

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2017

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:09 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Jessie L. Barksdale and Robert Warren.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, City of Danville Director of Economic Development Telly Tucker, City of Danville Assistant Director of Economic Development Corrie Teague Bobe, City of Danville Director of Finance Michael Adkins, City of Danville Director of Community Development Ken Gillie, Assistant County Administrator for Planning & Development Gregory Sides, Clement Wheatley Attorneys Michael Guanzon and Jennifer Burnett and Secretary to the Authority Susan DeMasi. Also present was Shawn Harden and Brian Bradner of Dewberry & Davis and Danville City Council Member Madison Whittle.

PUBLIC COMMENT PERIOD

No one desired to be heard

APPROVAL OF MINUTES FOR THE JANUARY 9, 2017 MEETING

Upon **Motion** by Mr. Barksdale and **second** by Mr. Vogler, Minutes of the January 9, 2017 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – RESOLUTION 2017-02-13-5A AUTHORIZING DEWBERRY TO PREPARE THE BUFFER PLAT FOR BERRY HILL

Mr. Shawn Harden of Dewberry explained when RIFA received the permit for the Phase I project, RIFA had to agree to place a 75' vegetative buffer along Berry Hill Road and a 50' vegetative buffer along Oak Hill Road, in the vicinity of Phase I, to shield the view shed of the Oak Hill Plantation. This item would satisfy a condition of the permit.

Mr. Vogler **moved** adoption of *Resolution 2017-02-13-5A, authorizing Dewberry to prepare the buffer plat necessary for the wetlands restrictive covenants required by the U.S. Army Corps of Engineers in connection with the clearing and grading of Lot 4, Phase I, Berry Hill, at an estimated cost of \$3,000.00 – [No separate written resolution]*

The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

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5B. CONSIDERATION – RESOLUTION 2017-02-13-5B – AUTHORIZING SIGNAGE FOR OVERFINCH AT 500 STINSON DRIVE IN THE CYBER PARK

Mr. Tucker noted the agenda packet includes pictures of new signage that will be above the rollup door in front of the building, window decals and the additional sign request that Mr. Guanzon distributed at the beginning of today's meeting. The back lit sign that will replace the Daly Group sign, currently at 500 Stinson Drive, requires Zoning approval. Mr. Ken Gillie, Director of Community Development for the City of Danville is here to answer any questions and to provide a statement of support from his office. Mr. Gillie will also verify that the sign does meet Park covenants, but does require formal approval by RIFA as well. Mr. Gillie noted the request complies with Section 5.7 of the Covenants and meets all the Zoning requirements.

Mr. Warren **moved** adoption of *Resolution 2017-02-13-5B, a Resolution approving the proposed Overfinch Signs on the wall (Length of Storefront), Front Windows and Front Door and Re-Face to an Existing Ground Sign for Installation at 500 Stinson Drive in the Cyber Park. (Revised to include the additional sign request passed out at today's meeting for the outside signs).*

The Motion was **seconded** by Mr. Barksdale and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

5C. CONSIDERATION – RESOLUTION 2017-02-13-5C – APPROVING ONE YEAR LEASE RENEWAL WITH MOUNTAIN VIEW FARMS

County Administrator for Planning & Development Gregory Sides noted the Board in the past discussed whether to continue with hunting leases; there was concern about the safety of hunting activities taking place at the same time as surveying activities. This lease does not pose that risk and it is in an area of the park that is not currently proposed for development. Staff feels there are no negative issues.

Mr. Barksdale questioned a sub-lease and Mr. Guanzon explained they could not without the Board's prior consent. In response to Mr. Barksdale, Mr. Sides explained the lease was for sod and other crops. Mr. Guanzon explained the other benefit is that as vast as the Berry Hill park is, having somebody on the property to get surveillance of the property also applies. Mr. Warren questioned if RIFA required them to carry a certain amount of liability insurance and Mr. Guanzon noted they did, and that is a condition precedent to them to renew. They produce a declaration page with the coverage naming RIFA as an additional insured on their policy.

Mr. Barksdale **moved** adoption of Resolution 2017-02-13-5C, *approving a one year renewal of the lease with Mountain View Farms, L.C., a Virginia limited liability company, as tenant, for that certain real property (GPIN 1356-75-8216) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, in the Authority's Mega Park project, in Pittsylvania County, Virginia, for the purpose of planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, at a total rental fee of \$1,200; such renewal also*

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includes a 60-day early termination right and right to show the Property to business recruits of the Authority.

The Motion was **seconded** by Mr. Vogler.

Mr. Warren noted for the record, to reiterate what Mr. Sides said, the only reason RIFA is approving this lease as opposed to the others is because this does not present any hazardous possibilities and they are a good distance from the property that is going to be developed.

The **Motion** was carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

5D. RECEIPT OF EXTENSIONS FOR THREE TOBACCO COMMISSION MEGASITE GRANTS FOR BERRY HILL MEGA PARK

County Administrator for Planning & Development Gregory Sides explained this item is for informational purposes, no action is required today. This was heard by the Tobacco Commission at its January meeting, each locality was required to stand up before the Commission and answer questions. It was clear that the Commission's patience is running out as these grants have gone through multiple extensions. They do understand why the projects haven't taken place, but it was clear RIFA should not plan on coming back to them for further extensions now that RIFA has the permit. These projects listed electrical, natural gas infrastructure, grading of Lot 4 and Sanitary Sewer; they will all be able to take place based on the Corp of Engineers approval RIFA has at this point. There is one project not listed which is the water system upgrades because it does not expire until next year; RIFA will have to get an extension on that. Mr. Sides stated he wanted to bring to the Board's attention that RIFA has two years to get water and sewer and the grading completed in that Park. RIFA has a couple of prospects in the Berry Hill park and there has been discussion about waiting until they get an active commitment before RIFA's money is spent to run water and sewer. RIFA is now limited by this two year extension and when those grants were initially submitted, the intention was to get water and sewer into Berry Hill Industrial Park for future development. It was not contingent upon a specific prospect; it recognized the fact that to develop this park and for economic development to be able to market, it needed infrastructure. Staff will be coming back to the Board and explain to them they are ready to go to bid for water or sewer and explain the timeframes.

Mr. Tucker stated these improvements help make the site "shovel ready", as it reduces the amount of time that it would take for an industry to locate on the site. RIFA is competing not only with other pad-ready sites in Virginia, such as Commonwealth Crossing and another in Greenville County, but there are others in North Carolina who already have graded pads with utilities in place. It is incumbent upon RIFA to try to be proactive in the approach to making sure that these sites are "pad ready" as quickly as RIFA can.

Mr. Barksdale noted it looks like the Board has one option and that is to move forward; RIFA cannot risk losing the grant money.

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Mr. Barksdale **moved** to accept Mr. Sides report. The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

5E. REPORT OF RESULTS OF FIRST PUBLIC MEETING WITH SOUTHERN POWER

County Administrator for Planning & Development Gregory Sides noted Mr. Rowe did not pass along a formal presentation, but he did attend the meeting along with several board members. The Company was very pleased with the turnout and the nature of the questions; it was an educated crowd that asked some technical questions. It was a very good presentation by the Company and feels that it was successful meeting and both localities were pleased.

Mr. Barksdale **moved** to accept Mr. Sides report. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

5F. FINANCIAL REPORT AS OF JANUARY 31, 2017

Mr. Adkins noted funding for the \$7.3M bonds for Cane Creek Centre showed no activity for the month of January. General Expenditures for Fiscal Year 2017 under Legal show RIFA expended \$101.00 to LeClair Ryan for legal services related to the Wilmot Project in Lot 3B and \$2,100.00 to Clement Wheatley for ongoing counsel. Under Annual Bank Fees, \$550.00 was expended to US Bank for the annual Bond Administration Fees and \$31.00 for a monthly utility bill. Mega Park Funding Other than Bonds showed no activity for the month of January. Berry Hill Mega Park Lot 4 Site Development shows \$54,441.00 to Dewberry for payment of Amendments 10, 12 and 13. Under Rent, Interest and Other Income, RIFA received \$21,400.00 from the Institute for the Hawkins' Building, \$1,200.00 was received in anticipation of the lease to Mountain View Farms, and \$556.00 in Interest. The only Expenditure in this category was \$21,400.00 to the Hawkins' Building Management Fee.

Mr. Vogler **moved** to accept the Financial Report. The Motion was **seconded** by Mr. Barksdale and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

6. CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

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At 12:35 p.m. Mr. Warren **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purpose:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

B. As permitted by Virginia Code § 2.2-3711(A)(40) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development); and

C. As permitted by Virginia Code §§ 2.2-3711(A)(3) and (29)(i) for discussion or consideration of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and (ii) for discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Barksdale and carried by the following vote:

VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

D. On **Motion** by Mr. Warren and **second** by Mr. Barksdale and by unanimous vote at 1:03 p.m., the Authority returned to open meeting.

E. Mr. Barksdale **moved** adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Warren and carried by the following vote:

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VOTE: 4-0
AYE: Barksdale, Warren, Saunders, Vogler (4)
NAY: None (0)

7. COMMUNICATIONS

Mr. Barksdale welcomed Mr. Guanzon back.

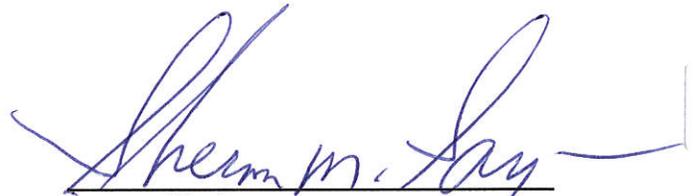
Mr. Vogler welcomed Mr. Guanzon back and thanked everyone for their hard work, for being here today and what the Board will do moving forward.

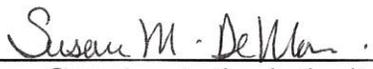
Mr. Warren welcomed Mr. Guanzon, it was good to have him back, noted that Ms. Burnette did a great job for RIFA and were lucky to have her in Mr. Guanzon's absence. Mr. Warren thanked the staff for the great job they do.

Mr. Sides explained staff works outside of this meeting to be prepared, they have a pre-RIFA meeting and last month staff added another meeting at the beginning of the month because there are so many contracts and issues ongoing, staff wants to keep on top of everything.

Mr. Saunders thanked Ms. Burnette and noted his appreciation of all that she has done, and welcomed Mr. Guanzon back.

The Meeting adjourned at 1:08 p.m.


Chairman


Secretary to the Authority