DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY AGENDA

City of Danville, Virginia
County of Pittsylvania, Virginia

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

September 11, 2023

12:00 PM

County of Pittsylvania Members

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

City of Danville Members

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

Staff

Kenneth F. Larking, City Manager Officer
Stuart J. Turille, Jr., County Administrator Officer
Christian & Barton, L.L.P., Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

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

A. Consideration of Approval of Minutes from Regular Meeting held on August 14, 2023.

5. NEW BUSINESS

A. Consideration of Resolution No. 2023-09-11-5A, approving the negotiation, execution and delivery of a Second Amendment to that certain Construction Materials Storage Lease Agreement with Appalachian Power Company, approved under Resolution No. 2021-10-10-5D, for an additional period of up to nine months at a lease rate of $1,500.00 per month, to complete certain transmission line and substation construction activities at the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, including without limitation restoring the lease premises by replacing the existing gravel with new grass and closing out environmental permitting – Michael C. Guanzon, Esq., Christian & Barton, LLP, Legal Counsel to the Authority

B. Consideration of Resolution No. 2023-09-11-5B, approving an amendment to that certain Local Performance Agreement dated June 14, 2021, by and among the Authority, the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, the City of Danville, Virginia, a Virginia municipal corporation, the Industrial Development Authority of Pittsylvania County, Virginia, a political subdivision of the Commonwealth of Virginia, the County of Pittsylvania, Virginia, a political subdivision of the Commonwealth of Virginia, and Making Everything Possible, LLC, a Virginia limited liability company, approved under Resolution No. 2021-06-14-5D, where Making Everything Possible, LLC's performance criteria will be updated and no further incentives from the Authority will be added – Corrie Teague Bobe, Director of Economic Development, City of Danville

C. Financial Status Reports as of August 31, 2023 – Michael L. Adkins, Authority Treasurer

6. CLOSED MEETING

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.*

7. RETURN TO OPEN SESSION

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

B. Motion to Certify Closed Meeting.

8. COMMUNICATIONS

A. Authority Board Members

B. Staff

1. October RIFA meeting will be held on Wednesday, October 11, 2023 – Susan M. DeMasi, Authority Secretary

2. November RIFA meeting will be held on Wednesday, November 15, 2023 – Susan M. DeMasi, Authority Secretary

9. ADJOURN

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 4.A.

DATE: September 11, 2023

FROM: Susan DeMasi | Authority Secretary

RE: Consideration of Approval of Minutes from Regular Meeting held on August 14, 2023.

ATTACHMENTS

1. Meeting Minutes

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:15 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Chairman J. Lee Vogler, Jr., Sherman M. Saunders and Alternate Dr. Gary P. Miller; Pittsylvania County Members present were Robert Tucker and Alternate Darrell Dalton. Vice Chairman William V. Ingram was absent.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, County Administrator Stuart Turille, City of Danville Chief Financial Officer and Authority Treasurer Michael Adkins, City of Danville Accountant Meredith Franklin, Pittsylvania County Director of Finance Kim Van Der Hyde, City of Danville Director of Economic Development Corrie Bobe, Danville Assistant Director of Economic Development Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Pittsylvania County Project Manager Kattie Saunders, Legal Counsel to the Authority Attorney Michael C. Guanzon and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner from Dewberry, Council Member Madison Whittle, and Mr. Maury Whittle.

Chairman J. Lee Vogler, Jr., presided.

Mr. Vogler requested a moment of silence for the citizens of Hawaii.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES OF THE JULY 10, 2023 REGULAR MEETING

Upon **Motion** by Mr. Tucker and **second** by Mr. Dalton, Minutes of the July 10, 2023 Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2023-08-14-5A SUPPORTING AN AMENDMENT TO THE REGIONAL INDUSTRIAL FACILITY AUTHORITY AGREEMENT

Authority Attorney Michael Guanzon explained this item was a follow-up; the Virginia Code permits an agreement between the members of a RIFA, for sharing the cost of a project and also the revenues. They wanted to have some clarification with respect to the costs and revenues of a solar siting agreement, that these costs and revenues would be shared between the City and the County. The city attorney and county attorney were in agreement as to the form, and the document will be presented to City Council; he believed that the County Board of Supervisors has already signed it. This was just to define that, although it talks about RIFA, and was related to RIFA, RIFA was not a party to the original agreement, and was not a party to this one. It just indicated that they have no objections to what the city and the county will ultimately agree to sign.

Mr. Saunders **moved** for adoption of *Resolution 2023-08-14-5A, a Resolution Supporting that Certain Amendment to the Regional Industrial Facility Authority Agreement for Cost Sharing and Revenue Sharing Between the City of Danville, Virginia and Pittsylvania County, Virginia,* *Relating to Solar Siting Agreements.*

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

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

5B. CONSIDERATION OF RESOLUTION 2023-08-14-5B APPROVING THE SUBSTITUTION OF THE CITY OF DANVILLE FOR THE VIRGINIA DEQ FOR THE ADMINISTRATION OF THE STORMWATER MANAGEMENT PROGRAM

Mr. Guanzon explained that currently, RIFAs were required to have some oversite for their stormwater management programs, to be monitored by the Department of Environmental Quality. Delegate Marshall and others have amended the agreement to say that with a RIFA or Economic Development Authority, one of the members can do that type of oversight. The City of Danville, under this agreement, would be the one to be substituted in place of DEQ, to do such function.

Pittsylvania County Director of Economic Development Matt Rowe noted that he thought it would be appropriate for RIFA to acknowledge that this was enabled by Delegate Marshall and the House bill that he passed.

Mr. Dalton **moved** for adoption of *Resolution 2023-08-14-5B, Approving the Substitution of the City of Danville, Virginia, in place of the Virginia Department of Environmental Quality under that Certain Memorandum of Agreement by and among the Authority, the City of Danville, Virginia, Pittsylvania County, Virginia, and the Virginia Department of Environmental Quality, Originally Approved Under Resolution No. 2022-07-11-5A, for the Provision and Administration of a Virginia Stormwater Management Program in the Authority's Southern Virginia Megasite at Berry Hill Project, with such Substitution being permitted pursuant to Legislative Changes.*

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

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

5C. FINANCIAL STATUS REPORT AS OF JULY 31, 2023

Authority Treasurer Michael Adkins gave the Financial Status report as of July 31, 2023, beginning with the $7.3M Bonds for Cane Creek which had no activity for July. Under General Expenditures for Fiscal Year 2023, RIFA paid monthly utilities of $174.93, meals of $422.40, and paid Sellers Brothers for routine maintenance for Berry Hill and Cane Creek, for February through June, of $24,450.00. General Expenditures for Fiscal Year 2024 had no activity. Funding Other than Bonds for Berry Hill had one expenditure to Dewberry for work completed under Amendment #35, of $20,875.00. Lot 4 Site Development, Lots 1 and 2, and Water and Sewer had no activity for July. Under the Cyber Park, there was a payment to Dewberry for $3,200 related to the grading of Lot 7D, and also work under Amendment #1. Rent, Interest and Other Income for Fiscal Year 2023, show RIFA issued a check to the Institute for the

Hawkins' Building monthly maintenance of $24,352.44. Rent, Interest and Other Income for Fiscal Year 2024 show RIFA received $1,500 from AEP for monthly storage and received rent from the Institute of $23,342.11. The money market account earned $5,107.47 in interest, and RIFA received its annual contribution from the City and the County of $100,000 from each locality. RIFA continues to receive timber sales proceeds from Hopkins' Lumber; they received four payments during the month of July totaling $84,192.51.

Mr. Adkins noted following the financial statements there was a letter from Brown, Edwards which was their annual engagement letter notifying the Board that they will be serving as RIFA's external auditors again, for the Fiscal Year 2023 Audit. It was a required communication so Board members had their contact information if they have any questions for them.

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

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

6. CLOSED SESSION

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

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

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

B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority 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:	Tucker, Dalton, Saunders, Vogler (4)
NAY:	None (0)

RETURN TO OPEN SESSION

On **Motion** by Mr. Tucker and **second** by Mr. Saunders and by unanimous vote at 1:57 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:	Tucker, Dalton, Saunders, Vogler (4)
NAY:	None (0)

7. COMMUNICATIONS

Mr. Tucker thanked the staff for all their hard work to make something happen for the County and the City.

Mr. Dalton thanked everyone for their hard work, and encouraged them to keep up the good work.

Mr. Saunders apologized for missing the last meeting, and was glad to be back today; it was a good discussion, and it was a pleasure working with this body.

Dr. Miller noted it was great working with staff, with some great suggestions coming from the Board members.

Mr. Vogler noted his agreement with what was said and appreciated the work of each and every person in the room. He was especially grateful to be able to sit in this seat, having on each side great teachers and advisors to help him along the path.

Meeting adjourned at 2:02 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.A.

DATE: September 11, 2023

FROM: Michael Guanzon | Legal Counsel to Authority

RE: Consideration of Resolution No. 2023-09-11-5A, approving the negotiation, execution and delivery of a Second Amendment to that certain Construction Materials Storage Lease Agreement with Appalachian Power Company, approved under Resolution No. 2021-10-10-5D, for an additional period of up to nine months at a lease rate of $1,500.00 per month, to complete certain transmission line and substation construction activities at the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, including without limitation restoring the lease premises by replacing the existing gravel with new grass and closing out environmental permitting – Michael C. Guanzon, Esq., Christian & Barton, LLP, Legal Counsel to the Authority

ATTACHMENTS

1. Resolution 2023-09-11-5A
2. Exhibit A

Resolution No. 2023-09-11-5A

A RESOLUTION APPROVING THE NEGOTIATION, EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO THAT CERTAIN CONSTRUCTION MATERIALS STORAGE LEASE AGREEMENT WITH APPALACHIAN POWER COMPANY, APPROVED UNDER RESOLUTION NO. 2021-10-10-5D, FOR AN ADDITIONAL PERIOD OF UP TO NINE MONTHS AT A LEASE RATE OF $1,500.00 PER MONTH, TO COMPLETE CERTAIN TRANSMISSION LINE AND SUBSTATION CONSTRUCTION ACTIVITIES AT THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, INCLUDING WITHOUT LIMITATION RESTORING THE LEASE PREMISES BY REPLACING THE EXISTING GRAVEL WITH NEW GRASS AND CLOSING OUT ENVIRONMENTAL PERMITTING

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, the City of Danville, Virginia (the "**City**"), and the County of Pittsylvania County, Virginia (the "**County**"), in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity; and

WHEREAS, the Authority, pursuant to Resolution No. 2021-10-10-5D, entered into that certain Construction Materials Storage Lease Agreement on or about October 2021, with Appalachian Power Company ("**APCo**"), with APCo as lessee (the "**Storage Lease**"), in support of existing electrical transmission line relocation work in the Authority's Southern Virginia Megasite at Berry Hill project (the "**SVM**"), located in Pittsylvania County, Virginia; and

WHEREAS, APCo has requested an extension of the Storage Lease of up to nine (9) months (the "**Extension**") to complete the work by restoring the Leased Premises (as defined in the Storage Lease) to at least substantially the same condition they were in before the commencement of the Storage Lease, namely by replacing the existing gravel with new grass, and closing out environmental permit work; the rent would be at a rate of $1,500.00 per month; and

WHEREAS, Authority and APCo, desire to enter into that certain Second Amendment to Lease ("**Second Amendment**"), substantially in the form attached hereto as **Exhibit A**, and incorporated herein by this reference, where in addition to the Extension, the Authority will have the right to terminate the Storage Lease, without cause, upon at least sixty (60) days' written notice to APCo, and the Authority will have the right to show the Leased Premises to prospective business recruits, as more fully described in the Second Amendment.

WHEREAS, the Authority has determined that it is in the best interests of the Authority, of the citizens of the County and the City, and of further development of the SVM, for the Authority to approve the negotiation, execution and delivery of the Second Amendment to facilitate the completion of the transmission line relocation work.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the negotiation, execution and delivery of the Second Amendment, substantially in the form attached hereto as Exhibit A, subject to approval and modification by the Authority's legal counsel 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 Second Amendment, 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, 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 Second Amendment or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of this Resolution.

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 September 11, 2023, 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 11th day of September 2023.

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

(SEAL)

Exhibit A

(Form of Second Amendment to Construction Materials Storage Lease Agreement)

Facility: Berry Hill Laydown Yard
Lease No.: 1046001

SECOND AMENDMENT TO LEASE

This **SECOND AMENDMENT TO LEASE** (this "Second Amendment") is made as of the 1st day of August 2023, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY** ("Lessor"), and **APPALACHIAN POWER COMPANY** ("Lessee").

WHEREAS, Lessor and Lessee entered into a certain Lease dated October 31, 2021, further amended by First Amendment to Lease dated January 3, 2022 ("Lease"), for certain premises located Pittsylvania County, Virginia (the "Leased Premises"), as further described in Exhibit A, attached to the Lease.

WHEREAS Lessor and Lessee desire to amend the Lease as set forth below.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, Lessor and Lessee agree to amend the Lease as follows:

2. Term. The Term of the Lease is hereby amended to extend for nine (9) months, commencing August 1, 2023, and ending April 30, 2024. Prior to the end of the Term set forth in this Second Amendment, Lessor shall have the right to terminate the Lease upon giving at least sixty (60) days prior written notice to Lessee. Monthly Rent for any period of less than one month shall be apportioned based on the number of days in that month.

3. Rent. The monthly rental consideration shall be One Thousand Five Hundred Dollars and NO/100 ($1,500.00) per month due and payable on or before the first day of each month within the extended lease term.

The following language is hereby added to read in its entirety:

26. Right to Show the Property. At any time during the Term, Lessor shall have the right, upon twenty-four (24) hours' notice to Lessee (which can be by telephone or by e-mail), to enter upon and to show the Property to prospective business recruits ("Recruits"). Lessee agrees to keep in strictest confidence the identity of any Recruits until a public announcement is made by Lessor, if ever, or as otherwise required by law.

Except as modified by this Second Amendment, the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, this Second Amendment has been executed by the parties hereto as of the date first written above.

LESSOR:
Danville-Pittsylvania Regional
Industrial Facility Authority

By: ______________________________
J. Lee Vogler, Jr.
Chairman

LESSEE:
Appalachian Power Company

By: ________________________________
P. Todd Ireland
Manager, Real Estate Asset Management
American Electric Power Service Corporation
Authorized Signer

This instrument prepared by Lessee.

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.B.

DATE: September 11, 2023

FROM: Corrie Bobe |Danville Director of Economic Development + Tourism

RE: Consideration of Resolution No. 2023-09-11-5B, approving an amendment to that certain Local Performance Agreement dated June 14, 2021, by and among the Authority, the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, the City of Danville, Virginia, a Virginia municipal corporation, the Industrial Development Authority of Pittsylvania County, Virginia, a political subdivision of the Commonwealth of Virginia, the County of Pittsylvania, Virginia, a political subdivision of the Commonwealth of Virginia, and Making Everything Possible, LLC, a Virginia limited liability company, approved under Resolution No. 2021-06-14-5D, where Making Everything Possible, LLC's performance criteria will be updated and no further incentives from the Authority will be added – Corrie Teague Bobe, Director of Economic Development, City of Danville

ATTACHMENTS

1. Resolution 2023-09-11-5B
2. Exhibit A

Resolution No. 2023-09-11-5B

A RESOLUTION APPROVING AN AMENDMENT TO THAT CERTAIN LOCAL PERFORMANCE AGREEMENT DATED JUNE 14, 2021, BY AND AMONG THE AUTHORITY, THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, THE CITY OF DANVILLE, VIRGINIA, A VIRGINIA MUNICIPAL CORPORATION, THE INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA, A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, THE COUNTY OF PITTSYLVANIA, VIRGINIA, A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, AND MAKING EVERYTHING POSSIBLE, LLC, A VIRGINIA LIMITED LIABILITY COMPANY, APPROVED UNDER RESOLUTION NO. 2021-06-14-5D, WHERE MAKING EVERYTHING POSSIBLE, LLC'S PERFORMANCE CRITERIA WILL BE UPDATED AND NO FURTHER INCENTIVES FROM THE AUTHORITY WILL BE ADDED

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, the City of Danville, Virginia (the "**City**"), and the County of Pittsylvania County, Virginia (the "**County**"), in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity; and

WHEREAS, the Authority, pursuant to Resolution No. 2021-06-14-5D, entered into that certain Local Performance Agreement, dated June 14, 2021 (the "**LPA**"), with Making Everything Possible, LLC, a Virginia limited liability company ("**MEP**") and others, where MEP agreed to establish and operate its business in the Authority's Cyber Park project (the "**Cyber Park**"), located in the City; and

WHEREAS, the Authority and MEP desire to amend the LPA in order to update MEP's performance criteria, and where no further incentives from the Authority will be added, as more fully described in that certain Amendment to Local Performance Agreement (the "**Amendment**"), attached hereto as **Exhibit A**, and incorporated herein by this reference; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, of the citizens of the County and the City, and of further development of the Cyber Park, for the Authority to approve the Amendment, consistent with this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby authorizes and approves the execution and delivery of the Amendment with MEP, as described in this Resolution, subject to approval and modification by the Authority's legal counsel 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 Amendment, 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, 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 Amendment or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of this Resolution.

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 Amendment, 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 meeting duly called and held on September 11, 2023, 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 11th day of September 2023.

____

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

(SEAL)

Exhibit A

(Amendment to Local Performance Agreement – MEP)

THIS AMENDMENT TO LOCAL PERFORMANCE AGREEMENT (this "**Amendment**"), made and entered into as of the 11th day of September 2023, by and among **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**RIFA**"); the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**City IDA**"); the **CITY OF DANVILLE, VIRGINIA**, a Virginia municipal corporation (the "**City**"); the **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**County IDA**"); the **COUNTY OF PITTSYLVANIA, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**County**"); and **MAKING EVERYTHING POSSIBLE, LLC**, a Virginia limited liability company (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:

Section 1. - Recitals. The parties recite the following facts:

a. The parties entered into that certain Local Performance Agreement dated June 14, 2021 (the "**2021 LPA**").

b. Since that time, the economic climate has significantly changed, especially in light of the global CoViD-19 pandemic, and the parties wish to amend the obligations of the Company under the LPA under the terms and conditions below.

Section 2. - Definitions. Unless otherwise provided in this Amendment, the terms used in this Amendment shall have the same meaning given to such term in the 2021 LPA. The 2021 LPA, as modified by this Amendment, shall be referred to as the "**LPA**".

Section 3. - Single Phase. The 2021 LPA is hereby amended such that there shall no longer be a Phase I and a Phase II as to the Company's obligations, but that there shall be a single phase of investments by the Company under the LPA. Accordingly, except as otherwise more specifically set forth in this Amendment or where the context requires, all references in the 2021 LPA:

a. to "**Phase I Performance Date**" are hereby revised to "**Performance Period**";

b. to "**Phase I Start-Up Center**" are hereby revised to "**Start-Up Center**";

c. to "**Phase II Production Facility**" are hereby revised to "**Production Facility**"; and

d. to “**Phase II Performance Period**” are hereby revised to “**Performance Period**”.

Section 4. - Recitals. Section 1(c) (“**Recitals**”) of the 2021 LPA is hereby replaced in its entirety by the following:

c. The Company has agreed to establish and to operate its business in the City and/or the County and establish a production facility containing at least 30,000 square feet of space in RIFA's Cyber Park or other RIFA industrial park agreed upon by the parties, in a precise location to be determined by RIFA and the Company.

d. During the Performance Period described below, the Company plans to make capital investments to or for the Production Facility of at least Six Million Four Hundred Forty Five Thousand and 00/100 Dollars ($6,445,000.00) and to create forty-five (45) jobs, with an average yearly base wage of at least Sixty-Two Thousand and 00/100 Dollars ($62,000.00), as set forth in this Agreement.

Section 5. - The Ground Lease.

a. Section 3(b) of the 2021 LPA. Section 3(b) of the 2021 LPA is hereby amended as follows *(bold double underlined text indicates additions; bold strikeout text indicates deletions)*:

b. Ground Lease – Minimum Terms and Conditions. The Company shall execute a Ground Lease with the GL Landlord in a form reasonably acceptable to RIFA; however, the Ground Lease, at a minimum, shall provide the following provisions:

i. **Within one hundred eighty (180) days after the Company's execution of this Agreement, The t**~~**he**~~ Company and the landlord/sublandlord under the Ground Lease ("**GL Landlord**"), at no direct expense to RIFA, shall cause the construction of the Production Facility building upon the Land on or before the Performance Date In the event that the City IDA or the County IDA is GL Landlord and the Company is in default of this Agreement and all applicable cure periods, if any, have expired, during the Performance Period, as noticed in writing by RIFA to GL Landlord, the Ground Lease shall immediately terminate.

ii. The term of the Ground Lease shall be fifteen (15) years (the "**GL Term**"), beginning on the date that the Company completes, in full, its obligations for Capital Investment and New Job creation as set forth in Sections 4(a) and 4(b) below. Such completion in full shall be a condition precedent to the Ground Lease. Monthly base rent shall be ~~**equal to the repayment amount of the financing for the Phase II**~~

~~**Production Facility, accruing annual interest at no more than four percent (4%) or if no such financing is provided by GL Landlord, One Hundred and 00/100 Dollars ($100.00); or in the case of a Third Party Developer as the GL Landlord, such other rent**~~ agreed upon by the Company and the **GL Landlord or** Third Party Developer; however, in such case, the monthly base rent shall be structured in such a reasonable manner for the Company to comply with its obligations to make Capital Investment within the Performance Period. ~~**In addition to such base monthly rent, the Company shall pay to the GL Landlord a monthly administrative fee of Two Hundred Fifty and 00/100 Dollars ($250.00).**~~

iii. The Company and GL Landlord shall obtain prior written approval from RIFA of (A) the construction plans for the ~~**Phase II**~~ Production Facility, and (B) the construction schedule that is reasonably calculated to complete the construction and capital expenditures within the Performance Period.

Section 6. - Capital Investment and New Job Creation by the Company.

a. Phase I: Capital Investment and New Jobs. Section 4(a) ("**Phase I: Capital Investment $8,000,000.00**") and Section 4(b) ("**Phase I: 8 New Jobs**") of the 2021 LPA shall no longer apply or be in effect.

b. Phase II References. In Section 4(c) ("**Phase II: Capital Investment $6,445,000.00**") of the 2021 LPA, all references to "**Phase II**" are hereby deleted.

c. New Jobs. The first sentence of Section 4(d) ("**Phase II: 37 Additional New Jobs**") of the 2021 LPA is hereby replaced in its entirety with the following new sentence:

d. 37 New Jobs. The Company shall create and employ a total forty-five (45) New Jobs on or before the Performance Date and shall Maintain these New Jobs until at least the Performance Date…[.]

d. Financial Report. Section 4(e) ("Financial Report") of the 2021 LPA is hereby amended by deleting the phrase, "of the Phase I Start Up Center and the Phase II".

Section 7. - Industrial Enhancement Grant. After the first sentence of Section 5(b) ("**$250,000.00 Danville-Pittsylvania County Industrial Enhancement Grant**") of the 2021 LPA, the 2021 LPA is hereby amended by adding the following, "This grant shall not be disbursed in advance of the Company's performance of the requirements of such grant."

Section 8. - Payment of Base Rent. The parties acknowledge and agree that RIFA has fully paid the incentive set forth in Section 5(e) ("**Up to $75,000.00 Payment of Base Rent for**

the Lease for the Phase I Start-Up Center") of the 2021 LPA.

Section 9. - Repayment of Grants for Failure to make the Capital Investment and/or to create and Maintain New Jobs. Section 10(d) of the 2021 LPA is hereby replaced in its entirety with the following new Section (d):

> d. Notwithstanding the above or anything herein to the contrary, in the event (i) the Company and RIFA are unable to find a willing and able third party developer to finance the Production Facility, (ii) the City IDA, County IDA and the Company are unable to finance the Production Facility after diligently pursuing any and all reasonable options for financing, and (iii) the Company is not then in default of its capital investment and/or job creation obligations during the Performance Period, any funds received by Company for its capital investment and job creation to date shall not be subject to recapture/reimbursement. Further, such failure to obtain financing for Production Facility shall not be an 'Event of Default' hereunder.

Section 10. - Effect on the 2021 LPA. Except as amended in this Amendment, all other terms, provisions, and conditions of the 2021 LPA shall remain in full force and effect, and the parties ratify and confirm that the 2021 LPA, as amended by this Amendment, is and remains in full force and effect.

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

WITNESS our signature and seal to this **AMENDMENT TO 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: ________________________________
J. Lee Vogler, Jr. 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 **J. LEE VOGLER, JR.**, 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 **AMENDMENT TO 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 _______________ 2023, 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 **AMENDMENT TO LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By: ________________________________
T. Neal Morris
Chairman

(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 _______________ 2023, by **T. NEAL MORRIS**, in his capacity as Chairman of **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, 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 **AMENDMENT TO LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

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

By: ________________________________
Joey Faucette
Chairman

(SEAL)

ATTEST:

____
J. Vaden Hunt
Clerk
Pittsylvania County, Virginia

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

The foregoing instrument was acknowledged before me this _____ day of _______________ 2023, by **JOEY FAUCETTE**, in his capacity as Chairman of **INDUSTRIAL DEVELOPMENT AUTHORITY OF PITTSYLVANIA COUNTY, 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 **AMENDMENT TO LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

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

By: ________________________________
Darrell Dalton, Chairman
Board of Supervisors

(SEAL)

ATTEST:

____
Kaylyn McCluster
Deputy 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 ________________ 2023, by **DARRELL DALTON**, 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 **AMENDMENT TO LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

MAKING EVERYTHING POSSIBLE, LLC, a Virginia limited liability company

By: ___________________________________
Philip I. Hart, President

(SEAL)

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

The foregoing instrument was acknowledged before me this _____ day of ________________ 2023, by **PHILIP I. HART**, in his capacity as President of **MAKING EVERYTHING POSSIBLE, LLC**, a Virginia limited liability company, on behalf of such entity.

My commission expires: __________________________________.

____
Notary Public
Registration No. _____________________

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.C.

DATE: September 11, 2023

FROM: Michael Adkins | Authority Treasurer

RE: Financial Status Reports as of August 31, 2023 – Michael L. Adkins, Authority Treasurer

SUMMARY

ATTACHMENTS

1. 03 - September RIFA Mtg - August 2023 RIFA Fin Report

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	
Meeting Date:	September 11, 2023
Subject:	Financial Status Reports – August 31, 2023
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through August 31, 2023 will be provided at the meeting. The financial status reports as of August 31, 2023 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of August 31, 2023 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 August 31, 2023

	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 2023
As of August 31, 2023

	Funding	Budget	FY Expenditures	Current Month Expenditures	Encumbered	Unexpended / Unencumbered
Funding						
City Contribution	$ 75,000.00					
County Contribution	75,000.00					
Transfer from Unrestricted Fund Balance	175,000.00					
Contingency						
Miscellaneous contingency items		$ 12,932.01	$ 37,382.01	$ -	$ -	$ (24,450.00)
Total Contingency Budget		12,932.01	37,382.01	-	-	(24,450.00)
Legal		135,428.01	196,060.48	73,548.50	-	(60,632.47)
Accounting		26,025.00	26,025.00	-	-	-
Marketing		141,064.86	141,064.86	-	-	-
Postage & Shipping		53.23	53.23	-	-	-
Meals		4,292.66	4,255.06	-	-	37.60
Utilities		2,065.23	2,060.16	-	-	5.07
Insurance		3,139.00	3,139.00	-	-	-
Total	$ 325,000.00	$ 325,000.00	$ 410,039.80	$ 73,548.50	$ -	**$ (85,039.80)**

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2024
As of August 31, 2023

	Funding	Budget	FY Expenditures	Current Month Expenditures	Encumbered	Unexpended / Unencumbered
Funding						
City Contribution	$ 100,000.00					
County Contribution	100,000.00					
Transfer from Unrestricted Fund Balance						
Contingency						
Miscellaneous contingency items		$ 4,000.00	$ -	$ -	$ -	$ 4,000.00
Total Contingency Budget		4,000.00	-	-	-	4,000.00
Legal		120,000.00	8,936.50	8,936.50	-	111,063.50
Accounting		26,900.00	-	-	-	26,900.00
Marketing		40,000.00	-	-	-	40,000.00
Postage & Shipping		100.00	-	-	-	100.00
Meals		4,000.00	439.14	439.14	-	3,560.86
Utilities		2,000.00	155.71	155.71	-	1,844.29
Insurance		3,000.00	-	-	-	3,000.00
Total	$ 200,000.00	$ 200,000.00	$ 9,531.35	$ 9,531.35	$ -	**$ 190,468.65**

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of August 31, 2023

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 Berry Hill Industrial Park - Phase II Land and Engineering	2,700,000.00				
TIC #2264 Berry Hill Industrial Park - Phase II Land and Engineering deobligated	(699,873.73)				
TIC #2264 Local Match for Property & Improvements (County)	500,000.00				
TIC #2264 Local Match for Property & Improvements (City)	500,000.00				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
Virginia Resources Authority - TRRF Loan #3658	4,500,000.00				
VBRSP Site Development Grant from VEDP FY2023	1,500,000.00				
Transfer from Unrestricted Funds - "Other Income"	419,840.86				
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		1,480,380.00	736,215.00	744,165.00	
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	-	
Stantec Consulting Services Inc.		2,400.00	2,400.00	-	
Troutman, Pepper, Hamilton, Sanders LLP		50,000.00	-	50,000.00	
Dewberry Engineers		7,500.00	4,875.00	2,625.00	
HGS LLC		483,000.00	-	483,000.00	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project [8]		-	11,203.15	-	
Total	$ 24,228,995.10	$ 23,734,437.83	$ 22,451,677.12	$ 1,282,760.71	**$ 494,557.27**

[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 August 31, 2023

	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	290,500.00	-	
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	$ 8,190,526.55	$ -	**$ -**

[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 August 31, 2023

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
TIC #3358 Berry Hill Industrial Park - Site Improvements for Project Lignum	$ 2,292,856.56				
TIC #3358 Local Match (County)	970,707.92				
TIC #3358 Local Match (City)	970,707.92				
VBRSP Site Development Grant from VEDP	1,312,400.00				
VBRSP Site Development Grant from VEDP (City)	216,546.00				
VBRSP Site Development Grant from VEDP (County)	216,546.00				
Transfers to/from other funding sheets	(1,669,212.10)				
Expenditures					
Dewberry Engineers Inc.		418,676.00	400,790.00	17,886.00	
Virginia Nutrient Bank		84,420.00	84,420.00	-	
Jimmy R. Lynch & Sons, Inc.		3,716,936.30	3,226,702.54	490,233.76	
Treasurer of Virginia		6,100.00	6,100.00	-	
Total	$ 4,310,552.30	$ 4,226,132.30	$ 3,718,012.54	$ 508,119.76	**$ 84,420.00**

E

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of August 31, 2023

	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	3,716,897.35				
Expenditures					
Dewberry Engineers Inc.		912,309.99	888,109.99	24,200.00	
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	$ 11,561,488.64	$ 11,096,401.64	$ 10,250,006.64	$ 846,395.00	**$ 465,087.00**

F

Danville-Pittsylvania Regional Industrial Facility Authority

Cyber Park Site Development

As of August 31, 2023

		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		94,250.00		-		
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		1,822,195.24		165,905.01		
Total	$	2,390,190.25	$	2,390,190.25	$	2,224,285.24	$	165,905.01	**$**	**(0.00)**

G

Danville-Pittsylvania Regional Industrial Facility Authority
Rent, Interest, and Other Income Realized for Fiscal Year 2024
As of August 31, 2023

Source of Funds	Funding: Carryforward from FY2023	Funding: Receipts Current Month	Funding: Receipts FY2023	Expenditures FY2023	Unexpended / Unencumbered
Carryforward	$ 1,990,025.19				
Current Lessees					
Institute for Advanced Learning and Research (IALR) [1]			$ 23,342.11		
Mountain View Farms of Virginia, L.C.		-	-		
Capital Outdoor, Inc.		-	2,000.00		
American Electric Power		-	1,500.00		
Total Rent		$ -	$ 26,842.11		
Interest Received [2]			$ 5,170.47		
Miscellaneous Income		$ 55,302.43	$ 339,495.94		
Expenditures					
Hawkins Research Bldg. Property Mgmt. Fee				$ 23,342.11	
Incentive Disbursements to Morgan Olson, LLC				$ -	
Incentive Disbursements to MEP LLC				$ -	
Transfers to other funding sheets				$ 200,000.00	
Totals	$ 1,990,025.19	$ 55,302.43	$ 371,508.52	$ 223,342.11	$ 2,138,191.60

Restricted [1]	$ 312,826.70
Unrestricted	$ 1,331,595.76
Committed	$ 493,769.14

[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.*

H

Danville-Pittsylvania Regional Industrial Facility Authority
Monthly Disbursements
August 2023

Check Number	Date	Vendor Name	Paid Amount
ACH	8/4/2023	City of Danville	62.06
ACH	8/4/2023	City of Danville	57.65
2581	08/14/2023	IALR	23,342.11
2582	08/14/2023	IALR	439.14
2583	08/14/2023	Jimmy Lynch & Sons	321,111.99
2584	08/14/2023	Troutman, Pepper, Hamilton, Sanders LLP	11,410.00
2585	08/14/2023	Christian & Barton	82,485.00
ACH	08/20/2023	City of Danville	36.00

I

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position [1, 2]
*August 31, 2023**

		Unaudited FY 2024
Assets		
Current assets		
Cash - checking	$	106,429
Cash - money market		1,634,545
Accounts receiveable		541,773
Total current assets		2,282,747
Noncurrent assets		
Restricted cash - project fund CCC bonds		20,802
Restricted cash - debt service fund CCC bonds		549,859
Capital assets not being depreciated		23,180,794
Capital assets being depreciated, net		20,080,266
Construction in progress		33,927,268
Total noncurrent assets		77,758,989
Total assets		80,041,736
Liabilities		
Current liabilities		
Retainage payable		265,731
Accrued interest		137,739
Unearned income		600
Economic development payable - current portion		147,000
Bonds payable - current portion		515,000
Total current liabilities		1,066,070
Noncurrent liabilities		
Bonds payable - less current portion		205,000
Loans payable - less current portion		4,500,000
Total noncurrent liabilities		4,705,000
Total liabilities		5,771,070
Net Position		
Net investment in capital assets		76,489,130
Restricted - debt reserves		549,859
Unrestricted		(2,768,323)
Total net position	$	74,270,666

[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.

*Please note these statements are for the period ended August 31, 2023 as of August 28, 2023, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
August 31, 2023*

	Unaudited FY 2024
Operating revenues	
Rental income	28,342
Other Income	139,496
Total operating revenues	167,838
Operating expenses [4]	
Mega Park expenses [3]	1,678
Cane Creek Centre expenses [3]	335
Cyber Park expenses [3]	25,294
Professional fees	-
Insurance	-
Other operating expenses	5,626
Total operating expenses	32,933
Operating income (loss)	134,905
Non-operating revenues (expenses)	
Interest income	5,170
Interest expense	-
Total non-operating expenses, net	5,170
Net income (loss) before capital contributions	140,075
Capital contributions	
Contribution - City of Danville	370,136
Contribution - Pittsylvania County	370,136
Total capital contributions	740,272
Change in net position	880,347
Net position at July 1, 2023	73,390,319
Net position at August 31, 2023	$ 74,270,666

[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.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
August 31, 2023*

		Unaudited FY 2024
Operating activities		
Receipts from leases		24,842
Other receipts		139,496
Payments to suppliers for goods and services		(512,479)
Net cash used by operating activities		(348,141)
Capital and related financing activities		
Capital contributions		740,272
Interest paid on bonds		(12,636)
Net cash provided by capital and related financing activities		727,636
Investing activities		
Interest received		5,170
Net cash provided by investing activities		5,170
Net increase (decrease) in cash and cash equivalents		384,665
Cash and cash equivalents - beginning of year (including restricted cash)		1,926,969
Cash and cash equivalents - through August 31, 2023 (including restricted cash)	$	2,311,634
Reconciliation of operating loss before capital contributions to net cash used by operating activities:		
Operating income (loss)	$	134,905
Adjustments to reconcile operating loss to net cash used by operating activities:		
Changes in assets and liabilities:		
Change in accounts payable		(479,546)
Change in unearned income		(3,500)
Net cash used by operating activities	$	(348,141)

Components of cash and cash equivalents at August 31, 2023:		
American National - Checking	$	106,429
American National - General money market		1,634,545
Wells Fargo - $7.3M Bonds CCC Debt service fund		549,859
Wells Fargo - $7.3M Bonds CCC Project fund		20,802
	$	2,311,634