

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 8, 2019

Special Called Meeting

A Special Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 8:00 a.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 205, 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. *Mr. Vogler entered the meeting at 8:03 a.m.*

City/County staff members attending were: City of Danville Director of Economic Development Telly Tucker, County Administrator David Smitherman, 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.

NEW BUSINESS

4A. CONSIDERATION OF RESOLUTION NO. 2019-11-08-4A RATIFYING A LOCAL PERFORMANCE AGREEMENT WITH MORGAN OLSEN

Mr. Guanzon explained last month the Board passed Resolution 2019-10-24-6A with Morgan Olsen for a Local Performance Agreement; the name had not been disclosed at that time. Under the terms of that Resolution, the requirement was the Board would meet to ratify what was signed. Mr. Rowe stated RIFA has signed, so the individual localities need to sign and approve it as well; Mr. Guanzon noted they did. The parties to that local performance agreement were RIFA, the City and the County; Morgan Olsen has already signed the document. RIFA will be leasing land under a ground lease for a period of fifteen years at one dollar per year. If they have done what they are supposed to do under the performance metrics, they have the opportunity to buy the ground underneath at the end of that period.

Mr. Saunders **moved** for adoption of *Resolution 2019-11-08-4A, ratifying that certain local performance agreement, pursuant to Resolution No. 2019-10-24-6A, with Morgan Olson, LLC, a previously undisclosed industry recruit, for the establishment and operation of an original equipment manufacturing facility in the Authority's Cane Creek Centre Industrial Park, located in Pittsylvania County, Virginia.*

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

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

5. 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

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attorney-client privileged.]

At 8:02 a.m. Mr. Warren **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

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. Saunders 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 8:48 a.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.

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

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

6. OPEN SESSION – NEW BUSINESS

6A. CONSIDERATION OF RESOLUTION 2019-11-08-6A AUTHORIZING THE ASSIGNMENT OF AN OPTION CONTRACT WITH INDEVPROP LLC.

Mr. Guanzon explained in September of last year, RIFA agreed to enter into an option contract with the Indevprop LLC for certain property in the Southern Virginia Megasite. This Resolution does two things: one, to approve the assignment of the option contract to the ultimate user of the property and two, to authorize the Chairman to enter into a local performance agreement with them. Upon the Chairman entering into such an agreement, it will come back for ratification. The issue would be to sell the property identified in the option contract and provide a land grant for that amount.

Mr. Scearce **moved** for adoption of *Resolution No. 2019-11-08-6A*, authorizing the assignment of that certain option contract dated September 14, 2018, with Indevprop, LLC, a Virginia limited liability company, entered pursuant to Resolution No. 2018-09-14-4A, to assignee; and authorizing the negotiation, execution and delivery of an economic development agreement with the assignee, where the Authority would provide a land cost grant equal to the gross purchase price under the option contract to the assignee, and will provide water and sewer extensions to Lot 7 and cutting and grubbing services for Lot 7.

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

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

Meeting adjourned at 8:52 a.m.

APPROVED:

s/Fred O. Shanks, III
Chairman

s/Susan M. DeMasi
Secretary to the Authority