

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:01 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 Vice Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman William V. Ingram, Darrell Dalton and Alternate Robert Tucker. *Mr. Vogler entered the meeting at 12:03, and Dr. Miller entered the meeting at 12:15 p.m.*

City/County staff members attending were: City Manager Ken Larking, Assistant County Administrator Dave Arnold, City of Danville Director of Finance Michael Adkins, City of Danville Accountant Tiffany Swanson-Jones, City of Danville Project Manager Kelvin Perry, Pittsylvania County Director of Finance Kim Van Der Hyde, Pittsylvania County Project Manager Kattie Saunders, Legal Counsel to the Authority Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry, and Ken Bowman.

Chairman William V. Ingram presided. Mr. Ingram introduced Mr. Robert Tucker as the new Pittsylvania County Alternate Member of RIFA.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE SEPTEMBER 12, 2022 REGULAR MEETING, SEPTEMBER 15, 2022 SPECIAL MEETING, AND SEPTEMBER 22, 2022 SPECIAL MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Dalton, Minutes of the September 12, 2022 Regular Meeting, September 15, 2022 Special Meeting and September 22, 2022 Special Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF APPOINTING THE COUNTY ADMINISTRATOR OFFICER

Legal Counsel to the Authority Michael Guanzon explained the RIFA By-Laws were amended earlier this year to create the City Manager Officer and County Administrator Officer. Clarence Monday had served in that capacity, and the County has appointed the County Attorney, J. Vaden Hunt, as the Interim County Administrator. Under the terms of the by-laws, Mr. Hunt needs to be appointed as the County Administrator Officer.

Mr. Dalton **moved** for adoption of Resolution No. 2022-11-14-5A, *appointing the County Administrator Officer of the Authority.*

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

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

5B. CONSIDERATION OF RESOLUTION 2022-11-14-5B APPROVING THE FORM OF A LOCAL PERFORMANCE AGREEMENT

Mr. Dalton **moved** to revise the Agenda, to move Item 5B to after the Closed Session. The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

5C. CONSIDERATION OF RESOLUTION 2022-11-14-5C AUTHORIZING THE SUPPORT OR OPPOSITION TO VARIANCE REQUEST PZ22-00220

City of Danville Director of Community Development Ken Gillie and Planning Director Renee Burton appeared regarding this item. Mr. Gillie noted when the park was created, a buffer was put around it to protect the adjacent neighborhood; there were also building setbacks. They never intended for it to have the effect of having a double setback which was what this was creating. The applicants want to build a building but it was taking a setback from the setback because of the way the Code reads; they were asking for a variance from that. As the property owner, RIFA needs to support or not support the request.

Mr. Vogler **moved** for adoption of *Resolution No. 2022-11-14-5C, authorizing support to Variance Request PZ22-00220, filed by Telly D. Tucker on behalf of the Institute for Advance Learning and Research, a political subdivision of the Commonwealth of Virginia, requesting a variance from Article 3.P.F. of Chapter 31 of the Code of the City of Danville, Virginia, that requires a minimum of eighty (80) foot side yard setback to Parcel ID 76441 (commonly known as 1260 South Boston Road), located in the Authority's Cyber Park project located in Danville, Virginia, where the variance would reduce the side yard setback to seventy-two (72) feet in order to allow new construction.*

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

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

5D. CONSIDERATION OF RESOLUTION 2022-11-14-5D APPROVING THE COLLECTIONS DONATION AGREEMENT WITH THE VDHR

Shawn Harden with Dewberry Engineers explained with the various cultural resource studies done at Berry Hill, it generated a significant amount of "artifacts", such as pieces of glassware and small pieces of pottery; nothing of substance. But as the final step in the cultural resource studies, those artifacts get donated to the Department of Historic Resources. In order to do that, WSP who has been doing the work, needs permission from the property owner.

Mr. Guanzon stated they have used their standard certificate that says that RIFA owns it, and that RIFA was going to indemnify and hold harmless the things RIFA can't do. The Resolution would be to go ahead and donate this to the state, and say this was what was found in the ground, but they were not going to guarantee anything about it.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

Mr. Ingram noted he has some questions; what if, through the process, something was discovered that was of significant value, not only monetarily, but to the history of Pittsylvania County. Mr. Harden stated they have dug many holes at the park, and he found it unlikely that anything else would be found there. But if it was, RIFA was only agreeing to donate what has been found to date; anything found in a future date, was not part of this collection.

Mr. Saunders questioned if there was any obligation that the City or County, if something was found fifty years from now, to pay people or give them money. Mr. Guanzon noted if something has been deemed abandoned and it was found, then it fell under the law of possession. If it was proven that the reason someone had it was through criminal activity, then the people who can show they have a better right of title can potentially get it.

Mr. Ingram stated RIFA was adopting this Resolution, and if something else comes up it would be RIFA's; Mr. Harden noted until such time as RIFA decided to donate it, if they wanted to donate it. There may be some additional work that needs to be done at the site, and they may uncover some more insignificant artifacts. Mr. Ingram questioned if it would be more beneficial to give it to the Historical Resources Department versus keeping it local and Mr. Bradner stated he would have to talk with WSP. This was the same thing they did at Cane Creek Centre; all the artifacts that were found there were donated as a collection to DHR.

Mr. Ingram stated he would like to know what they have uncovered up to this point. Mr. Harden stated he has a list that was in the Historical Resources Report, it was about forty pages long. Mr. Guanzon stated the thing RIFA needs to look at was to see what the current agreement was with the people uncovering it. Mr. Harden explained it was part of the scope of work, to curate the items to DHR. Mr. Guanzon noted if that was the case, RIFA may want to do this for future items, but if RIFA was already legally committed to donate these items, they were already committed.

Mr. Dalton stated if RIFA was obligated to do this now, the Board needed to vote on this and change the rules moving forward. Mr. Ingram noted he would be curious to know what they dug up. Mr. Harden stated some of the items on the list include: old nails, horseshoes, glass fragments, metal hole iron, wire nail, clear vessel, mostly just trash.

Mr. Dalton **moved** for adoption of *Resolution No. 2022-11-14-5D, approving the negotiation, execution and delivery of a Collections Donation Agreement with the Virginia Department of Historic Resources, for the donation of certain items recovered by WSP USA, Inc., a New York corporation, and previously Louis Berger, from lots 1 through 5 and lots 7 through 9 of the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, from the years 2014 through 2021, subject to the approval by legal counsel to the Authority as to legal form.*

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

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

5E. FINANCIAL STATUS REPORTS AS OF OCTOBER 31, 2022

City of Danville Director of Finance Michael Adkins gave the Financial Status report as of October 31, 2022, starting with the \$7.3M Bonds for Cane Creek which had no activity. Under General Expenditures for FY22, staff has processed the last invoices and did move a little over \$34,000 from Unrestricted Fund Balance into the budget to cover expenses for the year. The only expense that was paid was a check to Christian & Barton for \$48,481.76. General Expenditures for FY23 show RIFA paid out of the Contingency Line, \$206 to the City of Danville for a Variance Application Fee, postage for a Fed Ex package related to Cane Creek properties for \$53.23, monthly meals of \$567.18 and monthly utilities of \$174.25. Berry Hill Funding Other than Bonds and Lot 4 Site Development had no expenditures for October. Under Lots 1 and 2 at the Megasite, the City did contribute its share of the VEDP Grant, \$1,312,400; the County had already done that some months ago. RIFA paid Jimmy R. Lynch & Sons \$290,269.03 for payment application Number 5 for work on Lots 1 and 2. Water and Sewer at Berry Hill had no expenditures for October; Cyber Park Site Development had an expenditure of \$8,975 to Dewberry for grading of Lot 7B for \$1,250 and work under Amendment #1 for \$7,725. There were also two payments to Sellars Brothers for their first and second progress billings for Lot 7D; one check was \$252,484.14 and the other check was for \$106,800.00. Rent, Interest and Other Income show RIFA received their rent as scheduled from the Institute of \$21,846.50, received \$1,500 from AEP for their storage rent, the money market earned interest income of \$83.64, and RIFA sold timber from Berry Hill to Hopkins Lumbar for \$46,111.90 which was the total payments received. Under expenses RIFA paid the management fee for the Hawkins Building of \$21,846.50.

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

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

6. CLOSED SESSION

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:

[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 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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

- 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
 - D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; and
 - E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

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

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

RETURN TO OPEN SESSION

On **Motion** by Mr. Dalton and **second** by Mr. Vogler and by unanimous vote at 12:39 p.m., the Authority returned to open meeting.

Mr. Saunders **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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

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. Dalton and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

NEW BUSINESS CONTINUED

5B. CONSIDERATION OF RESOLUTION 2022-11-14-5B APPROVING THE FORM OF A LOCAL PERFORMANCE AGREEMENT

Mr. Dalton **moved** for adoption of *Resolution No. 2022-11-14-5B, approving the form of a Local Performance Agreement to be executed by the Authority and Others, where no previous public announcement has been made of the business or industry's interest in locating its facility in the Authority's Cyber Park located in Danville, Virginia, under which agreement, the Authority would provide to a company or industry known and recommended by the Authority's staff an industrial enhancement grant of up to an estimated \$230,000.00, calculated based on machine and tool taxes at 60% for years 1 through 5 and at 50% for years 6 through 10; the Authority would provide a Danville-Pittsylvania County Enterprise Zone Jobs Grant of up to an estimated \$80,000.00; and the City of Danville, Virginia would waive up to an estimated \$60,000.00 of building zoning and land disturbance permit fees.*

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

VOTE: 4-0
AYE: Ingram, Dalton, Saunders, Vogler (4)
NAY: None (0)

7. COMMUNICATIONS

Potential addition of streetlights in Cane Creek Centre

Mr. Larking explained staff had discussed the possibility of adding streetlights to Cane Creek Centre; right now, Cane Creek Centre does not have any. With businesses located there and some lots left to be built with potential new businesses, staff discussed the possibility of adding streetlights to enhance the safety of the area; Mr. Larking noted he believed the businesses located in the park would like that to happen. They have done some preliminary investigation, and the amount it would cost would be a monthly charge of \$2,431.00 in order to have 110 aluminum light poles within Cane Creek Centre. If there was interest among RIFA board members to pursue this further, staff can look at potentially putting this into the budget; it will take some time to engineer and construct them. Dr. Miller noted he thought it was a good idea, that it would enhance the park; Mr. Saunders noted his agreement. Mr. Saunders stated there was talk about trash and debris in the park, but more lighting might be a deterrent. Mr. Larking stated this was not for final approval today, but to see if there was an interest for staff to pursue this further.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

Status Update: Logging project

Kattie Saunders, Pittsylvania County Project Manager explained Marc Aron was on site last Thursday taking pictures and videos, and right now the project was at about fifty to sixty acres completed. In total it will be 450 to 500 acres when finished. Things were on track and doing well. Mr. Harden noted the company was doing well and things looked good.

Status Update: Increased costs for SVM Lots 1 and 2

Mr. Harden at Dewberry noted during the grading activity at Lots 1 and 2, they hit a pretty large seam of rock running right down the middle of the site. It was identified as partially weathered rock which historically has been breakable; this is not the case with this rock. Staff has been working for the past week or so revising grades to minimize that cost and think they have a fairly good solution, cutting the rock into thirds from what it was originally. They were working with the contractor and hopefully will have something finalized and sent out shortly. Mr. Ingram questioned whether it could be blown up and Mr. Harden noted it could but that was a big cost; it was about 90,000 yards and about \$19 per yard in cost to do that. They have cut an edge of the site off, raised the site up and tried to balance the cut and fill so it was above most of the rock.

Retreat/Master Plan for each of the Authority's park projects

Mr. Larking explained staff has had some discussions about the possibility of having a mini work session or retreat with RIFA to get feedback from the Board on the types of businesses they want the staff to be recruiting within the various industrial parks. He does not believe they have really had a full-fledged discussion among RIFA members about what it was they were expecting the staff to recruit. Mr. Larking stated he felt like it would be a good step to have at least as a first stage, some sort of mini work session or retreat to get a feel for the kinds of businesses that were having interest in the community, and hear back from the Board if those were the kinds of businesses they want to see in the community. Staff was in the preliminary stages of talking about that to see what that might look like; they were working on various planning processes now. As the owners of the industrial park, having invested significant dollars into those things and potentially significant dollars in incentives for multiple decades going forward, he felt it was important that the Board provided staff with good guidance on how to move forward. This was the kind of process that needed to be updated on a fairly regular basis because of the changing nature of economic development and the kinds of prospects they were seeing.

Mr. Saunders noted he does not recall ever having a retreat and thinks it would be a good idea. With all the attention RIFA was getting from prospects, how does the Board prioritize that, and what parameters should the Board set. Mr. Saunders noted there were a lot of things they could learn in a retreat from the staff, and supported having one. Mr. Vogler noted his agreement and thinks it would be great; it would be good to talk about Berry Hill and the Megasite. He would like to put up on a board, all the RIFA parks, the sites they still have available and have a discussion about what was the best possible use for those remaining sites and then maybe having discussions about potential future sites, looking forward to the next five or ten years. Dr. Miller noted his agreement; he does not have a good idea of what parks have been filled up and what was not; it would be great to sit down and discuss that. Mr. Dalton stated his agreement, it would be great to look at the potential of buying some more property as sites were filling up. Mr. Tucker concurred stating they should be visionaries

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

November 14, 2022

for twenty or twenty five years down the road. Mr. Saunders noted another problem with the growth, was housing, and they were going to have to put together a plan for housing so when these employers bring their employees here, they have a place to stay.

Mr. Guanzon stated that having a retreat or work session would do this board a lot of good. If this board has a better sense to give guidance to the economic development directors, then it was easier to communicate to the City and County IDAs, a better vision of what the RIFA board sees it play in economic development and industrial development.

Confidentiality Agreement updates to form document

Mr. Guanzon explained as activity continued to increase in the RIFA parks, he was working with staff on confidentiality agreement updates for a form document. RIFA deals with other political subdivisions, as it takes a team to bring in a huge recruit to relocate or expand in southern Virginia. All, as political subdivisions, were subject to the open meeting and FOIA laws; given past experiences, they were trying to tighten up this process. Mr. Guanzon noted he does not believe the Board needs to vote on any of the form documents because it was an enhancement of what they had already, but wanted to give the Board an update that they were working on them.

Meeting adjourned at 1:04 p.m.

APPROVED:

Chairman

Secretary to the Authority