Danville-Pittsylvania Regional Industrial Facility Authority

City of Danville, Virginia
County of Pittsylvania, Virginia

AGENDA

November 14, 2022

12:00 P.M.

Institute for Advanced Learning and Research
150 Slayton Avenue, Room 206
Danville, Virginia

County of Pittsylvania Members

William V. ("Vic") Ingram, Chairman
Darrell W. Dalton
Robert M. Tucker, Jr., Alternate

City of Danville Members

Sherman M. Saunders, Vice Chairman
J. Lee Vogler, Jr.
Dr. Gary P. Miller, Alternate

Staff

Kenneth F. Larking, City Manager Officer
J. Vaden Hunt, Interim County Administrator
Christian & Barton, LLP, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. *[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]*

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

5. NEW BUSINESS

A. Consideration of Resolution No. 2022-11-14-5A, appointing the County Administrator Officer of the Authority – Michael C. Guanzon, Esq., Christian & Barton, LLP, Legal Counsel to the Authority

B. Consideration 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 – Corrie T. Bobe, Director of Economic Development, City of Danville, and Matthew D. Rowe, Director of Economic Development, Pittsylvania County

C. Consideration of Resolution No. 2022-11-14-5C, authorizing support or opposition 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 – Kenneth C. Gillie Jr., Director of Community Development/Zoning Administrator, City of Danville, Renee Burton, Director of

Planning & Zoning, City of Danville, Brian Bradner, P.E., Vice President and Shawn R. Harden, P.E., Senior Associate, Dewberry Engineers Inc. [*no written resolution*]

D. Consideration 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 – Mr. Bradner and Mr. Harden

E. Financial Status Reports as of October 31, 2022 – Michael L. Adkins, Authority Treasurer and Henrietta Weaver, Budget Director, City of Danville, Virginia

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.]

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 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.

RETURN TO OPEN SESSION

F. Confirmation of Motion and Vote to Reconvene in Open Meeting.

G. Motion to Certify Closed Meeting.

7. COMMUNICATIONS FROM:

A. Authority Board Members

B. Staff

i. Potential addition of streetlights in Cane Creek Centre – Mr. Larking

ii. Status Update: Logging project – Mr. Rowe

iii. Status Update: Increased costs for SVM Lots 1 and 2 – Mr. Bradner

iv. Retreat/Master Plan for each of the Authority's park projects – Mr. Larking

v. Confidentiality Agreement updates to form document – Mr. Guanzon

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	11/14/2022
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

<u>SUMMARY</u>

Attached for the Board’s approval are the Meeting Minutes from the Regular RIFA Meeting held on September 12, 2022, Special Meeting held on September 15, 2022 and Special Meeting held on September 22, 2022.

<u>ATTACHMENTS</u>

Meeting Minutes – 9/12/2022, 9/15/2022 and 9/22/2022

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
September 12, 2022

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:03 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. *Dr. Miller entered the meeting at 12:08 p.m.* Pittsylvania County Members present were Chairman William V. Ingram and Jessie Barksdale, Alternate Darrell Dalton was absent.

City/County staff members attending were: City Manager Ken Larking, Interim County Administrator Clarence Monday, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe – via telephone, City of Danville Accountant Tiffany Swanson-Jones, 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, Whitt Clement, Todd Haymore, Telly Tucker, Ben Davenport and Charles Majors.

Chairman William V. Ingram presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE AUGUST 8, 2022, MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Barksdale, Minutes of the August 8, 2022, Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2022-09-12-5A, APPROVING A MAINTENANCE AGREEMENT WITH SELLERS BROTHERS INC.

City of Danville Director of Economic Development Corrie Bobe noted whenever RIFA prepares for a prospect visit, more likely than not, they engage a third party, whether it was the City's Public Works Department or Seller's Brothers, to go out and pick up trash and make the park more presentable for the prospect. Understanding the last minute scheduling which staff has had to do recently, they feel that more regular maintenance of RIFA parks would be necessary. Staff was requesting that RIFA enter into a contract with Sellers Brothers to conduct that activity on a monthly basis. Legal Counsel to the Authority Michael Guanzon noted the proposal was not in the final form; this needs to be negotiated. There was a reference to a Pittsylvania County property that would not be included in this and also negotiation would include a year term with a thirty day earlier termination by RIFA.

Mr. Vogler **moved** for adoption of *Resolution No. 2022-09-12-5A approving the negotiation, execution and delivery of a Maintenance Agreement with Sellers Brothers, Inc., a Virginia corporation, for routine maintenance of the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, at a monthly rate equal to $3,150.00 and the Authority's Cane Creek Centre Industrial Park project, located in Pittsylvania County, Virginia and Danville, Virginia, at a monthly rate equal to $1,740.00, for a term of one year and the Authority has a 30-day early termination right.*

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

Mr. Ingram noted he was friends with Burt, Peyton and AC Sellers, he has never had any business dealings with them, have just been friends with them for a long time, and does not consider that a conflict of interest; Mr. Guanzon noted his agreement.

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

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

<u>5B. CONSIDERATION OF RESOLUTION 2022-09-12-5B FURTHER REVISING THE AMENDED AND RESTATED BYLAWS OF THE AUTHORITY</u>

Mr. Guanzon noted the Freedom of Information Act was amended effective July 1st, and part of the requirement was to appoint a FOIA officer; Sue DeMasi has been serving in that unofficial capacity to take care of any FOIA requests. There were also other clean up matters, namely that notices can be distributed to the Board and public at large by electronic means. These changes were noticed one week ahead of the meeting in compliance with the bylaws.

Mr. Barksdale **moved** for adoption of *Resolution No. 2022-09-12-5B, further revising the Amended and Restated Bylaws of the Authority adopted August 13, 2007, and last revised June 13, 2022, by amending Paragraph 5(a) of Article V ("Board of Directors"), designating the Secretary as the Virginia Freedom of Information Act Officer of the Authority, and by amending Paragraph 4 of Article VIII ("Meetings"), updating the form and process for distributing meeting notices.*

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

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

<u>5C. CONSIDERATION OF RESOLUTION 2022-09-12-5C AUTHORIZING THE INSTALLATION ON LOT 12C OF A PORTION OF A DECOMMISSIONED SUBMARINE</u>

City Manager Ken Larking noted this was a unique opportunity; the Institute came to RIFA with it, and it would require RIFA's approval. Essentially, a portion of a decommissioned submarine would be put on display in front of an Institute owned property. Staff was working on a potential ground lease for Lot 12C, which would be next to the CMA building, and that would be the location of the portion of the submarine. Staff considers it to be public art, and doesn't believe there would be any issues or violations of the covenants in place for the Cyber Park. Most of staff feel that this could be a unique item to have in the community; it would stand out as it was large and so far inland, and may draw some people to view it. Telly Tucker, President of the Institute for Advanced Learning and Research noted they do have photos available if anyone wanted to view them.

Mr. Ingram stated it was his inclination to Table this because he was going to call for a Special Meeting this Thursday and would like to incorporate this item. Mr. Guanzon noted if he wanted to do that then they need to ask for a Motion to Table. Mr. Ingram noted this was part of a further discussion and it would give the Board time to talk about it with Mr. Dalton present. Mr. Ingram stated he would like to get a Motion to Table this until Thursday, September 15th.

Mr. Saunders moved to **TABLE** *Resolution No. 2022-09-12-5C, authorizing the installation by the Authority's ultimate tenant on Lot 12C in the Authority's Cyber Park project, located in Danville, Virginia, of a portion of a decommissioned submarine, as presented at the meeting, in front of a to be constructed building on Lot 12C, where such tenant will be responsible for any and all costs of such installation, including but not limited to, installation, maintenance, removal and restoration of the installation site, and subject to certification of compliance with all applicable zoning and restrictive covenants requirements applicable to Lot 12C, and further subject to the execution and delivery of a lease, to be negotiated, approved and executed by the Authority for Lot 12C.*

The **Motion to Table** was seconded by Mr. Barksdale and carried by the following vote:

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

5D. FINANCIAL STATUS REPORTS AS OF AUGUST 31, 2022

City of Danville Director of Finance Michael Adkins noted before the monthly report, he wanted to talk about internal controls. Staff was getting ready to begin the year end audit, and one thing the Auditors like to ask staff was, have they talked about internal controls with the Board. With respect to the RIFA checking accounts, there were only four authorized signatories and those were the four board members; staff does not have the authorization to sign any checks or wires. With regard to segregation of duties, this was where staff separates duties so there was no chance of fraud or misstatement of transactions. For example, payments that RIFA received were usually sent to the RIFA secretary, they were brought to Finance, the Administrative Assistant in Finance makes the deposit slips, the City Treasurer takes it to the bank, bank reconciliations were performed by a staff accountant in the Finance department and those bank reconciliation reports were brought to the Board for approval. RIFA staff has segregated cash and disbursements as much as possible. Each month, they prepare a packet of invoices and deposits that have been made, those were sent to Kim Van Der Hyde with the County, so the County staff was well informed of the transactions and she can inform Administration if she needs to. Mr. Adkins noted that was their internal control structure and he will be able to let the Auditors know he has discussed this with the RIFA Board.

Mr. Adkins began the Financial Status report as of August 31, 2022, and noted they will be adding a column to each of the statements in the future, showing the current month's expenditures. The $7.3M Bonds for Cane Creek had no activity during the month of August. General Expenditures for FY22 show a payment to Christian & Barton for $31,770. Any money left over in the administrative budget for FY 22 will be pulled forward into the new year as part of the contingency budget. General Expenditures for FY 23 show RIFA paid $1,922.50 to Sellers' Brothers for lawn care at the Industrial Parks, $83 to the City of Danville for reimbursement for recordation fees, $48,352.92 to the City, and the same amount to the County, for reimbursement of marketing expenditures. RIFA also paid the Institute $340 for meals, and paid $161 in utilities. Berry Hill Funding Other than Bonds had an expenditure of $7,625 to Dewberry for work completed under Amendment #33. Lot 4 Site Development had a payment to Haymes Brothers for $261,167 for grading of Lot 4. Under Lots 1 and 2 at the Megasite, RIFA paid Dewberry $44,240 for work under Amendment #30 and #31, and paid Jimmy R. Lynch & Sons $137,140 for lot grading. Water and Sewer at Berry Hill had no expenditures and Cyber Park Site Development had one expenditure of $8,975 to Dewberry for grading of Lot 7B. Rent, Interest and Other Income for FY 22 show no changes. Rent, Interest and Other Income for FY 23 show RIFA received income as usual from the Institute of $43,693 for Rent for July and August, $1,500 from AEP for their storage rent for September, and interest income of $92. The only expense was $21,846.50 paid back to the Institute for the Hawkins' Building Maintenance.

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

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

6. CLOSED SESSION. Mr. Ingram noted they were going to forego Closed Session and will have a Special Called Meeting on Thursday, at 3:30 p.m. Mr. Ingram asked for a Motion to dispense with Item 6.

Mr. Vogler **moved** to dispense with Item 6; the Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

7. NEW BUSINESS CONTINUED

7A. CONSIDERATION OF RESOLUTION NO. 2022-09-12-7A, IN MEMORIAM OF COY E. HARVILLE, FORMER CHAIRMAN, VICE CHAIRMAN AND DIRECTOR OF THE AUTHORITY

Mr. Barksdale **moved** for adoption of a *Resolution in Memoriam of Coy E. Harville, Former Chairman, Vice Chairman and Director of the Authority.*

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

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

7B. CONSIDERATION OF RESOLUTION NO. 2022-09-12-7B, IN RECOGNITION OF SERVICE OF CLARENCE C. MONDAY TO THE AUTHORITY

Mr. Vogler **moved** for Adoption of Resolution No. 2022-09-12-7B in Recognition of the Service of Clarence C. Monday to the Authority.

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

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

Mr. Ingram read Resolution 2022-09-12-7B:

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created by the cooperation and the joint action of the Danville City Council and the Pittsylvania County Board of Supervisors, pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the purpose of the Authority is to enhance the economic base for its Member Localities of the City of Danville and Pittsylvania County, Virginia, by developing, owning, and operating one or more facilities on a cooperative basis; and

WHEREAS, from July 2014 through January 2017, and again from January 2022 through September 2022, Clarence C. Monday served as the Interim Pittsylvania County Administrator and Staff Member of the Authority, providing the guidance and leadership necessary for the Authority to fulfill its statutory purpose and to move forward in developing the economic future of the Danville-Pittsylvania County Region; and

WHEREAS, Clarence C. Monday's service as the Interim Pittsylvania County Administrator will end on September 20, 2022.

NOW, THEREFORE, BE IT RESOLVED, that the Authority's Board of Directors, on behalf of themselves and the Authority's support staff, hereby expresses its sincere appreciation for the distinguished service of Clarence C. Monday to the Authority; recognizes his devotion, duty and exemplary leadership to the Authority; and wishes him success in his future endeavors.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted unanimously by the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on September 12, 2022, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 12th day of September 2022.

Susan M. DeMasi, Secretary

Mr. Monday noted he appreciated the Resolution and has always been amazed at the regional spirt, collaboration and cooperation between Danville and Pittsylvania County. As an administrator, that was very important, not only the work that the staff does but also for the success of the community. RIFA has a tremendous staff including Mr. Larking, Ms. Bobe, Mr.

Rowe, the Finance staff and the rest of the support staff; it was a very good partnership. Mr. Monday noted he looks forward to hearing of the success of Berry Hill and the other RIFA properties. It had been his honor to return home and help the County and this region.

8. COMMUNICATIONS

Dr. Miller noted he thanked Mr. Monday for his service. Mr. Saunders noted he wanted to recognize two more special guests, Whitt Clement, who had originally encouraged him to run for City Council, and also Todd Haymore.

Mr. Guanzon noted the October meeting will be held on Tuesday, October 11th because of Columbus Day. Under the bylaws, it was automatically moved to the next business day, so no action needs to be taken.

Mr. Ingram thanked Mr. Davenport and Mr. Majors for attending as well.

Mr. Rowe noted he and Ms. Bobe would like direction from the Board on the timbering of the property; their recommendation was to move forward with timbering, but wanted to make sure that was the desire of the Authority. Board Members noted that they wanted to proceed.

Meeting adjourned at 12:28 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
September 15, 2022s

A Special Called Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 3:37 p.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 Vice Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman William V. Ingram and Darrell Dalton.

City/County staff members attending were: City Manager Ken Larking, Interim County Administrator Clarence Monday–via zoom, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe–via zoom, Legal Counsel to the Authority Attorney Michael C. Guanzon-via zoom, Linda Green–via zoom, and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner from Dewberry, Telly Tucker, Ben Davenport and Charles Majors.

Chairman William V. Ingram presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

NEW BUSINESS

4. 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 3:39 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'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 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:	Dalton, Ingram, Saunders, Vogler (4)
NAY:	None (0)

Mr. Vogler left the meeting at 5:00 p.m.

RETURN TO OPEN SESSION

On **Motion** by Mr. Vogler and **second** by Mr. Dalton and by unanimous vote at 5:11 p.m., the Authority returned to open meeting.

Mr. Dalton **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: Dalton, Ingram, Saunders, Vogler (4)
NAY: None (0)

ADJOURNED: 5:12 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
September 22, 2022s

A Special Called Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:04 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, and J. Lee Vogler, Jr.; Alternate Dr. Gary P. Miller was absent. Pittsylvania County Members present were Chairman William V. Ingram and Darrell Dalton.

City/County staff members attending were: City Manager Ken Larking, Assistant County Administrator Dave Arnold, Pittsylvania County Director of Economic Development Matt Rowe–via zoom, Legal Counsel to the Authority Attorney Michael C. Guanzon-via zoom, and Secretary to the Authority Susan DeMasi. Also present was Telly Tucker, President of the Institute for Advanced Learning and Research.

Chairman William V. Ingram presided.

Legal Counsel to the Authority, Michael Guanzon, reminded the Board and staff that this was a special called meeting pursuant to the bylaws and the Virginia open meeting rules. No discussion could be had other than what was specifically set forth in the agenda.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

NEW BUSINESS

4A. CONSIDERATION OF RESOLUTION 2022-09-22-4A AUTHORIZING THE CHAIRMAN TO ENTER INTO AND DELIVER A TRIPLE-NET GROUND LEASE WITH IALR

City Manager Ken Larking explained over the past several months, the County Administrator and he had been working with the Institute to negotiate a ground lease for Lot 12C in the Cyber Park, adjacent to where the CMA building was currently under construction. The Institute plans to construct a training facility for the Federal government on that site. There have been discussions on some items that RIFA was concerned about, namely, making sure the land that was part of the ground lease only included the land that was needed for the training facility; it did not include land the city needs for a substation to serve the Cyber Park, and also land adjacent to South Boston Road that staff believes could be good for commercial development. Both of those parts of the lot have been separated from the rest of 12C; staff has negotiated an agreement they feel very good about, and recommends approval.

Mr. Guanzon explained in the notice, the Resolution that would be considered has the general description of the training center that was proposed, and the minimum ground lease terms. This item would give authority and direction to the Chairman to execute a ground lease with those minimum terms. There was a minor item with regard to insurance that they have to get final approval on, but that will be done in time. Basically, the capital investment would be at least $25M, probably more, but that would be the minimum requirement. There would be at least fifty employees with average annual wages of $60,000. The term would be for an initial term of twenty years with automatic renewals for another twenty years, and then it will be perpetual with consent after that. There will be a minimum amount of rent, $16,975, and there will be limitations as to the use of the property, consistent with rapid bays, work force development or training programs, and other industrial commercial research uses. It was more particularly set forth in the notice of special meeting. Mr. Tucker discussed upcoming economic development events in the Cyber Park.

Mr. Saunders **moved** for adoption of *Resolution 2022-09-22-4A, authorizing and directing the Chairman of the Authority to enter into and to deliver a triple-net Ground Lease with the Institute for Advanced Learning and Research, a political subdivision of the Commonwealth of Virginia ("IALR"), as tenant, for the construction and operation of a proposed 100,000 +/- square foot training facility to be known as the Accelerated Training in Defense Manufacturing ("ATDM") Training Center, which IALR will use to train skilled workers for the defense industry as part of its US Department of Defense-supported ATDM Training Program; and the minimum terms will be as follows: (i) IALR shall be expected to make or cause the capital investment of at least $25 million and employment of at least 50 employees with average annual wages of $60,000; (ii) the term will be for an initial period of 20 years, with automatic renewal for 4 additional 5 year periods so long as IALR has met certain benchmarks agreed upon by the parties and continues to use the building for a permitted use, followed by additional automatic renewals of 5 year periods by agreement of the parties; (iii) the demised area shall be Lot 12C in the Authority's Cyberpark project in Danville, Virginia; (iv) annual rent shall be $16,975; and (v) the permitted use of the demised area shall include (A) workforce development or training programs directly or indirectly funded by federal, state, or local governments (or any combination thereof); (B) rapid launch bays for businesses/industries locating operations in Danville or Pittsylvania County for the first time, provided the sublease for such space shall not be longer than 36 months; (C) temporary industrial space, provided the sublease for such space shall not be longer than 36 months; or (D) any other industrial, commercial or research use to which the Authority consents in writing.*

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

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

4B. CONSIDERATION OF RESOLUTION 2022-09-12-5C AUTHORIZING THE INSTALLATION BY THE AUTHORITY'S ULTIMATE TENANT ON LOT 12C IN THE CYBER PARK OF A PORTION OF A DECOMMISSIONED SUBMARINE

Mr. Larking noted he and Mr. Monday had met with Mr. Tucker several weeks ago and were made aware of an opportunity provided to the Institute. At no cost to RIFA, what was being proposed was authorizing the Institute to move forward with accepting a portion of a decommissioned submarine to be placed on the property of Lot 12C at some future date. Mr. Larking noted it will be considered an art installation; he has checked with the City's zoning and the covenants, and because it was considered art, it would be in compliance with the City zoning. It was up to RIFA to approve whether or not they would like to see it in the Cyberpark and with that approval, the Institute can go forward and let the Navy know RIFA was interested in having it.

Mr. Vogler **moved** for approval of *Resolution No. 2022-09-12-5C, authorizing the installation by the Authority's ultimate tenant on Lot 12C in the Authority's Cyber Park project, located in Danville, Virginia, of a portion of a decommissioned submarine, as presented at the meeting, in front of a to be constructed building on Lot 12C, where such tenant will be responsible for* *any and all costs of such installation, including but not limited to, installation, maintenance, removal and restoration of the installation site, and subject to certification of compliance with all applicable zoning and restrictive covenants requirements applicable to Lot 12C, and further subject to the execution and delivery of a lease, to be negotiated, approved and executed by the Authority for Lot 12C*.

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

Mr. Saunders noted he liked the idea of the submarine, it will be a conversation piece. His concern was graffiti or someone disfiguring it, and asked Mr. Tucker if there will be a fence around it, could it be protected. Mr. Tucker stated there was not a plan to fence, but there will be a lot of videoing of the facility including the front of the building and the surroundings. IALR was also agreeing to maintain it, and that would include taking care of an event such as graffiti. Mr. Tucker noted the dimensions were 26'3" in length and 17' in height.

Mr. Ingram questioned what staff knew of the submarine and Mr. Tucker explained it was actually Two Star Admiral, Scott Pappano's submarine, he was its commanding officer. Mr. Tucker stated he believed there was some sentimental attachment to him, because it was a ship he commanded; he was now overseeing the program, and one of the people responsible for Danville having this opportunity. He specifically requested that they consider allowing this to happen.

Mr. Saunders noted the Navy was doing this, and it was personal to him, with the seventeen sailors killed on the USS Cole, one was his cousin; it will bring memories and remembrance. Mr. Ingram questioned the possibility of naming it after Mr. Saunders' cousin, Timothy Saunders, or at least thinking about it. Mr. Tucker stated they may just need to request permission if there was any sensitivity about naming it. The Institute will not own it, they were just asking to have it displayed there; it will still remain the property of the United States Government on loan to the Institute. Mr. Guanzon noted this was going to be deemed art and not a fixture so that it doesn't have to comply with city zoning. As far as putting it on the site, that was what this resolution does, it gives permission from the RIFA board, but the Institute will still have to comply with all other applicable regulations.

Mr. Ingram noted he thought that because they were putting the submarine in the Cyberpark, they were giving it to them and Mr. Tucker noted that was not his understanding but he would confirm that; Mr. Ingram requested they get clarification on that. Mr. Ingram noted he thought that the Navy was giving it to them; to have that and to dedicate it in memory of Timothy Saunders and the other sailors that died would be a wonderful gesture. The region has lost a lot of people through the years in different conflicts.

Mr. Saunders noted it was a very emotional thing; his cousin was one, but there sixteen others who died, and thirty-three injured. To personalize with one name could cause some problems for the Navy and others, but if they could find a way to incorporate everyone involved, that would be good. He was definitely not asking to name it after Tim, but he hoped they can use it as a commemorative to Danville-Pittsylvania County; he did not want to offend anyone. Mr. Tucker stated he thought it was appropriate to ask the question and he would be happy to do that. If Mr. Saunders could send him some information on this, he would share that with them, as a gesture of goodwill to the families and those who lost loved ones, it was something they would like the government to consider.

Mr. Dalton stated if they couldn't actually name it, could a plaque be created to put on site to recognize all the people, and Mr. Tucker noted that was a good suggestion. RIFA owned the land that was being leased by the Institute, and if RIFA decided it wanted to place something else on the land, adjacent, with all the names in recognition of that, it would be between IALR and RIFA. Mr. Ingram noted his agreement with having a stand alone plaque with a dedication to remember the sailors. Mr. Guanzon stated, generally speaking, if it was part of the art installation, then it was easier to put signs because it would a part of it, even though it doesn't have to be physically attached to it. If they make it a permanent sign, or it was not in close enough proximity to the art installation, it would get more complicated. Staff can work this out, as long as the Institute was okay with having a plaque in that area. Mr. Ingram noted he would like that to be addressed and maybe be on the next agenda, where it could be discussed. Mr. Guanzon noted the Board was in a position now to go ahead and rule for just permission, and then these details can be worked out later, or the Board can decide to Table.

Mr. Saunders thanked the Board for considering this and appreciated it, did not want a conflict of interest to appear, but thinks it was a good thing to do for this region. Mr. Ingram stated he had made the statement to make it happen, not Mr. Saunders, so there was no conflict.

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

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

ADJOURNED: 12:40 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	11/14/2022
Subject:	Resolution 2022-11-14-5A
From:	Michael C. Guanzon, Esq., Legal Counsel to the Authority

SUMMARY

The Board will be asked to approve Resolution 2022-11-14-5A appointing the County Administrator Officer of the Authority.

ATTACHMENT

Resolution 2022-11-14-5A

A RESOLUTION APPOINTING THE COUNTY ADMINISTRATOR OFFICER OF THE AUTHORITY.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the **"Authority"**) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority, pursuant to paragraph 6 of Article VI of the Amended and Restated Bylaws of the Authority (the "**Bylaws**"), is required to appoint a County Administrator Officer (as defined in the Bylaws) in the event of a vacancy; and

WHEREAS, a vacancy occurred on September 20, 2022, when Clarence C. Monday's service as the interim county administrator of Pittsylvania County, Virginia, ended; and

WHEREAS, under paragraph 2 of Article VI of the Bylaws, the term of office of the County Administrator Officer (as defined in the Bylaws) shall be for the calendar year; and

WHEREAS, J. Vaden Hunt, Esq., as acting interim administrator for Pittsylvania County, Virginia, meets the County Administrator Officer Eligibility Criteria (as defined in the Bylaws), under paragraph 6(b) of Article VI of the Bylaws.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Board hereby appoints J. Vaden Hunt, Esq. to serve the Authority in the office of County Administrator Officer and to have such powers and duties as prescribed to that person by the Bylaws and pursuant to applicable law.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. This Resolution shall take effect immediately upon its adoption.

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CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on November 14, 2022, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of November 2022.

____
SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5B
Meeting Date:	11/14/2022
Subject:	Resolution 2022-11-14-5B
From:	Corrie T. Bobe, City of Danville Director of Economic Development, Matt Rowe, Pittsylvania County Director of Economic Development.

SUMMARY

The Board will be asked approve Resolution 2022-11-14-5B approving the form of a local performance agreement.

ATTACHMENT

Resolution 2022-11-14-5B

Exhibit

A RESOLUTION 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

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, as permitted by Sections 2.2-3711(A)(3), 2.2-3711(A)(5) and 2.2-3711(A)(40) of the Code of Virginia, 1950, as amended, the Authority, at the regular meeting, (i) discussed 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; (ii) discussed the location of a prospective business or industry in the Authority's Cyber Park (the "**Cyber Park**"), located in Danville, Virginia, where no previous announcement has been made of the business's or industry's interest in locating its facility in the Cyber Park; and (iii) discussed and considered 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

WHEREAS, a certain corporation (the "**Company**"), that has been investigated by the Authority's staff, has expressed an interest in locating and developing the Company's manufacturing business (the **"Facility"**) in the Cyber Park; and

WHEREAS, the Authority's Board of Directors (the "**Board**") has determined that the location and operation of the Facility in the Cyber Park will add to the tax base of the City of Danville, Virginia; and

WHEREAS, the Board has determined that it is in the best interests of the Authority and the citizens of Pittsylvania County and Danville, Virginia, for the Authority (i) to approve the form of that certain Local Performance Agreement substantially in the form attached hereto as **Exhibit A** and incorporated herein by this reference (the **"Local Performance Agreement"**), by and between the Authority, the Company and others, in the event that the Office of the Governor of the Commonwealth of Virginia and/or any of its departments makes an announcement about the

Company's identity and intention to establish and/or expand a business in Virginia (the "**Governor's Announcement**"); and (ii) to make such approval conditioned upon the Governor's Announcement; and

WHEREAS, under the Local Performance Agreement, each of the Authority and the City of Danville, Virginia, would agree to provide certain incentives to the Company in exchange for the Company meeting certain performance metrics within a three (3) year performance period; and

WHEREAS, the Authority, for its part under the Local Performance Agreement, would, among other things specified therein, provide: (i) an industrial enhancement grant of up to an estimated Two Hundred Thirty Thousand and 00/100 Dollars ($230,000.00), calculated based on machine and tool taxes at sixty percent (60%) for years one (1) through five (5) and at fifty percent (50%) for years six (6) through ten (10); and (ii) a Danville-Pittsylvania County Enterprise Zone Jobs Grant of up to an estimated Eighty Thousand and 00/100 Dollars ($80,000.00). The City of Danville, Virginia, for its part under the Local Performance Agreement, would, among other things specified therein, would waive up to an estimated Sixty Thousand and 00/100 Dollars ($60,000.00) of building zoning and land disturbance permit fees.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby approves the form of the Local Performance Agreement as set forth in **<u>Exhibit A</u>** and as reviewed at this meeting.

2. The Authority hereby authorizes the Chairman and the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and to deliver, on behalf of the Authority, the Local Performance Agreement, but only after the Governor's Announcement has been made.

3. The Authority further authorizes, effective after the Governor's Announcement, those certain amendments, deletions or additions to the Local Performance Agreement as may be approved by the Chairman or the Vice Chairman, in consultation with the other, including without limitation the name of the Company and other business details of recruitment incentives that are to be provided by persons or entities, other than the Authority. The execution of the Local Performance Agreement by the Chairman (or Vice Chairman as the case may be) shall conclusively establish his approval of any amendments, deletions or additions thereto and his consultation with the Vice Chairman (or the Chairman as the case may be).

4. The Authority hereby directs that in the event the Governor's Announcement occurs, the Local Performance Agreement, as then executed by the Chairman (or Vice Chairman as the case may be), shall be placed on the agenda for the December 12, 2022, regular meeting or the next regular meeting of the Authority.

5. Contingent upon the occurrence of the Governor's Announcement, the Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the

Authority to take such actions and to do all such things as are contemplated by the Local Performance Agreement as may be executed and delivered by the Chairman (or Vice Chairman as the case may be), or as such staff, agents and representatives in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

6. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Local Performance Agreement and the matters contemplated therein or related thereto, including without limitation any confidentiality agreement, letter of intent or other document related to the Local Performance Agreement dated on before the date of this Resolution is adopted.

7. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on November 14, 2022, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 14th day of November 2022.

____

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)

Exhibit A

(Form of Local Performance Agreement)

LOCAL PERFORMANCE AGREEMENT

THIS LOCAL PERFORMANCE AGREEMENT (this "**Agreement**"), made and entered into as of the _____ day of November 2022, by and among **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**RIFA**"); the **COUNTY OF PITTSYLVANIA, VIRGINIA,** a political subdivision of the Commonwealth of Virginia (the "**County**"); the **CITY OF DANVILLE, VIRGINIA,** a Virginia municipal corporation (the "**City**"); and [*INTENTIONALLY LEFT BLANK*], a Virginia corporation (the "**Company**");

W I T N E S S E T H :

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

<u>Section 1. - Recitals</u>. The parties recite the following facts:

a. In order to stimulate economic growth and development of the community by creating jobs and infrastructure, RIFA, the County, and the City have agreed to provide incentives to new and expanding businesses that conduct industrial activity.

b. [*INTENTIONALLY LEFT BLANK*].

c. The Company has agreed to expand its manufacturing operations in the City to develop custom electronic products for clients using proprietary technology. The Company intends to [*INTENTIONALLY LEFT BLANK*] (the "**Building**"), located at [*INTENTIONALLY LEFT BLANK*], in RIFA's Cyber Park in Danville, Virginia ("**Cyber Park**").

d. During the Performance Period (as defined below), the Company plans to make total capital investments in the Facility (as defined below) of at least [*INTENTIONALLY LEFT BLANK*] Dollars ($____________________) and to create [*INTENTIONALLY LEFT BLANK*] (_____) full-time jobs with an average yearly base wage of at least [*INTENTIONALLY LEFT BLANK*] Dollars ($____________________), as set forth in this Agreement.

e. Each of RIFA, the County and the City is willing to provide those certain incentives to the Company summarized in **<u>Schedule 1(e)</u>**, attached hereto and incorporated herein by this reference, provided that the Company satisfies certain criteria relating to employment projections and capital investment as described below.

f. Each of RIFA, the County and the City finds that the provisions of this Agreement and the commitments of the Company will promote the expansion of industry by inducing industrial development within Cane Creek, and that such development will promote the safety, health, welfare, convenience and prosperity of the citizens of the County and the City.

Section 2. - Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

a. ***"Affiliated Entity"*** shall have the same meaning as in Section 3 below.

b. ***"Agreement"*** shall mean this Local Performance Agreement and shall have the same meaning as set forth in the header paragraph.

c. ***"Building"*** shall have the same meaning as that term in Section 1(c) above.

d. ***"Capital Investment"*** means a capital expenditure by or on behalf of the Company in taxable real property, taxable tangible personal property, or both, at the Facility. A capital expenditure related to a leasehold interest in real property will be considered to be made "**on behalf of the Company**" if a lease between a developer and the Company is a capital lease, or is an operating lease having a term of at least ten (10) years, and the real property would not have been constructed or improved but for the Company's interest in leasing some or all of the real property. Only the capital expenditures allocated to the portion of the real property to be leased by the Company will count as Capital Investment. The purchase or lease of furniture, fixtures, machinery and equipment, including under an operating lease, will qualify as Capital Investment hereunder. Notwithstanding anything herein to the contrary, it is hereby understood that the Company’s total Capital Investment may not be fully captured through the release of the County’s tax information. For purposes of compliance with this Agreement, the total Capital Investment reported and documented by the Company shall prevail over the assessed value reported by the City.

e. ***"City"*** shall have the same meaning as that term in the header paragraph of this Agreement.

f. ***"Company"*** shall have the same meaning as that term in the header paragraph of this Agreement.

g. ***"County"*** shall have the same meaning as that term in the header paragraph of this Agreement.

h. ***"Cyber Park"*** shall have the same meaning as that term in Section 1(c) above.

i. ***"Danville-Pittsylvania County Industrial Enhancement Grant"*** shall have the same meaning as that term in Section 5(a) below.

j. ***"Event of Default"*** shall have the same meaning as that term in Section 8 below.

k. ***"Event of Force Majeure"*** shall mean without limitation, any of the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the Commonwealth of Virginia or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Company; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of the Company.

l. ***"Facility"*** shall mean collectively [*INTENTIONALLY LEFT BLANK*], the Building and all other improvements on [*INTENTIONALLY LEFT BLANK*].

m. ***"Government Party"*** *or* ***"Government Parties"*** shall mean any one or more of RIFA, the County or the City.

n. *"*[*INTENTIONALLY LEFT BLANK*]*"* shall have the same meaning as that term in Section 1(c) above.

o. ***"Maintain"***, as it pertains to a New Job, shall mean that the New Job will continue without interruption from the date of creation through the Performance Date. Positions for the New Jobs will be treated as Maintained during periods in which such positions are not filled due to (i) temporary reductions in the Company's employment levels (so long as there is active recruitment for open positions), (ii) strikes and (iii) other temporary work stoppages not to exceed sixty (60) days.

p. ***"New Job"*** shall mean new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are provided by the Company for the employee, and for which the Company pays an average annual wage of at least [*INTENTIONALLY LEFT BLANK*] Dollars ($____________________), excluding standard fringe benefits. Each New Job must require a minimum of either (i) thirty-five (35) hours of an employee's time per week for the entire normal year of the Company's operations, which "**normal year**" must consist of at least forty-eight (48) weeks, or (ii) one thousand six hundred eighty (1,680) hours per year. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth of Virginia, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs.

q. ***"Performance Date"*** shall mean the date that is three (3) years after the date of this Agreement.

r. ***"Performance Period"*** shall mean that period of time commencing on the date of this Agreement and ending on the Performance Date.

s. ***"Recruitment Documents"*** shall mean any one or more of this Agreement, any and all performance grant agreements executed by the Company, and any other document(s) executed, at the request of RIFA, by the Company in connection with this Agreement.

t. ***"RIFA"*** shall have the same meaning as that term in the header paragraph of this Agreement.

Section 3. – Domestication in Virginia; Establishment of an Affiliated Entity. Within ninety (90) days after the date of this Agreement, the Company shall either domesticate itself in the Commonwealth of Virginia or establish an affiliated entity controlled by the Company and domesticated under the laws of the Commonwealth of Virginia (the "**Affiliated Entity**"). The Affiliated Entity, if any, shall support the Company's operations at the Facility on such terms and conditions as the Company and the Affiliated Entity shall agree. Within thirty (30) days after such domestication, the Company shall cause the Affiliated Entity, if any, to execute a joinder certificate in the form reasonably satisfactory to RIFA's counsel, under which the Affiliated Entity joins this Agreement as a party and agrees to be bound by the same terms and conditions of this Agreement to the same extent as the Company is bound. The Company and the Affiliated Entity, if any, shall be in good standing with the Virginia State Corporation Commission and authorized to transact business in Virginia throughout the balance of the Performance Period.

Section 4. - Capital Investment and New Job Creation by the Company.

a. $[*INTENTIONALLY LEFT BLANK*] Capital Investment. On or before the Performance Date, the Company shall make Capital Investment in the minimum aggregate amount of [*INTENTIONALLY LEFT BLANK*] Dollars ($____________________). Notwithstanding the foregoing, it shall not constitute an Event of Default under Section 8 below if the Company during the Performance Period shall make a Capital Investment of at least [*INTENTIONALLY LEFT BLANK*] Dollars ($____________________) on or before the Performance Date.

b. *[INTENTIONALLY LEFT BLANK]* New Jobs. The Company shall create and employ *[INTENTIONALLY LEFT BLANK]* (_____) New Jobs on or before the Performance Date and shall Maintain these New Jobs until at least the Performance Date. Beginning December 1, 2024, on December 1 and June 1 of each year during the Performance Period, the Company shall produce and deliver to RIFA a New Jobs roster itemizing, at a minimum, each New Job and the base pay (excluding fringe benefits), as described in Section 2(p) above and any other information pertaining to such New Job employees as may be reasonably requested by RIFA. The Company shall redact from the New Jobs roster any personally identifiable information of its employees. The Company hereby authorizes each of the County's Economic Development Director, the City's Economic Development Director and the RIFA Treasurer or his respective designees to obtain and to verify the information contained in the New Jobs roster from the Virginia Employment Commission. Notwithstanding the foregoing, it shall not constitute an Event of Default under Section 8 below if the Company during the Performance Period shall create and Maintain at least *[INTENTIONALLY LEFT BLANK]* (_____) New Jobs on or before the Performance Date.

c. Financial Report. On December 1 and June 1 of each year during the Performance Period, the Company shall produce and deliver to RIFA a general financial report, including but not limited to a balance sheet, on the status of the Company's business at the Facility.

Section 5. - Funds Extended to or for the Company.

a. Estimated $230,000.00 Danville-Pittsylvania County Industrial Enhancement Grant. RIFA shall pay to or for the Company a Danville-Pittsylvania County Industrial Enhancement Grant in the estimated amount of up to Two Hundred Thirty Thousand and 00/100 Dollars ($230,000.00) ("**Danville-Pittsylvania County Industrial Enhancement Grant**") calculated based on the Company's machine and tool taxes, per the following schedule:

Year	Percent Rebate
1-5	60%
6-10	50%

b. Up to $*[INTENTIONALLY LEFT BLANK]* Danville-Pittsylvania County Enterprise Zone Jobs Grant. The City and the County acknowledge that under the City-County's Enterprise Zone program, the Company's Capital Investment for the Facility and creation of New Jobs as contemplated in this Agreement could qualify for up to *[INTENTIONALLY LEFT BLANK]* Dollars ($__________) in value in the form of one-time cash payments of One Thousand and 00/100 Dollars ($1,000.00) per job. The City and the County shall disburse such grant according to the terms and conditions of their Enterprise Zone program. After this grant is disbursed, this grant is not subject to recapture by the City, the County or any other Government Party in the event the Company fails to make the Capital Investment and/or create and Maintain the New Jobs on or before the Performance Date.

c. Waiver of Building Zoning and Land Disturbance Permit Fees: Estimated Value of $60,000.00. The City will waive one hundred percent (100%) of the cost of building zoning and land disturbance permit fees for eligible new construction and expansions in the Enterprise Zone.

Section 6. - Capital Investment Report and Unaudited Annual Financial Statements. The Company shall provide a signed report to RIFA annually, beginning January 1, 2024, documenting the Company's progress in Capital Investment and in maintenance of the Capital Investment. The Company further agrees that each of the County's Economic Development Director, the City's Economic Development Director and the RIFA Treasurer or his respective designees is authorized to verify all taxable Capital Investment and related information through the Office of the Commissioner of Revenue for the City. Along with the report in this Section, the Company shall provide to RIFA (i) unaudited financial statements covering the previous twelve (12) month period, prepared under generally accepted accounting principles (GAAP) as used in the United States of America and (ii) documentation or other information reasonably satisfactory to RIFA demonstrating the Company's plans to have sufficient working capital to operate its business at the Facility for at least the next eighteen (18) months and to meet its required Capital Investment as set forth in this Agreement.

Section 7. - Representations and Warranties of the Company. As of the date of this Agreement and continuing until the Performance Date, the Company hereby represents and warrants to each Government Party the following:

a. Each of the Company and the Affiliated Entity, if any, is authorized to transact business in the Commonwealth of Virginia and all other jurisdictions in which it is required by law.

b. This Agreement, the transactions contemplated herein, and the other Recruitment Documents to be executed by the Company have been or shall have been approved by all necessary action by the Company; and the persons executing this Agreement and any of the other Recruitment Documents to be executed by the Company have or shall have full and complete authority to execute and deliver the same for and on behalf of the Company.

c. The execution, delivery, and performance by the Company of this Agreement, the other Recruitment Documents, and the consummation of the transactions contemplated hereby and thereby will not violate, conflict with, or result in any default under, or cause any acceleration of any obligation under, any (i) organizational documents of the Company (including without limitation Articles of Incorporation/Organization, Bylaws/Operating Agreement, and buy-sell agreement); (ii) any existing contract, agreement, note, or other document to which the Company is a party, or by which the Company is bound; or (iii) any orders, decrees, or laws of any jurisdiction applicable to and binding upon the Company.

d. This Agreement and all other Recruitment Documents constitute the legal, binding and enforceable obligations of the Company in accordance with the terms contained herein or therein.

e. There is no pending or threatened litigation or proceeding against the Company or the Affiliated Entity, if any, that may materially and adversely affect the financial condition, business operations, or business prospects of the Company, the Affiliated Entity, or both.

f. The Company is not in material default with respect to any existing indebtedness incurred by it. The Affiliated Entity, if any, is not in material default with respect to any existing indebtedness incurred by it.

g. All financial statements, certificates, resolutions, and other information or documentation furnished to any one or more of the Government Parties prior to the date of this Agreement by the Company are true, correct, and accurate, and no such information fails to disclose or misrepresents any information which could materially or adversely affect the transactions contemplated in this Agreement; and the Company has not failed to disclose any information which could materially and adversely affect the business or financial condition of the Company.

For purposes of this Section 7, the term "**Company**" shall, specifically and without limitation, include any permitted assignee of the Company to any one or more of the Recruitment Documents and the Affiliated Entity, if any.

Section 8. - Event of Default. It shall be an "**Event of Default**" upon the occurrence of any one or more of the following events:

a. Any material default under this Agreement or any other Recruitment Document which is not cured within thirty (30) days after written notice to the Company of such default (or if such default cannot reasonably be cured within such thirty (30) day period, then if the Company fails to substantially begin such cure within such thirty (30) day period or fails thereafter to diligently pursue such cure) occurs;

b. The Company discontinues full-time business at the Facility for a period of sixty (60) days or more, or materially changes the nature of the business at the Facility;

c. The Company (i) files a petition or has a petition filed against it under the Bankruptcy Code or any proceeding for the relief of insolvent debtors which is not dismissed within sixty (60) days of such filing; (ii) is subject to the entry of an order for relief by any court of insolvency; (iii) makes an admission of insolvency seeking the relief provided in the Bankruptcy Code or any other insolvency law; (iv) makes an assignment for the benefit of creditors; (v) has a receiver appointed, voluntarily or otherwise, for its property; or (vi) becomes insolvent, however otherwise evidenced;

d. The controlling owner of the Company (i) files a petition or has a petition filed against it under the Bankruptcy Code or any proceeding for the relief of insolvent debtors which is not dismissed within sixty (60) days of such filing; (ii) is subject to the entry of an order for relief by any court of insolvency; (iii) makes an admission of insolvency seeking the relief provided in the Bankruptcy Code or any other insolvency law; (iv) makes an assignment for the benefit of creditors; (v) has a receiver appointed, voluntarily or otherwise, for its property; or (vi) becomes insolvent, however otherwise evidenced; or

e. The Company is not in good standing with the Virginia State Corporation Commission after having received at least sixty (60) days written notice from the Commission.

For purposes of this Section 8, the "**Company**" shall, specifically and without limitation, include any permitted assignee of the Company to any one or more of the Recruitment Documents and the Affiliated Entity, if any.

Section 9. - Upon Occurrence of an Event of Default. In addition to and not in lieu of any other remedies or relief made available to any one or more of the Government Parties under this Agreement, at law or in equity, upon the occurrence of an Event of Default, irrespective of whether any Government Party has terminated this Agreement, each Government Party (as the case may be) may elect any one or more of the following:

a. The Government Party may immediately cease to disburse any further payments to or for the Company under this Agreement or the Recruitment Documents;

b. The Government Party may give written notice to the Company exercising the right to accelerate the Company's obligation to repay any unpaid indebtedness of the Company to that Government Party, declaring the outstanding balance to be immediately due and payable;

c. The Government Party shall have the right to demand the Company to immediately refund the Danville-Pittsylvania County Industrial Enhancement Grant as set forth in Section 5(a) above; however, if the Event of Default is based on the Company's failure to make the Capital Investment and/or to create and Maintain New Jobs as required in this Agreement, the amount of the refund shall be calculated as set forth below in Section 10 below;

d. Upon giving written notice to the Company, the Government Party shall have the right, but not the obligation, to offset any amounts owed by the Government Party against amounts owed or claimed to be owed by the Company; and/or

e. The Government Party may pursue any and all other remedies available to it under this Agreement, any one or more of the Recruitment Documents or applicable law.

Notwithstanding anything to the contrary contained herein, if the Company repays RIFA all amounts due under Section 10 below in full, any Event of Default due to the Company's failure to make Capital Investment and/or to create and Maintain New Jobs (but due to no other default) shall be deemed cured for the purposes of this Agreement and all other Recruitment Documents and, in such instance, no Government Party shall have the right to exercise its default rights under this Agreement or any of the other Recruitment Documents.

Section 10. - Repayment of Grants for Failure to make the Capital Investment and/or to create and Maintain New Jobs. In the event the Company fails to make the Capital Investment and/or to create and Maintain New Jobs as required under this Agreement and such failure constitutes an Event of Default, the Company shall repay to RIFA portions of certain grants as follows:

a. Failure to make the Capital Investment. In the event the Company fails to make the Capital Investment as required under this Agreement and such failure constitutes an Event of Default, the Company shall repay to RIFA an amount equal to fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the Capital Investment actually made by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, and (B) the denominator of which is *[LEFT INTENTIONALLY BLANK]* Dollars ($________________________).

b. Failure to Create and Maintain New Jobs. In the event the Company fails to create and Maintain New Jobs as required under this Agreement and such failure constitutes an Event of Default, the Company shall repay to RIFA an amount equal to fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the New Jobs actually Maintained by the Company as of Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, and (B) the denominator of which is *[LEFT INTENTIONALLY BLANK]* (_____) New Jobs.

c. The Company shall pay the sums described in this Section 10 no later than sixty (60) days after the date on which the Company is given written notice of such Event(s) of Default described in this Section.

Section 11. - Audit and Guideline Requirements. Upon reasonable prior written request, the Company shall allow each of the County's Economic Development Director, the City's Economic Development Director and the RIFA Treasurer (or his respective designees) reasonable access during regular business hours to all records pertaining to the Company's employment and investment at the Facility, and the Company shall cooperate with RIFA in any audit of such records by furnishing all information necessary to verify the Company's performance under this Agreement. In return, each of RIFA, the County and the City agrees to maintain the confidentiality of any and all proprietary, confidential and/or sensitive information, including without limitation personal payroll earnings or similar information that those Government Parties or its designees may receive or access.

Section 12. - Force Majeure. Notwithstanding the foregoing, if the Company does not meet the New Job and Capital Investments requirements because of an Event of Force Majeure, the Performance Date will be extended day-for-day by the delay in meeting the targets caused by the Event of Force Majeure.

Section 13. - Subject to Annual Appropriations. As provided under Virginia law, the obligations of the Government Parties to pay the cost of performing its obligations under this Agreement are subject to and dependent upon annual appropriations being made from time to time by the governing body of such Government Party, for such purpose.

Section 14. - Non-waiver. No waiver of any term or condition of this Agreement by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Agreement.

Section 15. - Attorneys' Fees. Each of the parties shall be solely responsible for their respective attorneys' fees in the negotiating, drafting, and execution of this Agreement and any of the transactions contemplated hereby.

Section 16. - Other Documents. The parties agree that they shall execute, acknowledge, and deliver all such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement.

Section 17. - Default. In the event that a party to this Agreement incurs attorneys' fees and/or costs in pursuing or defending an alleged breach of this Agreement, the non-prevailing party, in addition to any other remedy, shall be responsible for the reasonable attorneys' fees and costs incurred by the prevailing party. The parties retain all rights at law and in equity to enforce the provisions of this Agreement in accordance with applicable law.

Section 18. - Entire Agreement. This Agreement and the schedule hereto contain the entire agreement and understanding of the parties to this Agreement with respect to the transactions contemplated hereby; and this Agreement and the schedule hereto supersede all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 19. - Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 20. - Notices. Any notice required or contemplated to be given to any of the parties by any other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to RIFA:
Danville-Pittsylvania Regional
Industrial Facility Authority
Attn.: Susan M. DeMasi, Authority Secretary
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

With a copy to:
Michael C. Guanzon, Esq.
Christian & Barton, LLP
901 E. Cary St., Suite 1800
Richmond, VA 23219-4037

If to the County:
Pittsylvania County
Attn.: Matthew D. Rowe
Director of Economic Development
1 Center Street
P.O. Box 426
Chatham, VA 24531

With a copy to:
J. Vaden Hunt, Esq.
County Attorney
1 Center Street
P.O. Box 426
Chatham, VA 24531

If to the City:
City of Danville
Attn.: Corrie T. Bobe
Director of Economic Development
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

With a copy to:
W. Clarke Whitfield, Jr., Esq.
City Attorney
427 Patton Street, Room 421
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

If to the Company:
[*INTENTIONALLY LEFT BLANK*]

With a copy to:
____
____
____

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Copies as set forth in this Section are provided as a courtesy and shall not be required to effect notice as provided herein.

Section 21. - Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties hereby submit to the exclusive jurisdiction of the state court located in Danville, Virginia, or the U.S. District Court for the Western District of Virginia (Danville Division), in any action or proceeding arising out of, or related to this Agreement, and the parties hereby agree that all claims in respect of any action or proceeding shall be heard or determined only in either of these courts. The parties agree that a final judgment in any action or proceeding shall, to the extent permitted by applicable law, be conclusive and may be enforced in other jurisdictions by suit on the judgment, or in any other manner provided by applicable law related to the enforcement of judgments. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

Section 22. - Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

Section 23. - Amendment, Modification and/or Supplement. The parties may amend, modify, and/or supplement this Agreement in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest.

Section 24. - Gender and Number. Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine, and the singular number to include the plural, and vice versa.

Section 25. - Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement. This Agreement may be delivered by portable document format (*.pdf) and upon such delivery, the .pdf signature shall be deemed to have the same effect as if the original signature had been delivered to the other party or parties.

Section 26. - Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Section 27. - Survival. Any termination, cancellation or expiration of this Agreement notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

Section 28. - No Third-Party Beneficiaries. Nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

[**SIGNATURES ARE ON FOLLOWING PAGES.**]

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

By: ________________________________
William V. Ingram, Chairman

(SEAL)

ATTEST:

____
Susan M. DeMasi
Corporate Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of ________________ 2022, by **WILLIAM V. INGRAM**, in his capacity as Chairman of **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: _________________________________.

____
Notary Public
Registration No. _____________________

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

COUNTY OF PITTSYLVANIA, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By: ______________________________
William V. Ingram, Chairman
Board of Supervisors

(SEAL)

ATTEST:

____
Kaylyn M. McCluster
Clerk
Pittsylvania County Board of Supervisors

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 2022, by **WILLIAM V. INGRAM**, in his capacity as Chairman of the Board of Supervisors of **COUNTY OF PITTSYLVANIA, VIRGINIA,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: _______________________________.

____
Notary Public
Registration No. ____________________

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

CITY OF DANVILLE, VIRGINIA, a Virginia municipal corporation

By: ________________________________
Kenneth F. Larking
City Manager

(SEAL)

ATTEST:

____
Susan M. DeMasi
City Clerk
City of Danville, Virginia

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 2022, by **KENNETH F. LARKING**, in his capacity as City Manager of **CITY OF DANVILLE, VIRGINIA,** a Virginia municipal corporation, on behalf of such entity.

My commission expires: _______________________________.

____
Notary Public
Registration No. ____________________

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

[*INTENTIONALLY LEFT BLANK*]**,** a Virginia corporation

By: ________________________________
Printed name: _________________________
Title: ________________________________

(SEAL)

STATE OF ____
CITY/COUNTY OF ________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of ________________ 2022, by _________________________, in the capacity as ______________________________ of [*INTENTIONALLY LEFT BLANK*]**,** a Virginia corporation, on behalf of such entity.

My commission expires: _________________________________.

____
Notary Public
(Only if in Va.:) Registration No. ____________________

<u>List of Schedules</u>
1(e) - Summary of Incentives

Schedule 1(e)
(Summary of Incentives)

Cash and other Non-Real Property Incentives	**Estimated Value or Max. Value**
Danville-Pittsylvania County Industrial Enhancement Grant (§5(a))	$230,000.00
Danville-Pittsylvania County Enterprise Zone Jobs Grant (§5(b))	$[INTENTIONALLY LEFT BLANK]
Waiver of Building Zoning and Land Disturbance Permit Fees (§5(c))	$60,000.00
TOTAL INCENTIVES	*[LEFT INTENTIONALLY BLANK]*

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5C
Meeting Date:	11/14/2022
Subject:	Resolution 2022-11-14-5C
From:	Ken Gillie, Director of Community Development, Renee Burton, Director of Planning Brian Bradner, Dewberry Engineers Shawn Harden, Dewberry Engineers

SUMMARY

The Board will be asked to consider Resolution 2022-11-14-5C authorizing support or opposition to Variance Request PZ22-00220.

ATTACHMENT

No Written Resolution

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5D
Meeting Date:	11/14/2022
Subject:	Resolution 2022-11-14-5D
From:	Brian Bradner, Dewberry Engineers Shawn Harden, Dewberry Engineers

SUMMARY

The Board will be asked to Resolution 2022-11-14-5D, approving the execution of a Collections Donation Agreement with the VDHR.

ATTACHMENT

Resolution 2022-11-14-5D

Exhibit

A RESOLUTION 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

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, WSP, Inc., a New York corporation ("**WSP**"), delivered that certain Collection Curation Request letter, dated as of October 4, 2022 ("**Curation Letter**"), attached hereto as **Exhibit A**, and incorporated herein by this reference, to the Authority's contracted engineers, Dewberry Engineers Inc., a New York corporation, regarding the collection of certain items from lots one (1) through five (5) and lots seven (7) through nine (9) of the Authority's Southern Virginia Megasite at Berry Hill project (the "**SVM**"), located in Pittsylvania County, Virginia, for years 2014 through 2021; and

WHEREAS, the Curation Letter requests that the Authority execute a deliver a Collections Donation Agreement ("**Collections Donation Agreement**") with the Virginia Depart of Historic Resources (attached as Appendix A to the Curation Letter) regarding the collected items from the project/sites identified in the Curation Letter; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, and in furtherance of the development of the SVM project, for the Authority to approve, to negotiate, to execute and to deliver the Collections Donation Agreement, subject to the approval by legal counsel to the Authority as to legal form, and as applicable, consistent with this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby approves the negotiation, execution and delivery of the Collections Donation Agreement, subject to the approval by legal counsel to the Authority as to legal form. The Authority hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, in consultation with the other, to further negotiate and amend the Collections Donation Agreement, on behalf of the Authority, consistent with this Resolution and as approved by legal counsel to the Authority as to legal form, such execution of any such amendments by the Chairman (or Vice Chairman as the case may be) to conclusively establish the approval of any such amendments.

2. The Authority hereby authorizes and directs the City Manager Officer, the County Administrator Officer, and the Authority's staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Collections Donation Agreement, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Collections Donation Agreement, and the matters contemplated therein or related thereto on before the date of this Resolution is adopted.

4. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on November 14, 2022, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 14th day of November 2022.

____
SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Exhibit A

(Curation Letter and Collections Donation Agreement)

October 4, 2022

Shawn Harden
Dewberry, Senior Project Manager
SHarden@Dewberry.com

Subject: Collection Curation Request

Project/Site(s): Berry Hill Phase I and II, Lots 1-5, 7-9, Years 2014-2021

Description of Collection:

All artifacts recovered by WSP USA, Inc. (WSP), and previously by Louis Berger, from the above referenced project/site(s): Project numbers 2002905, 20414389, 2043541.002, and 2043541.003/Sites 44PY26, 44PY328, 44PY330, 44PY331, 44PY332, 44PY333, 44PY334, 44PY335, 44PY353, 44PY354, 44PY355, 44PY356, 44PY357, 44PY358, 44PY360, 44PY370, 44PY373, 44PY374, 44PY375, 44PY376, 44PY377, 44PY381, 44PY382, 44PY384, 44PY385, 44PY386, 44PY389, 44PY394, 44PY396, 44PY397, 44PY398, 44PY455

By signing below and the attached VDHR Donation Form, I hereby irrevocably and unconditionally give, transfer, assign, and deliver to the Virginia Department of Historic Resources (VDHR), the property hereafter described; and I waive all rights in or to said property, its use or disposition.

Landowner Signature

Date

On behalf of WSP, I have sent the property listed above to VDHR.

Laboratory Director

Date

WSP USA
300 Wyandotte Street
Suite 200
Kansas City, MO 64108
+1 816-559-3819

wsp.com

Appendix A

COLLECTIONS DONATION AGREEMENT

Name of Donor ____

Address ____

____________________________________ Phone No. ___________

Name of Collection ____________________ Site No. ____________

Description ____

I hereby donate the collection named above to the Department of Historic Resources to become its permanent property. The collection will be administered in accordance with the DHR's established policies. ~~The DHR has title free and clear to process and preserve the collection and to use the donation for research and education on an unrestricted basis.~~

~~I certify that this collection was ethically or legally obtained, and I hereby indemnify and hold the DHR harmless from any liability concerning the procurement of this collection from its original location.~~

_____________________ _______________________
Donor Signature Date

____
Title/Affiliation

_____________________ _______________________
Chief Curator, DHR Date

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	
Meeting Date:	November 14, 2022
Subject:	Financial Status Reports – October 31, 2022
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through October 31, 2022 will be provided at the meeting. The financial status reports as of October 31, 2022 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of October 31, 2022 as presented.

ATTACHMENTS

Financial Status Reports

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

Danville-Pittsylvania Regional Industrial Facility Authority

$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 [7]

As of October 31, 2022

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost [7]	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
Cane Creek Parkway [3]		$3,804,576.00	$3,724,241.16	$ -	
Swedwood Drive [2]		69,414.00	69,414.00	-	
Cane Creek Centre entrance [3]		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts [1]		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant [4, 5]		76,986.46	65,559.12	11,427.34	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	247,837.83	-	
CCC - Lots 3 & 9 project - RIFA Local Share [6]		142,190.00	112,464.98	-	
Other expenditures		2,250.00	347,194.30	2,250.00	
Total	$ 7,578,582.12	$ 4,318,495.58	$ 7,564,279.78	$ 13,677.34	**$ 625.00**

Notes:

[1] Dewberry Contracts consist of wetland, engineering, surveying and site preparation

[2] Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

[3] Project completed under budget

[*] In September 2008 the outstanding principal balance of $6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

[4] These contracts were originally to be paid by the $1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

[5] The budget amount decreased $71,279.61 from the 9/30/2010 reports. This amount represented the remaining budget amount carried from the $1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

[6] This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

[7] The $7.3 million bonds were refunded on 8/1/2013 with the issuance of refunding bonds in the amount of $5,595,000.

Road Summary-Cane Creek Parkway:	
English Contract-Construction	$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	**$ 5,271,916.00**

Funding Summary - Cane Creek Parkway	
VDOT	$ 1,467,340.00
Bonds	3,804,576.00
	$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2022
As of October 31, 2022

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City Contribution	$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2021	24,625.84				
Reimbursement of expenses	24,700.00				
Transfer from Unrestricted Fund Balance	124,233.31				
Contingency					
Miscellaneous contingency items		$ 27,355.95	$ 27,355.95	$ -	$ -
Total Contingency Budget		27,355.95	27,355.95	-	-
Legal		261,885.77	261,885.77	-	(0.00)
Accounting		23,100.00	23,100.00	-	-
Postage & Shipping		121.60	121.60	-	-
Meals		4,411.51	4,411.51	-	0.00
Utilities		1,252.32	1,252.32	-	-
Insurance		5,432.00	5,432.00	-	-
Total	$ 323,559.15	$ 323,559.15	$ 323,559.15	$ -	**$ (0.00)**

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2023
As of October 31, 2022

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City Contribution	$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2022					
Transfer from Unrestricted Fund Balance	100,000.00				
Contingency					
Miscellaneous contingency items		$ 6,494.16	$ 5,456.89	$ -	$ 1,037.27
Total Contingency Budget		6,494.16	5,456.89	-	1,037.27
Legal		115,100.00		-	115,100.00
Accounting		23,800.00		-	23,800.00
Marketing		96,505.84	96,505.84	-	-
Postage & Shipping		100.00	53.23	-	46.77
Meals		4,000.00	907.02	-	3,092.98
Utilities		1,000.00	503.88	-	496.12
Insurance		3,000.00		-	3,000.00
Total	$ 250,000.00	$ 250,000.00	$ 103,426.86	$ -	**$ 146,573.14**

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of October 31, 2022

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1,4]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion [5]	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 [6]	11,854.39				
TIC #2264 - Phase II Land and Engineering	3,700,000.00				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
Virginia Resources Authority - TRRF Loan #3658	4,500,000.00				
Transfer from Unrestricted Funds - "Other Income"	282,140.86				
Land					
Klutz property		$ 8,394,553.50	$ 8,394,553.50	$ -	
Canter property [2]		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
401 Buford Road		246,082.96	246,082.96	-	
Off State Road 1055		181,890.19	181,890.19	-	
604 Buford Road		361,896.60	361,896.60	-	
ROW purchase for connector road		832,300.25	832,300.25	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis[3]		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney [7]		115,000.00	103,796.85	-	
Dewberry Engineers (related to #2264)		160,500.00	160,500.00	-	
Dewberry Engineers		660,580.00	602,980.00	57,600.00	
Appalachian Power Company		5,178,500.00	5,178,500.00	-	
Banister Bend Farm, LLC		199,064.00	199,064.00	-	
Virginia Department of Transportation (VDOT)		279,399.00	279,399.00	-	
Transcontinental (Williams Transco)		40,000.00	40,000.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project [8]		-	11,203.15	-	
Total	$ 23,291,168.83	$ 22,371,737.83	$ 22,311,167.12	$ 60,570.71	**$ 919,431.00**

[1] *This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled $144,150.41.*

[2] *Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.*

[3] *This contract was originally for $814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. $740,000 was covered by the FY09 Tobacco Allocation. $162,928 was covered by the FY10 Tobacco Allocation. $87,922 will be covered with RIFA Funds.*

[4] *RIFA paid the City back for all advances on 1/3/2012.*

[5] *The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately $65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.*

[6] *Due to the expiration of the Tobacco Comission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize $11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.*

[7] *Unencumbered the remaining $11,203.15 due to termination of contract.*

[8] *As approved by RIFA Board on 10/16/2014*

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Lot 4 Site Development
As of October 31, 2022

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Tobacco Commission FY12 Megasite Allocation	$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion [1]	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion [1]	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion [2]	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget [3]	11,203.15				
Transfer to Other Income - Unrestricted Funds	152,170.40				
Transfer from SVM Berry Hill Lots 1 & 2	138,000.00				
Expenditures					
Dewberry Engineers Inc.		1,707,562.81	1,707,562.81	-	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	12,000.00	-	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		77,027.64	77,027.64	-	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		11,860.00	11,860.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,243,151.21	4,243,151.21	-	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		1,679,616.89	1,679,616.89	-	
Haymes Brothers, Inc. - Phase 1 Development		290,500.00	269,166.66	21,333.34	
Transfers to "General Expenditures Fiscal Year 2015" Contingency [3]					
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	(12,000.00)	-	
Total	$ 8,190,526.55	$ 8,190,526.55	$ 8,169,193.21	$ 21,333.34	**$ (0.00)**

[1] $300,000 of this was received from each locality 6-2014. $450,000 received 8-2014. $450,000 received 9-2014.

[2] The RIFA Board approved on 2/11/2013 to transfer the remaining funds of $175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of $5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

3 As approved by RIFA Board on 10/16/2014 ($108,603.35 of expenditures for Dewberry Engineers, Inc. was also transferred from remaining unexpended and unencumbered costs under Amendment #4)

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lots 1&2 Site Development

As of October 31, 2022

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
TIC #3358 Site Improvements					
Tobacco Commission Grant	$ 2,624,800.00				
VBRSP Site Development Grant	1,312,400.00				
County Match					
Contractual Services	261,800.00				
Property & Improvements	1,050,600.00				
City Match					
Contractual Services	261,800.00				
Property & Improvements	1,050,600.00				
Transfer to other funding sheets	(2,126,100.25)				
Expenditures					
Dewberry Engineers Inc.		418,676.00	325,790.00	92,886.00	
Virginia Nutrient Bank		84,420.00	84,420.00	-	
Jimmy R. Lynch & Sons, Inc.		2,972,000.00	883,387.41	2,088,612.59	
Treasurer of Virginia		6,100.00	6,100.00	-	
Total	$ 4,435,899.75	$ 3,481,196.00	$ 1,299,697.41	$ 2,181,498.59	**$ 954,703.75**

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of October 31, 2022

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
TIC #2641 Phase I Sanitary Sewer					
Tobacco Commission Grant 2641	$ 4,840,977.86				
Local Match for Contractual Services	274,926.43				
Local Match for Property & Imp.	262,960.00				
TIC #3011 Water System Improvements Phase II					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Imp.	224,160.00				
City of Danville Utilities	3,824,637.35				
Expenditures					
Dewberry Engineers Inc.		1,020,049.99	888,109.99	131,940.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
Haymes Brothers, Inc. - Phase I Sanitary Sewer (City)		3,210,312.35	3,210,312.35	-	
C.W. Cauley & Son - Phase 1 Water		1,843,540.00	1,021,345.00	822,195.00	
Norfolk Southern Railway Company		22,300.00	22,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		7,900.00	7,900.00	-	
AECOM		5,000.00	5,000.00	-	
BH Media Group, Inc.		296.00	296.00	-	
Danville Register & Bee		600.00	600.00	-	
Total	$ 11,669,228.64	$ 11,204,141.64	$ 10,250,006.64	$ 954,135.00	**$ 465,087.00**

Danville-Pittsylvania Regional Industrial Facility Authority

Cyber Park Site Development

As of October 31, 2022

		Funding		Budget / Contract Amount		Expenditures		Encumbered		Unexpended / Unencumbered
Funding										
MEP TROF Loan	$	270,000.00								
Transfer from Other Income		132,090.00								
Transfer from SVM at BH Lots 1& 2		1,988,100.25								
Expenditures										
Dewberry Engineers Inc.				94,250.00		57,725.00		36,525.00		
Making Everything Possible LLC (Incentives)				270,000.00		270,000.00		-		
Virginia Nutrient Bank				37,840.00		37,840.00		-		
Sellers Brothers				1,988,100.25		368,884.14		1,619,216.11		
Total	$	2,390,190.25	$	2,390,190.25	$	734,449.14	$	1,655,741.11	**$**	**-**

Danville-Pittsylvania Regional Industrial Facility Authority
Rent, Interest, and Other Income Realized for Fiscal Year 2023
As of October 31, 2022

Source of Funds	**Funding** **Carryforward from FY2022**	**Receipts Current Month**	**Receipts FY2023**	**Expenditures FY2023**	**Unexpended / Unencumbered**
Carryforward	$ 747,607.08				
Current Lessees					
Institute for Advanced Learning and Research (IALR) [1]		$ 21,846.50	$ 87,386.00		
Axxor N.A. LLC					
RealtyLink Investments, LLC					
Mountain View Farms of Virginia, L.C.					
Osborne Company of North Carolina, Inc.					
Capital Outdoor, Inc.			2,000.00		
American Electric Power		1,500.00	7,500.00		
Total Rent		$ 23,346.50	$ 96,886.00		
Interest Received [2]		$ 83.64	$ 251.61		
Miscellaneous Income		$ 46,111.90	$ 879,169.77		
Expenditures					
Hawkins Research Bldg. Property Mgmt. Fee				$ 65,539.50	
Incentive Disbursements to MEP LLC				$ 1,427.63	
Transfers to other funding sheets				$ 252,500.00	
Totals	$ 747,607.08	$ 69,542.04	$ 976,307.38	$ 319,467.13	$ 1,404,447.33

Restricted [1]	$ 334,673.20
Unrestricted	$ 677,004.99
Committed	$ 392,769.14

[1] *Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions*

[2] *Please note that this is only interest received on RIFA's general money market account.*

Danville-Pittsylvania Regional Industrial Facility Authority

Monthly Disbursements

October 2022

Check Number	Date	Vendor Name	Paid Amount
WIRE	10/04/2022	City of Danville	69.20
WIRE	10/04/2022	City of Danville	69.05
2514	10/13/2022	Sellers Brothers, Inc.	262,484.14
2515	10/13/2022	Jimmy R. Lynch and Sons, Inc	290,269.03
2516	10/13/2022	City of Danville	206.00
2517	10/13/2022	Sellers Brothers, Inc.	106,400.00
2518	10/13/2022	Dewberry Engineers Inc.	8,975.00
2519	10/13/2022	Fedex	53.23
2520	10/13/2022	IALR	567.18
2521	10/13/2022	IALR	21,846.50
2523	10/13/2022	Christian & Barton, LLP	48,481.76
WIRE	10/20/2022	City of Danville	36.00

Danville-Pittsylvania Regional Industrial Facility Authority

Statement of Net Position [1, 2]

*October 31, 2022**

		Unaudited FY 2023
Assets		
Current assets		
Cash - checking	$	2,189,764
Cash - money market		457,073
Total current assets		2,646,837
Noncurrent assets		
Restricted cash - project fund CCC bonds		20,802
Restricted cash - debt service fund CCC bonds		533,774
Capital assets not being depreciated		23,892,761
Capital assets being depreciated, net		21,672,622
Construction in progress		27,458,332
Total noncurrent assets		73,578,291
Total assets		76,225,128
Liabilities		
Current liabilities		
Accrued interest		90,989
Economic development payable - current portion		147,000
Bonds payable - current portion		490,000
Total current liabilities		727,989
Noncurrent liabilities		
Bonds payable - less current portion		720,000
Loans payable - less current portion		4,500,000
Total noncurrent liabilities		5,220,000
Total liabilities		5,947,989
Net Position		
Net investment in capital assets		71,834,517
Restricted - debt reserves		533,774
Unrestricted		(2,091,152)
Total net position	$	70,277,139

[1] Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

[2] Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
October 31, 2022*

	Unaudited FY 2023
Operating revenues	
Rental income	120,743
Other Income	46,112
Total operating revenues	166,855
Operating expenses [4]	
Mega Park expenses [3]	1,380,702
Cane Creek Centre expenses [3]	23,722
Cyber Park expenses [3]	489,567
Professional fees	21,660
Other operating expenses	7,057
Total operating expenses	1,922,708
Operating income (loss)	(1,755,853)
Non-operating revenues (expenses)	
Interest income	252
Interest expense	(34,016)
Total non-operating expenses, net	(33,764)
Net income (loss) before capital contributions	(1,789,617)
Capital contributions	
Contribution - City of Danville	1,688,669
Contribution - Pittsylvania County	1,654,354
Total capital contributions	3,343,023
Change in net position	1,553,406
Net position at July 1, 2021	68,723,733
Net position at October 31, 2022	$ 70,277,139

[3] A portion or all of these expenses may be capitalized at fiscal year-end.

[4] Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

5 Please note this statement will change once all FY2022 entries are made and may also change depending on audit adjustments, if any, for FY2022 and the nature of those audit adjustments.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
October 31, 2022*

		Unaudited FY 2023
Operating activities		
Receipts from leases	$	117,352
Payments to suppliers for goods and services		(2,140,028)
Net cash used by operating activities		(2,022,676)
Capital and related financing activities		
Capital contributions		3,343,024
Net cash provided by capital and related financing activities		3,343,024
Investing activities		
Interest received		252
Net cash provided by investing activities		252
Net increase (decrease) in cash and cash equivalents		1,320,600
Cash and cash equivalents - beginning of year (including restricted cash)		1,880,813
Cash and cash equivalents - through October 31, 2022 (including restricted cash)	$	3,201,413
Reconciliation of operating loss before capital contributions to net cash used by operating activities:		
Operating income (loss)	$	(1,755,853)
Changes in assets and liabilities:		
Change in prepaids		2,809
Change in unearned income		(269,632)
Net cash used by operating activities	$	(2,022,676)

Components of cash and cash equivalents at October 31, 2022:		
American National - Checking	$	2,189,764
American National - General money market		457,073
Wells Fargo - $7.3M Bonds CCC Debt service fund		533,774
Wells Fargo - $7.3M Bonds CCC Project fund		20,802
	$	3,201,413

Danville-Pittsylvania Regional Industrial Facility Authority
Executive Summary

Agenda Item No.: Item 6

Meeting Date: 11/14/2022

Subject: Closed Session Items as presented in the Agenda

From: Chairman

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 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.

RETURN TO OPEN SESSION

F. Confirmation of Motion and Vote to Reconvene in Open Meeting.
G. Motion to Certify Closed Meeting.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 7A

Meeting Date: 11/14/2022

Subject: Communication

From: Chairman

Communications:

A. Authority Board Members

B. Staff

i. Potential addition of streetlights in Cane Creek Centre – Mr. Larking

ii. Status Update: Logging project – Mr. Rowe

iii. Status Update: Increased costs for SVM Lots 1 and 2 – Mr. Bradner

iv. Retreat/Master Plan for each of the Authority's park projects – Mr. Larking

v. Confidentiality Agreement updates to form document – Mr. Guanzon