

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

February 13, 2023

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:10 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Chairman J. Lee Vogler, Jr., Sherman M. Saunders, and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Vice Chairman William V. Ingram, Robert Tucker and Alternate Darrell Dalton.

City/County staff members attending were: Deputy City Manager Earl Reynolds, Interim County Administrator J. Vaden Hunt, City of Danville Director of Finance Michael Adkins, City of Danville Accountant Tiffany Swanson-Jones, Pittsylvania County Director of Finance Kim Van Der Hyde, City of Danville Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Pittsylvania County Project Manager Kattie Saunders, Pittsylvania County Zoning Administrator Emily Ragsdale, Legal Counsel to the Authority Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden, Brian Bradner and Carolyn Howard from Dewberry, Linda Green from IALR, and citizen Ken Bowman.

Chairman J. Lee Vogler, Jr., presided.

Mr. Saunders recognized Linda Green from the Institute.

PUBLIC COMMENT PERIOD

Chairman Vogler recognized Ken Bowman, who spoke about a Berry Hill project. A copy of comments provided by Mr. Bowman are attached to these minutes.

APPROVAL OF MINUTES OF THE JANUARY 9, 2023 REGULAR MEETING AND JANUARY 26, 2023 SPECIAL MEETING.

Upon **Motion** by Mr. Ingram and **second** by Mr. Tucker, Minutes of the January 9, 2023 Regular Meeting and January 26, 2023 Special Meeting, were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2023-02-13-5A APPROVING AMENDMENT #35 WITH DEWBERRY

Pittsylvania County Director of Economic Development Matt Rowe explained this was for additional due diligence work for the Megasite; it was part of the development process. This particular project was fully funded by the \$1.5M Virginia Business Ready Site Program Grant RIFA received. The match for this grant was the funds that have already been expended at the site; no further match was needed. Staff was asking the Board to review, consider and approve this request pending Mr. Guanzon's legal review, and also pending the Performance Agreement from the state. Legal Counsel Michael Guanzon stated that the review looked good so far, with some additional standard language to be added.

Mr. Tucker **moved** for adoption of *Resolution No. 2023-02-13-5A, approving the negotiation, execution and delivery of Amendment No. 35, dated as of January 31, 2023, with Dewberry Engineers Inc., a New York corporation, for engineering services related to the Mega Park*

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Master Plan, to provide or cause to be provided project development coordination, cultural resources, and mussel and fish surveys for the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, at a lump sum fee of \$705,000.00, and subject to the approval by legal counsel to the Authority as to legal form.

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

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

5E. FINANCIAL STATUS REPORT AS OF JANUARY 31, 2023

Authority Treasurer Michael Adkins gave the Financial Status report as of January 31, 2023, starting with the \$7.3M Bonds for Cane Creek which had no activity. Under General Expenditures for this fiscal year, RIFA paid \$161 to Abstracts and Titles, legal expenses of \$16,590 to Christian & Barton, meals were \$350.52, and monthly utilities to the City of Danville were \$166.68. Under Funding Other than Bonds for Berry Hill, staff did increase funding for the \$1.5M grant from VEDP, transferred from Unrestricted Funds \$87,800 to cover the ALTA Survey, and also increased the contract amount to Dewberry by that amount. Lot 4 Site Development had no expenditures. Lots 1 and 2 had two expenditures, one to Dewberry Engineers for \$25,000 for work done under Amendment #30 and also to Jimmy Lynch & Sons, \$86,640 which was Payment #8 for Lots 1 and 2. Water and Sewer at Berry Hill had no expenditures for January; Cyber Park Site Development had an expenditure of \$9,600 to Dewberry for work related to the grading of Lot 7B. Rent, Interest and Other Income show RIFA received the monthly rent from the Institute for the Hawkins' Building of \$21,846.50, received the annual rent check from Mountain View Farms of \$1,200, \$1,500 for storage rent from AEP and the bank accounts earned \$135.97 in interest. Under Miscellaneous Income, RIFA received proceeds of the timber sales at Berry Hill for the month of January from Hopkins Lumber totaling \$314,807.16. Expenses this month included the payment to the Institute for Hawkins' Building maintenance of \$21,846.50, and to Morgan Olsen, RIFA paid the incentive of \$305,596; both halves of that had been received from the County and the City.

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

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

6. CLOSED SESSION

At 12:24 p.m. Mr. Ingram **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

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

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- 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. Tucker and carried by the following vote:

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

RETURN TO OPEN SESSION

On **Motion** by Mr. Ingram and **second** by Mr. Tucker and by unanimous vote at 1:39 p.m., the Authority returned to open meeting.

Mr. Tucker **moved** for adoption of the following Resolution:

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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. Ingram and carried by the following vote:

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

7. COMMUNICATIONS

Mr. Rowe explained Branch Civil was awarded a VDOT contract for the new connector road and one of the things they have to do was set up a headquarters or office to oversee the construction. They have requested the property at 605 Buford Road that was purchased from Mrs. Weatherford, to rent or lease from RIFA for \$300 per month for twenty-four months. They need to know ASAP if this was something RIFA could support because they want to start this week, getting into the facility, and upfitting it. They will perform exterior parcel upgrades as well as parcel maintenance, security cameras, and house upgrades. Mr. Rowe noted he was requesting the Board to direct staff to move forward, pending legal review, to finalize this lease if the Board was in agreement with the terms.

Mr. Ingram **moved** to accept the proposed lease with the terms provided by Mr. Rowe. The Motion was **seconded** by Mr. Tucker and carried by the following vote:

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

Meeting adjourned at 1:46 p.m.

APPROVED:

s/ J. Lee Vogler, Jr.
Chairman

s/ Susan M. DeMasi
Secretary to the Authority

RIFA Meeting

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Berry Hill Project- Electric Vehicle Battery Plant

Excerpts from the Richmond Times Dispatch

A spokeswoman for Ford Motor Company said the company had not made a site selection decision on its plans for an electric vehicle battery plant in partnership with a Chinese company.

The statement from the company came in response to a Richmond Times-Dispatch report citing two sources saying the company had notified Virginia officials that it had selected the Southern Virginia Mega Site at Berry Hill in Pittsylvania County for the plant. The sources spoke on condition of anonymity.

Ford Motor Co. notified Virginia that it had selected the [Southern Virginia Mega Site at Berry Hill](#) for an electric battery plant prior to Gov. Glenn Youngkin scuttling the plan, according to two people with knowledge of the situation who spoke on the condition of anonymity. [Ford was also working on the site.](#)

The location is in Pittsylvania County, near Danville, and is one of the poorest areas of Virginia. The \$3.5 billion plant would have created an estimated 2,500 jobs in Southside Virginia, the Richmond Times-Dispatch and Danville Register & Bee [reported Monday.](#)

Youngkin has said that he pulled Virginia from consideration for the project over his concerns about Chinese government influence and the possibility of federal tax incentives benefitting a company with ties to the Chinese Communist Party.

Youngkin's press secretary said by email, "A location has not been selected yet and Virginia was removed from consideration, it was never in the final discussion stage."

A Youngkin spokesman said in a text message: "Virginia did not win the project. ... We removed ourselves from consideration in an ongoing process."

Questions: There is a lot of speculation about this project and who made the call to pull the plug. Was the City/County misled? Did Ford identify the Berry Hill site for the plant? What were the incentives? What went wrong?

Question: Over the years Danville and Pittsylvania have partnered to purchase / invest in the development of the Berry Hill site. What is the current debit service for the County with this investment? When will the first parcel be ready for marketing?

Question: What are the discussions for additional housing opportunities when these large companies have been recruited to the area? The announcement mentioned above cites 2500 jobs for the Battery Plant. Is anyone or any organization looking at the possibly of acquiring land near the Berry Hill site or some other area, meeting with developers and builders, rezoning property, planning infrastructure, i.e. water / sewer / internet fiber / highway improvements / meeting with NC officials across the border, etc. to plan for these announcements? I would recommend reaching out to other localities that are experiencing this type of growth see what they are going through. For instance Concord, Charlotte, Orange County, and Chatham County in NC are all in a growth boom.

Thank you for your time. I would be glad to offer my support to this group if needed.

Ken Bowman

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