

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 (the Westin) is prominent. To its right, another building with a bright light on its roof is visible. The city is spread out with various buildings, parking lots, and green spaces. A large blue rectangular box is overlaid on the lower left portion of the image, containing white text.

Monthly Cash Flow – July 2025

City of Virginia Beach Development Authority

August 12th, 2025

Operating Account Summary: July 2025

Beginning Cash July 1, 2025

\$ 7,264,363

Cash Receipts Detail

- ✓ \$ **13,110** May & June Operating Profit Share – Atlantic Park Entertainment Venue
- ✓ \$ **10,657** Interest income

Cash Disbursements Detail

- ✓ \$ **49,997** Offsite Infrastructure and Asset Construction through 6/30/2025 – MBP
- ✓ \$ **15,070** Monthly Conduit Management July 15th-August 15th– Globalinx
- ✓ \$ **6,835** Legal Services for Atlantic Park Project through 5/31/2025 –Davis Commercial Law
- ✓ \$ **5,619** Innovation Park Subdivision Plat and Master Plan - VHB

Ending Cash – July 31, 2025

\$ 7,105,813

Cont. Operating Account Summary: July 2025

Amounts paid and reimbursed by City of VB – July 2025

✓	\$	140,651	Atlantic Park – Draw #29 Entertainment Venue – Venture Waves
✓	\$	287,167	Atlantic Park – Draw #29 Offsite Infrastructure (City Asset) – Venture Waves
✓	\$	282,233	Innovation Park – Draw #21 Offsite Construction Work through 6/30/2025 - Architectural Graphics
✓	\$	2,788	Innovation Park – Geotechnical Testing Services through 5/30/2025 - VHB
✓	\$	867,116	Corporate Landing – Draw Request #3 for Offsite Infrastructure and Utility Construction – Seabreezy Enterprises
✓	\$	6,682	Corporate Landing – Global Way and Pond C Construction Admin. – VHB
✓	\$	308,000	City View II – Real Estate Tax Incentive #6 Development Agreement – The Constitution.

Capital Maintenance: July 31, 2025

Amphitheater

\$ 407,721

- ✓ Parking repaving Lot D, Replace 7 HVAC Units, and replace stage lighting – Live Nation (\$173,776)

Human Services Building

\$ 1,917,635

- ✓ Monthly Lease – August 2025 \$ 47,910
- ✓ Roof Replacement - Construction/Replacement Phase, Pay App #6 – Simpson Unlimited (\$ 35,735)

Atlantic Park Entertainment Venue (The Dome)

\$ 26,220

- ✓ Revenue Share from May and June Performances \$ 26,220

Capital Maintenance: July 31, 2025 (Continued)

VB National Golf Course

\$ 1,898,041

- | | |
|--|--------------|
| ✓ Monthly Revenue Share Agreement | \$ 28,296 |
| ✓ Interior Renovations – Construction Mobilization
– Vanar Construction | (\$ 114,696) |
| ✓ Roof Replacement. Construction, Materials, and
Repairs. Pay App#2 – Integral Contracting, LLC | (\$ 54,219) |
| ✓ Fire Alarm Design, Materials, and Repairs –BFPE | (\$ 15,049) |
| ✓ Construction admin for roof replacement and
HVAC Replacement - HBA Architecture | (\$ 4,717) |

Incentive & Initiative Account Summary: July 2025

Façade Improvement Grant \$ 73,569

- ✓ Remove and Replace Damaged Siding and repaint
Signage – Beach Bully BBQ (\$ 7,500)
- ✓ Signage Restoration – Atlantic Avenue Association (\$ 2,158)

Small Business Grant Program \$ 488,122

- ✓ Reimbursement for expanding marketing and production
services – Open Door Media Solutions (\$ 5,454)
- ✓ Support for Publishing Expenses – Greight Company Limited (\$ 3,250)

EDIP Grant Summary Reporting: July 2025

✓ FY 2025 EDIP Appropriations from the City – July 2025 \$ 1,045,986

Ending EDIP appropriations 7/31/2025 **\$ 12,166,585**

EDIP Part A – Encumbered as of 7/31/2025 \$ 5,989,612

✓ No Activity During July 2025

EDIP Part B – Encumbered as of 7/31/2025 \$ 1,000,670

✓ No Activity During July 2025

EDIP Grant Funds Available as of 7/31/2025 **\$ 5,176,303**

** Actual EDIP Cash received from the City and held by the VBDA on June 30th, 2025 is \$1,044,903. The remaining \$10,075,696 is being held by the City and will be reimbursed to the VBDA when EDIP recipients receive their awards.*

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Lishelle Place – Purchase Agreement

City of Virginia Beach Development Authority

August 12, 2025 | Open Session

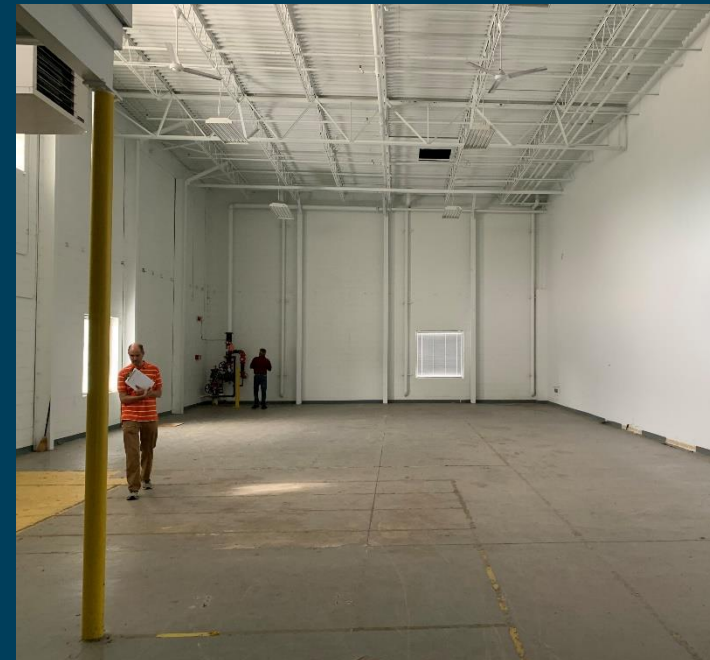
Presenter: Paige Fox, Business Attraction

Disclosures (Project Optic)

- Applicant Name: ViDARR, Inc.
- Applicant Representative: Cliff Byrd, President
- Legal: Thompson Law Group
- Real Estate Broker: S.L. Nusbaum, Chris Zarpas
- Construction Contractor: Adventum

Overview

- Property: 2656 Lishelle Place, Virginia Beach, VA 23452
 - I-1 Zoning, APZ-1
 - District 3
 - 1.5 Acres
- Building:
 - 16,410 SF +/-
 - Flex space: 10,000 SF +/- warehouse, 6,410 SF +/- office
 - Built in 1989



Overview

- Lishelle Place marketed to out of state defense manufacturing company to establish operations
- City Council approved transfer to VBDA on January 7th, with term requiring to transfer title back to City if sale not finalized in 6 months
- Property conveyed on March 17th, with deadline for sale on September 17th
- VBDA approved sale of Lishelle Place to ViDARR, Inc. for \$1.3M

Project Optic Project Parameters

- The company intends to establish operations for additive manufacturing, component assembly, R&D, warehouse and distribution.
- VEDP putting together incentive package for job creation

CAPITAL INVESTMENT (within 36 months)	AMOUNT
REAL ESTATE	\$2,000,000
FUNITURE, FIXTURES & EQUIPMENT	\$40,000
MACHINERY & TOOLS	\$650,000
TOTAL:	\$2,690,000

JOBS	AMOUNT
RETAINED FTEs	0
NEW FTEs	40
TOTAL FTEs:	40
AVERAGE ANNUAL SALARY (Exclusive of Benefits)	\$75,500

Update

- Company has asked to transition to a lease with option to purchase, while a personal civil legal matter is resolved with their owner
- Lease will be maximum 2-years, \$15,000 per month, with rent proceeds credited to their purchase price
- Lease payments will be made to the VBDA and held until end of the lease term. Once the sale is complete, or the lease term ends, all proceeds will be sent to the City. 50% of proceeds allotted to ITA Conformity CIP and 50% refunded to the Commonwealth

Recommendation

- Approve resolution to amend terms of the sale of Lishelle Place
 - *Dependent on City Council approval modifying terms of transfer to extend the reverter date, vote on August 19th*

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Questions?



Town Center Garage Security Amendment

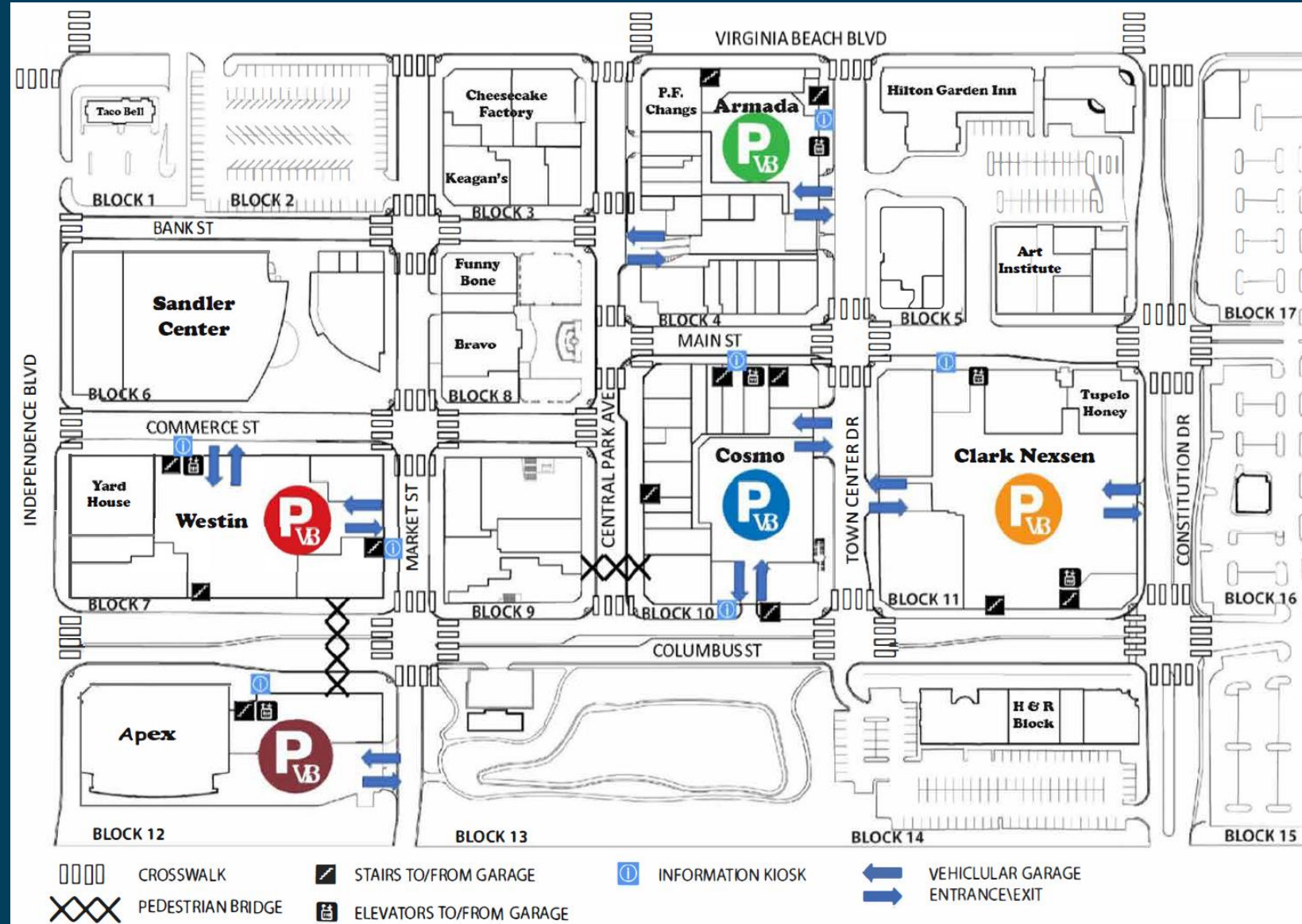
August 12, 2025 | VBDA

Emily Archer, Deputy Director of Economic Development



Town Center Garages

- 5 Garages (owned by VBDA and managed by Parking Management)
- 4,381 Spaces
- O&M cost funded by the Town Center SSD and a dedicated CIP for capital expenses
- Garage and elevator assessments completed every 3 yrs



Town Center Garages & Security

- Garage Operations and security are contracted with:
 - PCI for operations
 - Divaris and Securitas for Security (VBDA approved contract renewal in June 2025)
- Security incidents are monitored daily, reported to the police as needed, and tracked and reported monthly to The Town Center Advisory Board (TCAB)
- Security contract includes:
 - Roving foot & vehicle patrols, 7 days a week
 - Monitoring security cameras, alarms and LPRs

Request to Approve Additional Security Patrol

- Add an additional patrol officer, vehicle, and monitoring device Friday, Saturday and Sunday nights
- \$50,000 amendment to existing security contract with Divaris
- Recommendation supported by TCAB and Staff



QUESTIONS



35th Street Garage Development Term Amendment

Emily Archer, Deputy Director of Economic Development
August 12, 2025



CITY OF
**VIRGINIA
BEACH**

Disclosures

Owners: Suburban Capital, Inc.

A & E: Kahler Slater

Financial: Towne Bank

Contractor: Hourigan
Construction Corp.

Legal: Pender & Coward

Accounting: BDO



Location of proposed garage

Background

- In FY2020, the Resort Parking District CIP was created for the purpose of developing more public parking in the Resort and funded at \$26 Mil
- In 2021, the City approached Suburban Capital, during their redevelopment of the Belvedere Hotel, about partnering on a parking garage to provide more public parking in this area of the Resort
- No public parking currently exists north of 31st Street
- December 2021 - VBDA & City Council approved the purchase of 200 parking spaces in a new garage at 35th Street and Pacific Avenue for \$7 Mil



The 140-room Hyatt Place Hotel opened in 2022

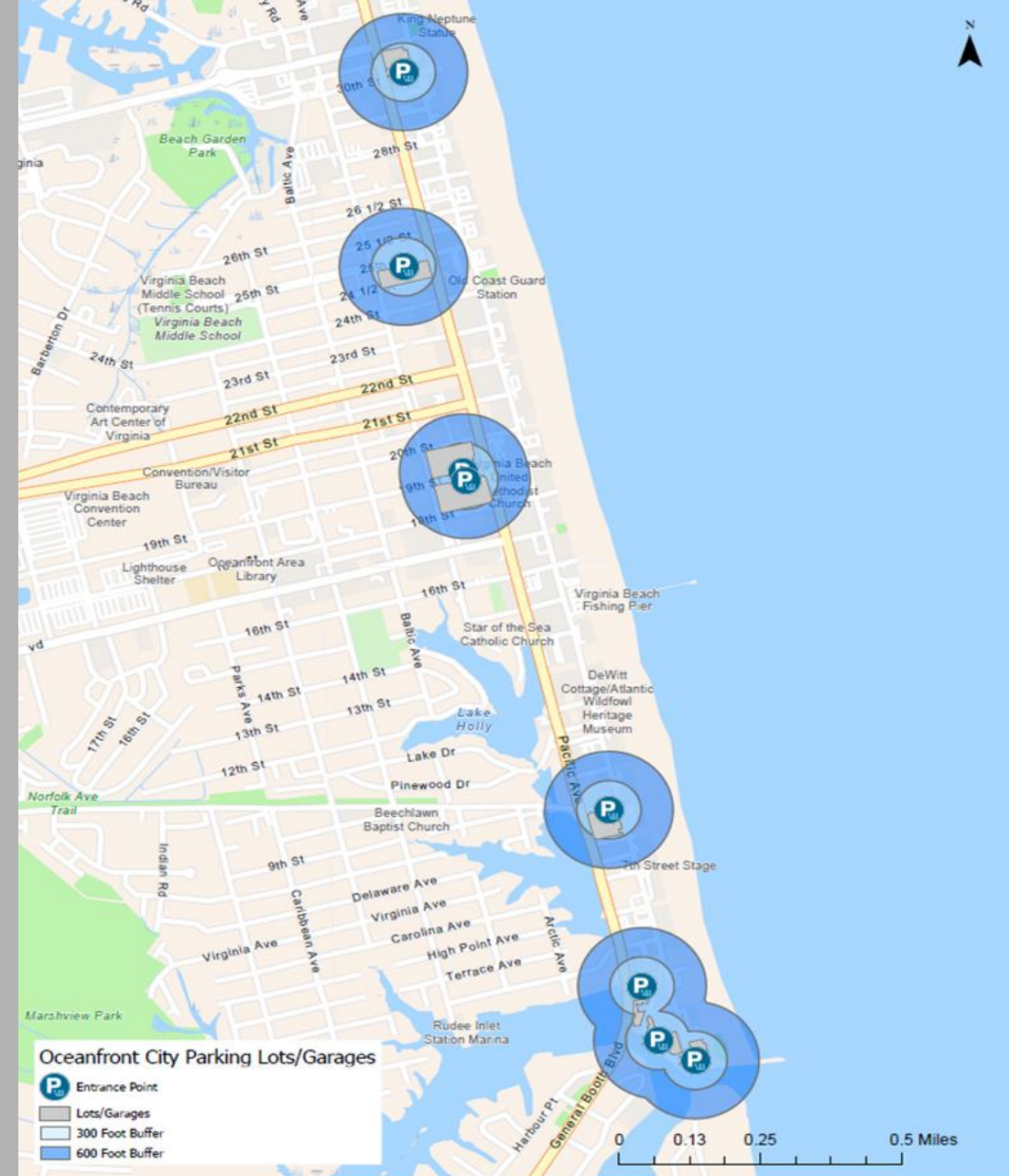


New Hyatt
Place Hotel
(former
Belvedere
Hotel)

Hyatt's
current
off-site
parking

City's Existing Parking Assets

- 358 surface lot spaces
- 5 Garages: 2,613 public spaces
- 644 on-street metered spaces
- 3,615 total public parking spaces south of 31st Street



Pedestrian Walking Distances
from City Parking Lots & Garages

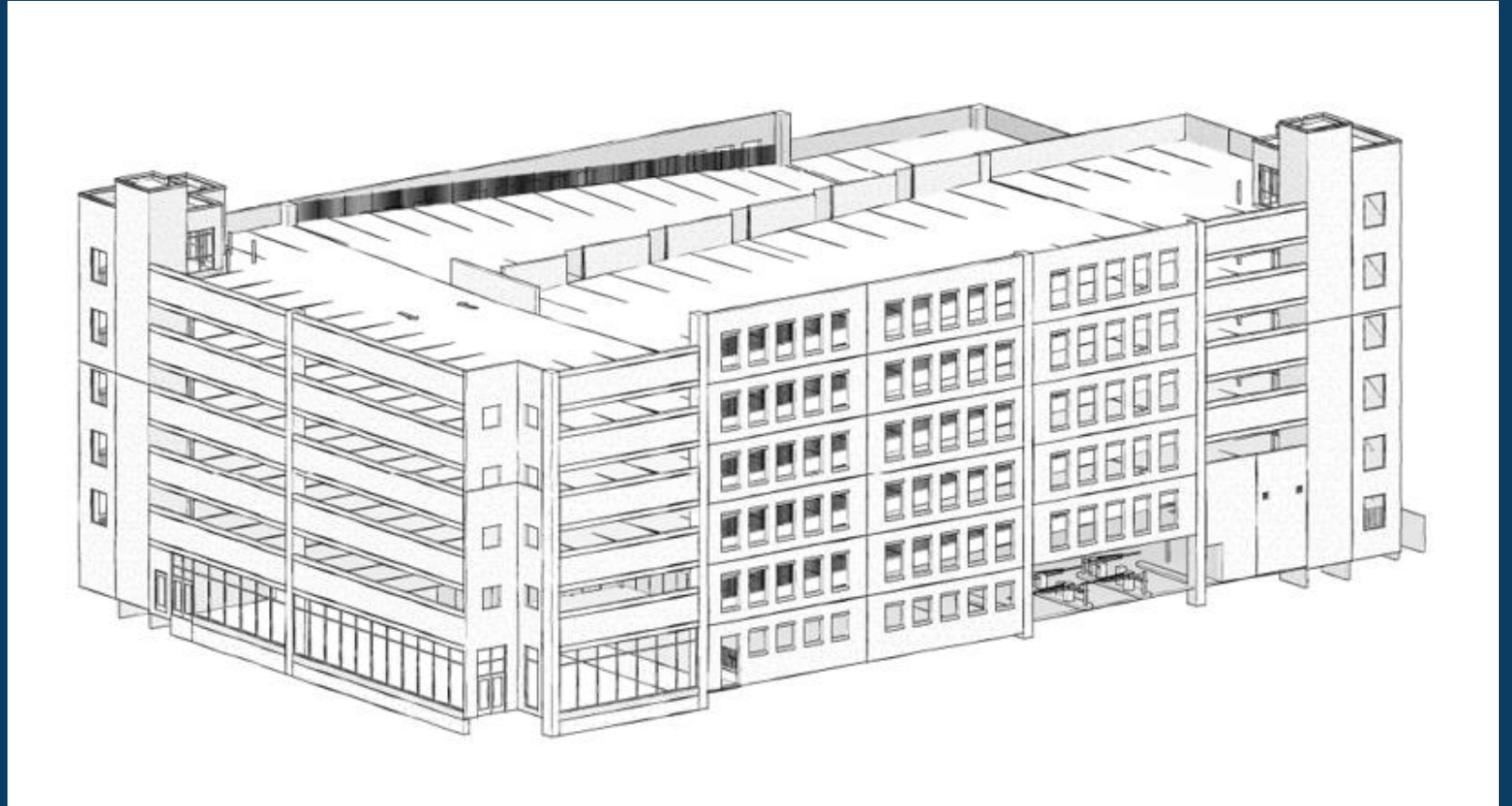
Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, City of Virginia Beach Department of Planning & Community Development, City of Virginia Beach Center of Geospatial Information Services

History of the Proposal

- Since 2021 – the Developer has continued to refine plans in the face of changing market and financial conditions
- At that time, the cost to build the garage would have been \$25,000/space
- As time progressed, construction pricing continued to escalate above \$30,000/space and the project was put on hold
- City Staff continued to work with Suburban Capital by updating pricing every year
- Suburban achieved site plan approval for a garage in 2022

35th Street Parking Garage Model

- 2,200 SF ground floor will be owned by VBDA for needed Parking Management/ RMO space
- 4,600 to remain developer's for commercial lease



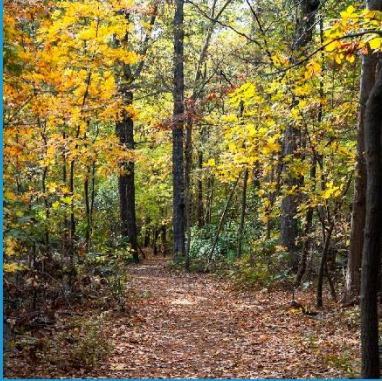
2025 35th Street Garage Development Terms

- The original proposal was for Suburban Capital to own the land and their parking spaces and VBDA would own their spaces under a condo regime
- Now, the developer will convey land to VBDA at no cost
- 348 Spaces (148 Private/200 Public)
- City pays for cost to construct garage
- Soft Costs @ 5% \$560,000 & Developer Fee @ 5% \$590,000
- Total Cost to City NTE \$13,350,000 (\$38,362/space) inclusive of carrying costs and utility relocation
- Work could commence in the Fall 2025, completed in 2026
- VBDA would own garage and Parking Enterprise Fund will manage garage with O&M costs paid by developer for their portion

Request

- Approve revised 35th Street Garage development agreement terms contingent on City approval August 19th, 2025

Questions?



HRT Corporate Landing Development Proposal

VBDA – August 12, 2025

Amanda Jarratt, Deputy City Manager



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**VIRGINIA
BEACH**

Purpose

- Provide a background of the Hampton Roads Transit (HRT) Development Proposal for a Bus Operations Facility in Corporate Landing Business Park
- Review the requested development agreement terms

Disclosures

- Applicant – Hampton Roads Transit, William Harrell President, Sibyl Pappas, Chief Engineering Officer
- Legal Services – Williams Mullen, Stephen Romine
- Architect – Dills Architects, Clay Dills
- Engineer – STV, Inc., Eric Nelson
- Landscape Architect – Rhodeside & Harwell, Inc.
- Broker – Colliers International, Ken Benassi

Proposal Background

- HRT approached the City and VBDA in 2021 with interest in developing a new \$64 million Southside Bus Operating Division Facility
- The facility would utilize offshore wind purchased through Dominion Energy to power the facility, buses and create 120 jobs
- The existing HRT Parks Avenue facility at the Resort is no longer meeting the system's needs and would allow for regional transit system growth
- The development was proposed to be completed by the end of 2024
- In June 2023 HRT received a \$25 Mil grant from the FTA for the facility



Proposed Sale Background

VBDA approved a resolution to sell 11 acres to HRT in Sept. 2021 for the facility on the following terms:

- HRT was to purchase 11 acres from VBDA at \$200,000/acre or appraised value
- HRT had until October 2022 to complete their due diligence and close on the property
- HRT was responsible for any infrastructure improvements necessary for its project other than road access and 60% impervious coverage stormwater treatment



Proposed Sale Background Continued

- All deadlines for the VBDA 2021 resolution to sell have expired
- No final agreement was reached between the parties in accordance with the sale terms
- A binding purchase agreement was never executed
- An option agreement was never proposed or discussed in order for HRT to control this property while different sale terms were negotiated



Proposed Facility Considerations

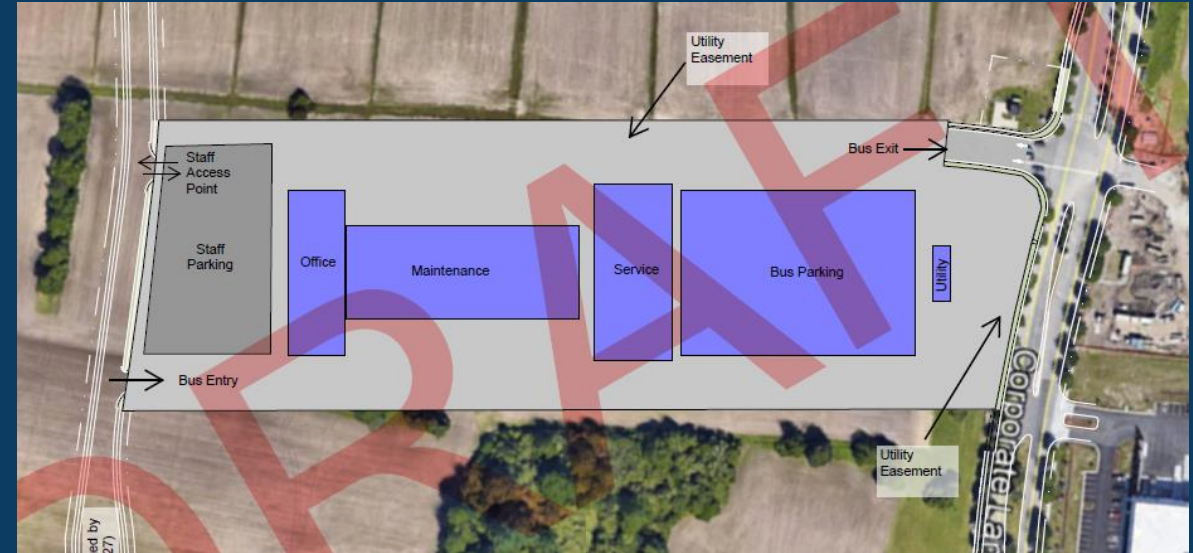
- The facility would require City Council Approval of (2) CUPs and Modification of Corporate Landing Proffers for reduced setbacks:
 - i. The Maximum Building and Paved Area Coverage for the Property shall be 85% rather than 65%
 - ii. The rear property line setbacks shall be 10 ft. rather than 30 ft.
 - iii. The side yard setback on the Southern boundary of the Property shall be 5 ft. rather than 15 ft.



2022 HRT Bus Facility Conceptual Site Plan

Alternative Sale Terms Proposed Declined

- Changed terms and expired deadlines rendered September 2021 VBDA Resolution inoperative. New approval required to proceed.
- In early 2024 HRT requested VBDA consider permitting enhanced use of its regional stormwater management system over the 60% impervious cover treatment VBDA would typically provide
- HRT offered \$13,000 initially to have up to 85% of its runoff accommodated and then increased its offer to \$400,000
- VBDA has never offered this to any other Corporate Landing Business Park user, and in December 2024, declined to agree to this request for a non-tax-paying entity



2024 HRT Bus Facility Conceptual Site Plan

Current Situation

- All deadlines for the 2021 resolution to sell have expired
- No final agreement was reached between VBDA and HRT in accordance with the sale terms
- A binding purchase agreement was never executed between VBDA and HRT
- VBDA is actively marketing the site for development opportunities
- VBDA and City staff have communicated to HRT that they are happy to assist in identifying a suitable alternative location in Virginia Beach for the bus facility

Questions?

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VBDA Annual Report

City of Virginia Beach Development Authority

August 12, 2025 | Open Session

Presenter: Natalie Guilmeus, Economic Development Deputy Director

Overview of Report

- Annual Reports are due by every City Council appointed board in Virginia Beach by August 31, 2025.
- The report highlights important accomplishments for the reported fiscal year (July 1, 2024 to June 30, 2025).
- Includes objectives for the next fiscal year and recommendations to City Council.

EDIP Highlights

- The VBDA awarded 5 EDIP grants totaling \$1,708,412 which supports an anticipated \$69,615,166 of new capital investment in our City.
- Born Primitive: The project represents an estimated \$14 million in capital investment.
- Atlantic Diving Supply, Inc.- The project contributes to an estimated \$4.95 million in capital investment.
- ViDARR-The project is expected to result in a \$2.69 million capital investment and the creation of 40 new jobs.
- Neptune SHIELD-Represents an estimated \$2.42 million in capital investment and the creation of 22 new jobs.
- Acoustical Sheetmetal-This expansion brings an estimated \$45.56 million in capital investment, the creation of 350 new jobs, and the retention of 497 existing positions.

Façade Improvement Grant

- The FIG program provides matching grants to small, locally owned and operated businesses for making exterior building improvements, which enhances the overall appearance and attractiveness of the businesses and adds to the overall economic vitality of the City. This year the VBDA awarded the following 20 grants totaling \$111,127 which resulted in \$232,659 in private investment for façade improvements throughout the City

EDIP Part F - Small Business Grants

- The program seeks to increase access to funding for historically underserved and marginalized small businesses in Virginia Beach, focusing on women, minority-owned, veteran, and service-disabled veteran-owned businesses.
- In the grants first year the VBDA awarded the following 17 awards, totaling \$144,811

International Incubator

The international incubator welcomed 5 new tenants this year.

- **Nose Corporation of America**, a Japanese automotive and aerospace manufacturing company.
- **Sirius Analysis**, a UK technical analysis consultancy for the government and defense industries.
- **CASC**, a Northern Ireland offshore wind engineering company specializing in renewable energy.
- **Gibb Group**, a UK company providing safety, PPE, and survival products for the energy, marine, and offshore wind sector.
- **ValTech**, a UK digital transformation services company providing business and technology solutions.

VBDA Assets

- The DOME
 - In May 2025, the Dome generated \$11,636 in revenue towards capital maintenance and \$5,818 in operating income.
 - Atlantic Park also offers over 100,000 sq. ft. of mixed-use retail space, including restaurants, shops, and experiential attractions including the Wave Park all scheduled to open before the end of 2025.
- The Virginia Beach Amphitheater celebrated its 28th season in 2024 by holding 27 shows with over 365,000 attendees, generating \$3.79M in rent and taxes.
- The Virginia Beach National Golf Course generated more than \$321,141 of total income. The VBDA also received management fees of more than \$237,185 to fund capital repairs and maintenance to the facility.

Ribbon Cuttings

- **ZIM Shipping**, celebrated the opening of its new 70,760-square-foot U.S. headquarters in Virginia Beach in July 2024.
- **Maxbyte Technologies**, launched its Excellence at the Virginia Beach Workforce Training Center in September 2024.
- **Globalinx Data Centers**, broke ground in February 2025, This expansion will double Virginia's subsea capacity by more than 400%.
- **ADS, Inc.**, broke ground on a 40,000-square-foot expansion in May 2025.
- **Acoustical Sheetmetal Company (ASC)** completed its Phase 3 expansion 2025



Goals for FY 2025-2026

Continued outreach and marketing initiatives identified by our targeted key industries as listed below as well as major initiatives.

Key Industries:

- Defense & Aerospace
- Technology & Innovation
- Renewable Energy
- Advanced Manufacturing
- Professional Services
- Uncrewed Systems
- The HIVE/Small Business & Entrepreneurship
- FIG Grant + Expanded Atlantic Ave. FIG Program
- Innovation Park Expansion
- Attainable Workforce Housing Performance Grant

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