

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

January 13, 2020

12:00 P.M.

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

County of Pittsylvania Members

**Robert W. Warren, Vice Chairman
Ronald S. Scarce**

City of Danville Members

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

Staff

**Ken Larking, City Manager, Danville
David M. Smitherman, Pittsylvania County Administrator
Christian & Barton, LLP, 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 DECEMBER 9, 2019 MEETING

5. NEW BUSINESS

A. Election and Reappointment of Officers for Calendar Year 2020 – Michael C. Guanzon, Esq., Christian & Barton, LLP, Legal Counsel to the Authority:

1. Election of Chairman from Pittsylvania County Member Locality (see Bylaws, Article VI, paragraph 1)
2. Election of Vice Chairman from Danville City Member Locality (see Bylaws, Article VI, paragraph 4)
3. Reappointment of Secretary from the Authority's staff – Susan M. DeMasi, City Clerk, City of Danville
4. Reappointment of Treasurer from the Authority's staff – Michael L. Adkins, Director of Finance, City of Danville

[At this point of the agenda, the newly elected Chairman shall preside over the meeting.]

B. Consideration of Resolution No. 2020-01-13-5B, approving a one-year renewal of the lease with Mountain View Farms of Virginia, L.C., a Virginia limited liability company, as tenant, for that certain real property (being a portion of GPIN 1356-80-4414) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, in the Authority's Southern Virginia Megasite at Berry Hill project, in Pittsylvania County, Virginia, for the purpose of planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, at a total rental fee of \$1,200; such renewal also includes a 60-day early termination right and right to show the property to business recruits of the Authority – Mr. Guanzon

C. Financial Status Reports as of December 31, 2019 – Mr. Adkins and Henrietta Weaver, CPA, City of Danville, Virginia

D. Consideration of Resolution No. 2020-01-13-5D in Recognition of Service of Telly D. Tucker to the Authority– Chairman of the Authority *[Written resolution will be provided at the meeting.]*

Danville-Pittsylvania Regional Industrial Facility Authority

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 Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre 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

7. COMMUNICATIONS FROM:

- Authority Board Members
- Staff
- Amendment to Purchase and Sale Agreement – Enviva Development Holdings, LLC, a Delaware limited liability company – Corrie Teague Bobe, Acting Director of Economic Development, City of Danville, and Mr. Guanzon

Danville-Pittsylvania Regional Industrial Facility Authority

- Update on Weatherford Property Acquisition – Matthew D. Rowe, Director of Economic Development, Pittsylvania County, and Mr. Guanzon

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	01/13/2020
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Secretary to the Authority

SUMMARY

Attached for the Board's review and approval are the Meeting Minutes from the Monday, December 9, 2019 Meeting.

ATTACHMENTS

Meeting Minutes – 12/09/2019

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2019

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Chairman Fred O. Shanks, III, Sherman M. Saunders and Alternate J. Lee Vogler. Pittsylvania County Members present were Vice Chairman Robert W. Warren, Ronald S. Searce and Alternate Elton Blackstock.

City/County staff members attending were: County Administrator David Smitherman, Assistant County Administrator Greg Sides, City of Danville Director of Economic Development Telly Tucker, Assistant Director of Economic Development Corrie Bobe, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Project Manager Susan McCullough, City of Danville Director of Finance Michael Adkins, City of Danville Accountant Henrietta Weaver, Christian & Barton Attorneys Michael C. Guanzon and Steven Lippman, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry, and Chris Murray of Brown, Edwards.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE NOVEMBER 8, 2019 SPECIAL MEETING, AND NOVEMBER 12, 2019 REGULAR MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Searce, Minutes of the November 8, 2019 Special Meeting and November 12, 2019 Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2019-12-09-5A REQUIRING ONLY ONE AUTHORIZED SIGNER FOR SIGNING CHECKS

Authority Treasurer Michael Adkins explained RIFA often has items such as permit fees that are small amounts. For items under \$300, staff was seeking permission to have just one of the authorized signers sign the check to facilitate the process. Staff would continue with two signatures for large expenditures.

Mr. Saunders **moved** for adoption of *Resolution No. 2019-12-09-5A, requiring only one authorized signer for the signing of a check, draft, note, bond, bill of exchange, orders or other negotiable instrument drawn against an account of the Authority for an amount of \$300.00 or less.*

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

Mr. Warren stated since the board was doing this, could members get a list every month of all checks written, and Mr. Adkins noted it could be included in the monthly financial report.

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2019

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

5B. CONSIDERATION OF RESOLUTION NO. 2019-12-09-5B RATIFYING A CONTRACT OF SALE DATED NOVEMBER 21, 2019 WITH REALTYLINK

Authority Attorney Michael Guanzon explained this transaction has already been authorized in a series of resolutions; RealtyLink, requested a clean up of the resolutions. This was confirming what the Board has signed already.

Mr. Warren **moved** for adoption of *Resolution No. 2019-12-09-5B, ratifying that certain Contract of Sale dated November 21, 2019, between the Authority and RealtyLink Investments, LLC, a South Carolina limited liability company, pursuant to Resolution Nos. 2019-09-09-5E and 2019-11-12-5A, for Lots 3A and 3B in the Authority's Cane Creek Centre project, located in Pittsylvania County, Virginia.*

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

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

5C. CONSIDERATION OF RESOLUTION NO. 2019-12-09-5C APPROVING THE EXPANDED ROLE OF A. KENT SHELTON

Mr. Guanzon explained in 2017, the Board approved using Kent Shelton for monitoring services for contract work being done in certain parks; it was agreed the City would pay for those services under an existing contract. The cost of those fees to Kent Shelton would be a member locality contribution through the due to/from; this was extending it for the water line and sanitary sewer line. Mr. Harden noted he has been a tremendous help to them keeping track of where the construction projects were; it has been very beneficial to everyone.

Mr. Saunders **moved** for adoption of *Resolution No. 2019-12-09-5C, approving the expanded role of A. Kent Shelton, P.E., as set forth in Resolutions 2017-03-13-5C, 2017-11-15-5D and 2018-12-10-5A, to serve as the project monitor and limited inspector for the changes to the Phase I Virginia Water Line Project and the Phase I Sanitary Sewer Project to serve Lot 7 at the Authority's Southern Virginia Mega Site at Berry Hill project, at an estimated additional cost of \$27,560.00 (existing hourly rate of \$38).*

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

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

5D. DISCUSSION OF ROUTE 311 AND ROUTE 58 INTERSECTION IMPROVEMENTS

Board Member Ron Scarce noted there was a property adjacent to this intersection, owned by Mr. Ferguson who has a used car dealership. Back when they realigned 311, they needed

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2019

part of his property. There was an issue with the way things were lining up where he wouldn't have access to his dealership, so VDOT put in a driveway entrance for him. But VDOT did not put it on any records, so it wasn't part of the consideration when they put the new project in for extending the turning lanes. Effectively, they are going to get rid of his driveway access, which was really the only access into his property off of 58. VDOT said the only thing they would do was put in a driveway further behind on his property; it will only allow access from the back of his property. Mr. Ferguson has hired a lawyer, and Mr. Scarce noted his concern was an order of injunction on the intersection project. Mr. Ferguson requested this be brought to RIFA to see if there was any Tobacco Commission money to help him relocate his business or buy his property. That was where it was going because VDOT was not willing to help Mr. Ferguson out. Mr. Shanks stated, there was the original construction that was done, there must have been some type of agreement, verbal or not. But there is another widening of that intersection, not related to interchange connector, and Mr. Scarce noted that was correct.

Mr. Guanzon stated, speaking generally, when they have a type of injunctive relief, they would have the right to condemn the property during their normal course of business. The person's lawyer will have to decide whether that will happen. He would say he does not think that will hold it up more so than a normal eminent domain condemnation proceeding because if they are taking property for a project and it essentially renders the property value to zero, then the government has taken that property. Under the law, they are required to compensate them for fair market value. Depending on what documents were or were not signed, recorded or not, that was for the property owner's lawyer to go through the documents and see whether that happens. Secondly, unless it was part of one of RIFA's other projects, RIFA's sources of money are limited to whether those projects are approvable or not. If the Board wanted staff to look at it further, they would need more information. It needs to come from the Board and not from Mr. Ferguson, because they don't represent him, they represent RIFA. Staff has their pre-RIFA meeting next Monday, if Mr. Scarce can get them the information, they can take a look. Mr. Scarce noted his concern was the threat of an injunction, because this was an important property for Berry Hill. Mr. Saunders noted he would like to hear more discussion of this matter and Mr. Warren noted he thought it was appropriate to be proactive, allow the attorneys to look into it if Mr. Scarce can provide more information. Mr. Shanks asked that Dewberry be included in that as well. Mr. Scarce noted his appreciation and Mr. Shanks stated there was no action needed, other than review by staff to report back at the next meeting.

5E. PRESENTATION OF AUDIT OF AUTHORITY'S FINANCIAL STATEMENTS FOR YEAR ENDING JUNE 30, 2019

Mr. Adkins introduced Chris Murray from Brown, Edwards, senior manager of the audit for RIFA. Mr. Murray noted there were three documents, the first was the Financial Statements for which they issued a clean, unmodified opinion again this year. The Statement of Net Position showed a lot of consistency. There was a decrease in the restricted cash, that came down to bonds payable, and there was a consistent decrease in bonds payable under current liabilities. Under Noncurrent Assets, Construction in Progress continues to increase as expected; it was a little over a \$4.8M increase which was the continued development at the Cyber Park and Mega Park. Under the Statement of Revenue and Expenses there was an increase in the Tobacco Commission Grant, which was the grant money for the development of the Mega Park. One thing new was the Economic Development Incentive Revenue, the money coming in from the City, the County, and the Foundation that goes to the companies for its incentives; it was nearly all Harlow Fastech and Unison. Under Operating Expenses,

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2019

the money going back out was Economic Development for Cane Creek Centre, \$2.2M. Also under that, the Cane Creek Centre balance shows the incentive for Ikea where the land valued at \$952,000 was sold for \$1. Mr. Murray noted the Required Communications with those Charged with Governance was standard, letting the Board know what the Auditors' responsibilities were and what the management's responsibilities were. It lets the Board know there were no disagreements with management and it was another year with no audit adjustments. The final letter was Comments on Internal Controls; one comment that has appeared in the audit was the segregated duties. This was related to the limited staffing, the duties cannot be separated too much, and it was not a material weakness. There were no other comments this year.

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

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

5F. FINANCIAL STATUS REPORTS AS OF NOVEMBER 30, 2019

Authority Treasurer Michael Adkins gave the Financial Status report as of November 30, 2019 beginning with the \$7.3M Cane Creek Bonds, noting RIFA expended \$1,315 to Dewberry for Lot 6 surveying and wetland monitoring, and \$26 to Clement Wheatley for legal fees. General Expenditures show RIFA paid \$7,582 to Sellers Brothers for mowing and clearing, \$5,000 to Brown, Edwards for the Annual Audit, \$3,618 to Liquid Asset Partners for Machine Appraisals, \$370 for meals and \$31 for monthly utilities. Under Berry Hill Funding Other than Bonds, RIFA expended its first payment to AEP, of \$200,000, for Right of Way acquisition. Under Lot 4 Site Development, RIFA expended \$700 to the State Treasurer for Stormwater permitting. Lot 8 Site Development had no expenditures for November. For Water and Sewer, RIFA paid \$344,850 to CW Cauley and Son for continued work on Phase I of the water construction, and \$11,050 for Dewberry for Amendment #20. Rent, Interest and Other Income shows RIFA received \$25,412 from the Institute for the Hawkins' Building, \$443 in interest income, \$147,000 from the Commonwealth Opportunity Fund for Harlow, \$17,500 from Pittsylvania County, their share of the Harlow housing reimbursement, and there was a little bit of money left over in the bond service account for the Berry Hill Bonds of \$6. RIFA paid \$25,412 to the Institute for the Hawkins' Building maintenance, and \$254,236 to Gefertec, which was for Harlow equipment.

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, Shanks, Saunders (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.]

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2019

At 12:41 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 or industry's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia; and

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

C. As permitted by Virginia Code §2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property located in Pittsylvania County, 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, Shanks, Saunders (4)
NAY: None (0)

D. On **Motion** by Mr. Searce and **second** by Mr. Saunders and by unanimous vote at 2:30 p.m., the Authority returned to open meeting.

E. Mr. Searce **moved** for 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, Shanks, Saunders (4)
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2019

7. OPEN SESSION – NEW BUSINESS CONTINUED

7A. CONSIDERATION OF RESOLUTION 2019-12-09-7A

Mr. Warren **moved** for adoption of *Resolution No. 2019-12-09-7A, authorizing the negotiation, execution and delivery of a local performance agreement for whom an announcement will be made by the Governor's Office of the Commonwealth of Virginia on or about December 11, 2019, under which the Authority would provide at a minimum an industrial enhancement grant in the form of annual tax rebates on real estate and tangible personal property for the establishment of a manufacturing facility at one of its projects located in Pittsylvania County, Virginia, in exchange for certain minimum performance parameters as those required by the Governor's office and/or the Tobacco Region Revitalization Commission.*

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

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

8. COMMUNICATIONS

Mr. Warren thanked Mr. Blackstock for his service to RIFA and hopes he enjoys his retirement. Mr. Saunders noted his agreement with Mr. Warren, and suggested a plaque. Mr. Shanks noted he would be going to the Board of Supervisors meeting to present that to him.

Mr. Warren noted that Morgan Olsen was interested in a name change for a road.

Mr. Shanks stated it was his last meeting as the Chair, it has been a pleasure working with the board members and staff, and appreciates everything everyone contributes to the team.

Update on Project Lignum

Mr. Guanzon noted staff was having continued communications with them and will have a better report at the next meeting.

Meeting adjourned at 2:38 p.m.

APPROVED:

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	01/13/2020
Subject:	Resolution 2020-01-13-5A
From:	Michael C. Guanzon, Esq., Legal Counsel to the Authority

SUMMARY

1. Election of Chairman from Pittsylvania County.
2. Election of Vice Chairman from City of Danville.
3. Reappointment of Secretary.
4. Reappointment of Treasurer

ATTACHMENT

Resolution 2019-01-13-5A

A RESOLUTION TO REAPPOINT THE SECRETARY AND TREASURER OF THE AUTHORITY.

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, pursuant to paragraph 5 of Article VI of the Amended and Restated Bylaws of the Authority (the “**Bylaws**”), is required to appoint a Secretary and Treasurer from the Authority’s staff, which may include staff provided by a Member Locality or other persons employed or contracted by the Authority; and

WHEREAS, under paragraph 2 of Article VI of the Bylaws, the term of office of a Secretary and Treasurer shall be for the calendar year, and accordingly, the terms of Secretary Susan M. DeMasi and Treasurer Michael L. Adkins expired on December 31, 2019; and

WHEREAS, each of Susan M. DeMasi and Michael L. Adkins is eligible for reappointment under the paragraph 5 of Article VI of the Bylaws.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Board hereby reappoints the following persons to serve the Authority in the office designated below and to have such powers and duties as prescribed to that person by the Bylaws and pursuant to applicable law:

Secretary: **Susan M. DeMasi** (term of office expires on December 31, 2020 and shall continue until her successor is appointed or reappointed)

Treasurer: **Michael L. Adkins** (term of office expires on December 31, 2020 and shall continue until his successor is appointed or reappointed)

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 they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. 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 January 13, 2020, 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 January 2020.

(SEAL)

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

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5B
Meeting Date:	01/13/2020
Subject:	Resolution 2020-01-13-5B
From:	Michael C. Guanzon, Esq., Legal Counsel to the Authority

SUMMARY

The Board will be asked to approve Resolution 2020-01-13-5B, Approving a One Renewal of a Lease with Mountain View Farms.

ATTACHMENT

Resolution 2020-01-13-5B

Exhibit A - Lease

Resolution No. 2020-01-13-5B

A RESOLUTION APPROVING A ONE-YEAR RENEWAL OF THE LEASE WITH MOUNTAIN VIEW FARMS OF VIRGINIA, L.C., A VIRGINIA LIMITED LIABILITY COMPANY, AS TENANT, FOR THAT CERTAIN REAL PROPERTY (BEING A PORTION OF GPIN 1356-80-4414) OF THE AUTHORITY, CONTAINING APPROXIMATELY 30 ACRES AND FRONTING ON STATELINE BRIDGE ROAD, IN THE AUTHORITY’S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL PROJECT, IN PITTSYLVANIA COUNTY, VIRGINIA, FOR THE PURPOSE OF PLANTING AND HARVESTING SOD, SOYBEANS, AND/OR OTHER COVER CROPS, BUT NOT TOBACCO, AT A TOTAL RENTAL FEE OF \$1,200; SUCH RENEWAL ALSO INCLUDES A 60-DAY EARLY TERMINATION RIGHT AND RIGHT TO SHOW THE PROPERTY TO BUSINESS RECRUITS OF THE AUTHORITY

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, Mountain View Farms of Virginia, L.C., a Virginia limited liability company (“**Mountain View**”), entered into that certain Lease Agreement with the Authority, dated as of January 15, 2012, as last renewed by that certain 2019 Lease Renewal Agreement dated as of January 1, 2019 (the “**Current Lease**”), to lease certain real property (being a portion of GPIN 1356-80-4414) of the Authority, containing approximately thirty (30) acres and fronting on Stateline Bridge Road, in Pittsylvania County, Virginia (the “**Property**”), for the extended period beginning on January 1, 2019 and ending on December 31, 2019, for planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, and any other purposes approved by the Authority, for a total rental fee of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00); and

WHEREAS, Mountain View desires to renew the Current Lease, which shall otherwise expire on December 31, 2020, for an additional one (1) year term beginning on January 1, 2020 and ending on December 31, 2020; and consistent with similar leases by the Authority, the Authority shall have a 60-day early termination right and the right to show the Property to business recruits, the identities of whom Mountain View would keep confidential until a public announcement is made by the Authority; and

WHEREAS, the Farm Service Agency of the United States Department of Agriculture has determined that fair market value rent for the Property is Forty and 00/100 Dollars (\$40.00) per acre; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to renew the Current Lease for an additional one (1) year term at a Base Rent (as defined in the Current Lease) of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00), with additional rights of the Authority consistent with its other similar leases, and otherwise on the same terms and conditions as the Current Lease; and

Resolution No. 2020-01-13-5B

WHEREAS, the terms of the lease renewal are set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Lease Renewal**”).

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Lease Renewal as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Lease Renewal on behalf of the Authority, such execution of the Lease Renewal by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

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 Lease Renewal, 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 Lease Renewal 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 January 13, 2020, 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 January 2019.

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

(SEAL)

Resolution No. 2020-01-13-5B

Exhibit A

(2020 Lease Renewal Agreement – Mountain View Farms, L.C.)

2020 LEASE RENEWAL AGREEMENT

THIS 2020 LEASE RENEWAL AGREEMENT (this “**Lease Renewal**”) is made as of the 1st day of January 2020, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“**Landlord**”); and **MOUNTAIN VIEW FARMS OF VIRGINIA, L.C.**, a Virginia limited liability company (“**Tenant**”).

WITNESSETH:

That for and in consideration of the mutual promises and covenants contained in this Lease Renewal, the parties agree as follows:

Section 1 – Recitals. The parties recite the following: Landlord and Tenant entered into that certain Lease Agreement dated as of January 15, 2012 (the “**Lease**”), as last extended by that certain 2019 Lease Renewal Agreement dated as of January 1, 2019, for lease of the Property, for the extended period beginning January 1, 2019 and ending on December 31, 2019 (the “**Current Extended Term**”). Landlord and Tenant desire to enter into this Lease Renewal to further extend the term of the Lease. The GPIN for the Property (as defined in the Lease) is 1356-80-4414.

Section 2 – Renewal Term. Following the end of the Current Extended Term, the term of the Lease shall continue for a term beginning on January 1, 2020 and ending on December 31, 2020 (the “**Renewal Term**”), unless sooner terminated as provided in the Lease. Prior to the end of the Renewal Term set forth herein, Landlord shall have the right to terminate the Lease upon giving at least sixty (60) days prior written notice to Tenant, in which event Landlord shall reimburse Tenant for a pro rata portion of the Base Rent covering the period between the date of termination and December 31, 2020.

Section 3 - Rent Payment. For the Renewal Term, Tenant agrees to pay to Landlord a base rent (“**Base Rent**”) for the Property in the amount of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00), due and payable by Tenant to Landlord on the date this Lease Renewal is executed by Tenant.

Section 4 – Right to Show the Property. At any time during the Renewal Term set forth herein, Landlord shall have the right, upon twenty-four (24) hours’ notice to Tenant (which can be by telephone or by e-mail), to enter upon and to show the Property (as defined in the Lease and in this Lease Renewal) to prospective business recruits (the “**Recruits**”). Tenant agrees to keep in strictest confidence the identity of any Recruits until a public announcement is made by Landlord, if ever, or as otherwise required by law.

Section 5 - Entire Agreement. The Lease and this Lease Renewal contain the entire agreement and understanding of the parties with respect to the transactions contemplated hereby; and the Lease and this Lease Renewal supersede all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 6 - Interpretation. All of the terms, covenants and conditions of the Lease shall continue in full force and effect, and the same are hereby reaffirmed, remade and rewritten, except to the extent that any such terms, covenants or conditions have been nullified hereby or conflict or are inconsistent with the terms of this Lease Renewal, in which event the terms of this Lease Renewal shall, in all respects, govern and prevail.

Section 7 - Defined Terms. The capitalized terms of this Lease Renewal that are not defined herein shall be defined as set forth in the Lease.

[SIGNATURES ON FOLLOWING PAGE.]

WITNESS the following signatures to this **2020 LEASE RENEWAL AGREEMENT**:

Landlord:

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

By: _____
_____, Chairman

Tenant:

MOUNTAIN VIEW FARMS OF VIRGINIA, L.C., a Virginia limited liability company

By: _____
Title: _____

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5C
Meeting Date:	January 13, 2020
Subject:	Financial Status Reports – December 31, 2019
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through December 31, 2019 will be provided at the meeting. The financial status reports as of December 31, 2019 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of December 31, 2019 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2020
- C. SVMS at Berry Hill – Funding Other than Bond Funds
- D. SVMS at Berry Hill – Lot 4 Site Development
- E. SVMS at Berry Hill – Lot 8 Site Development
- F. SVMS at Berry Hill – Water & Sewer
- G. Rent, Interest, and Other Income Realized
- H. Monthly Checks
- I. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of December 31, 2019

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
Funds from bond issuance	\$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost ⁷	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
Cane Creek Parkway ³		\$3,804,576.00	\$3,724,241.16	\$ -	
Swedwood Drive ²		69,414.00	69,414.00	-	
Cane Creek Centre entrance ³		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4, 5}		79,381.00	48,126.62	31,254.38	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	232,410.83	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	345,194.30	-	
Total	\$ 7,578,582.12	\$ 4,318,640.12	\$ 7,529,420.28	\$ 31,254.38	<u><u>\$ 17,907.46</u></u>

Notes:

¹ Dewberry Contracts consist of wetland, engineering, surveying and site preparation

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

³ Project completed under budget

⁴ 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.

⁴ 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.

⁵ 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.

⁶ 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.

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

Road Summary-Cane Creek Parkway:

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
Total Road Contract Allocated to RIFA	\$ 5,271,916.00

Funding Summary - Cane Creek Parkway

VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	\$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2020

As of December 31, 2019

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 25,000.00				
County Contribution	25,000.00				
Carryforward from FY2019	4,434.23				
Transfer from Unrestricted Fund Balance	200,000.00				
Contingency					
Miscellaneous contingency items		\$ 24,154.23	\$ 11,200.01	\$ -	\$ 12,954.22
Total Contingency Budget		<u>24,154.23</u>	<u>11,200.01</u>	<u>-</u>	<u>12,954.22</u>
Legal		200,000.00	101,322.34	-	98,677.66
Accounting		22,175.00	21,750.00	-	425.00
Annual Bank Fees		605.00		-	605.00
Postage & Shipping		100.00		-	100.00
Meals		4,000.00	1,681.05	-	2,318.95
Utilities		400.00	122.80	-	277.20
Insurance		3,000.00	2,337.00	-	663.00
Total		<u>\$ 254,434.23</u>	<u>\$ 138,413.20</u>	<u>\$ -</u>	<u>\$ 116,021.03</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of December 31, 2019

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1,4}	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 ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
TIC #2264 - Phase II Land and Engineering	3,700,000.00				
Land					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property ²		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	-	
401 Buford Road		246,082.96	246,082.96	-	
Off State Road 1055		181,890.19	181,890.19	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis ³		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney ⁷		115,000.00	103,796.85	-	
Dewberry Engineers (related to #2264)		784,500.00	160,500.00	624,000.00	
Dewberry Engineers		78,950.00	44,125.00	34,825.00	
Appalachian Power Company		1,655,000.00	380,000.00	1,275,000.00	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
Total	\$ 17,931,524.83	\$ 17,177,947.98	\$ 15,241,152.27	\$ 1,936,795.71	\$ 753,576.85

¹ 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.

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

³ 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.

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

⁵ 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.

⁶ 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.

⁷ Unencumbered the remaining \$11,203.15 due to termination of contract.

⁸ As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Lot 4 Site Development
As of December 31, 2019

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget ³	11,203.15				
Expenditures					
Dewberry Engineers Inc.		1,707,562.81	1,617,062.81	90,500.00	
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		11,860.00	11,860.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,250,475.11	4,243,151.21	7,323.90	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		1,578,000.00	-	1,578,000.00	
Transfers to "General Expenditures Fiscal Year 2015" Contingency ³					
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)	-	
Total	\$ 7,900,356.15	\$ 7,697,130.21	\$ 6,021,306.31	\$ 1,675,823.90	\$ <u>203,225.94</u>

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

² 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.

³ As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lot 8 Site Development

As of December 31, 2019

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
TIC #3358 Site Improvements for Project Lignum					
Tobacco Commission Grant	\$ 2,624,800.00				
Expenditures					
Dewberry Engineers Inc.		89,300.00	82,800.00	6,500.00	
Total	\$ 2,624,800.00	\$ 89,300.00	\$ 82,800.00	\$ 6,500.00	\$ <u>2,535,500.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of December 31, 2019

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
TIC #2641 Phase I Sanitary Sewer					
Tobacco Commission Grant 2641	\$ 4,908,240.00				
Local Match for Contractual Services	282,400.00				
Local Match for Property & Imp.	262,960.00				
TIC #3011 Water System Improvements Phase II					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Imp.	224,160.00				
Expenditures					
Dewberry Engineers Inc.		371,015.31	312,110.31	58,905.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
C.W. Cauley & Son - Phase 1 Water		1,843,540.00	751,222.00	1,092,318.00	
Norfolk Southern Railway Company		22,300.00	22,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		7,900.00	7,900.00	-	
AECOM		5,000.00	5,000.00	-	
BH Media Group, Inc.		296.00	296.00	-	
Danville Register & Bee		600.00	600.00	-	
Total	\$ 7,919,327.00	\$ 7,344,794.61	\$ 6,193,571.61	\$ 1,151,223.00	<u>\$ 574,532.39</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Rent, Interest, and Other Income Realized for Fiscal Year 2020
As of December 31, 2019

<i>Source of Funds</i>	<u>Funding</u>			<u>Expenditures</u> <u>FY2020</u>	<u>Unexpended /</u> <u>Unencumbered</u>
	<u>Carryforward</u> <u>from FY2019</u>	<u>Receipts</u> <u>Current</u> <u>Month</u>	<u>Receipts</u> <u>FY2020</u>		
<i>Carryforward</i>	\$ 726,050.44				
<i>Current Lessees</i>					
Institute for Advanced Learning and Research (IALR) ¹		\$ 25,412.50	\$ 152,475.00		
Capital Outdoor, Inc.			2,000.00		
<i>Total Rent</i>		<u>\$ 25,412.50</u>	<u>\$ 154,475.00</u>		
<i>Interest Received</i> ²		\$ 571.46	\$ 2,326.31		
<i>Miscellaneous Income</i>		\$ -	\$ 871,056.66		
<i>Expenditures</i>					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 127,062.50	
Transfer to General Expenditures budget				\$ 200,000.00	
Disbursements for Gerfertec incentives				\$ 25,376.00	
Disbursements for Harlow Fastech incentives				\$ 289,235.62	
Refunded fees				\$ 10,000.00	
<i>Totals</i>	<u>\$ 726,050.44</u>	<u>\$ 25,983.96</u>	<u>\$ 1,027,857.97</u>	<u>\$ 651,674.12</u>	<u>\$ 1,102,234.29</u>
				Restricted ¹	\$ 339,107.56
				Unrestricted	\$ 240,362.35
				Committed	\$ 522,764.38

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

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

Danville-Pittsylvania Regional Ind. Facility Authority
Check Detail
December 2019

Check Number	Date	Vendor Name	Paid Amount
1063	12/09/2019	Dewberry Engineers Inc.	\$ 695.00
1064	12/09/2019	Christian & Barton, LLP	\$ 34,333.00
2298	12/09/2019	IALR	\$ 492.83
2299	12/09/2019	IALR	\$ 25,412.50
2300	12/09/2019	Brown, Edwards & Company	\$ 5,000.00
2301	12/09/2019	Clement & Wheatley	\$ 150.00
2302	12/09/2019	Brown, Edwards & Company	\$ 11,750.00
2303	12/09/2019	Enviva Development Holdings LLC	\$ 10,000.00
2304	12/09/2019	Dewberry Engineers Inc.	\$ 80,835.00
2305	12/09/2019	Christian & Barton, LLP	\$ 67,510.84
			<u>\$ 236,179.17</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position ^{1, 2}
December 31, 2019*

	Unaudited FY 2020
Assets	
<i>Current assets</i>	
Cash - checking	\$ 591,049
Cash - money market	802,818
<i>Total current assets</i>	1,393,867
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	55,662
Restricted cash - debt service fund CCC bonds	505,159
Capital assets not being depreciated	23,832,535
Capital assets being depreciated, net	22,505,505
Construction in progress	14,628,421
<i>Total noncurrent assets</i>	61,527,282
Total assets	62,921,149
Liabilities	
<i>Current liabilities</i>	
Bonds payable - current portion	869,740
<i>Total current liabilities</i>	869,740
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	1,675,000
<i>Total noncurrent liabilities</i>	1,675,000
Total liabilities	2,544,740
Net Position	
Net investment in capital assets	58,477,383
Restricted - debt reserves	505,159
Unrestricted	1,393,867
Total net position	\$ 60,376,409

¹ 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.

² 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.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
December 31, 2019*

	Unaudited FY 2020
Operating revenues	
Rental income	155,950
Other Income	777,799
Total operating revenues	933,749
 Operating expenses ⁴	
Mega Park expenses ³	1,645,215
Cane Creek Centre expenses ³	53,797
Cyber Park expenses ³	441,669
Professional fees	74,397
Other operating expenses	28,562
Total operating expenses	2,243,640
 Operating income (loss)	(1,309,891)
 Non-operating revenues (expenses)	
Interest income	8,012
Interest expense	(7,323)
Total non-operating expenses, net	689
 Net income (loss) before capital contributions	(1,309,202)
 Capital contributions	
Contribution - City of Danville	894,760
Contribution - Pittsylvania County	394,760
Total capital contributions	1,289,520
 Change in net position	(19,682)
 Net position at July 1, 2019	60,396,091
 Net position at December 31, 2019	\$ 60,376,409

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

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

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
December 31, 2019*

	Unaudited FY 2020
Operating activities	
Receipts from leases	\$ 152,473
Other receipts	777,382
Payments to suppliers for goods and services	(2,436,125)
Net cash used by operating activities	(1,506,270)
Capital and related financing activities	
Capital contributions	1,289,520
Interest paid on bonds	(26,302)
Principal repayments on bonds	(925,000)
Net cash provided by capital and related financing activities	338,218
Investing activities	
Interest received	8,012
Net cash provided by investing activities	8,012
Net increase (decrease) in cash and cash equivalents	(1,160,040)
Cash and cash equivalents - beginning of year (including restricted cash)	3,114,728
Cash and cash equivalents - through December 31, 2019 (including restricted cash)	\$ 1,954,688
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ (1,309,891)
Changes in assets and liabilities:	
Change in prepaids	254
Change in accounts payable	(192,741)
Change in unearned income	(3,892)
Net cash used by operating activities	\$ (1,506,270)

Components of cash and cash equivalents at December 31, 2019:	
American National - Checking	\$ 591,049
American National - General money market	802,818
Wells Fargo - \$7.3M Bonds CCC Debt service fund	505,159
Wells Fargo - \$7.3M Bonds CCC Project fund	55,662
	\$ 1,954,688

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5D
Meeting Date:	01/13/2020
Subject:	Resolution 2020-01-13-5D
From:	Chairman

SUMMARY

Resolution 2020-01-13-5D in Recognition of Service of Telly D. Tucker to the Authority.

ATTACHMENT

Resolution 2020-01-13-5D will be provided at the meeting.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 6ABC
Meeting Date:	01/13/2020
Subject:	Closed Session
From:	Chairman

- 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 Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre 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.
- 6D. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- 6E. Motion to Certify Closed Meeting.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 7
Meeting Date: 01/13/2020
Subject: Communications
From: Staff

Amendment to Purchase and Sale Agreement – Enviva Development Holdings, LLC, a Delaware limited liability company – Corrie Teague Bobe, Acting Director of Economic Development, City of Danville, and Mr. Guanzon

Update on Weatherford Property Acquisition – Matthew D. Rowe, Director of Economic Development, Pittsylvania County, and Mr. Guanzon