

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
December 8, 2014

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Member Alternate J. Lee Vogler; Vice Chairman Sherman M. Saunders and Fred O. Shanks, III were absent. Pittsylvania County Members present were Chairman Coy E. Harville, James A. Snead and Alternate Jerry A. Hagerman.

City/County staff members attending were: City Manager Joe King, County Administrator Clarence C. Monday, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Telly Tucker, City of Danville Finance Director/Authority Treasurer Michael Adkins, City of Danville Assistant Director of Finance Patricia Conner, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi.

Also present was Dewberry and Davis Project Manager Shawn Harden.

PUBLIC COMMENT PERIOD

Bruce Hedrick of Southside Central stated his readers have noted one item in the photos he posted is they love Mr. Snead's Christmas tie.

APPROVAL OF MINUTES FOR THE OCTOBER 16, 2014 MEETING

Upon **Motion** by Mr. Snead and **second** by Mr. Vogler, Minutes of the October 16, 2014 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. – UPDATE ON EXISTING INDUSTRIES WITHIN THE AUTHORITY'S PROJECTS

City of Danville Director of Economic Development Telly Tucker gave a brief report to the RIFA board noting that some members attended IKEA's presentation on future expansion plans and a new line is intended for January 2016. Staff does not have specifics as far as capital investment or jobs at this time, but as that information is provided they will update the Board.

5B. CONSIDERATION OF RESOLUTION 2014-12-08-5B

Authority Attorney Michael Guanzon explained the goal for 2014 for the Company was 260 jobs; they were very close at 242, leaving a deficit of 18 jobs. Under the terms of the contract, they would have to pay \$208,363.26, but staff believes it would be appropriate to assist the recruit in making next year's goals by pro rating the amount \$208,363.26 with the deficit of 18, which would be \$801.40 per job, which gives the total of \$14,425.20.

Mr. Tucker noted in the Performance Agreement, there was no provision for pro rating the amount. In research, being consistent with the way other grants are structured through both the Tobacco Commission and Governor's Opportunity Fund and other incentive programs, staff believes that it was fair as the company reached 90% of their employment goal, that the incentive should reflect the 90% and they should pay back the remaining 10%.

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Mr. Vogler **moved** adoption of Resolution No. 2014-12-08-5B, *approving a waiver and forbearance of the full repayment amount due to the Authority in connection with the failure of Yorktowne Cabinetry, Inc. ("Yorktowne") to meet its 2014 job target pursuant to that certain Performance Agreement dated April 19, 2005, as amended, in exchange for the payment by Yorktowne to the Authority by December 31, 2014, of a prorated amount equal to \$14,425.20.*

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

Mr. Harville noted he believed this was a good fit for Yorktowne, that pro rating the amount was appropriate and keeping a good relationship between RIFA and the Company.

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

VOTE: 3-0
AYE: Harville, Snead, Vogler (3)
NAY: None (0)

5C. FINANCIAL STATUS REPORT AS OF NOVEMBER 30, 2014

Authority Treasurer Michael Adkins noted Expenditures through November 30, 2014 for the Cane Creek Bonds shows \$2,738.00 spent to ECS Mid-Atlantic for environmental site assessment for 2998 Tom Fork Road. In addition, RIFA received a refund of \$67.00 for taxes paid on the purchase of Cane Creek properties, the Parker, Walter and Dabbs' properties. General Expenditures through November 30 were \$18,930.00; \$6,507.00 to Clement Wheatley for legal expenses related to July and August and \$11,500.00 to Brown, Edwards for the FY14 Audit. Representatives from Brown, Edwards will be at the January RIFA meeting to review the Audit Report. There was also \$192.00 for a title search fee on a property that RIFA did not purchase, \$672.00 for meals and \$59.00 for utilities. Under Mega Park Funding Other than Bonds, there are no expenditures to report. Berry Hill Lot 4, \$30,128.30 was paid to Dewberry for items covered under Amendments 4-6 and \$1,739.00 to Wetland Studies and Solutions. Rent, Interest and Other Income shows several months of expenditures and revenues: the Authority received \$600 in rent from Securitas and paid \$13,346.00 to the Institute for the Hawkins' Building Property Management.

Mr. Snead **moved** to approve the Financial Report as of November 30, 2014 as presented. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 3-0
AYE: Harville, Snead, Vogler (3)
NAY: None (0)

6. CLOSED SESSION

Mr. Harville noted the Closed Session will be moved to the January meeting and asked for a motion to delete Item 6 from the Agenda.

Mr. Vogler **moved** to delete Item 6 from the Agenda. The Motion was **seconded** by Mr. Snead and carried by the following vote:

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VOTE: 3-0
AYE: Harville, Snead, Vogler (3)
NAY: None (0)

COMMUNICATIONS

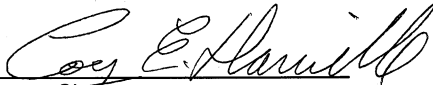
Board Members wished everyone a Merry Christmas. Mr. Harville thanked the Board for the card, prayers and thoughts during his surgery; it was very much appreciated. Mr. Harville reminded the Board and staff of the Audit report in January. The rezoning application for the lots on Tom Fork Road is being processed by the Pittsylvania County Zoning office. Mr. Harville also thanked the staff for all the work they do.


Mr. Tucker noted he does plan to send a letter requesting an extension to the Tobacco Commission on Special Projects Grants 2491 and 2264; those are for utilities, infrastructure and grading respectively. The letter will explain, due to the permitting process through the U.S. Army Corp of Engineers, staff is asking for an extension on the grants to allow RIFA more time to get a permit and proceed with those items.

Mr. Guanzon noted January will be the normal election process, under the by-laws, for Chairman of RIFA.

There were no further communications from Board and Staff.

MEETING ADJOURNED AT 12:30 P.M.


Chairman


Secretary to the Authority