

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 12, 2019

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

City/County staff members attending were: City of Danville Director of Economic Development Telly Tucker, Pittsylvania County Director of Economic Development Matt Rowe, Project Manager Susan McCullough, City of Danville Director of Finance Michael Adkins, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES OF THE OCTOBER 15, 2019 MEETING AND THE OCTOBER 24, 2019 MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Scarce, Minutes of the October 15, 2019 Meeting and October 24, 2019 Special Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2019-11-12-5A AMENDING RESOLUTION 2019-09-09-5E FOR REALTYLINK

Mr. Guanzon noted in September RIFA passed a Resolution to sell Lots 3A and 3B in Cane Creek to RealtyLink. Since that time, RealtyLink has done their due diligence and based on their development plan, asked Dewberry to look at what they needed. They would like to purchase less property, the price would remain the same, which would mean RIFA would have more inventory. This will be Lot 3B and a portion of 3A, and instead of RealtyLink Tennessee LLC, they will use their South Carolina affiliate as the purchaser. RealtyLink, has requested a revised Resolution from the Board specifying these items.

Mr. Warren **moved** for adoption of *Resolution No. 2019-11-12-5A, amending Resolution No. 2019-09-09-5E, by authorizing (i) the substitution of RealtyLink Investments, LLC, a South Carolina limited liability company, for RealtyLink – Tennessee, LLC, a Tennessee limited company, as purchaser and (ii) the exclusion of most of Lot 3A in the Authority's Cane Creek Centre project located in Pittsylvania County, Virginia, from the real property to be sold under a Contract of Sale as otherwise provided in such Resolution.*

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

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

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5B. FINANCIAL STATUS REPORTS AS OF OCTOBER 31, 2019

Authority Treasurer Michael Adkins gave the Financial Status report as of October 31, 2019 beginning with the \$7.3M Cane Creek Bonds, noting RIFA expended \$6,375 to Dewberry for Lot 6 surveying, and \$3,972 to Christian and Barton for legal fees. General Expenditures show RIFA paid \$21,301 to Christian and Barton for legal counsel, \$264 for meals and \$31 for monthly utilities. Under Berry Hill Funding Other than Bonds, RIFA purchased the Mills property which was \$181,890, and paid Dewberry for Amendment #24 in the amount of \$156,000. Lot 4 had an expenditure to Dewberry for Amendments #19 and #23, for \$30,675. Lot 8 Site Development had no expenditures for October. For Water and Sewer, RIFA received \$100,000 from the City, their local share of TICR Grant #3011, RIFA expended \$155,634 to CW Cauley and Son for continued work on Phase I of the water construction, and \$3,155 for Dewberry for Amendment #20. Rent, Interest and Other Income shows RIFA received \$25,412 from the Institute for the Hawkins' Building and \$428 in interest income. RIFA finished paying off the Berry Hill Bonds and there were interest earnings on the escrow account in the amount of \$58,674; that was drawn down into the regular checking account. RIFA received \$17,500 from the City, their portion of the Harlow housing incentive, the County's portion was received last month. RIFA also received \$14.00 from Clement Wheatley as reimbursement for a wire fee, and paid \$25,412 to the Institute for the Hawkins Building and paid the Harlow residential housing incentive of \$35,000, half from the City and half from the County.

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

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

6. CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

At 12:22 p.m. Mr. Saunders **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business or industry's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia; and

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

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C. As permitted by Virginia Code §2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property located in Pittsylvania County, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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

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

D. On **Motion** by Mr. Warren and **second** by Mr. Saunders and by unanimous vote at 12:53 p.m., the Authority returned to open meeting.

E. Mr. Warren **moved** for adoption of the following Resolution:

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

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

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

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

7. COMMUNICATIONS

Director of Economic Development Telly Tucker noted City Council approved the Enterprise Zone Amendment application for Enterprise Zone 57 which adds the acreage at the front of Cane Creek and also in area off of Kentuck Road. This information was shared with Susan McCullough and the Pittsylvania County Board of Supervisors plans to pass a resolution as well. All that will be sent to the HCD by December 1st, which will be approved retroactively back to January 1 of this year. Once that happens, any projects that were added in the Enterprise Zone will be eligible for both State and Local Enterprise Zone incentives.

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Meeting adjourned at 12:57 p.m.

APPROVED:

Chairman

Secretary to the Authority

DRAFT