



INDUSTRIAL DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

4TH FLOOR CONFERENCE ROOM

April 9, 2024

10:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. MEETING MINUTES

1. Approval of IDA Minutes for the Meeting of March 12, 2024

D. FINANCIAL REPORT

1. Industrial Development Authority Statement of Accounts as of March 31, 2024

E. STAFF UPDATES

1. Susan McCulloch, Div. Director Housing and Development - Community Development
2. Corrie Bobe, Director Economic Developments and Tourism
3. Kelvin Perry, Assistant Director Economic Development and Tourism
4. Samantha Bagbey, Project Manager Economic Development and Tourism

F. ACTION ITEMS

G. CLOSED MEETING

As Permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion or consideration of the acquisition of real property or of the disposition of publicly held real property; and

As Permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion concerning a prospective business or industry related to economic development.

As Permitted by Subsection (A)(7) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for consultation with legal counsel concerning actual litigation and briefings by staff regarding specific legal matters requiring legal advice.

- A. Motion to Convene in Closed Meeting*
- B. Motion to Reconvene in Open Meeting*
- C. Motion to Certify Closed Meeting*

H. NEW BUSINESS

I. ADJOURN



**INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
MINUTES OF MEETING
MARCH 12, 2024**

Pursuant to a Written Notice, a copy of which is attached hereto, a Regular Meeting of the Board of Directors of the Industrial Development Authority of Danville, Virginia was held in the Fourth Floor Conference Room of the Municipal Building on Tuesday, March 13, 2024, at 10:30 a.m.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT: T. Neal Morris, Chairman
Russell Reynolds, Vice Chairman
John Laramore, Secretary/Treasurer (came in late)
Philip Hall
Robert Woodall

ABSENT: Kristen Barker
Dave Cumbo

ALSO PRESENT: W. Clarke Whitfield, Jr., City Attorney
Kimberly L. Gibson, Legal Assistant
Corrie Bobe, Director, Economic Development
Kelvin Perry, Assistant Director, Economic Development
Samantha Bagby, Project Manager, Economic Development
Michael Adkins, Chief Financial Officer, Finance Department
Susan McCulloch, Div. Dir. Housing & Development, Comm. Dev.
Dave Vos, Alexander Group
Chris Day, Alexander Group
Joe Alexander, Alexander Group
John Crane, Reporter, Danville Register & Bee
Madison Whittle, City Councilman

T. Neal Morris, Chairman, called the meeting to order at 10:30 a.m.

ROLL CALL

MINUTES

COPIES OF THE MINUTES OF THE FEBRUARY 13, 2024, REGULAR CALLED MEETING WERE DISTRIBUTED TO THE MEMBERS WITH THEIR AGENDA PACKETS. A MOTION WAS MADE BY MR. HALL TO APPROVE THE MINUTES AS PRESENTED. THE MOTION WAS SECONDED BY MR. REYNOLDS AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

FINANCES

MICHAEL ADKINS, THE CHIEF FINANCIAL OFFICER AND DIRECTOR OF FINANCE, PROVIDED THE MEMBERS OF THE IDA BOARD AT THE MEETING WITH A PACKET OF THE CURRENT FINANCIAL STATEMENTS OF THE IDA.

A MOTION WAS MADE BY MR. LARAMORE TO APPROVE THE FINANCIAL REPORT. THE MOTION WAS SECONDED BY MR. REYNOLDS AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

STAFF UPDATES

CORRIE BOBE INTRODUCED MR DAVE VOS OF THE ALEXANDER GROUP WHO GAVE THE BOARD AN UPDATE AND OVERVIEW OF WHAT HAS BEEN COMPLETED AT THIS POINT AND WHAT TO BE LOOKING TO HAPPEN IN THE UPCOMING MONTHS REGARDING THE DAN RIVER FALLS PROJECT.

RESOLUTIONS

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE- AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND ENTERPRISES BY THE DAN, LLC T/A

VINTAGES BY THE DAN FOR THE PROPERTY IDENTIFIED AS 310 MAIN STREET AND 312 MAIN STREET.

MOTION MADE BY MR. WOODALL; SECONDED BY MR. REYNOLDS

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO MAKE IMPROVEMENTS ON PARCEL 2347-24-2335 IN CANE CREEK CENTRE TO IMPROVE VEHICULAR SAFETY.

MOTION MADE BY MR. REYNOLDS; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA WHEREAS, OF THE ALLONGE, INCLUDING THE FORM AND SUBSTANCE OF THEREOF, AND CONSIDERATION OF THE PUBLIC PURPOSES FOR WHICH THE AUTHORITY WAS CREATED, AND IN FURTHERANCE OF THE SAME, THE AUTHORITY PROPOSES TO EXECUTE, ENTER INTO AND DELIVER THE ALLONGE TO AMEND THE TERMS OF THE 2023 BOND.

MOTION MADE BY MR. HALL; SECONDED BY MR. REYNOLDS

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

REYNOLDS MOVED THE MEETING BE RECESSED AND THE BOARD IMMEDIATELY RECONVENED IN EXECUTIVE CLOSED MEETING FOR THE PURPOSES:

1. *DISCUSSION CONCERNING A PROSPECTIVE BUSINESS OR INDUSTRY OR THE EXPANSION OF AN EXISTING BUSINESS OR INDUSTRY WHERE NO PREVIOUS ANNOUNCEMENT HAS BEEN MADE AS PERMITTED BY SUBSECTION (A)(5) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED.*
2. *DISCUSSION OR CONSIDERATION OF THE ACQUISITION/DISPOSITION OF REAL PROPERTY FOR A PUBLIC PURPOSE WHERE DISCUSSION IN AN OPEN MEETING WOULD ADVERSELY IMPACT THE BARGAINING POSITION OF THE AUTHORITY AS PERMITTED BY SUBSECTION (A)(3) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED.*

MOTION WAS MADE BY MR. REYNOLDS; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

MR. REYNOLDS MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

UPON RECONVENING, MR. REYNOLDS MOVED THAT THE BOARD ADOPT A RESOLUTION CERTIFYING THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE THAT:

1. *ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER SECTION 2.2-3711; AND*
2. *ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING.*

MOTION WAS MADE BY MR. REYNOLDS; SECONDED BY MR. HALL

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE

MR. LARAMORE	- AYE
MR. HALL	- AYE
ROBERT WOODALL	- AYE

ADJOURN

JOHN LARAMORE
SECRETARY

T. NEAL MORRIS
CHAIRMAN

**Industrial Development Authority
Statement of Accounts
As of March 31, 2024**

Regular Checking	\$ 439,067.97
USDA Loan Account	\$ 65,013.08
City Funded Loan Account	\$ 1,982,863.93
North Union Properties/Master Tenant	\$ 40,271.43
Reserve Account	\$ 5,117,451.85

Reserve Account Details

Hold for FY23 Debt Svc	542,432.31
Hold for Imperial Warehouse	650,000.00
Hold for Enterprise Zone	430,905.00
Hold for Dan River Falls	1,110,182.68
Hold for FY22 Edev Incentives	1,962,612.00
Hold for FY23 Edev Incentives	367,925.58
Hold for 217 N Union	37,000.00
Hold for 121/123 N Union	16,394.28
Available	(0.00)
	<u>5,117,451.85</u>

City Funded Loans:

Beginning Balance March 1, 2024	\$ 1,994,491.20
The Bee - Monthly Payment	18,179.41
Southside Ice - Pmt from Bankruptcy Trustee	109.39
Loan to Uncle Al's Diner LLC	(30,000.00)
Interest /Bank Fees	83.93
Ending Balance March 31, 2024	<u><u>\$ 1,982,863.93</u></u>

Industrial Development Authority
Statement of Account - Regular Checking
For the month ended March 31, 2024

Beginning Balance at March 1, 2024 \$ 434,950.66

RECEIPTS:

Rent: 89,209.01

Utility/Insurance Reimbursement:

DR Foundation	1,895.20	
Averett	5,685.61	7,580.81
Transfer In - Project Funding		217,217.34
Transfer to North Union Account		(30,000.00)
Pittsylvania County IDA - Shell Bldg		9,167.57
Interest Income/Wire Fees		(20.57)

DISBURSEMENTS:

AMNB Loan - Lockett Drive	(11,566.62)	
AMNB - 500 Stinson Drive #1	(4,887.77)	
AMNB - 500 Stinson Drive #2	(5,717.03)	
AMNB - 512 Bridge Street	(16,467.81)	
AMNB Loan - Old Belt One	(6,721.18)	
AMNB - 1350 Barker Road	(7,306.55)	
Locus Bank - 500 Cane Creek	(9,251.38)	
Locus Bank - MEP Equip Loan	(279.64)	
Locus Bank - Shell Building	(18,289.95)	
First National - Gaither Rd Prop	(3,136.84)	
Movement Bank - Monument	(2,651.24)	
US Bank Bond Debt Service	(13,666.67)	
Architectural Partners - DR Falls	(35,715.00)	
Kent Shelton - Dan River Falls	(2,814.00)	
Site Collaborative Dan River Falls	(12,999.00)	
Pintails Design - Staging 628 NM	(5,107.50)	
Place Dynamics - Incubator Study	(17,500.00)	
SKA Consulting - Lynn St Parking	(79,970.00)	
AV Contractors - 620/622 N Main	(16,780.00)	
Utility Bills/Elevator Maint	(14,591.92)	
Insurance	(3,616.75)	(289,036.85)

PASS THROUGHS:

From City for Incentives	153,450.00
Incentive - Essel Propack	(153,450.00)

Ending Balance at March 31, 2024 \$ 439,067.97

125 N Union	250.00	
Averett	11,390.00	
Barry Smith	260.00	
Belk	7,102.50	
City - Gang Prev.	1,500.00	
City - IT Dept.	11,360.00	
DR Foundation	5,610.00	
Earnhardt Plumbing	2,556.55	
GSO	2,950.00	
Launch Place	-	4/3
Link's Café	3,000.00	
MEP	1,167.84	
Mind Body Wellness	900.00	
Morrisette Paper	6,762.61	
Overfinch	12,587.80	
River District Assoc	1,585.00	
Riverside Running	2,812.48	
Robert Stephens	-	4/3
Sth VA Legal	1,575.00	
Vintages	1,000.00	
Walraven	14,839.23	
	<u>89,209.01</u>	

Industrial Development Authority
Statement of Account
USDA Loan Funds

For the month ended March 31, 2024

Beginning Balance at March 1, 2024 \$ 64,174.16

RECEIPTS:

Dry Fork Fruit Dist.	266.07	
Donnachaidh	570.09	
River City Escapes	-	
Interest	2.76	
		838.92

DISBURSEMENTS:

-

Ending Balance at March 31, 2024 \$ 65,013.08

Reconciliation to original USDA grant of \$99,000

ORIGINAL USDA FUNDS		\$ 99,000.00
LESS OUTSTANDING LOANS:		
River City Escapes	12,043.59	
Donnachaidh	12,977.10	
Dry Fork Fruit Dist.	10,113.30	(35,133.99)
INTEREST EARNED		20,554.77
DEFAULTED LOANS		(19,457.70)
PENALTIES EARNED		50.00
BALANCE IN ACCOUNT		\$ 65,013.08

Industrial Development Authority of Danville
A/R Aging Summary
As of March 31, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
127 North Union	0.00	315.00	315.00	315.00	7,875.00	8,820.00
310-312 Main Street	0.00	1,000.00	0.00	0.00	0.00	1,000.00
A La Carte	0.00	0.00	0.00	0.00	533.00	533.00
Averett University	0.00	-6,452.08	0.00	0.00	0.00	-6,452.08
Danville Regional Foundation	0.00	1,645.97	0.00	0.00	0.00	1,645.97
Earnhardt Plumbing	0.00	2,556.55	0.55	0.00	0.00	2,557.10
J&W Associated LLC dba Links Cafe	0.00	3,000.00	3,000.00	300.00	0.00	6,300.00
Lizzy Lou Boutique	0.00	0.00	0.00	1,400.00	0.00	1,400.00
Lou's Antiques Co	0.00	0.00	0.00	0.00	26,000.00	26,000.00
Pittsylvania County IDA	0.00	26.71	0.00	0.00	0.00	26.71
Robert Stephens	0.00	250.00	250.00	92.00	0.00	592.00
Southern Virginia Legal PLLC	0.00	-1,575.00	0.00	0.00	0.00	-1,575.00
The Launch Place	0.00	3,000.00	0.00	0.00	0.00	3,000.00
Unison Tube, LLC	0.00	0.00	0.00	0.00	69,032.50	69,032.50
TOTAL	0.00	3,767.15	3,565.55	2,107.00	103,440.50	112,880.20

Industrial Development Authority of Danville

Balance Sheet

As of March 31, 2024

	Mar 31, 24
ASSETS	
Current Assets	
Checking/Savings	
Loans (City Funded)	1,982,863.93
North Union Master Tenant LLC	7,165.62
North Union Properties, LLC	33,105.81
Regular Checking	439,067.97
Reserve Account	5,117,451.85
US Bank - 2021A Project Fund	1,548,789.74
USDA Checking	65,013.08
Total Checking/Savings	9,193,458.00
Accounts Receivable	
Rent Receivable	106,269.60
Utilities Receivable	6,610.60
Total Accounts Receivable	112,880.20
Other Current Assets	
Allowance for Rent	-101,017.50
Due from City/County	13,818,542.63
Lease Interest Rec. - GASB 87	27,285.55
ST Lease Rec. - GASB 87	693,360.53
Total Other Current Assets	14,438,171.21
Total Current Assets	23,744,509.41
Fixed Assets	
Accumulated Depreciation	-5,457,143.84
Buildings	26,804,618.86
Construction In Progress	12,821,513.96
Equipment	75,000.00
Land	5,842,192.76
Land Improvements	2,580,260.66
Total Fixed Assets	42,666,442.40
Other Assets	
Allowance for Doubtful Accounts	-74,078.35
Interest Receivable	9,523.93
LT Lease Rec. - GASB 87	6,943,141.81
Notes Receivable	
123 South Union LLC Note Receiv	2,769,314.79
Donnachaigh	13,062.23
Dry Fork Distillery N/R	10,113.30
Eng Biopharmaceut Inc.	150,000.00
Note Rec - Uncle Al's Diner LLC	30,000.00
River City Escapes Note Receiva	12,043.59
Southside Ice	14,677.91
Total Notes Receivable	2,999,211.82
Total Other Assets	9,877,799.21
TOTAL ASSETS	76,288,751.02

Industrial Development Authority of Danville

Balance Sheet

As of March 31, 2024

	Mar 31, 24
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Interest	25,503.75
Security Deposits	116,122.45
Total Other Current Liabilities	141,626.20
Total Current Liabilities	141,626.20
Long Term Liabilities	
Bonds Payable	2,698,000.00
Deferred Lease Rev - GASB 87	7,221,497.42
Lease Revenue Note - 2021A	10,000,000.00
Notes Payable	
1st National Gaither Rd Parcels	482,059.35
AMNB - 1350 Barker Road	858,747.90
AMNB - 206/208 N Union Loan	689,996.95
AMNB - 500 Stinson Drive	712,815.61
AMNB - Dan River Falls	7,586,965.66
AMNB Loan - 500 Stinson #2	146,854.15
AMNB Loan - Locket Drive	950,156.66
AMNB Loan - Old Belt 1 Upfit	551,054.76
DIMON Construction Loan	1,464,831.49
Movement Bank - 816 Monument	482,363.32
VBSFA - 1 Ecomnets Way	1,394,868.80
VCC - Cyber Park Shell Building	1,955,671.80
VSBFA - 500 Cane Creek	1,329,032.40
VSBFA - MEP Loan	63,992.00
Total Notes Payable	18,669,410.85
Revolving Loan Fund - USDA	99,000.00
Total Long Term Liabilities	38,687,908.27
Total Liabilities	38,829,534.47
Equity	
Contributed Capital	150,000.00
Opening Bal Equity	4,856,400.56
Retained Earnings	32,669,320.33
Net Income	-216,504.34
Total Equity	37,459,216.55
TOTAL LIABILITIES & EQUITY	76,288,751.02

Industrial Development Authority of Danville

Profit & Loss

July 2023 through March 2024

	Jul '23 - Mar 24
Ordinary Income/Expense	
Income	
Grants	
Grants - City of Danville	4,066,584.12
Grants - Commonwealth of VA	2,266,394.28
Total Grants	6,332,978.40
Parking Space Rental Income	10,704.00
Reimbursed Expenses	94,931.21
Rental Income	833,520.21
Total Income	7,272,133.82
Gross Profit	7,272,133.82
Expense	
Bank Service Charges	776.66
Grant Repayments	5,035,000.00
Incentive Payments	1,153,165.68
Insurance	94,447.21
Interest Expense	686,074.69
Licenses and Permits	2,452.57
Loan Fees	14,636.97
Office Supplies	259.23
Professional Fees	
Accounting	27,210.00
Consulting	315,032.09
Legal Fees	22,161.50
Professional Fees - Other	50,359.69
Total Professional Fees	414,763.28
Repairs	
Building Repairs	72,252.62
Total Repairs	72,252.62
Taxes	41,912.14
Telephone	2,641.17
Utilities	52,674.16
Total Expense	7,571,056.38
Net Ordinary Income	-298,922.56
Other Income/Expense	
Other Income	
Interest Income	184,975.22
Total Other Income	184,975.22
Other Expense	
Loss on Sale of Property	102,557.00
Total Other Expense	102,557.00
Net Other Income	82,418.22
Net Income	-216,504.34



STAFF REPORT

DATE: April 9, 2024
TO: Industrial Development Authority
FROM: Susan McCulloch, Division Director of Housing & Development
RE: Susan McCulloch, Div. Director Housing and Development - Community Development

ATTACHMENTS

None



STAFF REPORT

DATE: April 9, 2024
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
Corrie Bobe, Director of Economic Development and Tourism
RE: Corrie Bobe, Director Economic Developments and Tourism

ATTACHMENTS

None



STAFF REPORT

DATE: April 9, 2024
TO: Industrial Development Authority
FROM:
RE: Kelvin Perry, Assistant Director Economic Development and Tourism

ATTACHMENTS

None



STAFF REPORT

DATE: April 9, 2024
TO: Industrial Development Authority
FROM:
RE: Samantha Bagbey, Project Manager Economic Development and Tourism

ATTACHMENTS

None