

CITY OF VIRGINIA BEACH DEVELOPMENT AUTHORITY
March 11, 2025, MINUTES

The City of Virginia Beach Development Authority (“VBDA” or “Authority”) held its regular meeting on Tuesday, March 11, 2025, at 8:30 a.m. in the Economic Development Town Center Boardroom at 4525 Main Street, Suite 700, Virginia Beach, VA, pursuant to notice given by the Chair.

Full video of each item presented and discussed at this meeting can be viewed on the Economic Development website at the following link – <https://www.yesvirginiabeach.com/vbda>

MEMBERS PRESENT:

Lisa M. Murphy, Chair
W. Taylor Franklin, Vice-Chair
Guenter H. Weissenseel, Secretary
William Brunke, Treasurer
Eric Keplinger, Assistant Secretary
Donald Horsley, Commissioner
Ahkil Jain, Commissioner
Penny Morgan, Commissioner
Michael J. Standing, Commissioner
David Weiner, Commissioner

Commissioner Ahkil Jain was present during the March 11, 2025, City of Virginia Beach Development Authority meeting but did not participate in the discussion or voting.

CITY COUNCIL:

Vice Mayor, Rosemary Wilson
Council Member, Worth Remick

ADVISORS PRESENT:

Amanda Jarratt, Deputy City Manager
Lydon S. Remias, City Auditor
Alexander W. Stiles, Senior City Attorney
Christian Green, Director, Economic Development
Kathy M. Warren, Director, Planning & Community Development
Ruth Hill, Director, Housing & Neighborhood Preservation
Keith Piper, Auditor III
Emily L. Archer, Deputy Director, Economic Development
Natalie Guilmeus, Deputy Director, Economic Development
Randy Biltz, Senior Landscape Architect
Dominique DeBose, Business Development Representative, I
Kayla Dotson, Executive Assistant I
Madison Eichholz, Development Liaison Planner
Jadon Gayle, Business Development Representative II
Peter Gaytan, Project Development Planner III
Roosevelt Grandberry, Town Center Planning Coordinator
J.D. Hines, Senior Project Manager
Paige M. Fox, Business Development Manager II

Vicki Kelley, Administrative Specialist I
Letitia E. Langaster, Business Development Manager II
Matt Mader, Senior Land Development Engineer
Howie McEntee, Accountant II
Tecora McIntyre-Catlett, Executive Assistant II
Sharon Shoff, Housing Program Coordinator
Paul J. Scully, Development Liaison Coordinator
Annagid Walker, Administrative Technician
Pamela D. Witham, Project Development Planner III

REPORTED BY: Amanda Jarratt

RECORDED BY: Kayla B. Dotson

Chair Lisa Murphy began the meeting at 8:30 a.m. with a moment of silence for the two recently fallen Virginia Beach police officers, Cameron Girvin and Christopher Reese.

Chair Lisa Murphy opened the floor for public comment.

OPEN FLOOR

No public speakers.

REGULAR MEETING

WELCOME

1. Welcome New Economic Development Director and VBDA Commissioner Presented by Chair Lisa Murphy

Presentation: Chair Lisa Murphy welcomed the new Economic Development Director, Christian Green and the newly appointed Commissioner Akhil Jain.

MEETING MINUTES

2. Approval of Regular Meeting Minutes February 11, 2025.

MOTION: Taylor Franklin
SECOND: Guenter Weissenseel
APPROVED: 8-0-0

Commissioner Donald Horsley arrived following the vote to approve the February 11, 2025, minutes.

FINANCIALS

3. Review of Financial Statements for February 2025 presented by Howie McEntee.

Operating Account Summary: February 2025

Adjusted Beginning Cash – February 1, 2025, \$7,949,420

Cash Receipts Detail

- Grand Total of Cash Receipts

\$ 11,153 Interest Income

Cash Disbursements Detail

- Grand Total of Significant Cash Disbursements
 - \$ 85,220 Site Preparation work Global Way Phase 11 - VHB
 - \$ 15,070 Monthly Conduit Management February 15th – March 15th - Globalinx
 - \$ 7,361 Global Way Construction Admin and Geotechnical Testing - VHB
 - \$ 2,573 Legal Services for Atlantic Park Project through 12/31/2024 – Davis

Commercial Law

Ending Cash – February 28, 2025, \$7,843,107

- Amounts Paid and Reimbursed by City of VB – February 2025
 - \$ 2,185,896 Atlantic Park -Venture Waves Draw #24– Entertainment Venue
 - \$ 1,056,653 Atlantic Park -Venture Waves Draw #24 – Offsite Infrastructure (City Asset)
 - \$ 647,203 Innovation Park – Draw #15 Offsite Infrastructure work and development fee through 1/31/2025 – Architectural Graphics, Inc.
 - \$ 5,070 Innovation Park - Construction Phase Services through 1/31 – Kimley Horn
 - \$ 4,504 Innovation Park – Geotechnical Testing - VHB
 - \$ 9,528 Corporate Landing - New Roadway & Pond C Final Design – VHB

Capital Maintenance: February 28, 2025

- Amphitheater - \$769,243
 - No activity during February 2025
- Human Services Building - \$3,024,592
 - \$ 47,910 Monthly Lease – February 2025
 - \$ (10,610) Re-roofing and Cooling tower Replacement – HBA Architecture
- VB National Golf Course - \$2,179,197
 - \$ 8,057 Monthly Revenue Share Agreement

Incentive & Initiative Account Summary: February 2025

Beginning Cash – February 1, 2025, \$1,119,428

Cash Receipts Detail

- No Significant Receipts

Cash Disbursements Detail

- No Significant Receipts

Ending Cash – February 28, 2025, \$1,119,612

Beginning EDIP appropriations as of February 1, 2025, \$11,164,153

- No activity during February

Total EDIP appropriations as of 2/28/2025* \$11,164,153

EDIP Part A – Encumbered as of 2/28/2025 **\$4,998,518**

- Atlantic Diving Supply (ADS) Capital Investment
- ViDARR Defense Solutions – Capital Improvement & Job Creation

EDIP Part B Encumbered as of 2/28/2025 **\$ 625,000**

EDIP Grant Funds Available as of January 31, 2025, **\$5,540,909**

** Actual EDIP Cash received from the city and held by the VBDA on January 31, 2025, is \$1,088,457. The remaining \$10,075,696 is being held by the city and will be transferred to the VBDA as needed for payment of approved EDIP awards.*

No Discussion

VBDA ASSETS

4. Audit Report update on Veterans United Home Loans Amphitheater presented by City Auditor, Lyndon Remias and City Auditor III, Keith Piper.

Presentation: Mr. Remias began the presentation by sharing the purpose, scope, and objectives of the Veterans United Home Loans Amphitheater Audit. The purpose of the audit was to determine whether the Veterans United Home Loans Amphitheater operates in compliance with the terms and conditions set forth in the management agreements. The scope of the audit covered the policies, processes, procedures, and controls in place at the time of the audit and directly related to revenues from performances used to calculate rent payments due to VBDA and taxes due to the City during the 2023 and 2024 concert seasons. Mr. Remias shared relevant background on the Amphitheater including that the current facility lease agreement between VBDA and Live Nation expires on December 31, 2031. The findings and recommendations were discussed as follows:

Finding 1. Certain Financial Requirements of Facility Lease Not Followed.

Recommendations:

1. Ensure all information necessary to recalculate annual rent payments is reported by Live Nation.
2. Ensure all local taxes paid by Live Nation and its representatives are reported by Live Nation.
3. Ensure information reported by Live Nation regarding annual rent payments and local taxes paid has first been certified as true and correct by Live Nation.
4. Confirm local taxes reported as paid by Live Nation with the City or proper tax authority.
5. Require periodic financial statements to be submitted by Live Nation for review in a timely manner.

Finding 2. Ticket and Parking Revenue by Performance Cannot Be Tied to Income Statement

Recommendations:

1. Summarize actual amounts for ticket revenue and parking revenue for performances throughout the year to ensure the accuracy of the annual amounts on the income statement being used to calculate the basic rent payment.
2. Perform an annual reconciliation between ticket revenue and admissions taxes paid. Since the ticket revenue component of the basic rent payment calculation is reduced by admissions taxes paid, and these items are related, a reconciliation will validate the reasonableness of both items.

Mr. Remias reported that overall, the City Auditors office determined that the Veterans United Home Loans Amphitheater could operate more closely in compliance with the terms and conditions set forth in the management agreements and recognized the venue as a valuable asset to the City.

Full Presentation located at minute [10:45 of the meeting video](#).

Discussion: Vice Chair Taylor Franklin asked how often these audits were performed, Mr. Remias stated that from the City Auditor's perspective, this is the first audit performed on the Amphitheater. Mr. Remias noted that due to limited resources, the Auditor's office often relies on operators to ensure compliance. Assistant Secretary Guenter Weissenseel asked if Live Nation utilized an external accounting firm. Mr. Remias noted that Cherry Bekaert was the representative firm and that the VBDA should be receiving an audited financial statement from Cherry Bekaert Annually. Chair Lisa Murphy noted staff have worked very closely with Live Nation and hope to receive the last few years of audited financials before the end of the month. Ms. Murphy noted that Pam Witham, the VBDA asset manager will be adding a financial report follow up to the internal asset tracking sheet. Chair Murphy shared a difference of opinion on the VBDA's role in reviewing paid taxes by Live Nation unrelated to the Authority's agreement with them. Mr. Weissenseel asked if there was an apparent underreporting of revenue and Mr. Remias stated that there is a risk of underreporting due to the current structure of the items related to the findings. Mr. Standing asked if the confirmation of funds was received by the Commissioner of Revenue's office. Mr. Remias pointed out that the Commissioner of Revenue is looking at the overall number, not the breakdown of where the funds came from. Treasurer William Brunke asked if there could be a meeting held to discuss the procedures for completing the recommendations outlined in the audit. Mr. Brunke also asked if the Commissioner of Revenue has ever performed an Audit of the Virginia Beach Amphitheater. Mr. Piper noted that, an audit was completed in 2015, but the staff are unaware of the findings in that audit. Mr. Brunke asked what the VBDA's level of responsibility was as far as collecting financial statements from Live Nation. Reading the agreement aloud Senior City Attorney Alex Stiles stated the VBDA should review audited reports submitted by Live Nation annually. Further discussion details that the City Auditor's office requested the past 3 years of audited statements from Cherry Bekaert but has yet to receive them. Mr. Remias noted that he believes Live Nation will be partnering with a different auditor once Cherry Bekaert completes the 2021-2023 audit.

5. Request approval of Review and request approval of Bid(s) for Virginia Beach National Golf Course (VBNG) Interior Renovation presented by Project Development Planner III, Pamela Witham,

Presentation: Project Development Planner III, Pamela Witham, shared a request for approval for the apparent lowest responsive bid for the Virginia Beach National Golf interior renovation project. The project will include the replacement of existing flooring, windows, and doors. Vanar Construction Corporation's bid came in at \$259,827, the lowest of five bids. Ms. Witham shared the following status updates on additional VBNG repairs: The HVAC replacement project is underway and will be completed by the end of May 2025. The clubhouse roof replacement project is beginning in March and is expected to be completed by May 2025, and the capital maintenance for Lake #1 is expected to begin in Fall 2025. The VBDA approved \$180,000 to be utilized for clubhouse interior renovations on January 14, 2025. Ms. Witham reminded the Commissioners that the roof replacement did come in under budget which allows for the larger-than-expected estimate for the interior renovation.

Full Presentation located at minute [47:03 of the meeting video](#).

Discussion: Vice Chair Taylor Franklin asked if the \$259K was a not-to-exceed number, Senior City Attorney Alex Stiles noted that any additional request of funds for this project would have to

go before the Authority. Mr. Franklin also asked Ms. Witham if there was any cushion to the bid. Ms. Witham responded that it is her opinion that if the total cost falls below \$270K, the capital improvement account would still retain over \$1,000,000. Chair Lisa Murphy requested an activity report on capital repairs in the April VBDA meeting. Chair Murphy also commented that these renovations will bring more revenue and capture more business.

MOTION: Eric Keplinger

SECOND: Penny Morgan

APPROVED: 9-0-0

AFFORDABLE HOUSING

6. Attainable Housing Grant Presentation presented by Ruth Hill, Housing & Neighborhood Preservation Director, and Sharon Shoff, Housing Program Coordinator

Presentation: Housing & Neighborhood Preservation Director, Ruth Hill, and Housing Program Coordinator, Sharon Shoff, presented information on the newly named Attainable Housing Grant. This grant program was authorized by the Virginia General Assembly with an amendment to the Industrial Development and Revenue Bond Act in 2022. It allows development authorities, in conjunction with their local City Council, the power to make grants associated with the construction of affordable housing. Grant funds are provided to a developer based on a percentage of the incremental real estate tax revenue generated by the development. City Council and VBDA would approve each project individually and a separate required public process for permitting of developments would be maintained. The Ordinance for this grant will be reviewed by City Council in April 2025.

Full Presentation located at minute [53:23 of the meeting video](#).

Discussion: Chair Murphy made a note that the presentation detailed a 1% administration fee and asked which body would be responsible for administering the program. Director Hill noted that once the program is approved by City Council the Housing Department will work in conjunction with the VBDA to determine how the program would be run and stated that it should not be a staff capacity burden. Treasurer Brunke asked if the program is transferable from one property owner to another. Ms. Hill stated this has not been decided yet but agreed with Mr. Franklin that the incentive would most likely be tied to the real property even if ownership changed. Mr. Brunke then asked if there was a minimum investment in the 15-year period to qualify for an additional 15 years. Ms. Shoff noted that, based on Richmond's numbers, the investment is roughly \$10,000 per unit. Mr. Brunke's final question was regarding what the discussion has been around public facilities such as public schools, for example, if a 400-unit apartment complex was built in Virginia Beach and what the city would be investing to account for these numbers of people to serve these areas. Ms. Hill agrees with Mr. Brunke that this is more of a Council-specific question. Chair Lisa Murphy noted that anything regarding zoning would be discussed by the Planning Department, but "by-right" developments wouldn't be assessed by the city. Assistant Secretary Eric Keplinger asked if the program is in addition to any existing incentives, and Director Hill confirmed that was correct. Commissioner David Weiner noted that a large difference between Virginia Beach and Richmond, which this grant is modeled after, is the amount of available land. Mr. Weiner suggests working on speeding up the process of rezoning, Ms. Hill noted that rezoning is one of the current conversations her team is having with the Planning Department. Chair Lisa Murphy pointed out

there will need to be some collaboration with Virginia Housing on this program to ensure alignment and asked if there was a program for funding companies that want to renovate existing housing structures. Ms. Hill noted there is not funding for that program at this time.

FACADE IMPROVEMENT GRANT PROGRAM (FIG)

7. Request approval of a Resolution approving 9 grants in the amount of \$45,211 under the FIG Program presented by Town Center Planning Coordinator, Roosevelt Grandberry

Presentation: Town Center Planning Coordinator, Roosevelt Grandberry presented 9 businesses that have been recommended by the FIG Review Committee for the Façade Improvement Grant, a program that provides support to small, locally owned & operated businesses located in any commercial or industrial zoned area within the City of Virginia Beach.

The FIG program provides grants for impactful exterior building or site improvements. Funding for this fiscal year opened with \$109,777, with a minimum award of \$1,000 and a maximum award of \$10,000. The requested total amount of funding for the awards considered today is \$45,211, with an estimated private investment of \$95,444. The FIG website remains open with \$65,444 in grant funds remaining. Mr. Grandberry also noted that the 2025 awards are open to non-profit organizations, excluding churches.

Full Presentation located at minute [1:13:26 of the meeting video.](#)

Discussion: Chair Murphy recognized and thanked several of the businesses up for grants that joined the meeting.

MOTION: Mike Standing
SECOND: Guenter Weissenseel
APPROVED: 8-0-1

Chair Lisa Murphy abstained from the vote pursuant to the Conflict of Interests Act §2.2-3114(E)&(G) and her letter of abstention is incorporated into these minutes.

INTERNATIONAL INCUBATOR

8. Request approval of a Resolution authorizing a sublease in the International Incubator to Valtech Group presented by Business Development Manager II, Paige Fox,

Presentation: Business Development Manager II, Paige Fox presented information on Valtech, a parent company of 16 companies offering solutions through technology, focusing on enhancing company efficiency and environmental standards. Ms. Fox gave a reminder that the International Incubator was created to serve as a soft-landing spot for international companies coming to the region and looking to establish a foothold in Virginia Beach.

Full Presentation located at minute [1:25:56 of the meeting video.](#)

No Discussion

MOTION: Taylor Franklin

SECOND: William Brunke
APPROVED: 9-0-0

ADMINISTRATIVE INFORMATION

9. VBDA Priorities: *VBDA Members*

No Discussion

10. VBDA Members: *L. Murphy*

Discussion:

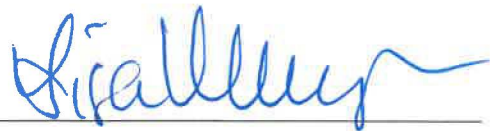
- Chair Murphy shared that the Annual VBDA Golf Tournament will be on May 9, 2025, and the Virginia Beach Police Foundation has been selected as the charity.

11. Interim Directors Report: *A. Jarratt, C. Green*

Discussion

- Deputy City Manager Amanda Jarratt introduced the new Economic Development Director Christian Green and new Senior Planner, Peter Gaytan. Ms. Jarratt noted that the team is looking forward to kicking off the season in the resort area and that there will be an upcoming NCAA Track and Field Competition hosted in Virginia Beach as well as the Annual Shamrock Marathon
- Ms. Jarratt encourages attendance to the State of the City Address on Wednesday, March 12, 2025
- Looking forward to ViDDAR closing.
- Full draft of comp plan available on the website as soon as the final community involvement meetings are scheduled for April
- Mr. Green introduced himself to the Authority and shared some of his personal philosophy and goals for Economic Development alignment within the office.

Chair Lisa Murphy adjourned the meeting at 10:35 a.m.



Lisa M. Murphy, Chair



March 11, 2025

Ms. Kayla B. Dotson
Clerk, Virginia Beach Development Authority
4525 Main Street, Suite 700
Virginia Beach, Virginia 23462

Re: Abstention/Disclosure Pursuant to Conflict of Interests Act § 2.2-3114(E)&(G)

Dear Ms. Dotson:

1. I am executing this written disclosure and abstention regarding the City of Virginia Beach Development Authority's discussion and/or vote on the approval of a Façade Improvement Grant (the "FIG Program") to JMT Sweets & More, LLC (the "Applicant").

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

3. Willcox & Savage, P.C. provides legal services to the Applicant or its landlord under consideration by the Authority for an award under the FIG Program. Therefore, I will abstain from voting on the proposed award to the Applicant.

Please record this declaration in the official records of City of Virginia Beach Development Authority. Thank you for your assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Lisa M. Murphy', with a long horizontal flourish extending to the right.

Lisa M. Murphy
Chair

LMM/AWS