

## **A SUMMARY OF THE VIRGINIA BEACH PIER DEVELOPMENT PROPOSAL BY VIRGINIA BEACH PIER PLACE DEVELOPMENT, LLC**

### **A. Introduction**

Virginia Beach Pier Place Development, LLC (“Developer”) proposes to construct a concrete pier (the “Pier”) of up to 1000 feet in length at 15<sup>th</sup> Street and the Boardwalk for the City of Virginia Beach (“City”). In this redevelopment project, the Pier and its related mixed-use development (collectively, the “Pier Project”) will support approximately \$228,000,000 of total new investment. Cities across the United States have used their waterfront to provide public amenities and iconic destinations that have revitalized aging destinations.

### **B. Development Team**

Developer’s organization consists of four generations of families with vested interests in developing and operating businesses at the Virginia Beach Oceanfront, including the Lachman family, the Murden family, the Sibony family, the Capps family, the Bonney family, and Gold Key/PHR. With the exception of Gold Key/PHR, these families currently own interests in the properties comprising the Site (defined below) and include the current pier operators. Gold Key/PHR will add valuable development expertise and the important ability to deliver the vision of the proposed Pier Project as demonstrated by numerous Gold Key/PHR projects at the Virginia Beach Oceanfront. The development team incorporates unmatched pier operations, hospitality, and development experience.

### **C. The Site**

The proposed 15<sup>th</sup> Street location (the “Site”) is adjacent to the existing 15<sup>th</sup> Street Pier location and it is ideal for the Pier Project. It will revitalize existing older properties, vacant land, and a 65-year old pier. It will complement the future redevelopment of the Dome Site. It will bring a high-profile development to the south end of the Virginia Beach Oceanfront.

Developer proposes to relocate the Pier to line up with the terminus of 15<sup>th</sup> Street. The Site is the largest privately owned undeveloped site on the Virginia Beach oceanfront, consisting of two entire blocks on the oceanfront and a third block directly across the street.

### **D. The Pier**

The Developer proposes to partner with the City to construct a concrete base pier (the “Base Pier”) between 880 and 1000 feet in length at the terminus of 15<sup>th</sup> Street. Pier access would be free and open to the public and provide opportunities for public fishing. The Base Pier will be constructed with private investment and financing, on a cost-plus basis, and sold to the City upon completion.

The topside improvements on the Pier will consist of various attractions and amenities. Anticipated attractions and amenities include the following: An iconic Skywheel what will be an

attraction for visitors and a landmark for the City; food and beverage offerings; retail; public restrooms, and exhibits.

Developer has already invested approximately \$1.0 million in structural plans, soil borings, FAA permits, and related costs for legal and other third-party professionals. Accordingly, Developer's proposal is based upon realistic expectations as to development feasibility and costs while still preserving options for design enhancements.

#### **E. The Park Plaza**

Developer proposes to contribute land to the City to assist the City in creating a public park plaza at the terminus of 15<sup>th</sup> Street that will serve as a pedestrian gateway from Atlantic Avenue to the Boardwalk and the Pier. The park plaza will also preserve a dramatic public vista from 15<sup>th</sup> Street and Atlantic Avenue across the park plaza, the Boardwalk, and out to the Pier.

#### **F. The Hotels and/or Resort**

At its option, the Developer will construct either one hotel and one timeshare property or two hotels. The Developer will begin immediately with the Pier and one hotel and will advise the City as to Developer's election for a timeshare or second hotel within a mutually agreed upon timeframe. At least one hotel will be a full-service "upper-upscale" nationally franchised hotel.

#### **G. Atlantic Avenue Retail**

Developer will complete a substantial revitalization of the existing Pier Shops retail at 15<sup>th</sup> Street and incorporate these improvements into the Pier Project. Developer will work to update the architecture and tenant-mix of the Pier Shops to compliment the entire Pier Project.

#### **H. Public Parking**

Developer's vision includes a 1000-space garage on property located between 15<sup>th</sup> Street and 16<sup>th</sup> Street adjacent to Pacific Avenue, which is within the scope of the proposed Pier Project. The garage will meet all parking needs of the public Pier, the hotel(s) and resort, and retail, and also provide substantial additional public parking that will contribute to the City's fulfillment of its public parking plan for the Oceanfront.

#### **I. Conclusion**

Developer has the experience and capability to work with the City to finalize a design for the Pier and Pier Project, within the City's stated criteria, that will serve as an outstanding public amenity and iconic attraction for the City of Virginia Beach.