

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

March 9, 2020

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:06 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 Vice Chairman Fred O. Shanks, III, Sherman M. Saunders and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Robert W. Warren, Ronald S. Scarce and Alternate Vic Ingram.

City/County staff members attending were: County Administrator David Smitherman, City of Danville Interim 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 Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden from Dewberry, and City Council Member Madison Whittle.

**PUBLIC COMMENT PERIOD**

No one present desired to be heard.

**APPROVAL OF MINUTES OF THE FEBRUARY 10, 2020 MEETING**

Upon **Motion** by Mr. Saunders and **second** by Mr. Shanks, Minutes of the February 10, 2020 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

**5A. CONSIDERATION OF RESOLUTION NO. 2020-03-09-5A APPROVING AMENDMENT NO. 29 WITH DEWBERRY ENGINEERS**

Shawn Harden from Dewberry explained this item was for further archeological studies in support of the Quest Site Certification, as well as for due diligence items needed once those properties are developed. Mr. Guanzon noted the max fee will be \$445,300 and everything was available through grant money with the exception of \$130,000; that part of the work may or may not be needed. In case it ends up being needed, either Mr. Adkins, as Treasurer, will say there was grant money available, and/or there was a line item in the budget that would cover the \$130,000. This Resolution would authorize Mr. Adkins to release and pay those funds; it does not have to come back to the Board for approval.

Mr. Scarce **moved** for adoption of *Resolution No. 2020-03-09-5A, approving that certain Amendment No. 29, dated February 24, 2020, to contract dated February 9, 2009, with Dewberry Engineers Inc., a New York corporation, for professional services related to the Mega Park Master Plan, to provide additional cultural resources due diligence services to the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, at a lump sum fee of up to \$445,300.00 of which \$342,300.00 is to be funded by the Major Employment and Investment Project Site Planning grant from the Virginia Economic Development Partnership.*

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

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

**5B. CONSIDERATION OF RESOLUTION NO. 2020-03-09-5B APPROVING THE PROPOSED BUILDING IMPROVEMENTS TO LOTS 3C AND 3D**

Pittsylvania County Director of Economic Development Matt Rowe explained Karen Hayes, Deputy Director of Community Development for the County was unable to attend this meeting. This item was for the approval, per RIFA standards, of the Aerofarms Building, on Lots 3A and 3B in the Cane Creek Centre. The Board has been provided floor plans, building renderings and site plans of the property, and must approve each project based upon architectural and review standards, and make sure it was in conformance with the Park. Ms. Hayes has provided a memo to the Board. Mr. Rowe explained the proposed building plan has already been submitted and Ms. Hayes has found it to be in compliance with the Cane Creek Covenants, and Stormwater, and Erosion and Sediment Control plans have been approved. The Building Plan will need to be submitted to the Code Officials; once the building's plans have been submitted and approved, the project should have a groundbreaking in the next 45-60 days. Mr. Rowe noted the investment for the project has increased from about \$42M up to \$55M, and it was his understanding they would like to have the building completed by the end of this year.

Mr. Guanzon stated the lots were first drawn up as 3A and 3B, they are now 3A, 3B, 3C and 3D, so they are all the same part. This was a two part review process; the County, in its zoning capacity will review it to say it meets all the codes; then the County, on behalf of RIFA, separate and independent of that, will then make a recommendation to say that the proposed building meets the standards under the restrictive covenants of Cane Creek. In the Restrictive Covenants, there was a reference to the architectural review board, and that board was the RIFA board.

Mr. Shanks questioned the conservation easements, who will own those. Mr. Harden noted in order to meet the Stormwater Management Regulations for DEQ, staff has replaced some of the undeveloped areas in the conservation easements; they will be owned by RealtyLink. Mr. Warren questioned Mr. Rowe, noting the investment number went up, did that change the job number at all. Mr. Rowe noted that was still being negotiated, he believes the company was looking at potentially adding research components.

Mr. Saunders **moved** for adoption of *Resolution No. 2020-03-09-5B, approving the proposed building improvements to Lots 3C and 3D (Pittsylvania County GPINs 2347-46-9915 and 2347-35-9589), formally known as Lots 3A and 3B, in the Authority's Cane Creek Centre Industrial Park located in Pittsylvania County, Virginia, that will be developed by RealtyLink Investments, LLC, a South Carolina limited liability company, or one of its affiliates.*

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)

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**5E. FINANCIAL STATUS REPORTS AS OF FEBRUARY 29, 2020**

Mr. Adkins gave the Financial Status report as of February 29, 2020, beginning with the \$7.3M Cane Creek Bonds, which showed two expenditures for the month of February, the first was \$5,691 for Christian & Barton for legal services, and \$2,000 to Dewberry for the Lot 3 Environmental Survey. General Expenditures show RIFA reimbursed legal services for a combined total of \$20,095 paid to Christian & Barton and Clement Wheatley, \$296 for meals and \$31 for the monthly utility bill. Funding Other than Bonds for the Mega Site showed RIFA expended \$361,897 to Clement Wheatley for settlement on a property purchase at 604 Buford Road. Lot 4 Site Development, Lot 8 Site Development, and Water and Sewer showed no activity for the month of February. Rent, Interest and Other Income showed RIFA received \$785 in interest income, paid \$25,412 to the Institute for the Hawkins' Building maintenance and paid \$16,363 to Gerfertec for part of the agreement to reimburse them for training on their equipment. Page 37 was a recap of the expenditures for February.

Mr. Shanks **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.]*

At 12:19 p.m. Mr. Searce **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 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

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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.

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)

D. On **Motion** by Mr. Searce and **second** by Mr. Saunders and by unanimous vote at 1:35 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. Shanks and carried by the following vote:

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

## **7. COMMUNICATIONS**

Entrance Sign Update – Mr. Rowe noted staff, in the past, had brought to the Board a proposal for signage at the Mega Site. Given the increased activity at the site, staff finds it important to have identification signage at either end of the park; staff has secured funding to pay for the improvements. The logo and design had been narrowed down by staff and the Board, and staff was looking for approval to move forward with bidding out the signage concept to third party sign developers, up to the amount of \$100,000. That will allow staff to have that threshold, and they can negotiate based upon the deliverables. Mr. Vogler noted his support of this item, it was important for the branding and marketing of the park. Mr. Guanzon noted

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they will need to do a contract; staff will need to come back and have the Board approve and ratify it.

Mr. Guanzon explained the next meeting would have been scheduled for Monday, April 13, 2020; that was Easter Monday and the City was closed. The next RIFA meeting will be on Tuesday, April 14<sup>th</sup>. Also, this room was supposed to be in the process of being renovated, staff will keep the board posted on which room the meeting will take place.

Ms. Bobe noted there was a request discussed during the pre-RIFA meeting, from Harlow. They have made a request to adjust for access to funding for their Performance Agreement. Their Agreement allowed up to \$75,000 to cover their rental payments at the Institute. Due to adjusted lease rates, they did not spend the entire amount, and have about \$16,000 left. The rental payments were to cover up to \$75,000, but for one year; their lease began in December of 2018 and completed in December 2019. They are asking if they could now, moving into the high bay space next to the Gene Haas center, apply the remaining \$16,000 balance to the new lease. Mr. Shanks questioned if they are ahead of schedule and Mr. Warren noted it was his understanding that RIFA authorized up to \$75,000, RIFA was able to get a better rate, now they want RIFA to still give them \$75,000. They received their one year free lease. Mr. Searce noted he was in agreement with the one year free lease, RIFA does not need to provide extra money. Mr. Guanzon stated he believed the Board should do an official vote.

Mr. Shanks **moved** that the Board stay with their original agreement of one year free lease for the Harlow Group. 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)

Meeting adjourned at 1:44 p.m.

APPROVED:

s/ Fred O. Shanks, III  
Vice Chairman

s/Susan M. DeMasi  
Secretary to the Authority