, each containing text. The top triangle is labeled 'WHO' and describes the target audience. The middle triangle is labeled 'WHAT' and describes the office space. The bottom triangle is labeled 'WHERE' and describes the location. In the top right corner, there is a logo for 'virginia beach WAVES OF POSSIBILITY' and the title 'INTERNATIONAL INCUBATOR' in large blue letters. Below the title is the subtitle 'TEMPORARY OFFICE SPACE FOR A SOFT LANDING'. A paragraph of text describes the incubator's purpose. At the bottom right, there is a small white arrow pointing right with the text 'MORE INFO ON BOARD'.

INTERNATIONAL INCUBATOR

virginia beach
WAVES OF POSSIBILITY

TEMPORARY OFFICE SPACE
FOR A SOFT LANDING

The Virginia Beach International Incubator is designed for international companies seeking low-risk expansion into the U.S. market, offering essential office space before establishing a permanent presence in the city. Strategically located in the Town Center of Virginia Beach and adjacent to the Economic Development office, the Incubator provides an ideal environment for growing businesses.

WHO
Perfect for international companies needing 1-2 offices.

WHAT
Class A office space with shared conference room.

WHERE
Located in the heart of the City's Central Business District.

MORE INFO ON BOARD

Sublease Terms

- 1 Office Maximum 2 Year Lease Term
- U.S. Mailing Address
- Access to Conference Room
- Payment Structure based on 1 office
 - Months 1 - 6: N/A (no rent)
 - Months 7 - 12: \$7.25/sq. ft. = \$1,450/year (\$120.83/month)
 - Months 13 - 18: \$14.50/sq. ft. = \$2,900/year (\$241.66/month)
 - Months 19 - 24: \$20.25/sq. ft. = \$4,050/year (\$337.60/month)



Recommendation

- ✓ Approve sublease of Authority's International Incubator space to CASC USA, Inc.



QUESTIONS



VA BEACH BIO

Project Microscope
Partnership Opportunity
City of Virginia Beach Development Authority
October 8, 2024 | Open Session



LifeNet Health Disclosures

Applicant:

- President & CEO: Rony Thomas
- Chief Financial Officer: Phil Jones
- Chairman: John Herre
- Co-Chairman: Lee Riley
- Accounting: KPMG
- Legal Services: Williams Mullen

Landlord:

- Olympia Development Corporation

About The Company

- LifeNet Health is a global leader in providing transport solutions, from organ procurement to new innovations in bio-implant technologies and cellular therapies — a leader in regenerative medicine.
- Facilitated more than 13,000 organ transplants
- In 1982, started as the Eastern Virginia Tissue Bank, operating out of a small office in Virginia Beach
- In 1999, merged their tissue banking services with the Virginia Organ Procurement Organization to create one unified organization, LifeNet
- In 2007, became LifeNet Health

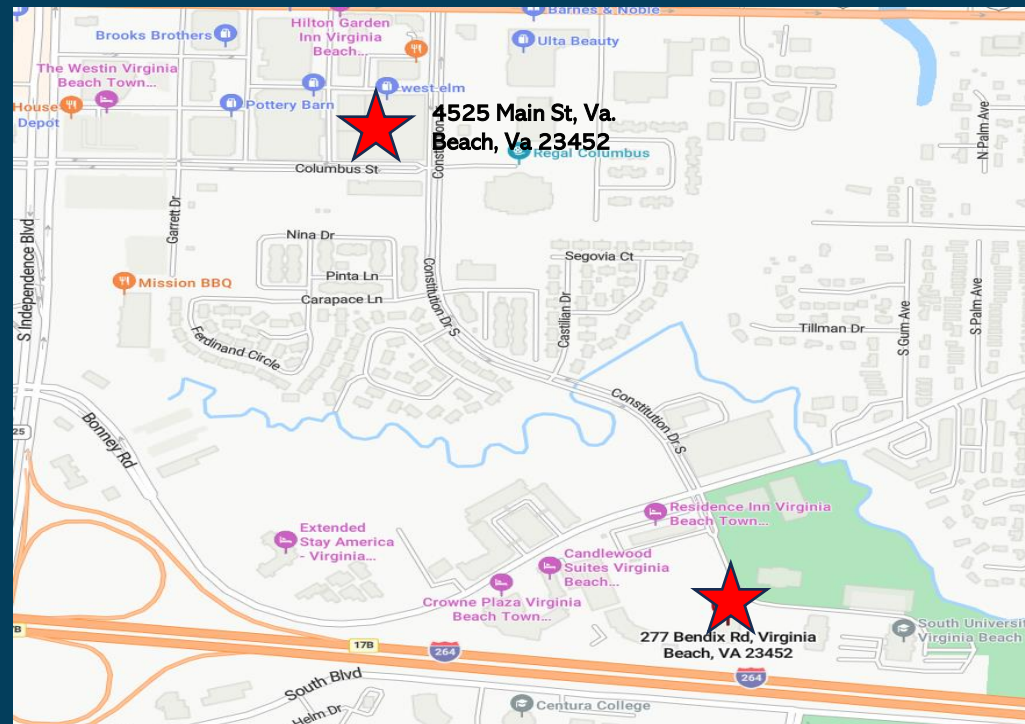
Existing Locations

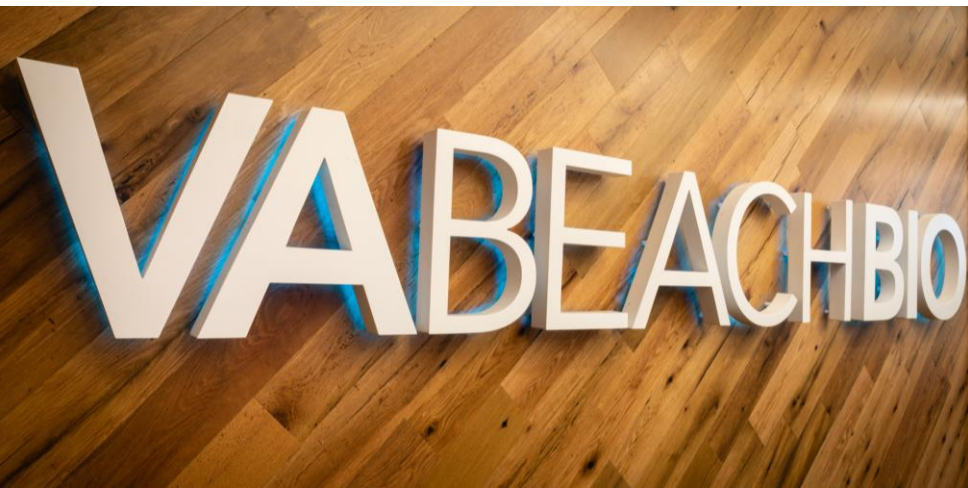
- Headquartered in Virginia Beach
- 1864 Concert Drive
- 1,471 Employees Companywide
- 1,021 Employees Domiciled in Va. Beach Operations
- 18 locations worldwide



Project Overview

- LifeNet proposal to assume VBDA lease of Bio Accelerator at 277 Bendix Road, Suite 550 (Convergence Center II)
- Plans to conduct scientific research and testing for large pharmaceutical companies





VA Beach Bio Space Overview

- Approximately 5,700 SF
- Biosafety Level 2 (BSL-@) wet/dry labs
- Fully Furnished
- Private Offices
- Conference Rooms
- Other Amenities: kitchen, copier room, personnel lockers, Wi-Fi/High-speed internet connection

Partnership Development, Marketing & Networking Efforts

Virginia BIO
BIOTECH and BIOHUB
BIO International Conference
ReAlta Life Sciences
ARMINTIA
Whiting-Turner Contractors
University of VA
Virginia Economic Development Partnership (VEDP)
Carilion Clinic
Activation Capital
Finnegan, Eppendorf
Charlottesville BIO Hub
Eastern Va. Medical School
Hampton Roads Biomedical Research Consortium (HRBRC)

LifeNet Health
VA Drug and Discovery RX Symposium
Activation Capita
Va Drug Discovery Consortium
JanaSar Labs
Virginia Teach
George Mason University
ReAlta Sciences
Virginia Commonwealth University
Prince William County
Avantor, Biofargo
Old Dominion University
Christopher Newport University

Proposed Transaction

- LifeNet to assume VBDA lease of Bio Accelerator
- LifeNet to relocate and expand existing facilities outside of Virginia Beach to the Bio Accelerator
- LifeNet requesting \$250k rent offset

Project Investment

CAPITAL INVESTMENT (within 36 months)	AMOUNT
REAL ESTATE	\$0
FUNITURE, FIXTURES & EQUIPMENT	\$850,000
MACHINERY & TOOLS	\$500,000
TOTAL:	\$1,350,000

JOBS	AMOUNT
RETAINED FTEs	0
NEW FTEs	26
TOTAL FTEs:	26
AVERAGE ANNUAL SALARY (Exclusive of Benefits)	\$94,500

ELIGIBLE EDIP AMOUNT BASED ON CAPITAL INVESTMENT	ELIGIBLE EDIP AMOUNT BASED ON JOBS	TOTAL
\$54,000	\$26,000	\$80,000

BIO Accelerator Lease Assumption Terms



Landlord:	Olympia Developments Corp.
Tenant:	City of Virginia Beach Development Authority → LifeNet Health
Premises:	Convergence Center II, 277 Bendix Road, Suite 550, Va Beach, Va 23452
Commencement Date:	November 1, 2024
Initial Term:	Five (5) years
Rent:	Approximately \$140,000 per year. VBDA to provide LNH a \$250,000 grant to offset the first Twenty-four (24) months of rent
Existing Lab and Office Equipment and Fixtures:	VBDA to transfer ownership of all equipment and fixtures in the Premises to LHN in exchange for \$10.00
Expansion Option Right of First Opportunity:	LifeNet to have option to lease additional space on the 5 th floor of the building (“Option Space”) if and when space becomes available (“Expansion Option”). The New term is (5) years with the option to extend for an additional (5) years
Combined Public Announcement:	LNH and VBDA will work together on a combined public announcement

Recommendation

- Award \$250,000 to LifeNet to incentivize lease assumption:
 - \$80,000 Economic Development Investment Program (EDIP) Grant
 - ✓ Pursuant to “Part A” of the EDIP Policy, Capital Investment and Job Creation
 - \$170,000 rent offset from existing VBDA Bio funds

All funds to be paid on a reimbursement basis

- Target industry sectors:
 - ✓ Bio & Life Science
 - ✓ Business Retention & Expansion

A modern office interior featuring a prominent wall of light-colored wood planks. The wall is covered in large, white, 3D block letters that read "VA BEACH BIO". The ceiling is white with a grid pattern and several long, cylindrical pendant lights. In the background, a conference room is visible through a glass partition, containing a white table, several black chairs, and a large window with blinds. The floor is covered in a blue and green patterned carpet. A blue curved banner is at the bottom of the image.

VA BEACH BIO

Questions?

