

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

February 8, 2021

12:00 P.M.

**Institute for Advanced Learning and Research
150 Slayton Avenue, Room 207
Danville, Virginia**

County of Pittsylvania Members

**Ronald S. Scarce, Vice Chairman
Robert W. Warren
Vic Ingram, Alternate**

City of Danville Members

**Sherman M. Saunders, Chairman
J. Lee Vogler, Jr.
Dr. Gary P. Miller, 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 AND CONFIRMATION OF MEETING LOGISTICS

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 JANUARY 11, 2021 MEETING

5. NEW BUSINESS

- A. Consideration of Resolution No. 2020-02-10-5A, 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 – Matthew D. Rowe, Director of Economic Development, Pittsylvania County and Michael C. Guanzon, Christian & Barton, LLP, legal counsel to the Authority.
- B. Consideration of Resolution No. 2021-01-11-5B approving the negotiation, execution and delivery of a Ground Lease with the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, for a portion of that certain real property containing approximately 20.20 acres (part of Pin 76441), commonly known as Lot 12C, in the Authority's Cyber Park Project, located in the City of Danville, Virginia, under which the lessee, at its expense, would cause to be installed an approximately 30,000 square feet building and related parking lot and driveway - Corrie Bobe, Director of Economic Development, City of Danville and Michael C. Guanzon, Christian & Barton, LLP, legal counsel to the Authority.
- C. Financial Status Reports as of January 31, 2021 – Michael L. Adkins, CPA, Treasurer of the Authority, and Henrietta Weaver, CPA, City of Danville, Virginia *[via Conference Line: +1 (646) 558-8656 and Meeting ID: 988 8048 3894]*

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

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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

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	02/08/2021
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, January 11, 2021 Meeting.

ATTACHMENTS

Meeting Minutes – 01/11/2021

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 11, 2021

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:05 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Sherman M. Saunders, Vice Chairman J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman Robert W. Warren, Ronald S. Scarce, and Alternate Vic Ingram.

City/County staff members attending were: City Manager Ken Larking, Pittsylvania County Administrator David Smitherman, Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry. *City of Danville Director of Finance/Authority Treasurer Michael Adkins, City of Danville Accountant Henrietta Weaver, and Brown, Edwards Auditor Chris Murray attended the meeting electronically.*

Chairman Robert W. Warren presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE DECEMBER 14, 2020 MEETING

Upon **Motion** by Mr. Vogler and **second** by Mr. Scarce, Minutes of the December 14, 2020 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

Mr. Warren requested a **Motion to Amend the Agenda** to add Resolution 2021-01-11-5F; Mr. Vogler **moved** to add Resolution 2021-01-11-5F, the Motion was **seconded** by Mr. Scarce and carried by the following vote:

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

NEW BUSINESS

5A. ELECTION AND REAPPOINTMENT OF OFFICERS FOR CALENDAR YEAR 2021

Authority Attorney Michael Guanzon explained under the by-laws, the Chairmanship and Vice Chairmanship rotate. An election was needed to elect a Chairman from the City and a Vice Chairman from the County.

1. Election of Chairman from Danville City Member Locality (see Bylaws, Article VI, paragraph 1).

Mr. Warren opened the floor for nominations for Chairman. Mr. Vogler **nominated** Sherman Saunders for Chairman of the Authority stating Mr. Saunders has said that he will nominate Mr. Vogler for Chairman in 2023; the Motion was **seconded** by Mr. Scarce and carried by the following vote:

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

Mr. Warren handed the meeting over to Mr. Saunders. Mr. Saunders thanked all the Board Members for their support, and looked forward to continuing moving the region forward.

2. Election of Vice Chairman of the Authority from the Pittsylvania County Member Locality (see Bylaws, Article VI, paragraph 4).

Mr. Saunders requested a Motion for Vice Chairman of RIFA. Mr. Warren noted it was with great honor and respect he would nominate **Ronald Searce** as Vice Chairman of RIFA; the Motion was **seconded** by Mr. Vogler and carried by the following vote:

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

3. Reappointment of the Secretary from the Authority's Staff

Mr. Saunders requested a Motion for the reappointment of the Secretary. Mr. Vogler **moved** to reappoint Susan DeMasi as secretary of the Authority; the Motion was **seconded** by Mr. Warren and carried by the following vote:

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

4. Reappointment of the Treasurer from the Authority's Staff

Mr. Saunders requested a Motion for the reappointment of the Treasurer. Mr. Warren **moved** to reappoint Michael Adkins as Treasurer of the Authority; the Motion was **seconded** by Mr. Vogler and carried by the following vote:

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

5B. CONSIDERATION OF RESOLUTION NO. 2021-01-11-5B, APPROVING A SECOND AMENDMENT TO THE CERTAIN DECLARATION OF PROTECTIVE COVENANTS OF THE AUTHORITY'S CANE CREEK CENTRE

Mr. Guanzon explained this was to approve a Second Amendment to the Restrictive Covenants for Cane Creek Centre. The staff reviewed and made sure the Restrictive Covenants protected the land, and added a few technical corrections regarding the Architecture Review Committee. Also the restrictions would end soon, and this was to extend them further since the Park was still being developed. There were technical requirements with respect to lighting in the park, those types of revisions, and they will have to be approved by some of the other owners in the Park.

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Mr. Vogler **moved** for adoption of *Resolution No. 2021-01-11-5B, Approving a Second Amendment to that Certain Declaration of Protective Covenants of the Authority's Cane Creek Centre, dated July 12, 2005, and Recorded in the Clerk's Office of the Circuit Court of the County of Pittsylvania, Virginia, (the "County Clerk's Office"), as Instrument No. 05-06158, in Deed Book 1505, at Page 237, and Recorded in the Clerk's Office of the Circuit Court of the City of Danville, Virginia, (the City Clerk's Office) as Instrument No. 05-4233, at Page 189, as amended by that Certain Amendment to Declaration of Protective Covenants, dated April 24, 2012, Recorded in the County Clerk's Office as Instrument No. 12-03321, at Page 104, and Recorded in the City Clerk's Office as Instrument No. 12-1999, at Page 1, as Supplemented by that Certain Supplement to Declaration of Protective Covenants, dated January 13, 2014, and Recorded in the County Clerk's Office as Instrument No. 14-00362, at Page 01, and Recorded in the City Clerk's Office as Instrument No. 14-191, as Page 24, as Further Supplemented by that Certain Supplement to Declaration of Protective Covenants, dated February 9, 2015, and Recorded in the County Clerk's Office as Instrument No. 15-0596, at Page 01, and Recorded in the City Clerk's Office as Instrument No. 15-530, as such Amended Restrictions Pertain to (i) the Review Committee and its Limited Liability, (ii) Sediment and Erosion Control, (iii) Minimum Building Square Footage, (iv) Exterior Lighting, (v) Extension of the Term for an Additional Ten (10) Years, (vi) Minimum Tree Planting, and (vii) Flood Lighting.*

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

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

5C. CONSIDERATION OF RESOLUTION NO. 2021-01-11-5C, AUTHORIZING A PERFORMANCE AGREEMENT FOR A \$200,000 AFID GRANT FOR JUST GREENS, LLC, DOING BUSINESS AS AEROFARMS

Pittsylvania County Director of Economic Development Matt Rowe explained this Resolution was authorizing the Chairman of RIFA to execute an AFID Performance Agreement, an Agriculture, Forestry, Industrial Development Grant from the Virginia Department of Agriculture and Consumer Services for the benefit of Just Greens, which was Aerofarms. As always with Pittsylvania County projects, the funds will not be provided to the company until the Performance was met. Mr. Rowe noted he has spoken with the company, they have gone ahead and paid the Extension Fee for the property and they have all intentions of moving forward with the project in the near future.

Mr. Guanzon noted under this type of grant through the Department of Agriculture, they would require the Company to purchase certain Virginia based agricultural products or make certain investments of capital within the term period. It was keeping the investment and money within the Commonwealth which was what this program was about.

Mr. Vogler **moved** for adoption of *Resolution 2021-01-11-5C, authorizing the Chairman of the Authority to Execute a Performance Agreement for a \$200,000 AFID Grant from Virginia Department of Agriculture and Consumer Services for the Benefit of Just Greens, LLC, a Delaware Limited Liability Company Doing Business as Aerofarms, in Furtherance of that Certain Local Performance Agreement dated April 23, 2020, Approved by Resolution Nos. 2019-12-09-7A and 2020-05-11-5D.*

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

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

5D. PRESENTATION OF THE AUDIT OF THE AUTHORITY'S FINANCIAL STATEMENTS FOR YEAR ENDING JUNE 30, 2020

Chris Murray, CPA with Brown, Edwards presented the Audit for the year ending June 30, 2020 noting the Financial Report was a clean, unmodified opinion again this year. Looking at a few highlights, beginning with the Statement of Net Position, under the Current Assets there was a lot of consistency but a few things to point out. Current Assets, Due from Other Governments, showed about \$1.7M this year compared to zero last year. That relates to the ongoing construction at the Mega Park, amounts that were going to be for work done, and going to be reimbursed by the City or the Tobacco Commission. Under Noncurrent Assets, Restricted Cash dropped to \$80,000 and that was a product of paying down the debt and using Restricted Cash. Construction in Progress continues to grow to over \$19M which was continued growth in the construction of the Mega Park. In Current Liabilities, Accounts Payable Construction shows a significant increase due to the timing of payables, most of it Phase 1 construction; the payables there also drive the Due from Other Governments under Current Assets. Under the Statement of Net Position, there was a significant increase in Unearned Revenues, the majority of that were funds the Authority received and has not yet transferred for Harlow Fastech. Some of that has been transferred or the money used for capital additions but the remainder won't be recognized in Revenue until they finish meeting the performance obligations in their agreement.

Under Statement of Revenue and Expenses, there were some fluctuations based on what incentives were going on at the time. Operating Revenues, Economic Development incentives for the County and Foundation both dropped to zero this year. Nearly all the funds last year related to Unison Tube and Harlow Fastech, but nothing similar to that this year. Looking at the Economic Development Incentives – Other, that increased to over \$770,000; the majority of that increase was \$278,000 TROF funds received for Harlow Fastech. Operating Expenses show big decreases to Economic Development - Cane Creek Centre; last year there was \$1.2M that came under Economic Incentives Revenue for Unison Tube and Harlow Fastech, those were the funds going back out to them.

Going to Required Communication with those Charged with Governance, the letter was required with standard language to let the Authority know what their responsibilities were during the audit, and their responsibilities as the Auditors. It lets the Authority know Brown, Edwards did not have any difficulties during the audit and also identifies any adjustments that were posted during the audit while coordinating with management. In the Comments on Internal Controls, there was a new comment this year, as the Mega Park continues to grow with over \$19M in construction in progress, they made a recommendation to start to plan to develop a future allocation of those costs, To try to avoid, once the park was complete and the potential incentives were starting to happen, RIFA having any stranded costs or overstatement of value incentives, to try and break down the different categories that RIFA might need to consider, such as live costs, utilities, roads, etc. It doesn't have an immediate impact, but they wanted to bring it up because it could be difficult to handle the accounting in a year when RIFA starts dealing with the park being complete. Finally, there was the prior

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year comment regarding segregation of duties, but that was simply because of limited staffing. Neither of the comments would rise to the level of significant deficiency or material weakness.

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

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

5E. FINANCIAL STATUS REPORTS AS OF DECEMBER 31, 2020

Authority Treasurer Michael Adkins gave the Financial Status report as of December 31, 2020 beginning with the Cane Creek Bonds which showed no expenditures for December. General Expenditures for Fiscal Year 2021 show RIFA paid \$25 to the Clerk of the Circuit Court for Recordation Fees, \$274 to the Treasurer of Pittsylvania County for the Tax and Waste Fee for the Weatherford Property, \$150 to Clement & Wheatley for the payment of the legal letter for the year end audit, \$20,021 to Christian and Barton for legal fees, \$12,400 to Brown, Edwards, which was the last payment for RIFA's fiscal year end audit, \$235 for meals and \$31 for monthly utilities. Funding Other than Bonds for Berry Hill shows no activity for the month of December. Lot 1 and 2 Development at Berry Hill had an expenditure of \$33,000 to Dewberry for work under Amendment #30. For Water and Sewer infrastructure at Berry Hill, RIFA expended \$718,158 to Haymes Brothers for Phase 1 work, RIFA received reimbursement from Danville Utilities for their share of the work for \$609,000. Under Rent, Interest and Other Income, RIFA received \$22,817 from the Institute for the Hawkins Building rent, \$1,057 from Pittsylvania County for their share of the monthly rent for Gefertec, and received \$750,000 for Right of Way Acquisition from Mountain Valley Pipeline. Instead of placing that in the Unrestricted Fund Balance, it was put into Committed Balance. Under Expenditures, RIFA paid \$25,148 to the Institute for the Hawkins' maintenance and \$2,115 to the Institute for Gefertec rent.

Mr. Vogler **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, Vogler and Saunders (4)
NAY: None (0)

5F. CONSIDERATION OF RESOLUTION 2021-01-11-5F REGARDING A REVISED CONSERVATION EASEMENT PLAT RELATED TO THE RELOCATION OF THE APCO 69KV LINE

Shawn Harden from Dewberry Engineers explained the relocation of the 69kV line at Berry Hill will be moved to the front of the Phase 1 area. To do that, the Conservation Easement has to be modified along Oak Hill Road; that was part of the Army Corp of Engineers Special Conditions for the Phase 1 construction. They have received approval from the Army Corp to revise the easement, and the plat needs to be revised and recorded. Mr. Guanzon noted Dewberry needs to get in touch with his firm to double check to make sure RIFA doesn't need to get approval from the pipeline. Mr. Harden noted this revision does not affect them; the location of the conservation easement was going to be revised.

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Mr. Warren **moved** for approval of *Resolution 2021-01-11-5F, Authorizing the Chairman of the Authority to Execute, Deliver and Record a Revised Conservation Easement Plat and Related Documents to Facilitate the Relocation of the APCO 69kV Line Supported by Resolutions No. 2018-09-10-5A and 2020-07-13-5D.*

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

VOTE: 4-0
AYE: Warren, Searce, Vogler and 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 12:28 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 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. Vogler and carried by the following vote:

VOTE: 4-0

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AYE: Warren, Searce, Vogler and Saunders (4)

NAY: None (0)

Return to Open Session

On **Motion** by Mr. Warren and **second** by Mr. Vogler and by unanimous vote at 2:09 p.m., the Authority returned to open meeting. (Reinstatement/Unmuting of Conference Line [see Agenda Item 5D above].)

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. Vogler and carried by the following vote:

VOTE: 4-0

AYE: Warren, Searce, Saunders, Vogler (4)

NAY: None (0)

Mr. Warren **moved** to **Amend** the Agenda to Include Resolution 2021-01-11-6F. The Motion was **seconded** by Mr. Vogler.

Mr. Guanzon noted the **Motion** would say:

I hereby move to authorize the Chairman and/or Vice Chairman of the Authority to enter on behalf of the Authority, as reasonably necessary, any and all agreements with Appalachian Power Company, a Virginia public service corporation, to support Pittsylvania County's efforts to cause and to have financed the relocation of the 69kV utility line in the Authority's Southern Virginia Megasite located in Pittsylvania County, Virginia, to the periphery of the Megasite, at a cost of \$4.5M to be paid in 10 years, subject to adjustment for the recruitment of certain large power users in the Megasite within 10 years and subject to appropriation.

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

VOTE: 4-0

AYE: Warren, Searce, Vogler and Saunders (4)

NAY: None (0)

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6F. RESOLUTION 2021-01-11-6F (ADDED TO AGENDA AT MEETING)

Mr. Warren **moved** for approval of *Resolution 2021-01-11-6F, to authorize the Chairman and/or Vice Chairman of the Authority to enter on behalf of the Authority, as reasonably necessary, any and all agreements with Appalachian Power Company, a Virginia public service corporation, to support Pittsylvania County's efforts to cause and to have financed the relocation of the 69kV utility line in the Authority's Southern Virginia Megasite located in Pittsylvania County, Virginia, to the periphery of the Megasite, at a cost of \$4.5M to be paid in 10 years, subject to adjustment for the recruitment of certain large power users in the Megasite within 10 years and subject to appropriation.* [No Written Resolution].

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

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

7. COMMUNICATIONS

Mr. Searce thanked the Board for their votes for him to be Vice Chairman and looks forward to continuing to provide transparency and accountability to the citizens of Southside, they deserve that, and looks forward to continuing on.

Mr. Warren thanked the Board for their support last year as Chairman, it was a privilege to serve on RIFA and serve with the Board.

Mr. Vogler thanked staff for all the hard work they put in, in continuing to move the region forward.

Ms. Bobe noted in 2018, the City of Danville through its Southside allocation was awarded \$1M toward constructing a 30,000 square foot shell building in the Cyber Park. They were intending to move forward with that this year and were working with the contractors to finalize exactly the amount of acreage needed. They intend to come with a request to enter into a lease agreement, at the February meeting, so construction can begin on the facility.

Mr. Bradner gave an update on the utilities at Berry Hill, the work on the Sanitary Sewer, the extension to Eden was complete and the extension of gravity sewer service to Lots 1 and 2 was currently underway and should be completed on schedule.

Meeting adjourned at 2:16 p.m.

APPROVED:

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	02/08/2021
Subject:	Resolution 2021-02-08-5A
From:	Matthew Rowe, Pittsylvania County Director of Economic Development, and Michael C. Guanzon, Esq., Legal Counsel to the Authority

SUMMARY

The Board will be asked to consider Resolution 2021-02-08-5A, approving the annual Lease Renewal with Mountain View Farms.

ATTACHMENTS

Resolution
Lease

Resolution No. 2021-02-08-5A

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 2020 Lease Renewal Agreement dated as of January 1, 2020 (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, 2020 and ending on December 31, 2020, 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, 2021 and ending on December 31, 2021; 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. 2021-02-08-5A

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 February 8, 2021, 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 8th day of February 2021.

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

(SEAL)

Resolution No. 2021-02-08-5A

Exhibit A

(2021 Lease Renewal Agreement – Mountain View Farms, L.C.)

2021 LEASE RENEWAL AGREEMENT

THIS 2021 LEASE RENEWAL AGREEMENT (this “**Lease Renewal**”) is made as of the 1st day of January 2021, 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 2020 Lease Renewal Agreement dated as of January 1, 2020, for lease of the Property, for the extended period beginning January 1, 2020 and ending on December 31, 2020 (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, 2021 and ending on December 31, 2021 (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, 2021.

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 **2021 LEASE RENEWAL AGREEMENT**:

Landlord:

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

By: _____
Sherman M. Saunders, 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 5B
Meeting Date:	02/08/2021
Subject:	Resolution 2021-02-08-5B
From:	Corrie Bobe, City of Danville Director of Economic Development, and Michael C. Guanzon, Esq., Legal Counsel to the Authority

SUMMARY

The Board will be asked to consider Resolution 2021-02-08-5B, approving a Ground Lease with the Danville IDA for Lot 12C in the Cyber Park for installation of a shell building.

ATTACHMENTS

Resolution

A RESOLUTION APPROVING THE NEGOTIATION, EXECUTION AND DELIVERY OF A GROUND LEASE WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, FOR A PORTION OF THAT CERTAIN REAL PROPERTY CONTAINING APPROXIMATELY 20.20 ACRES (PART OF PIN 76441), COMMONLY KNOWN AS LOT 12C, IN THE AUTHORITY'S CYBER PARK PROJECT, LOCATED IN THE CITY OF DANVILLE, VIRGINIA, UNDER WHICH THE LESSEE, AT ITS EXPENSE, WOULD CAUSE TO BE INSTALLED AN APPROXIMATELY 30,000 SQUARE FEET BUILDING AND RELATED PARKING LOT AND DRIVEWAY

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, the County of Pittsylvania, Virginia (the "**County**"), and the City of Danville, Virginia (the "**City**"), in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity; and

WHEREAS, the Authority, in further development of its Cyber Park project ("**Cyber Park**") located in the City, and the Industrial Development Authority of Danville, Virginia (the "**City IDA**"), a political subdivision of the Commonwealth of Virginia, desires to establish a Thirty Thousand Square Feet (30,000 sq. ft.) shell building (the "**Building**"), on Lot 12C (part of PIN 76441) ("**Lot 12C**") in the Cyber Park for the further development and marketing of the Cyber Park to potential business recruits; and

WHEREAS, the Authority desires to enter into a ground lease (the "**Ground Lease**") with the City IDA as lessee, under the following minimum business terms:

- (i) The City IDA, at its expense, shall cause the construction of the Building on Lot 12C, within two (2) years after the date of this Resolution; and
- (ii) the term shall be for the greater of the following: (1) thirty (30) years; or (2) one (1) month after the final payment date of construction financing of the Building; and
- (iii) the rent shall be One Hundred and 00/100 Dollars (\$100.00) per year; and
- (iv) the Ground Lease shall be a triple net lease, where the City IDA shall be responsible for all real estate taxes, insurance, and maintenance and/or utilities, which the City IDA shall have the right to pass through to the ultimate user of Lot 12C during the lease term; and
- (v) the City IDA (or the ultimate user of Lot 12C) shall be responsible for the construction and maintenance of the related parking lot and driveway for access to Lot 12C, where such maintenance requirement is subject to a road maintenance

Resolution No. 2021-02-08-5__

agreement with any future occupants of the surrounding Cyber Park lots who will use such driveway, as more specifically described in the Ground Lease; and

- (vi) At any time after September 1, 2022, or a sooner date that is acceptable to the U.S. Economic Development Administration, the City IDA shall have the right to purchase Lot 12C from the Authority for the purchase price of One Thousand and 00/100 Dollars (\$1,000.00);

and

WHEREAS, each of the Authority, the County and the City finds that the provisions of the Ground Lease and the commitments of the City IDA will promote the expansion of industry by inducing industrial development within the Cyber Park project, and that such development will promote the safety, health, welfare, convenience and prosperity of the citizens of the County and the City; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the citizens of the City and the County, and in furtherance of the development of the Cyber Park project, for the Authority to approve, to negotiate, to execute and to deliver the Ground Lease, as applicable, consistent with this Resolution.

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

1. The Authority hereby authorizes and approves the negotiation, execution and delivery of the Ground Lease as described in this Resolution, 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 Ground Lease and all other related documents to consummate the transaction on behalf of the Authority, such execution of the Ground Lease and related documents 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 Ground Lease, 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 Ground Lease, and the matters contemplated therein or related thereto on before the date of this Resolution is adopted.

- 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 regular meeting duly called and held on February 8, 2021, 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 8th day of February 2021.

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

(SEAL)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5C
Meeting Date:	February 8, 2021
Subject:	Financial Status Reports – January 31, 2021
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through January 31, 2021 will be provided at the meeting. The financial status reports as of January 31, 2021 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of January 31, 2021 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2021
- C. SVM at Berry Hill – Funding Other than Bond Funds
- D. SVM at Berry Hill – Lots 1 & 2 Site Development
- E. SVM at Berry Hill – Water & Sewer
- F. Rent, Interest, and Other Income Realized
- G. Monthly Checks
- H. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of January 31, 2021

	<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}		76,986.46	50,001.62	26,984.84	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	247,837.83	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	347,194.30	-	
Total	\$ 7,578,582.12	\$ 4,316,245.58	\$ 7,548,722.28	\$ 26,984.84	\$ 2,875.00

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 2021

As of January 31, 2021

	<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 FY2020	(50,019.37)				
Transfer from Unrestricted Fund Balance	200,000.00				
Reimbursement from Dominion Energy	35,905.00				
Contingency					
Miscellaneous contingency items		\$ 45,905.00	\$ 3,594.05	\$ -	\$ 42,310.95
Total Contingency Budget		45,905.00	3,594.05	-	42,310.95
Legal		160,080.63	60,384.50	-	99,696.13
Accounting		22,400.00	22,400.00	-	-
Postage & Shipping		100.00		-	100.00
Meals		4,000.00	1,485.69	-	2,514.31
Utilities		400.00	184.20	-	215.80
Insurance		3,000.00	2,353.00	-	647.00
Total		\$ 235,885.63	\$ 235,885.63	\$ 90,401.44	\$ -
					<u>\$ 145,484.19</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of January 31, 2021

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
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	-	
604 Buford Road		361,896.60	361,896.60	-	
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)		160,500.00	160,500.00	-	
Dewberry Engineers		405,090.00	388,915.00	16,175.00	
Appalachian Power Company		1,655,000.00	678,500.00	976,500.00	
Banister Bend Farm, LLC		199,064.00	199,064.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
Total	\$ 18,509,027.97	\$ 17,441,048.58	\$ 16,445,402.87	\$ 995,645.71	\$ 1,067,979.39

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 - Lots 1&2 Site Development

As of January 31, 2021

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<i>Funding</i>					
<i>TIC #3358 Site Improvements</i>					
Tobacco Commission Grant	\$ 2,624,800.00				
<i>Expenditures</i>					
Dewberry Engineers Inc.		379,300.00	115,800.00	263,500.00	
<i>Total</i>	\$ 2,624,800.00	\$ 379,300.00	\$ 115,800.00	\$ 263,500.00	<u>\$ 2,245,500.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of January 31, 2021

	<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	\$ 4,840,977.86				
Local Match for Contractual Services	274,926.43				
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				
City of Danville Utilities	3,839,130.76				
Expenditures					
Dewberry Engineers Inc.		1,019,764.99	736,939.99	282,825.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
Haymes Brothers, Inc. - Phase I Sanitary Sewer (City)		3,225,090.76	1,462,572.40	1,762,518.36	
C.W. Cauley & Son - Phase 1 Water		1,843,540.00	950,565.25	892,974.75	
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	\$ 11,683,722.05	\$ 11,218,635.05	\$ 8,280,316.94	\$ 2,938,318.11	\$ 465,087.00

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized for Fiscal Year 2021

As of January 31, 2021

<i>Source of Funds</i>	<u>Funding</u>		<u>Expenditures</u> <u>FY2021</u>	<u>Unexpended /</u> <u>Unencumbered</u>
	<u>Carryforward</u> <u>from FY2020</u>	<u>Receipts</u> <u>Current</u> <u>Month</u>		
<i>Carryforward</i>	\$ 1,034,570.10			
<i>Current Lessees</i>				
Institute for Advanced Learning and Research (IALR) ¹			\$ 149,350.51	
Mountain View Farms of Virginia, L.C.		1,200.00	1,200.00	
<i>Total Rent</i>		\$ 1,200.00	\$ 150,550.51	
<i>Interest Received</i> ²		\$ 38.76	\$ 394.88	
<i>Miscellaneous Income</i>		\$ 11,057.00	\$ 767,728.60	
<i>Expenditures</i>				
Hawkins Research Bldg. Property Mgmt. Fee			\$ 149,350.51	
Hawkins Research Bldg. Repairs & Maintenance			\$ 868.36	
Transfer to General Expenditures budget			\$ 200,000.00	
Disbursements for Gerfertec incentives			\$ 14,802.69	
Disbursements for Harlow Fastech incentives			\$ 365,000.00	
<i>Totals</i>	\$ 1,034,570.10	\$ 12,295.76	\$ 918,673.99	\$ 730,021.56
				\$ 1,223,222.53

Restricted ¹	\$ 312,826.70
Unrestricted	\$ 13,395.83
Committed	\$ 897,000.00

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
January 2021

<u>Check Number</u>	<u>Date</u>	<u>Vendor Name</u>	<u>Paid Amount</u>
2388	01/11/2021	Haymes Brothers, Inc	243,377.99
2389	01/11/2021	Sellers Brothers, Inc.	1,219.75
2390	01/11/2021	IALR	22,817.05
2391	01/11/2021	IALR	235.17
2392	01/11/2021	IALR	2,114.67
WIRE	01/20/2021	City of Danville	30.70
WIRE	01/22/2021	Harlow Fastech	365,000.00

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position^{1, 2}
January 31, 2021*

	Unaudited FY 2021
Assets	
<i>Current assets</i>	
Cash - checking	\$ 1,144,700
Cash - money market	456,344
<i>Total current assets</i>	1,601,044
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	36,360
Restricted cash - debt service fund CCC bonds	506,163
Capital assets not being depreciated	24,560,850
Capital assets being depreciated, net	22,136,588
Construction in progress	19,115,392
<i>Total noncurrent assets</i>	66,355,353
Total assets	67,956,397
Liabilities	
<i>Current liabilities</i>	
Unearned income	600
Economic development payable - current portion	147,000
Bonds payable - current portion	445,000
<i>Total current liabilities</i>	592,600
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	1,675,000
<i>Total noncurrent liabilities</i>	1,675,000
Total liabilities	2,267,600
Net Position	
Net investment in capital assets	63,729,190
Restricted - debt reserves	506,163
Unrestricted	1,453,444
Total net position	\$ 65,688,797

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
*January 31, 2021**

	Unaudited FY 2021
Operating revenues	
Virginia Tobacco Commission Grants	349,339
Rental income	153,425
Other Income	366,992
Total operating revenues	869,756
Operating expenses⁴	
Mega Park expenses ³	1,913,721
Cane Creek Centre expenses ³	12,798
Cyber Park expenses ³	191,059
Professional fees	50,432
Other operating expenses	6,960
Total operating expenses	2,174,970
Operating income (loss)	(1,305,214)
Non-operating revenues (expenses)	
Interest income	395
Total non-operating expenses, net	395
Net income (loss) before capital contributions	(1,304,819)
Capital contributions	
Contribution - City of Danville	1,141,142
Contribution - Pittsylvania County	285,779
Total capital contributions	1,426,921
Change in net position	122,102
Net position at July 1, 2020	65,566,695
Net position at January 31, 2021	\$ 65,688,797

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
January 31, 2021*

	Unaudited FY 2021
Operating activities	
Receipts from grant reimbursement requests	\$ 1,620,691
Receipts from leases	150,550
Other receipts	795,905
Payments to suppliers for goods and services	(3,714,135)
Net cash used by operating activities	(1,146,989)
Capital and related financing activities	
Capital contributions	1,426,921
Interest paid on bonds	(37,496)
Net cash provided by capital and related financing activities	1,389,425
Investing activities	
Interest received	395
Net cash provided by investing activities	395
Net increase (decrease) in cash and cash equivalents	242,831
Cash and cash equivalents - beginning of year (including restricted cash)	1,900,736
Cash and cash equivalents - through January 31, 2021 (including restricted cash)	\$ 2,143,567
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ (1,305,214)
Changes in assets and liabilities:	
Change in other receivables	1,700,265
Change in accounts payable	(1,186,821)
Change in unearned income	(355,219)
Net cash used by operating activities	\$ (1,146,989)

Components of cash and cash equivalents at January 31, 2021:

American National - Checking	\$ 1,144,700
American National - General money market	456,344
Wells Fargo - \$7.3M Bonds CCC Debt service fund	506,163
Wells Fargo - \$7.3M Bonds CCC Project fund	36,360
	\$ 2,143,567

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 6ABCDEF

Meeting Date: 02/02/2021

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; and
- 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; and

RETURN TO OPEN SESSION

- D. Reinstatement/Unmuting of Conference Line.
E. Confirmation of Motion and Vote to Reconvene in Open Meeting.
F. Motion to Certify Closed Meeting.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 7
Meeting Date:	02/02/2021
Subject:	Communications
From:	Chairman

Communications from:

- Board Members
- Staff: