

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
October 17, 2013

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 11:30 a.m. on the above date in the Institute for Advanced Learning and Research, 150 Slayton Avenue, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Vice Chairman Coy E. Harville, James Snead, and alternate Jessie L. Barksdale.

City/County staff members attending were: City Manager Joe King, Interim Pittsylvania County Administrator Otis Hawker, City of Danville Finance Director/Authority Treasurer Barbara Dameron, City of Danville Director of Economic Development Jeremy Stratton, Project Manager Corrie Teague, Assistant County Administrator for Planning & Development Gregory Sides, Governmental Affairs Consultant Linwood Wright, City of Danville Senior Accountant Patricia Conner, Clement & Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

CLOSED SESSION

3A. and B. CLOSED SESSION

Chairman Saunders noted that 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. At 11:31 a.m., Mr. Harville **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the acquisition of real property for a public purpose to develop one of the Authority's projects, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

B. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning two prospective businesses or industries where no previous announcement has been made of their interest in locating or expanding their respective facilities into one of the Authority's projects.

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

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

On **Motion** by Mr. Snead and **second** by Mr. Shanks and by unanimous vote at 11:38 a.m., the Authority returned to open meeting.

Mr. Snead **moved** adoption of the following Resolution:

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

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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: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

3E. CONSIDERATION - RESOLUTION 2013-10-17-3E PERTAINING TO ONE OR MORE ITEMS DISCUSSED IN CLOSED SESSION

Authority Attorney Michael Guanzon noted there are four Resolutions that are available to the public and are on the table.

CONSIDERATION - RESOLUTION 2013-10-17-3E-1 APPROVING A MEMORANDUM OF AGREEMENT

Mr. Harville **moved** adoption of Resolution 2013-10-17-3E-1 *approving that certain Memorandum of Agreement by and among the Authority, the Industrial Development Authority of Danville, Virginia (the "City I.D.A."), and Zeyuan Flooring International Corp., a Virginia Corporation (the "Company"), pertaining to a minimum \$15 Million Capital Investment of the Company and the location by the Company of its Wood Floor Manufacturing and Distribution Business in the Authority's Cane Creek Industrial Park in Pittsylvania County, Virginia, in exchange for certain incentives to be provided by the Authority and the City I.D.A.*

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

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

CONSIDERATION - RESOLUTION 2013-10-17-3E-2 RATIFYING CERTAIN CONTRACTS

Mr. Shanks **moved** adoption of Resolution 2013-10-17-3E-2 *ratifying (i) that certain contract for Purchase of Unimproved Property dated August 26, 2013, by and between the Authority and L.C. Walters for the purchase by the Authority of Lots 15-17, at a total purchase price of \$3,000, such lots to be incorporated into the Authority's Cane Creek Industrial Park to provide part of the site of the facilities to be located and operated thereon by Zeyuan Flooring International Corp., a Virginia Corporation (the "Company"); and (ii) that certain contract for Purchase of Unimproved Property dated August 26, 2013, by and between the*

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Authority and Margaret Parker for the purchase by the Authority of Lots 30-32 and 46-48 at a total purchase price of \$7,500, such lots to be incorporated into the Authority's Cane Creek Industrial Park in support of the facilities to be located and operated thereon by the Company.

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

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

CONSIDERATION – RESOLUTION 2013-10-17-3E-3 – RATIFYING A CONTRACT FOR PURCHASE OF PROPERTY

Mr. Snead **moved** adoption of Resolution 2013-10-17-3E-3 *ratifying that certain contract for Purchase of Unimproved Property dated September 5, 2013, by and between the Authority and Lakeside Farm, Inc., a Virginia corporation for the purchase by the Authority of Lot No. 1, containing 16.82 acres, fronting on Halifax Road, Danville, Virginia (PIN 75066), at a total purchase price of \$164,028.64, such lot to be incorporated into the Authority's Cane Creek Industrial Park.*

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

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

CONSIDERATION – RESOLUTION 2013-10-17-3E-4 – RATIFYING EXCLUSIVE RIGHT TO REPRESENT BUYER AGREEMENT DATED SEPTEMBER 5, 2013

Mr. Harville **moved** adoption of Resolution 2013-10-17-3E-4 *ratifying that certain Exclusive Right to Represent Buyer Agreement dated September 5, 2013, by and between the Authority and Manasco Realty, Inc., a Virginia Corporation doing business as Prudential Manasco Realty ("Broker"), under which Broker will represent the Authority for the property being purchased under Resolution No. 2013-10-17-3E-3, at a Commission Rate of 5% of the Purchase Price.*

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

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

CONSIDERATION – TEMPORARY RECESS

At 11:42 a.m., Mr. Shanks **moved** the Authority move to a Temporary Recess. The Motion was **seconded** by Mr. Harville and **carried** by the following vote:

VOTE: 4-0

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AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

RETURN FROM RECESS

The Authority reconvened at 1:01 p.m.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE SEPTEMBER 9, 2013 MEETING

Upon **Motion** by Mr. Harville and **second** by Mr. Shanks, Minutes of the September 9, 2013 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

8A. UPDATE OF 2013 APPLICATION TO TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION

Assistant County Administrator for Planning & Development Gregory Sides noted that RIFA has submitted the Corp of Engineers permit, comments were received and based on those comments, RIFA is going to be required to do additional work including additional archeological work, market study and new exhibits, and impact analysis that will have to be done as part of the revised permit. There will also be additional wetland delineation and flagging along Berry Hill Road as that is now considered an impact and needs to be in the Corp of Engineers permit. The details will be reviewed and brought back to the next RIFA meeting with a resolution to ask RIFA to ratify the application.

8B. REPORT ON REQUEST FOR PROPOSALS FOR MARKETING ANALYTICAL PLAN

Governmental Affairs Consultant Linwood Wright stated the Authority has chosen a firm in Washington, D.C., Jones, Lang, Lasalle. Mr. Wright noted he received from Tim Eakis of JLL, his comments on the contract proposal that was put together by the Director of Purchasing for City. As there are no substantive changes in it, the Authority should be in a position to enter into a contract with JLL. Mr. Guanzon noted at the next meeting the Authority would consider a ratification of the contract.

8C. FINANCIAL STATUS REPORT AS OF SEPTEMBER 30, 2013

Authority Treasurer Barbara Dameron stated the only expenditure in September for the Cane Creek Centre bonds was \$8,700 for the escrow deposit for land purchases. There are no changes for General Expenses for 2013, however, this will be here until next month when invoices for Clement & Wheatley will be reflected. The General Expenses for 2014 show \$2,200 for Brown, Edwards for partial payment on the audit and approximately \$300 for bills, utilities and bank fees. The Mega Park Funding Other than Bonds shows the final payment to McCallum Sweeney for the Certified Site Program and Dewberry & Davis' budget was increased by \$1,500 for an amendment to mark property lines at the Mega Park. Berry Hill

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Mega Park Lot 4 Development shows no changes for the month of September and under Rent and Interest both the Hawkins' Research Building and Securitas are for two months. For Expenditures, the Property Management Fee for the Hawkins' Building for September was \$3,782.00. The Financial Statements reflect the debt service payment.

Mr. Harville **moved** to accept the Financial Report of September 30, 2013 as presented. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Saunders, Shanks (4)
NAY: None (0)

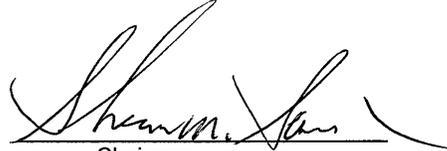
COMMUNICATIONS

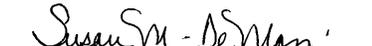
Mr. Saunders reminded the Board that the November meeting will be moved to Thursday, November 14, 2013 as Pittsylvania County will be celebrating Veterans' Day.

Mr. Harville noted he worked with the gas company on Oak Hill Road at the Mega Park, and they have installed new fence panels. The only requirements for RIFA, since they are the property owners, is to post signs. Mr. Harville met with Mr. Hawker who obtained the signs for the fence.

Mr. Guanzon gave a follow up of today's signing ceremony noting the Memorandum of Agreement was signed today, but there will be other documents that need to be negotiated.

MEETING ADJOURNED AT 1:17 P.M.


Chairman


Secretary to the Authority