

# **Danville-Pittsylvania Regional Industrial Facility Authority**

**City of Danville, Virginia  
County of Pittsylvania, Virginia**

## **AGENDA**

**August 13, 2018**

**12:00 P.M.**

**Institute for Advanced Learning and Research  
150 Slayton Avenue, Room 206  
Danville, Virginia**

### **County of Pittsylvania Members**

**Robert W. Warren, Chairman  
Ronald S. Scarce  
Elton W. Blackstock, Alternate**

### **City of Danville Members**

**Sherman M. Saunders, Vice Chairman  
Fred O. Shanks, III  
J. Lee Vogler, Jr., Alternate**

### **Staff**

**Ken Larking, City Manager, Danville  
David M. Smitherman, Pittsylvania County Administrator  
Clement Wheatley, Legal Counsel to Authority  
Susan M. DeMasi, Authority Secretary  
Michael L. Adkins, Authority Treasurer**

## **Danville-Pittsylvania Regional Industrial Facility Authority**

### **1. MEETING CALLED TO ORDER**

### **2. ROLL CALL**

### **3. PUBLIC COMMENT PERIOD**

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. *[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]*

### **4. APPROVAL OF MINUTES OF THE JULY 9, 2018 MEETING AND JULY 27, 2018 SPECIAL MEETING**

### **5. NEW BUSINESS**

- A. Consideration of Resolution No. 2018-08-13-5A, approving a letter agreement with the Institute for Advanced Learning and Research (“IALR”), a political subdivision of the Commonwealth of Virginia, setting forth the terms and conditions of the Authority’s consent to IALR’s construction, at IALR’s expense, of the Gene Haas Expansion to the Charles Hawkins Building in the Authority’s Cyber Park - Michael C. Guanzon, Esq., Clement Wheatley, Legal Counsel to the Authority
- B. Consideration of Resolution No. 2018-08-13-5B, approving that certain Proposal for Professional Services dated July 27, 2018, to re-delineate and re-identify, upon the recommendation of the U.S. Army Corps of Engineers, previously identified wetlands in the Authority’s Berry Hill Mega Park in connection with the Phase I Pad Expansion, for a lump sum of \$11,500.00, subject, however, to grant use approval from the Virginia Tobacco Regional Revitalization Commission - Shawn R. Harden, P.E., Project Manager, Dewberry Engineers, Inc.
- C. Consideration of Resolution No. 2018-08-13-5C, approving Change Order 6 to the site development work by Haymes Brothers, Inc., a Virginia corporation, originally approved under Resolution No. 2017-02-24-4A, including construction of a 12 foot wide x 1,700 foot stoned roadway and a 100 foot x 150 foot stoned pad, increasing the contract price by \$47,700.00 - Mr. Harden
- D. Consideration of Resolution No. 2018-08-13-5D, authorizing the construction of a helipad upon the Authority’s Berry Hill Mega Park project and the expenditure of up to \$10,000.00 for such purpose – Brian K. Bradner, P.E., Vice President, Dewberry Engineers Inc.
- E. Consideration of Resolution No. 2018-08-13-5E, rebranding the Authority’s Berry Hill Mega Park project as “Southern Virginia Mega Site at Berry Hill” and “SVMS” – Matthew D. Rowe, Director of Economic Development, Pittsylvania County *[No written resolution.]*
- F. Consideration of Resolution No. 2018-08-13-5F, approving the grant of an easement from the Authority to the City of Danville, Virginia, for a permanent 10-foot wide sanitary sewer easement over certain land in the Authority’s Cane Creek

## **Danville-Pittsylvania Regional Industrial Facility Authority**

Centre project located in Danville, Virginia, commonly known as Tax PIN 77193, containing 6.78 acres, more or less, being part of Lot 6, fronting on South Boston Road and Cane Creek Parkway – Corrie Teague-Bobe, Assistant Director, City Economic Development

- G. Financial Status Reports as of July 31, 2018 – Michael L. Adkins, CPA, Treasurer of the Authority, and Henrietta Weaver, CPA, City of Danville, Virginia

### **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.]*

- 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)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) 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 (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Berry Hill Mega Site project where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and
- C. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or 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.

### **RETURN TO OPEN SESSION**

- D. Confirmation of Motion and Vote to Reconvene in Open Meeting
- E. Motion to Certify Closed Meeting

## **Danville-Pittsylvania Regional Industrial Facility Authority**

**7. COMMUNICATIONS FROM:**

- Authority Board Members
- Staff

**8. ADJOURN**

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 4
<b>Meeting Date:</b>	08/13/2018
<b>Subject:</b>	Meeting Minutes
<b>From:</b>	Susan M. DeMasi, Authority Secretary

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### **SUMMARY**

Attached for the Board's review and approval are the Meeting Minutes from the Monday, July 9, 2018 Meeting and the July 27, 2018 Special Meeting.

### **ATTACHMENTS**

Meeting Minutes – 07/09/2018 and 07/27/2018

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 9, 2018

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:12 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Drive, Room 206, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Robert W. Warren, Ronald S. Scarce and Alternate Elton W. Blackstock.

City/County staff members attending were: Deputy City Manager Earl Reynolds, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Teague Bobe, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, City of Danville Director of Finance Michael Adkins, City of Danville Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Michael Guanzon, Secretary to the Authority Susan DeMasi and Executive Secretary Amanda Allen. Also present were Brian Bradner and Shawn Harden from Dewberry & Davis and Executive Director of IALR, Marc Gignac.

Mr. Saunders **moved** to Amend the Agenda to add Proposed Resolution 2018-07-09-5C. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Scarce, Saunders and Shanks (4)  
NAY: None (0)

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**APPROVAL OF MINUTES FOR THE JUNE 11, 2018 MEETING**

Upon **Motion** by Mr. Shanks and **second** by Mr. Scarce, Minutes of the June 11, 2018 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

**5A. – CONSIDERATION OF RESOLUTION NO. 2018-07-09-5A, APPROVING CHANGE ORDER 5 TO THE SITE DEVELOPMENT WORK BY HAYMES BROTHERS, INC.**

Shawn Harden from Dewberry explained the first section of the Change Order is for additional riprap and erosion protection around the ponds. This spring there were significant rain storms above and beyond the design level there. One of the slopes going to Pond 5 washed down the slope, so they are going to add Class 2 Riprap and a little bigger stone to try to protect against any future spring storms. There are some washes coming out of the wetland areas of the ponds; to help protect that while the ponds are getting established, they are going to run a row of silt fence around it and add some down chutes to try and channel water better when there are really heavy rains. The second portion of the Change Order is adding one additional round of lime and fertilizer to the pads and add one round of bush hogging of the pads to try to knock down some of the high grass that is in there; it is a good maintenance

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procedure. The total Change Order amount is \$38,731.70 which is within the remaining budget for Lot 4 Development Grant.

Mr. Shanks **moved** for adoption of *Resolution No. 2018-07-09-5A, approving Change Order 5 to the site development work by Haymes Brothers, Inc., a Virginia corporation, originally approved under Resolution No. 2017-02-24-4A, including additional erosion and sediment control devices, fertilizer, lime and bush hogging, increasing the contract price by \$38,731.70.*

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

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

**5B. FINANCIAL STATUS REPORT AS OF JUNE 30, 2018**

Authority Treasurer Michael Adkins gave the Financial Status report as of June 30, 2018. Under the \$7.3M Bonds for Cane Creek Centre, RIFA spent \$4,266 for legal expenses to Clement Wheatley. General Expenses for FY 2018 show RIFA expended \$15,613 to Clement Wheatley for ongoing legal, \$2,194 to VML for the annual insurance renewal, \$230 for meals and \$31 for Utilities. Mega Park Funding Other than Bonds had no activity for the month of June. Berry Hill Mega Park Lot 4 Site Development shows no monies expended for the Month of June. Berry Hill Mega Park Lot 8 Site Development showed no activity for the month of June and Berry Hill Mega Park Water and Sewer showed no activity for June. Rent, Interest and Other Income shows RIFA received the \$20,654 from the Institute for the Hawkins' Building, received \$10,000 from Enviva for the extension fee on the option, \$438 was received in interest and RIFA expended \$20,654 to the Institute for Advanced Learning and Research for maintenance on the Hawkins' Building.

Mr. Saunders **moved** to accept the Financial Report as presented. The Motion was **seconded** by Mr. Searce and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

**5D. CONSIDERATION OF RESOLUTION NO. 2018-07-09-5C, APPROVING A SECOND AMENDMENT TO LOCAL PERFORMANCE AGREEMENT WITH UNISON TUBE LLC.**

City of Danville Director of Economic Development Telly Tucker explained in the original Performance Agreement with Unison, the Board agreed to a grant from Danville Pittsylvania County to go to Unison once they had approximately \$1.2M worth of equipment on site in Danville, operational. Both he and Mr. Rowe went with the third party appraiser to provide a third party appraisal on that equipment because that is what they are using as security; it went very well. All the machines were in place except for one; the one machine they did not have was actually sold off the floor while they were in Chicago at the FABTECH Trade Show, to a company in Michigan. That machine was scheduled to come to Danville, so they have to build a new one for that company before that one will get to Danville, which they expect to happen around September or October. The proposed amendment to the original Performance

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Agreement allows RIFA to pay out a portion of their incentive, pro rated to what they currently have here in Danville. Once the final machine gets to Danville, then the remainder of that incentive they are eligible for, will be released.

Mr. Searce **moved** for adoption of *Resolution No. 2018-07-09-5C, approving that certain Second Amendment to Local Performance with Unison Tube, L.L.C., a North Carolina limited liability company and others to allow for the \$430,500 partial disbursement of the \$700,000 Danville–Pittsylvania County Industrial Enhancement Grant, in light of the pro rata performance of Unison Tube, L.L.C.’s installation of required Stock Equipment upon its Cane Creek Centre Facility, with the remaining grant disbursement to occur after the final piece of Stock Equipment is installed on or before December 31, 2018.*

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

Mr. Warren noted he would like to compliment Mr. Tucker and Mr. Rowe for doing a good job in securing this project, and thought it was exciting that they were able to sell that equipment on the floor. Mr. Tucker and Mr. Rowe still secured RIFA and did not give too much money away until they actually got it on the floor, and he appreciates that. Mr. Rowe noted it was important, that with the value of the three pieces of equipment, he believes the appraisal came in where they have already exceeded what the appraised value was supposed to be for the four total pieces of equipment. What they are putting in Danville thus far has exceeded expectations of appraised value of what they anticipated. The entire grant amount is covered but it says it has to be in Danville before it is released.

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

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (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.]*

At 12:24 p.m. Mr. Saunders **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

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)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) 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

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development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority's Berry Hill Mega Site project where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in the Authority's Berry Hill Mega Site project subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

C. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or 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.

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

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

D. On **Motion** by Mr. Saunders and **second** by Mr. Searce and by unanimous vote at 2:01 p.m., the Authority returned to open meeting.

E. Mr. Searce **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. Saunders and carried by the following vote:

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

**7. COMMUNICATIONS**

Mr. Saunders thanked Mr. Tucker and Mr. Rowe for what they are doing on behalf of RIFA, the Board appreciates that. Mr. Warren noted he agreed with Mr. Saunders and would also include Clement Wheatley and Mr. Guanzon for the good work they always do, Dewberry & Davis and all the staff from both Economic Development offices.

Meeting adjourned at 2:03 p.m.

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Chairman

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Secretary to the Authority

DRAFT

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

July 27, 2018 - Special Called Meeting

A Special Called Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 3:30 p.m. on the above date in the Municipal Building, 427 Patton Street, Second Floor Conference Room, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Robert W. Warren and Ronald S. Scarce; Alternate Elton W. Blackstock was absent.

City/County staff members attending were: City Manager Ken Larking, County Administrator David Smitherman, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Teague Bobe, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, City of Danville Director of Finance Michael Adkins, City of Danville Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Jennifer Burnette, and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden from Dewberry & Davis.

**PUBLIC COMMENT PERIOD**

No one desired to be heard.

**NEW BUSINESS**

**5A. – CONSIDERATION OF RESOLUTION NO. 2018-07-27-SPECIAL-4A, APPROVING WALL SIGNAGE AND STREET SIGN FOR INSTALLATION AT 149 STINSON DRIVE FOR KYOCERA SGS**

Director of Economic Development Telly Tucker explained this meeting was needed in order to meet the timeframe for a request by Kyocera. Kyocera received their final Certificate of Occupancy last Friday and are planning a ribbon cutting/grand opening in mid September. The date they have given RIFA is possibly September 18<sup>th</sup>; this hasn't been confirmed yet. They would like to have their Japanese leadership team here in Danville for the formal ribbon cutting, and would like to get signage on the building. That is a six to eight week lead time in order to get the signage fabricated and installed. Backing into that date, they needed to get it ordered and did not feel comfortable doing that without RIFA's approval. They submitted a signage application to Ken Gillie, Director of Community Development and he is prepared to advise the Board both on the Zoning and Restrictive Covenant approval.

Mr. Gillie noted Kyocera is asking to install a ground sign and a single wall sign; the ground sign is approximately 21 square feet and the wall sign is 75.79, or 76 square feet. Both are within the Zoning Code and Restrictive Covenants; staff will approve both and issue the sign permit once this Board gives final approval.

Mr. Shanks **moved** for approval of *Resolution No. 2018-07-27-Special-4A, approving those certain wall signage and street sign for installation at 149 Stinson Drive in the Authority's Cyber Park project, in Danville, Virginia, as proposed by Kyocera SGS Tech Hub, LLC, a Virginia limited liability company.*

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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July 27, 2018 - Special Called Meeting

VOTE: 4-0  
AYE: Warren, Searce, Saunders and Shanks (4)  
NAY: None (0)

Meeting adjourned at 3:35 p.m.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary to the Authority

DRAFT

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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**Agenda Item No.:** Item 5A

**Meeting Date:** 08/13/2018

**Subject:** Resolution 2018-08-13-5A Approving a Letter Agreement with IALR

**From:** Michael C. Guanzon, Esq.

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### **SUMMARY**

The Board will be asked to approve Resolution 2018-08-13-5A , approving a letter agreement with the Institute for Advanced Learning and Research regarding the Gene Haas Expansion.

### **ATTACHMENTS**

Resolution 2018-08-13-5A

Exhibit

**A RESOLUTION APPROVING A LETTER AGREEMENT WITH THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH (“IALR”), A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, SETTING FORTH THE TERMS AND CONDITIONS OF THE AUTHORITY’S CONSENT TO IALR’S CONSTRUCTION, AT IALR’S EXPENSE, OF THE GENE HAAS EXPANSION TO THE CHARLES HAWKINS BUILDING IN THE AUTHORITY’S CYBER PARK**

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act (Virginia Code §§ 15.2-6400 *et seq.*) as amended; and

**WHEREAS**, The Institute for Advanced Learning and Research (“**IALR**”), a political subdivision of the Commonwealth of Virginia, leases space in the Authority’s Cyber Park Project located in Danville, Virginia; and

**WHEREAS**, IALR, along with its industry partners, wishes to expand the Gene Haas Center for Integrated Machining, housed in the Charles Hawkins Building that is located in the Authority’s Cyber Park Project, such expansion to consist of approximately 13,700 square feet (the “**Gene Haas Expansion**”); and

**WHEREAS**, the Gene Haas Expansion as envisioned by IALR would provide a “rapid-launch” space consisting of two (2) rapid-launch labs for advanced manufacturers establishing new operations in the region, significantly reducing the traditional startup time it takes businesses to become operational in a new facility; and

**WHEREAS**, while the Gene Haas Expansion is a stand-alone proposal, it is part of IALR’s larger program involving the proposed construction of the Center for Manufacturing Advancement in the Authority’s Cyber Park Project (the “**Proposed Center**”), for which the Authority has previously expressed its support as set forth in Resolution No. 2017-11-15-5A, which includes the concept of leasing additional land in the Authority’s Cyber Park for the establishment of the Proposed Center; and

**WHEREAS**, because IALR needs to move forward quickly with obtaining bids for the construction of the Gene Haas Expansion, the Authority has hereby determined, in open session, that it is in the best interests of the Authority and the development of the Cyber Park and the construction of the Gene Haas Expansion, to enter into a letter agreement with IALR pursuant to which the Authority consents to the construction of the Gene Haas Expansion as set forth in that certain Letter Agreement attached hereto as **Exhibit A**, and incorporated herein by this reference (the “**Gene Haas Expansion Letter Agreement**”); and

**WHEREAS**, as set forth in the Gene Haas Expansion Letter, the construction of the Gene Haas Expansion, and the reconfiguration of the parking lots necessary in connection therewith, including the construction of a new parking lot to serve the Gene Haas Expansion Center and the other buildings in the Cyber Park located on the same tax parcel as the Gene Haas

**Resolution No. 2018-08-13-5A**

Expansion (PIN 78360) (the “**Existing Cyber Park Buildings**”), will be at the sole cost and expense of IALR; and

**WHEREAS**, contemporaneous with the execution and delivery of the lease for the Gene Haas Expansion, the terms and conditions of which are described in the Gene Haas Expansion Letter Agreement, the leases affecting the Existing Cyber Park Buildings will be amended as also described in the Gene Haas Expansion Letter Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, that

1. The Authority hereby approves the Gene Haas Expansion Letter Agreement as set forth in **Exhibit A** and as reviewed at this meeting, and authorizes and directs its Chairman or Vice Chairman, either of whom may act independently of the other, to execute and deliver the Gene Haas Expansion Letter Agreement, together with such amendments, deletions or additions thereto as may be approved by the Chairman or Vice Chairman of the Authority, either of whom may act independently of the other, such execution by the Chairman or the Vice Chairman of the Authority to conclusively establish his approval of the Gene Haas Expansion Letter Agreement and any amendments, deletions or additions thereto.

2. The Authority hereby authorizes the Chairman or Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver any other and all such further documents as may be reasonably required to carry out and consummate the transactions contemplated in the Gene Haas Expansion Letter Agreement, as may be approved by the Chairman or Vice Chairman of the Authority (as the case may be), such execution by the Chairman or Vice Chairman of the Authority (as the case may be) to conclusively establish his approval of such other documents.

3. The Authority hereby directs and authorizes its support staff and other agents to take such other actions and to do all such things as are contemplated in the Gene Haas Expansion Letter Agreement, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Gene Haas Expansion Letter Agreement and the matters contemplated therein

5. This Resolution shall take effect immediately upon its adoption.

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**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on August 13, 2018, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 13th day of August 2018.

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Susan M. DeMasi, Secretary  
Danville-Pittsylvania Regional Industrial Facility  
Authority

(SEAL)

**Exhibit A**  
(Gene Haas Expansion Letter Agreement)

# Danville-Pittsylvania Regional Industrial Facility Authority



##.

427 Patton Street, Room 428  
Danville, Virginia 24541  
(434) 797-8928  
(434) 799-5041 – FAX



Sherman M. Saunders, Vice Chairman

Robert W. Warren, Chairman

August 13, 2018

Institute for Advanced Learning and Research  
150 Slayton Avenue  
Danville, Virginia 24540  
Attention: Mark Gignac, Executive Director

Re: Conditional Approval of Gene Haas Expansion in RIFA Cyber Park

Dear Mr. Gignac:

This letter agreement (this “**Agreement**”) sets forth the agreement between the Danville-Pittsylvania Regional Industrial Facility Authority, a political subdivision of the Commonwealth of Virginia (“**RIFA**”), and the Institute for Advanced Learning and Research, a political subdivision of the Commonwealth of Virginia (“**IALR**”), regarding the proposed expansion by IALR of the Charles Hawkins Building located at 230 Slayton Avenue, Danville, Virginia (the “**Charles Hawkins Building**”), to provide a “rapid-launch” space for advanced manufacturers establishing new operations in the region (the “**Gene Haas Expansion**”), as more particularly described in the “Executive Summary of the Gene Haas Expansion Facility in Southern Virginia” attached hereto as **Exhibit A** and incorporated herein by this reference (the “**Executive Summary**”).

## **Background**

The Charles Hawkins Building is located in RIFA’s Cyber Park, specifically on Parcel ID No. 78360 (the “**RIFA Land**”). Also located on the RIFA Land, with an address of 228 Slayton Avenue, is the SEnTeC Building (the “**SEnTeC Building**”). RIFA owns the RIFA Land and the Charles Hawkins Building, and IALR owns the SEnTeC Building. RIFA currently leases to IALR the Charles Hawkins Building and that portion of the RIFA Land on which the Charles Hawkins Building is situated, pursuant to that certain Lease Agreement dated August 6, 2008, by and between RIFA and IALR, as amended by that certain Amendment to Lease Agreement dated June 1, 2013, and by that certain Addendum to Lease Agreement dated June 1, 2013 (collectively, the “**Charles Hawkins Lease**”). RIFA currently leases that portion of the RIFA Land on which the SEnTeC Building is situated pursuant to that certain Ground Lease dated September 15, 2010 (the “**SEnTeC Lease**”).

Attached hereto as **Exhibit B** and incorporated herein by this reference is a plat showing the location of the Charles Hawkins Building, the SEnTeC Building, the proposed portion of the RIFA Land on which the Gene Haas Expansion will be situated (the “**Gene Haas Expansion Land**”), and the location of the Gene Haas Expansion on the Gene Haas Expansion Land, which will be semi-attached to the Charles Hawkins Building (the “**Expansion Plat**”). Also shown on the Expansion Plat as the shaded area, is the additional parking lot expansion that will need to be constructed in connection with the Gene Haas Expansion (the “**New Parking Lot**”). The existing parking lot is shown on the Expansion Plat adjacent to the New Parking Lot (the “**Existing Parking Lot**”).

The RIFA Land and the construction and operation of improvements thereon are governed, in part, by certain grants made by the United States Economic Development Administration of the United States Department of Commerce, including, without limitation, Award 01-01-07639 and Award 01-01-07847 (collectively, the “**EDA Grants**”).

The RIFA Land is subject to those certain Restrictive Covenants for the Cyber Park dated September 17, 2004 (adopted September 20, 2004), recorded in the Clerk’s Office of the Circuit Court of Danville, Virginia, as Instrument No. 05-1671, as the same may be amended from time to time as set forth therein.

### **RIFA Consent to Construction of Gene Haas Expansion**

Because IALR needs to move forward with obtaining bids for the construction of the Gene Haas Expansion, RIFA has agreed to consent to the construction by IALR of the Gene Haas Expansion, subject to the following terms and conditions previously reviewed and discussed by RIFA and IALR:

#### **New Construction and Gene Haas Expansion Lease:**

- IALR is authorized by RIFA to, and IALR shall, construct, at IALR’s sole cost and expense, the Gene Haas Expansion and the New Parking Lot, in accordance with the Executive Summary and the Expansion Plat. RIFA and IALR will negotiate in good faith the terms and conditions of a definitive ground lease for the Gene Haas Expansion Land, incorporating therein the terms and conditions agreed to herein (the “**Gene Haas Expansion Lease**”). IALR will own the Gene Haas Expansion (but not the land underneath), and RIFA will own the New Parking Lot. Rent payable by IALR to RIFA under the Gene Haas Expansion Lease will be at fair market value, but expected to be \$100 annually.

#### **Compliance with EDA Grants and Applicable Laws:**

- IALR understands and agrees that the construction and operation of the Gene Haas Expansion is subject in all respects to the conditions and requirements of the EDA Grants, which are incorporated herein by this reference and will be incorporated by

reference into the Gene Haas Expansion Lease. IALR represents that it is aware of and is familiar with such conditions and requirements. IALR further understands and agrees that the construction of the Gene Haas Expansion and the New Parking Lot will be performed in a good and workmanlike manner, in accordance with all applicable building code requirements, the requirements of all applicable zoning codes and ordinances, the requirements of the Americans With Disabilities Act, if applicable, and free of all mechanics', materialmen's and/or other laborers' liens.

Other Terms of Gene Haas Expansion Lease; Sublease:

- The Gene Haas Expansion Lease will contain such other standard and customary provisions for a commercial ground lease, substantially similar to the provisions set forth in the SEnTeC Lease. Due to zoning impediments and restrictive covenants, IALR will not be granted an option to purchase the Gene Haas Expansion Land at the expiration of the Gene Haas Expansion Lease. The term of the Gene Haas Expansion Lease will be perpetual, and the Gene Haas Expansion Lease will be assignable only with RIFA's consent, though IALR will be free to sublease space to businesses in the same manner as in the SEnTeC Lease, and provided such subleases comply with the conditions and requirements of the EDA Grants. IALR must provide a copy of each sublease to RIFA within thirty (30) days of the effective date of the sublease, and each sublease must provide that the sublease is subject and subordinate to the requirements of the EDA Grants and the terms and conditions of the Gene Haas Expansion Lease. Notwithstanding any permitted assignment of the Gene Haas Expansion Lease or sublease, IALR must remain primarily responsible under the Gene Haas Expansion Lease and each sublease.

Amendments to Existing Leases:

- Contemporaneous with the execution and delivery of the Gene Haas Expansion Lease, RIFA and IALR agree to execute and deliver appropriate amendments to each of the Charles Hawkins Lease and the SEnTeC Lease addressing the following:

Amendments to Charles Hawkins Lease

Demised Premises Reduced:

- Reduce the Demised Premises thereunder to exclude therefrom (i) the Demised Area under the SEnTeC Lease, as amended as described below, and (ii) the Gene Haas Expansion Land under the Gene Haas Expansion Lease.

Parking Lots as Common Areas:

- The Existing Parking Lot and the New Parking Lot will be located on the reduced Demised Premises under the Charles Hawkins Lease, but they will be

designated as common areas to serve the Charles Hawkins Building, the SEnTeC Building and the Gene Haas Expansion. Maintenance, repair or replacement, as necessary, of the Existing Parking Lot and/or the New Parking Lot will be the responsibility of IALR. IALR will pay additional rent in the form of IALR being responsible for the maintenance, repair, or replacement, as necessary, of both the New Parking Lot and the Existing Parking Lot.

Term; Sublease:

- The term of the Charles Hawkins Lease will remain the same; however, the notice requirement for non-renewal will be amended from ninety (90) days to one (1) year. The amended Charles Hawkins Lease will be assignable only with RIFA's consent, though IALR will be free to sublease space to businesses in the Charles Hawking Building provided such subleases comply with the conditions and requirements of the EDA Grants. IALR must provide a copy of each sublease to RIFA within thirty (30) days of the effective date of the sublease, and each sublease must provide that the sublease is subject and subordinate to the requirements of the EDA Grants and the terms and conditions of the Charles Hawkins Lease. Notwithstanding any permitted assignment of the Charles Hawkins Lease or sublease, IALR must remain primarily responsible under the Charles Hawkins Lease and each sublease.

Amendments to SEnTeC Lease

Perpetual Lease; Sublease:

- Amend to become a perpetual term ground lease at the same rent and assignable only with RIFA's consent, though IALR will be free to sublease space to businesses in the SEnTeC Building provided such subleases comply with the conditions and requirements of the EDA Grants. IALR must provide a copy of each sublease to RIFA within thirty (30) days of the effective date of the sublease, and each sublease must provide that the sublease is subject and subordinate to the requirements of the EDA Grants and the terms and conditions of the SEnTeC Lease. Notwithstanding any permitted assignment of the SEnTeC Lease or sublease, IALR must remain primarily responsible under the SEnTeC Lease and each sublease.

Demised Area Reduced:

- Amend the definition of the Demised Area to include only that portion of the RIFA Land on which the SEnTeC building is situated, as set forth on the Expansion Plat, and removing from the definition of the Demised Area the

“Leed Boundary” set forth on the plat of the Demised Area currently attached to the SEnTeC Lease.

No Option to Purchase:

- Remove the option granted to IALR to purchase the Demised Area, due to zoning impediments and restrictive covenants which prevent the exercise of such option.

Parking Lots as Common Areas:

- The Existing Parking Lot and the New Parking Lot will be designated as common area to serve the Charles Hawkins Building, the SEnTeC Building and the Gene Haas Expansion.

**Amendments.** No amendment or modification of this Agreement shall be valid and binding unless made in writing and signed by the respective authorized representatives of RIFA and IALR.

**Effect on Existing Leases.** Except as amended by this Agreement, all other terms, provisions, and conditions of the Charles Hawkins Lease and the SEnTeC Lease shall remain in full force and effect until the amended leases required herein are approved, executed and delivered. The parties hereby ratify and confirm that the Charles Hawkins Lease and the SEnTeC Lease, as amended by this Agreement, are and remain in full force and effect.

**Conflict.** If any of the terms of this Agreement and the terms of either or both of the Charles Hawkins Lease and/or the SEnTeC Lease conflict, the terms of this Agreement control.

Please indicate IALR’s acceptance of this Agreement by having the appropriate authorized officer or agent of IALR sign this letter as indicated below and return it to RIFA, c/o Susan M. DeMasi, Secretary.

Sincerely,

**DANVILLE-PITTSYLVANIA COUNTY  
REGIONAL INDUSTRIAL FACILITY  
AUTHORITY**, a political subdivision of the  
Commonwealth of Virginia

By: \_\_\_\_\_  
Robert W. Warren, Chairman

Institute for Advanced Learning  
and Research  
August 13, 2018  
Page 6

ACCEPTED AND AGREED TO THIS  
\_\_\_\_ DAY OF \_\_\_\_\_ 2018:

**INSTITUTE FOR ADVANCED LEARNING  
AND RESEARCH**, a political subdivision of the  
Commonwealth of Virginia

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



# *Gene Haas Expansion Facility*

**in Southern Virginia**

## **Executive Summary**



## Executive Summary

The Institute for Advanced Learning and Research (IALR), in concert with regional economic development, proposes to expand the Gene Haas Center on the IALR campus in Danville, Virginia. The proposed expansion is not a stand-alone project, but rather a vital next phase in the region's long-term economic recovery plan. In conjunction with recent investments made in workforce development that provide the region with certified skilled workers, this expansion will provide a more effective platform for successfully recruiting leading-edge manufacturers to the region.

The expansion will involve the establishment of two high bay launch spaces that are connected with the Gene Haas Center and designed to meet the start-up needs of industry. An addition of 13,700 square feet, a \$3.6 million investment will be required and could be completed within one year. It will operate as an extension of the IALR and draw upon the existing organization for managerial and administrative support.

The intent of this expansion is to provide a "rapid-launch" space for advanced manufacturers establishing new operations in the region. It will significantly reduce the traditional startup time it takes businesses to become operational in a new facility (generally 12 to 24 months), often a critical element in the location decision resulting in significant cost savings.

It should be noted that this expansion, while a stand-alone proposal, would complement a larger program involving the building of the Center for Manufacturing Advancement (CMA). The combined total of five rapid-launch labs, three in the new center and two from this expansion, is commensurate with the long-term total demand for this type of space. The advantage of this two-part approach will be to capture both near-term demand through this expansion and longer-term demand through the CMA. Without this expansion, a significant number of near-term economic development prospects may be lost due to lack of available space.

Timing of this project is critical as it builds upon the momentum of the 2013 expansion of the advanced manufacturing training programs at Danville Community College (DCC) and IALR. As a result of these investments, our region is currently attracting significant interest from European manufacturers and this expansion will be critical in capturing these additional opportunities over the next four years and beyond.

Currently, there are eight companies considering a new facility in the region, half of which consider the availability of this type of temporary rapid-launch space a primary consideration in their location decision. Additionally, recent economic development successes have depleted the area's inventory of available shell buildings further exacerbating the need for both a near and long term launch space solution.

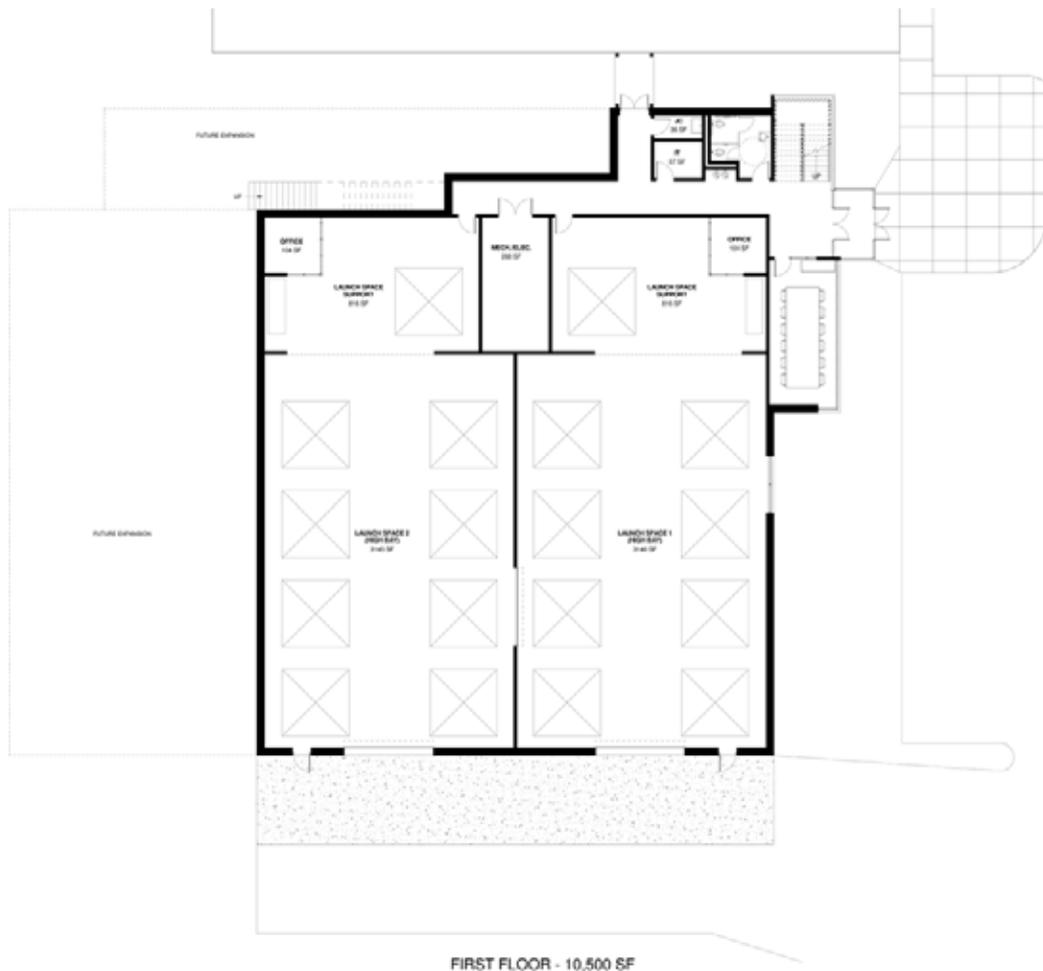
Within the past year, Kyocera SGS choose the region to establish a new manufacturing facility. The facility is currently under construction in the Cyber Park and will be completed by mid 2018. As part of the agreement, IALR provided temporary operating and office space, allowing Kyocera SGS to move forward immediately with hiring, sales efforts, product manufacture and customer demonstrations. The provision of this space was instrumental in winning the project and allowed for a more immediate economic benefit for our region. These experiences have formed a better understanding of what is required for economic development success in the region.

*“The provision of this space at IALR has been critical to Kyocera’s success in the region.  
Without this support, it would have been very difficult to launch this business”*

- Jason Wells, President, Kyocera SGS Tech Hub LLC

With demonstrated demand for this type of “rapid-launch” space, we expect this expansion will ignite regional economic development efforts and accelerate the movement of new manufacturing and jobs to the region. Over the next four years it is projected to attract 5 to 6 new companies to the region, creating 300 - 360 direct jobs and 750 – 900 indirect jobs (Totals: 1050 - 1260 new jobs). Over a ten-year period, this could grow to 15 new companies to the region, creating 900 direct jobs and 2250 indirect jobs (Total: 3150 new jobs). The expansion will serve as an extremely powerful economic development tool and provide the region with a significant competitive edge in attracting 21st century manufacturing. It will become an important aspect of the region’s pro-business environment as it:

- Becomes a tangible, world-class example of a business friendly environment;
- Builds upon recent investments in workforce development and pipeline growth;
- Significantly increases the number of well-paying jobs;
- Improves the lives of our citizens, industry partners, and the region and state.



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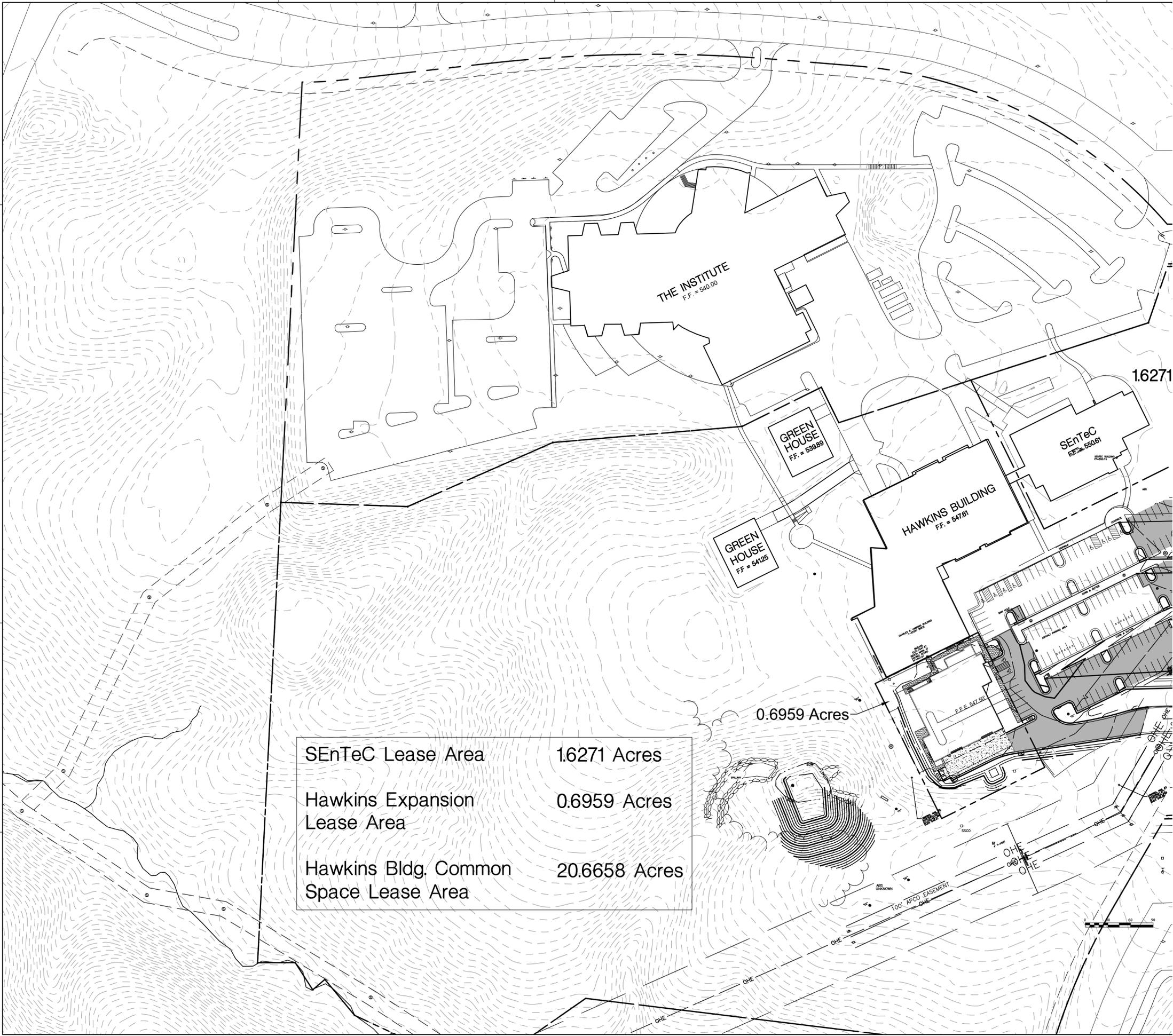
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EXHIBIT B

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# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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**Agenda Item No.:** Item 5B  
**Meeting Date:** 08/13/2018  
**Subject:** Resolution 2018-08-13-5B Approving a Proposal for Professional Services for Wetlands  
**From:** Shawn R. Harden, P.E., Project Manager  
Dewberry Engineers, Inc.

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### **SUMMARY**

The Board will be asked to approve Resolution 2018-08-13-5B, approving a Proposal for Professional Services to re-delineate and re-identify, previously identified wetlands in Berry Hill.

### **ATTACHMENTS**

Resolution 2018-08-13-5B

Exhibit

**RESOLUTION APPROVING THAT CERTAIN PROPOSAL FOR PROFESSIONAL SERVICES DATED JULY 27, 2018, TO RE-DELINEATE AND RE-IDENTIFY, UPON THE RECOMMENDATION OF THE US ARMY CORPS OF ENGINEERS, PREVIOUSLY IDENTIFIED WETLANDS IN THE AUTHORITY’S BERRY HILL MEGA PARK IN CONNECTION WITH THE PHASE I PAD EXPANSION, FOR A LUMP SUM OF \$11,500.00, SUBJECT, HOWEVER, TO GRANT USE APPROVAL FROM THE VIRGINIA TOBACCO REGIONAL REVITALIZATION COMMISSION**

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

**WHEREAS**, the Authority finds that as part of the development of the Authority’s Berry Hill Industrial Park project (the “**Berry Hill Project**”) located in Pittsylvania County, Virginia, and in connection with the Phase 1 Pad Expansion thereon, that the previous delineation and identification of the wetlands therein completed in 2011 be updated, and that such wetlands now be re-delineated and re-identified, upon the recent recommendation of the US Army Corps of Engineers; and

**WHEREAS**, these re-delineation and re-identification services are more particularly described in that certain “Proposal for Professional Services: Southern Virginia Mega Site at Berry Hill (Berry Hill) – Phase 1 Pad Expansion – Wetland Delineation”, dated July 27, 2018, from Dewberry Engineers Inc., a New York corporation (the “**Proposal**”), a copy of which is attached hereto as **Exhibit A**, and incorporated herein by this reference; and

**WHEREAS**, under the Proposal, the fees for these re-delineation and re-identification services consist of a lump sum payment of \$11,500.00; and

**WHEREAS**, the fiscal agent of the Authority has determined that funding for the Proposal is within “Lot 4 Site Development”, a funding sheet under the budget previously approved by the Authority for this project for this purpose; and

**WHEREAS**, the Authority has hereby determined, in open session, that the Proposal is reasonable and necessary; that the Proposal, in furtherance of the development of the Berry Hill Project, serves the purpose of the Authority to enhance the economic base of the City of Danville (the “**City**”) and Pittsylvania County (the “**County**”) by developing, owning, and operating the Berry Hill Project on a cooperative basis involving the City and the County; and that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to authorize, approve, execute and adopt in all respects the Proposal.

**NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:**

1. The Authority hereby authorizes and directs its Chairman or Vice Chairman, either of whom may act independently of the other, to execute and deliver, and otherwise pursue,

**Resolution No. 2018-08-13-5B**

the Proposal, together with such further amendments, deletions or additions to the Proposal, so long as the costs under the Proposal does not exceed five percent (5%) of the amounts set forth in the Proposal, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of the Proposal or such other related documents and any amendments, deletions or additions thereto. However, the work under the Proposal shall not commence until the Authority has received grant use approval from the Virginia Tobacco Regional Revitalization Commission.

2. The Authority hereby authorizes its Chairman or Vice Chairman, either of whom may act independently of the other, to execute and deliver such other documents in connection with the Proposal, as may be approved by its Chairman or Vice Chairman (as the case may be), such execution by its Chairman or Vice Chairman (as the case may be) to conclusively establish his approval of such other documents.

3. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Proposal or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of this Resolution.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Proposal and the matters contemplated in this Resolution.

5. This Resolution shall take effect immediately upon its adoption.

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**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on August 13, 2018, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 13<sup>th</sup> day of August 2018.

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**SUSAN M. DeMASI**, Secretary  
Danville-Pittsylvania Regional Industrial Facility  
Authority

(SEAL)

**Exhibit A**

[Dewberry Engineers Inc. – 07/28/2018 Proposal Re Phase I Pad Expansion – Wetland  
Delineation]

July 27, 2018

Mr. Robert "Bob" Warren  
Chairman  
Danville-Pittsylvania Regional Industrial Facility Authority (RIFA)  
P.O. Box 3300  
Danville, Virginia 24543

**RE: Proposal for Professional Services:  
Southern Virginia Mega Site at Berry Hill (Berry Hill)  
Phase 1 Pad Expansion – Wetland Delineation**

Dear Mr. Warren:

As part of our efforts in gaining regulatory approvals for the proposed pad expansion at Berry Hill, Dewberry Engineers Inc. (Dewberry) staff recently met with staff from the US Army Corps of Engineers (Corps) and the Virginia Department of Environmental Quality (VDEQ) to discuss the pad expansion project. During that discussion, it was recommended by the Corps to redelineate previously identified wetlands within the project area. The original delineation was completed in 2011 and approved under different regulatory personnel and leadership.

#### **SCOPE OF SERVICES**

Dewberry proposes to provide the following Scope of Services with associated fee:

#### **Identification of Wetlands and Other Waters of the United States (WOUS)**

Dewberry will delineate the boundaries of wetlands and WOUS within an approximate eight (8) acre portion of the phase 1 pad expansion project previously delineated. The boundaries of the WOUS and/or wetlands will be flagged in the field and located by a licensed surveyor. The 1987 Corps of Engineers Wetland Delineation Manual will be used to identify the approximate limits of the delineation. Field indicators of hydrophytic vegetation, hydric soils and wetland hydrology will be documented on Corps of Engineers data forms. Dewberry will summarize the results of the field study in a report, prepare exhibit(s) and evaluate project impacts to determine the consequences of the Corps of Engineers regulatory program on the proposed project. Dewberry will prepare a request for a U.S. Army Corps of Engineers (USACE) preliminary jurisdictional determination to confirm the delineation of WOUS and will conduct a site visit to discuss jurisdictional areas, proposed project impacts and possible mitigation measures.

**FEE: \$11,500.00 Lump Sum**

July 27, 2018

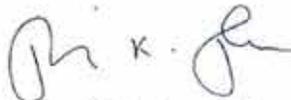
Except as amended in this proposal, all other terms, provisions, and conditions of our current Agreement for Professional Services to develop the Berry Hill property, dated February 9, 2009 shall remain in full force and effect, and the parties ratify and confirm that the Agreement for Professional Services to develop the Berry Hill property, dated February 9, 2009, as amended by this proposal, is and remains in full force and effect.

Again, we appreciate the opportunity to submit this contract amendment and look forward to continuing to work with you on this project. Please do not hesitate to call if you have questions or wish to discuss the proposal or project further. The return of an executed copy of this proposal will serve as our authorization to proceed. Dewberry will not begin work under this contract until authorized by RIFA and/or City/County staff.

Sincerely,



Shawn R. Harden, PE  
Senior Associate



Brian K. Bradner, PE  
Vice President | Branch Manager

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The foregoing Contract Amendment of Dewberry Engineers Inc. is accepted:

\_\_\_\_\_  
Print (Type) Individual, Firm, or Corporate Name

\_\_\_\_\_  
Signature of Authorized Representative                      Date

\_\_\_\_\_  
Print (Type) Name of Authorized Representative and Title

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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**Agenda Item No.:** Item 5C  
**Meeting Date:** 08/13/2018  
**Subject:** Resolution 2018-08-13-5C Approving Change Order 6 for Haymes Brothers  
**From:** Shawn R. Harden, P.E., Project Manager  
Dewberry Engineers, Inc.

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### **SUMMARY**

The Board will be asked to approve Resolution 2018-08-13-5C, approving Change Order 6 to the site development work by Haymes Brothers, Inc.

### **ATTACHMENTS**

Resolution 2018-08-13-5C

Exhibit

**Resolution No. 2018-08-13-5C**

**A RESOLUTION APPROVING CHANGE ORDER 6 TO THE SITE DEVELOPMENT WORK BY HAYMES BROTHERS, INC., A VIRGINIA CORPORATION, ORIGINALLY APPROVED UNDER RESOLUTION NO. 2017-02-24-4A, INCLUDING CONSTRUCTION OF A 12 FOOT WIDE X 1,700 FOOT STONED ROADWAY AND A 100 FOOT X 150 FOOT STONED PAD, INCREASING THE CONTRACT PRICE BY \$47,700.00**

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

**WHEREAS**, the Authority approved certain site development work (the “**Original Work**”) to the Authority’s Berry Hill Industrial Mega Park project (“**Berry Hill**”) located in Pittsylvania County, Virginia, under Resolution No. 2017-02-24-4A, by Haymes Brothers, Inc., a Virginia corporation (“**Haymes**”); and

**WHEREAS**, Haymes has submitted Change Order 6, recommended by the Authority’s engineers, which would include the construction of a 12 foot wide x 1,700 foot Stoned Roadway and a 100 foot x 150 foot Stoned Pad, increasing the contract price by \$47,700.00 (the “**Change Order 6 Amount**”), as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (“**Change Order 6**”); and

**WHEREAS**, the Authority has determined that Change Order 6 is reasonable, necessary and proper for the further development of Berry Hill; and

**WHEREAS**, the fiscal agent of the Authority has determined that funding for the Change Order 6 Amount is within “Lot 4 Site Development”, a funding sheet under the budget previously approved by the Authority for this project for this purpose; and

**WHEREAS**, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, for the Authority to accept Change Order 6.

**NOW, THEREFORE, BE IT RESOLVED**, that

1. The Authority does hereby approve the acceptance of Change Order 6, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver Change Order 6 and any such other documents in connection with the acceptance of Change Order 6, with such amendments, deletions or additions thereto, so long as the price for Change Order 6 does not exceed five percent (5%) of the Change Order 6 Amount, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of Change Order 6 or such other related documents and any amendments, deletions or additions thereto.

**Resolution No. 2018-08-13-5C**

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by Change Order 6 or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to Change Order 6 and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on August 13, 2018, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 13th day of August 2018.

(SEAL)

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**SUSAN M. DeMASI**  
Secretary, Danville-Pittsylvania Regional Industrial  
Facility Authority

**Resolution No. 2018-08-13-5C**

**Exhibit A**  
(Change Order 6)





# Haymes Brothers, Inc.

General Contractors

440 Hawkins Road

Chatham, Virginia 24531

Phone (434) 432- 8282

Fax (434) 432-2029

Mr. Shawn Harden  
Dewberry Engineers, Inc.  
551 Piney Forest Road  
Danville, VA 24540

August 6, 2018

**Re: Berry Hill Industrial Park Phase I Graded Pads  
Project Number 99276003  
Proposal to Construct Stoned Roadway and Pad**

Dear Mr. Harden;

As per your request and based on our telephone conversation Wednesday, August 1<sup>st</sup>, we submit the following price for the construction 12 foot wide x 1,700 foot Stoned Roadway and a 100 foot x 150 foot Stoned Pad at the Berry Hill Industrial Park – Grade Pads, Phase 1 project. Our Lump Sum price to construct this road and pad based off of the information we have right now will be: **\$47,700.00.**

**Our pricing includes:**

- Mobilization and De-Mobilization of Equipment and Materials
- Stakeout / Layout of Roadway and Pad
- Removal of vegetative material in area where the Roadway and Pad will be placed
- Placement of (1) Drainage Pipe – no Inlet or Outlet Protection included
- Placement of Filter Fabric
- Placement of 6" of 21A or ABC Aggregate
- Compaction of Aggregate
- Incidental Seeding – limited to area disturbed for this scope of work

**Our Price Excludes:**

- Any Erosion and Sediment Control Measures
- Grading – other than listed above
- Import or Export of Earthen Material

We appreciate the opportunity to provide this price to you and look forward to the possibility of performing this scope of work.

With kind regards,

Timothy D. Worley  
Project Manager / Estimator  
Haymes Brothers, Inc.

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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**Agenda Item No.:** Item 5D  
**Meeting Date:** 08/13/2018  
**Subject:** Resolution 2018-08-13-5D – Authorizing construction of a helipad at Berry Hill.  
**From:** Brian K. Bradner, P.E., Vice President  
Dewberry Engineers, Inc.

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### **SUMMARY**

The Board will be asked to approve Resolution 2018-08-13-5D, authorizing construction of a helipad on the Berry Hill project.

### **ATTACHMENTS**

Resolution 2018-08-13-5D

**Resolution No. 2018-08-13-5D**

**A RESOLUTION AUTHORIZING THE CONSTRUCTION OF A HELIPAD UPON THE AUTHORITY'S BERRY HILL MEGA PARK PROJECT AND THE EXPENDITURE OF UP TO \$10,000.00 FOR SUCH PURPOSE**

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

**WHEREAS**, as part of the Authority's strategy to develop and market its Berry Hill Industrial Mega Park project ("**Berry Hill**") located in Pittsylvania County, Virginia, the Authority's engineers and staff have recommended the construction of a helipad on Berry Hill; and

**WHEREAS**, a helipad is needed to improve access to portions of Berry Hill that are remote, unpaved or otherwise only accessible by foot or by muddy pathways; and such improved access to those areas is needed and useful especially during site tours; and

**WHEREAS**, the expected cost of construction and installation of the helipad at Berry Hill (the "**Helipad Construction**") is expected to be approximately \$20,000.00, of which Danville Regional Foundation, a Virginia nonstock corporation, has indicated that it would pay up to \$10,000.00; and

**WHEREAS**, the fiscal agent of the Authority has determined that funding up to \$10,000.00 for the Helipad Construction is within "General Contingency Fund", a funding sheet under the budget previously approved by the Authority for this project for this purpose; and

**WHEREAS**, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, for the Authority to authorize the Helipad Construction.

**NOW, THEREFORE, BE IT RESOLVED**, that

1. The Authority does hereby authorize the Helipad Construction and the expenditure of up to \$10,000.00 for such purpose.
2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Helipad Construction or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.
3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Helipad Construction and the matters contemplated therein.

**Resolution No. 2018-08-13-5D**

4. This Resolution shall take effect immediately upon its adoption.

**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on August 13, 2018, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 13th day of August 2018.

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**SUSAN M. DeMASI**  
Secretary, Danville-Pittsylvania Regional Industrial  
Facility Authority

(SEAL)

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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**Agenda Item No.:** Item 5E

**Meeting Date:** 08/13/2018

**Subject:** Resolution 2018-08-13-5E – Rebranding Berry Hill Mega Park

**From:** Matthew D. Rowe, Director of Economic Development  
Pittsylvania County

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### **SUMMARY**

The Board will be asked to approve Resolution 2018-08-13-5E, authorizing the rebranding of Berry Hill Mega Park to Southern Virginia Mega Site at Berry Hill.

### **ATTACHMENTS**

*No Written Resolution*

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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**Agenda Item No.:** Item 5F  
**Meeting Date:** 08/13/2018  
**Subject:** Resolution 2018-08-13-5E – Approving an easement to the City of Danville.  
**From:** Corrie Teague-Bobe, Assistant Director of Economic Development  
City of Danville

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### **SUMMARY**

The Board will be asked to approve Resolution 2018-08-13-5F, approving the granting of an easement from the Authority to the City of Danville.

### **ATTACHMENTS**

Resolution 2018-08-13-5F

Exhibit

**A RESOLUTION APPROVING THE GRANT OF AN EASEMENT FROM THE AUTHORITY TO THE CITY OF DANVILLE, VIRGINIA, FOR A PERMANENT 10-FOOT WIDE SANITARY SEWER EASEMENT OVER CERTAIN LAND IN THE AUTHORITY'S CANE CREEK CENTRE PROJECT LOCATED IN DANVILLE, VIRGINIA, COMMONLY KNOWN AS TAX PIN 77193, CONTAINING 6.78 ACRES, MORE OR LESS, BEING PART OF LOT 6, FRONTING ON SOUTH BOSTON ROAD AND CANE CREEK PARKWAY**

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

**WHEREAS**, the Public Works Department of the City of Danville, Virginia (the "**City**") desires to extend sanitary sewer across South Boston Road (the "**Sewer Extension**") towards the Authority's parcel located in the Authority's Cane Creek Centre project, commonly known as Tax Pin 77193, being Lot 6 and fronting on South Boston Road and Cane Creek Parkway (the "**RIFA Parcel**"); and

**WHEREAS**, the Sewer Extension would serve the RIFA Parcel and the residential and other Authority properties within that area, including in the Authority's Cane Creek Centre project; and

**WHEREAS**, due to the difficulty of placing the utilities necessary for the Sewer Extension within the existing right-of-way, the City needs to secure from the Authority a permanent ten (10) foot wide sanitary sewer easement across the RIFA Parcel as indicated by the red line on **Exhibit A** attached hereto and incorporated herein by this reference (the "**Proposed Sanitary Sewer Easement**"); and

**WHEREAS**, due to the significant undergrowth along the Proposed Sanitary Sewer Easement, in connection with surveying the RIFA Parcel to prepare the plat of the Proposed Sanitary Sewer Easement (the "**Easement Plat**"), the City needs to trim a ten (10) foot wide path along the Proposed Sanitary Sewer Easement, such trimming to involve undergrowth only and not the removal or cutting of any trees (the "**Easement Plat Work**"); and

**WHEREAS**, the Authority has determined it is in the best interests of the Authority, the citizens of Pittsylvania County and the City of Danville, and the improvement of the Authority's Cane Creek Centre project, for the Authority (i) to approve the grant of the Proposed Sanitary Sewer Easement in connection with the Sewer Extension, pursuant to a standard form of easement agreement or deed of easement granting the Proposed Sanitary Sewer Easement to the City pursuant to the Easement Plat, the form of which is approved by legal counsel to the Authority (the "**Easement Agreement**"), and (ii) to authorize the Easement Plat Work to be performed on the RIFA Parcel in connection with the preparation of the Easement Plat for the Easement Agreement.

**Resolution No. 2018-08-13-5F**

**NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:**

1. The Authority does hereby approve the Proposed Sanitary Sewer Easement as set forth in **Exhibit A**, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver the Easement Agreement and any such other documents in connection with the Proposed Sanitary Sewer Easement, each with such amendments, deletions or additions thereto, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of the Easement Agreement or such other related documents and any amendments, deletions or additions thereto.

2. The Authority does hereby authorize the City to perform the Easement Plat Work on the RIFA Parcel and to prepare the Easement Plat for the Easement Agreement.

3. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Proposed Sanitary Sewer Easement or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Proposed Sanitary Sewer Easement and the matters contemplated therein.

5. This Resolution shall take effect immediately upon its adoption.

**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on August 13, 2018, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 13th day of August 2018.

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**SUSAN M. DeMASI**, Secretary  
Danville-Pittsylvania Regional Industrial Facility  
Authority

(SEAL)

**Exhibit A**  
(Proposed Sanitary Sewer Easement)



# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5G
<b>Meeting Date:</b>	August 13, 2018
<b>Subject:</b>	Financial Status Reports – July 31, 2018
<b>From:</b>	Michael L. Adkins, Authority Treasurer

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### **SUMMARY**

A review of the financial status reports through July 31, 2018 will be provided at the meeting. The financial status reports as of July 31, 2018 are attached for the DPRIFA Board's review.

### **RECOMMENDATION**

Staff recommends approving the financial status reports as of July 31, 2018 as presented.

### **ATTACHMENTS**

Financial Status Reports

# Financial Status

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## Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2018
- C. General Expenditures for FY2019
- D. Mega Park – Funding Other than Bond Funds
- E. Berry Hill Mega Park – Lot 4 Site Development
- F. Berry Hill Mega Park – Lot 8 Site Development
- G. Berry Hill Mega Park – Water & Sewer
- H. Rent, Interest, and Other Income Realized FY2018
- I. Rent, Interest, and Other Income Realized FY2019
- J. Unaudited Financial Statements

# Danville-Pittsylvania Regional Industrial Facility Authority

\$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 <sup>7</sup>

As of July 31, 2018

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funds from bond issuance	\$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost <sup>7</sup>	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
<b>Cane Creek Parkway <sup>3</sup></b>		\$3,804,576.00	\$3,724,241.16	\$ -	
<b>Swedwood Drive <sup>2</sup></b>		69,414.00	69,414.00	-	
<b>Cane Creek Centre entrance <sup>3</sup></b>		72,335.00	53,878.70	-	
<b>Financial Advisory Services</b>		9,900.00	9,900.00	-	
<b>Dewberry contracts <sup>1</sup></b>		69,582.50	69,582.50	-	
<b>Dewberry contracts not paid by 1.7 grant <sup>4,5</sup></b>		71,881.00	30,141.62	41,739.38	
<b>Land</b>		-	2,792,945.57	-	
<b>Demolition services</b>		71,261.62	71,261.62	-	
<b>Legal fees</b>		-	133,410.88	-	
<b>CCC - Lots 3 &amp; 9 project - RIFA Local Share <sup>6</sup></b>		142,190.00	112,464.98	-	
<b>Other expenditures</b>		-	345,194.30	-	
<b>Total</b>	\$ 7,578,582.12	\$ 4,311,140.12	\$ 7,412,435.33	\$ 41,739.38	<u>\$ 124,407.41</u>

**notes:**

<sup>1</sup> Dewberry Contracts consist of wetland, engineering, surveying and site preparation

<sup>2</sup> Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

<sup>3</sup> Project completed under budget

<sup>4</sup> In September 2008 the outstanding principal balance of \$6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

<sup>4</sup> These contracts were originally to be paid by the \$1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

<sup>5</sup> The budget amount decreased \$71,279.61 from the 9/30/2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

<sup>6</sup> This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

<sup>7</sup> The \$7.3 million bonds were refunded on 8/1/2013 with the issuance of refunding bonds in the amount of \$5,595,000.

<b>Road Summary-Cane Creek Parkway:</b>	
English Contract-Construction	\$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
<b>Total Road Contract Allocated to RIFA</b>	<b>\$ 5,271,916.00</b>

<b>Funding Summary - Cane Creek Parkway</b>	
VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	<b>\$ 5,271,916.00</b>

# Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2018

As of July 31, 2018

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2017	77,180.29				
Transfer to Mega Park Funding-Other Than Bonds <sup>1</sup>	(20,000.00)				
<b>Contingency</b>					
Miscellaneous contingency items		\$ 68,080.29	\$ 19,472.51	\$ -	\$ 48,607.78
Berry Hill Wilmot Project (Lot 3B)			7,314.00		\$ (7,314.00)
<b>Total Contingency Budget</b>		<u>68,080.29</u>	<u>26,786.51</u>	-	<u>41,293.78</u>
<b>Legal</b>		110,000.00	101,498.90	-	8,501.10
<b>Accounting</b>		20,900.00	20,900.00	-	-
<b>Annual Bank Fees</b>		600.00	550.00	-	50.00
<b>Postage &amp; Shipping</b>		100.00		-	100.00
<b>Meals</b>		4,000.00	2,836.27	-	1,163.73
<b>Utilities</b>		500.00	368.40	-	131.60
<b>Insurance</b>		3,000.00	2,194.00	-	806.00
<b>Total</b>		<u>\$ 207,180.29</u>	<u>\$ 207,180.29</u>	<u>\$ 155,134.08</u>	<u>\$ -</u>
					<u><u>\$ 52,046.21</u></u>

<sup>1</sup> - Transfer to Mega Park Fund-Other Funds for \$20,000 to cover contingent liability due to Appalachian Power Company if RIFA cancels the development of Lot 8 at Berry Hill Mega Park or delays completion of the project beyond January 31, 2019. The \$20,000 would cover mobilization and other line relocation costs of Appalachian Power Company. Reference Resolution No. 2017-08-14-5C. (Note Appalachian is a unit of American Electric Power (AEP)).

# Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2019

As of July 31, 2018

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2018					
<b>Contingency</b>					
Miscellaneous contingency items		\$ 20,275.00		\$ -	\$ 20,275.00
Berry Hill Wilmot Project (Lot 3B)					\$ -
<b>Total Contingency Budget</b>		<u>20,275.00</u>	-	-	<u>20,275.00</u>
<b>Legal</b>		100,000.00		-	100,000.00
<b>Accounting</b>		21,525.00	2,000.00	-	19,525.00
<b>Annual Bank Fees</b>		600.00		-	600.00
<b>Postage &amp; Shipping</b>		100.00		-	100.00
<b>Meals</b>		4,000.00		-	4,000.00
<b>Utilities</b>		500.00		-	500.00
<b>Insurance</b>		3,000.00		-	3,000.00
<b>Total</b>	<u>\$ 150,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 2,000.00</u>	<u>\$ -</u>	<u><u>\$ 148,000.00</u></u>

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Mega Park - Funding Other than Bond Funds**  
**As of July 31, 2018**

<b>Funding</b>	<b>Funding</b>	<b>Budget / Contract Amount</b>	<b>Expenditures</b>	<b>Encumbered</b>	<b>Unexpended / Unencumbered</b>
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property <sup>1,4</sup>	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion <sup>5</sup>	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 <sup>6</sup>	11,854.39				
Contingency funds allocated per Resolution 2017-08-14-5C <sup>9</sup>	20,000.00				
<b>Land</b>					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property <sup>2</sup>		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
<b>Other</b>					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis <sup>3</sup>		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney <sup>7</sup>		115,000.00	103,796.85	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project <sup>8</sup>		-	11,203.15	-	
Transfer from General Funds contingency <sup>9</sup>		20,000.00		20,000.00	
<b>Total</b>	<b>\$ 14,251,524.83</b>	<b>\$ 14,251,524.83</b>	<b>\$ 14,228,554.12</b>	<b>\$ 22,970.71</b>	<b>\$ (0.00)</b>

<sup>1</sup> This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

<sup>2</sup> Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

<sup>3</sup> This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

<sup>4</sup> RIFA paid the City back for all advances on 1/3/2012.

<sup>5</sup> The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

<sup>6</sup> Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

<sup>7</sup> Unencumbered the remaining \$11,203.15 due to termination of contract.

<sup>8</sup> As approved by RIFA Board on 10/16/2014

<sup>9</sup> As approved by RIFA Board on 8/14/2017

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Berry Hill Mega Park - Lot 4 Site Development**  
**As of July 31, 2018**

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion <sup>1</sup>	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion <sup>1</sup>	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion <sup>2</sup>	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget <sup>3</sup>	11,203.15				
<b>Expenditures</b>					
Dewberry Engineers Inc.		1,676,562.81	1,442,062.81	234,500.00	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	12,000.00	-	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		77,027.64	77,027.64	-	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		9,600.00	9,600.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,164,043.41	4,159,043.41	5,000.00	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		38,731.70		38,731.70	
<b>Transfers to "General Expenditures Fiscal Year 2015" Contingency <sup>3</sup></b>					
Dewberry Engineers Inc.		(108,603.35)	(108,603.35)	-	
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	(12,000.00)	-	
<b>Total</b>	<b>\$ 7,900,356.15</b>	<b>\$ 6,038,170.21</b>	<b>\$ 5,759,938.51</b>	<b>\$ 278,231.70</b>	<b><u>\$ 1,862,185.94</u></b>

<sup>1</sup> \$300,000 of this was received from each locality 6-2014. \$450,000 received 8-2014. \$450,000 received 9-2014.

<sup>2</sup> The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

<sup>3</sup> As approved by RIFA Board on 10/16/2014

# Danville-Pittsylvania Regional Industrial Facility Authority

Berry Hill Mega Park - Lot 8 Site Development

As of July 31, 2018

	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
<b>Funding</b>					
<b>TIC #3358 Site Improvements for Project Lignum</b>					
Tobacco Commission Grant	\$ 2,624,800.00				
State Match for Property & Improvements	500,000.00				
County Match for Contractual Services	261,800.00				
County Match for Property & Improvements	800,600.00				
City Match for Contractual Services	261,800.00				
City Match for Property & Improvements	800,600.00				
<b>Expenditures</b>					
Dewberry Engineers Inc.		89,300.00	82,800.00	6,500.00	
<b>Total</b>	<b>\$ 5,249,600.00</b>	<b>\$ 89,300.00</b>	<b>\$ 82,800.00</b>	<b>\$ 6,500.00</b>	<b><u><u>\$ 5,160,300.00</u></u></b>

# Danville-Pittsylvania Regional Industrial Facility Authority

Berry Hill Mega Park - Water & Sewer

As of July 31, 2018

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
<b>TIC #2641 Phase I Sanitary Sewer</b>					
Tobacco Commission Grant 2641	\$ 4,908,240.00				
Local Match for Contractual Services	282,400.00				
Local Match for Property & Improvements	262,960.00				
<b>TIC #3011 Water System Improvements Phase II</b>					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Improvements	224,160.00				
<b>Expenditures</b>					
Dewberry Engineers Inc.		398,284.00	47,056.00	351,228.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer Project		4,856,169.75	352,287.56	4,503,882.19	
Norfolk Southern Railway Company		21,300.00	21,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		4,500.00	4,500.00	-	
AECOM		2,500.00	2,500.00	-	
BH Media Group, Inc.		296.00	296.00	-	
<b>Total</b>	<b>\$ 7,919,327.00</b>	<b>\$ 5,284,524.75</b>	<b>\$ 429,414.56</b>	<b>\$ 4,855,110.19</b>	<b>\$ <u>2,634,802.25</u></b>

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Rent, Interest, and Other Income Realized for Fiscal Year 2018**  
**As of July 31, 2018**

<i>Source of Funds</i>	<u>Funding</u>			<u>Expenditures</u> FY2018	<u>Unexpended /</u> <u>Unencumbered</u>
	<u>Carryforward</u> from FY2017	<u>Receipts</u> Current Month	<u>Receipts</u> FY2018		
<u>Carryforward</u>	\$ 630,797.74				
<u>Current Lessees</u>					
	<u>Park</u>				
Institute for Advanced Learning and Research (IALR) <sup>1</sup>	Cyberpark	\$ 20,653.94	\$ 253,071.94		
Mountain View Farms of Virginia, L.C.	Berry Hill		1,200.00		
Osborne Company of North Carolina, Inc.	Berry Hill		1,000.00		
Capital Outdoor, Inc.	Cane Creek	1,800.00	3,600.00		
<i>Total Rent</i>		\$ 22,453.94	\$ 258,871.94		
<u>Interest Received</u> <sup>2</sup>		\$ 424.66	\$ 6,034.29		
<u>Miscellaneous Income</u>			\$ 95,500.00		
<b>Expenditures</b>					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 253,071.94	
<b>Totals</b>		<u>\$ 630,797.74</u>	<u>\$ 22,878.60</u>	<u>\$ 360,406.23</u>	<u>\$ 253,071.94</u>
				<b>Restricted</b> <sup>1</sup>	\$ 334,349.00
				<b>Unrestricted</b>	\$ 633,299.47

<sup>1</sup> Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

<sup>2</sup> Please note that this is only interest received on RIFA's general money market account.

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Rent, Interest, and Other Income Realized for Fiscal Year 2019**  
**As of July 31, 2018**

<i>Source of Funds</i>	<u>Funding</u>		<u>Expenditures</u> <u>FY2019</u>	<u>Unexpended /</u> <u>Unencumbered</u>
	<u>Carryforward</u> <u>from FY2018</u>	<u>Receipts</u> <u>Current</u> <u>Month</u>		
<i>Carryforward</i>				
<i>Current Lessees</i>				
	<i>Park</i>			
Institute for Advanced Learning and Research (IALR) <sup>1</sup>	Cyberpark	\$ 20,653.94	\$ 20,653.94	
Mountain View Farms of Virginia, L.C.	Berry Hill			
Osborne Company of North Carolina, Inc.	Berry Hill			
Capital Outdoor, Inc.	Cane Creek			
<i>Total Rent</i>		\$ 20,653.94	\$ 20,653.94	
<i>Interest Received</i> <sup>2</sup>				
<i>Miscellaneous Income</i>		\$ 973,000.00	\$ 973,000.00	
<i>Expenditures</i>				
Hawkins Research Bldg. Property Mgmt. Fee				
Disbursement to Unision Tube (Enhancement Grant and DRF Grant)			\$ 764,137.50	
<b>Totals</b>		<b>\$ -</b>	<b>\$ 993,653.94</b>	<b>\$ 993,653.94</b>
			<b>\$ 764,137.50</b>	<b>\$ 229,516.44</b>
			<b>Restricted</b> <sup>1</sup>	<b>\$ 334,349.00</b>
			<b>Unrestricted</b>	<b>\$ 633,299.47</b>

<sup>1</sup> Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

<sup>2</sup> Please note that this is only interest received on RIFA's general money market account.

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Statement of Net Position** <sup>1,2</sup>  
**July 31, 2018\***

	<b>Unaudited FY 2019</b>
<b>Assets</b>	
<i>Current assets</i>	
Cash - checking	\$ 1,107,605
Cash - money market	795,307
Prepays	625
<i>Total current assets</i>	1,903,537
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	172,647
Restricted cash - debt service fund CCC bonds	466,032
Restricted cash - debt service fund Berry Hill bonds	36
Restricted cash - debt service reserve fund Berry Hill bonds	1,923,647
Capital assets not being depreciated	24,885,889
Capital assets being depreciated, net	23,796,253
Construction in progress	7,226,063
<i>Total noncurrent assets</i>	58,470,567
<b>Total assets</b>	60,374,104
<b>Liabilities</b>	
<i>Current liabilities</i>	
Unearned income	210,337
Bonds payable - current portion	1,288,450
<i>Total current liabilities</i>	1,498,787
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	3,468,190
<i>Total noncurrent liabilities</i>	3,468,190
<b>Total liabilities</b>	4,966,977
<b>Net Position</b>	
Net investment in capital assets	51,324,212
Restricted - debt reserves	2,389,715
Unrestricted	1,693,200
<b>Total net position</b>	\$ 55,407,127

<sup>1</sup> Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

<sup>2</sup> Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

\*Please note these statements are for the period ended July 31, 2018 as of July 31, 2018, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Revenues and Expenses and Changes in Fund Net Position*  
*July 31, 2018\**

	<b>Unaudited FY 2019</b>
<b>Operating revenues</b>	
Rental income	41,308
Other Income	764,137
<b>Total operating revenues</b>	805,445
<b>Operating expenses <sup>4</sup></b>	
Cane Creek Centre expenses <sup>3</sup>	764,137
Cyber Park expenses <sup>3</sup>	20,654
Professional fees	2,000
Other operating expenses	2,588
<b>Total operating expenses</b>	789,379
<b>Operating income (loss)</b>	16,066
<b>Non-operating revenues (expenses)</b>	
Interest expense	(5,580)
<b>Total non-operating expenses, net</b>	(5,580)
<b>Net income (loss) before capital contributions</b>	10,486
<b>Capital contributions</b>	
Contribution - City of Danville	75,000
Contribution - Pittsylvania County	308,684
<b>Total capital contributions</b>	383,684
<b>Change in net position</b>	394,170
<b>Net position at July 1, 2018</b>	55,012,957
<b>Net position at July 31, 2018</b>	\$ 55,407,127

<sup>3</sup> A portion or all of these expenses may be capitalized at fiscal year-end.

<sup>4</sup> Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

<sup>5</sup> Please note this statement will change once all FY2018 entries are made and may also change depending on audit adjustments, if any, for FY2018 and the nature of those audit adjustments.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Cash Flows*  
*July 31, 2018\**

	<b>Unaudited FY 2019</b>
<b>Operating activities</b>	
Receipts from leases	\$ 41,308
Other receipts	973,000
Payments to suppliers for goods and services	(789,379)
<b>Net cash used by operating activities</b>	<b>224,929</b>
<b>Capital and related financing activities</b>	
Capital contributions	383,684
Interest paid on bonds	(5,580)
<b>Net cash provided by capital and related financing activities</b>	<b>378,104</b>
<b>Investing activities</b>	
Interest received	-
<b>Net cash provided by investing activities</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	603,033
<b>Cash and cash equivalents - beginning of year (including restricted cash)</b>	<b>3,862,241</b>
<b>Cash and cash equivalents - through July 31, 2018 (including restricted cash)</b>	<b>\$ 4,465,274</b>
<b>Reconciliation of operating loss before capital contributions to net cash used by operating activities:</b>	
Operating income (loss)	\$ 16,066
Adjustments to reconcile operating loss to net cash used by operating activities:	
Changes in assets and liabilities:	
Change in unearned income	208,863
<b>Net cash used by operating activities</b>	<b>\$ 224,929</b>

**Components of cash and cash equivalents at July 31, 2018:**

American National - Checking	\$ 1,107,605
American National - General money market	795,307
Wells Fargo - \$7.3M Bonds CCC Debt service fund	466,032
Wells Fargo - \$7.3M Bonds CCC Project fund	172,647
US Bank - \$11.25M Bonds Berry Hill Debt service fund	36
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	1,923,647
	<b>\$ 4,465,274</b>