

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

December 9, 2024

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:16 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman William V. Ingram, Robert Tucker and Alternate Darrell Dalton.

City/County staff members attending were: Danville City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Interim County Administrator Vincent Shorter, Authority Treasurer Michael Adkins, City of Danville Accountants Jaime Pritchett and Meredith Franklin, City of 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 Michael C. Guanzon, Esq., and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden from Dewberry, Linda Green from SVRA, Dr. John Hughes, EVP of Operations at IALR, Telly Tucker, President of the Institute for Advanced Learning and Research, Don Merricks, Don Gibson and Leslie Mantiply from the IALR Board of Directors, Danville City Council Member Madison Whittle and Board of Supervisor Murray Whittle.

Chairman William V. Ingram presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE NOVEMBER 13, 2024, REGULAR MEETING

Upon **Motion** by Mr. Vogler and **second** by Mr. Tucker, Minutes of the November 13, 2024, Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. PRESENTATION OF A REPORT FROM THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH

Telly Tucker, President of the Board of Trustees of the Institute for Advanced Learning and Research, thanked the RIFA Board for being there and using the Institute for the RIFA meetings every month. Mr. Tucker noted he was there to give an update on activities at the Institute, and introduced Don Merricks, Don Gibson, and Leslie Mantiply from the Institute Board, Executive Vice President of Operations John Hughes, and Linda Green, Vice President of Economic Development. Mr. Tucker noted the Institute's mission was to be a Regional Catalyst for Economic Transformation, and explained they do that through the work of their five divisions:

Advanced Learning – this team was led by Dr. Julie Brown, and focuses on K-12 relationships throughout the community with programs like Go Tech;

Applied Research – this team was led by Dr. Scott Logan who focuses on biotechnology, agriculture and chemistry research.

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Manufacturing Advancement Division – this was the newest division and the largest, led by Jason Wells.

Economic Development – led by Linda Green, including the Southern Virginia Regional Alliance.

Conference Center Division – led by Tracy Fink.

Mr. Tucker noted when he arrived in May 31, 2022, there were less than fifty employees, today there were more than 140 employees; in two and a half years they have almost tripled in size. There were probably twenty-five open requisitions and expects by the end of next year to be somewhere around 170 employees at the Institute.

Advanced Learning

Mr. Tucker noted he tasks all the division vice presidents with making sure their programs were aligned to the Institute's strategic plan. The Advanced Learning division connects with their strategic goal of being the center of excellence for education and workforce development. There were twelve programs that fall under Advanced Learning, including Go Tech, Stem Camps in the summer, and Wonder Community that provides lifelong learning experiences. There were two AmeriCorp teams at the Institute, there were apprenticeships and internships, both high school and college, and there was a career expo every year. Mr. Tucker noted GoTech started in Pittsylvania County five years ago; today Go Tech was in fifty-two middle schools across the Commonwealth. They were in conversations with the state about making Go Tech a statewide initiative, and there was some interest from other states.

Manufacturing Advancement

Mr. Tucker noted Manufacturing Advancement was their newest and largest division; it has been around for about six years. One of the flagship programs was ATDM, Accelerated Training in Defense Manufacturing. This was a federally funded program by both the Navy and the Department of Defense; it was a five day a week, four-month program. Starting in January they will move to the newest building, the National Training Center for the ATDM; it was a federally funded facility just for that program. They have graduated over seven hundred students, with currently about 193 in the program on campus. The job placement rate was about 80%-90%, and they have hosted students from Australia, Puerto Rico and Guam, in addition to the Continental US. Construction was underway for Phase II. Dr. Miller questioned why there wasn't 100% employment and Mr. Tucker explained that some students go through the program and decide this was not what they wanted to do. Sometimes it was family or health reasons or sometimes they get hired outside of the defense industrial base.

Mr. Tucker stated about two years ago, there was a ribbon cutting on the Center for Manufacturing Advancement; today, that building was 100% full to capacity. There were five companies operating in the building, with twenty-eight full time employees, with the average salary exceeding 2.5 times the prevailing wage in the region. Also on the campus was the Naval Aviation School for Additive Manufacturing (NASAM) where every six weeks they get active-duty service men and women from the Naval Air-side of the Navy; they come in specifically for additive training at the campus.

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Applied Research

Mr. Tucker noted Applied Research was led by Dr. Scott Loman; there were more than eighty NDAs with companies they were doing research for, in agriculture, biotechnology, and chemistry that was sought after all around the world. There were seven companies actively engaged on the campus; they may have a contract employee, they may have hired the Institute to do some research, or they may have some space for research. Mr. Tucker discussed the Controlled Environment Agriculture Summit, stating there were only two of them in the United States, one happens in Las Vegas, and for the third year, one happened in Danville. Governor Younkin attended and met with a number of agriculture companies that were either entrepreneurial or considering locating to this region.

Economic Development

Mr. Tucker explained that under the Southern Virginia Regional Alliance and the Economic Development arm of the Institute, they partner with Patrick and Halifax Counties, Pittsylvania County, and the City of Danville. This falls under their goal from their strategic plan of being a go-to partner for business and economic growth. Mr. Tucker reviewed the metrics from Economic Development for Fiscal Year 2025 to date, which included four new companies announced, 2,214 jobs created and \$1.377B in Capital Investment. From a site inventory standpoint, the region represents about 5% of the sites in the Commonwealth, but about 35% of the certified sites; not every community has certified sites. Mr. Tucker reviewed the naming of the Harville-Saunders Parkway, and the announcement of Microporous.

Institute Conference Center

The Conference Center supports businesses and organizations' training, meeting and event needs. Last year they had more than 37,000 visitors in the main building. The conference group has done a great job driving new revenue and new tourism opportunities for the region in terms of hosting meetings and events, summits and guests in general on the campus.

Mr. Tucker noted this was not a comprehensive review of everything that was going on; they have started regular tours for the community and have seen overwhelming interest from people. Mr. Tucker explained they were seeking additional funding from the General Assembly for an expansion, about \$25-28M, to add another four launch bays on the CMA building. Board members thanked Mr. Tucker for the presentation.

5B. CONSIDERATION OF RESOLUTION 2024-12-09-5B APPROVING REIMBURSEMENT OF COSTS FOR WORK PERFORMED BY DANVILLE UTILITIES

Authority Treasurer Michael Adkins noted that RIFA received a Tobacco Commission Grant, #3011, for Phase II water development at the Megasite. RIFA used that grant to directly pay contractors such as Dewberry and CW Cauley. The last year or two, the work had been done by Danville Utilities and the agreement was that this grant funding would help offset the costs Danville Utilities incurred for the Phase II water system improvement. Most recently, RIFA received about \$1.2M and that was to be treated as reimbursement to Danville Utilities as they served as the contractor for the last year and a half for the work there. This resolution was asking permission for Mr. Adkins to transfer the \$1,220,222 to Danville Utilities in reimbursement for the work performed by the City Utility department.

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Mr. Vogler **moved** for adoption of *Resolution 2024-12-09-5B, a Resolution approving the total reimbursement of \$1,220,222.00 in costs for work performed by Danville Utilities, in furtherance of Resolution No. 2015-08-10-5B, for Water System Improvements Phase II (Virginia System) in the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, where grant funds for such expenditures were received and retained by the Authority from that certain Virginia Tobacco Region Revitalization Commission Grant #3011; and where the Authority's Treasurer, as fiscal agent of the Authority, has determined that funding for the reimbursement amount is available within a line item previously approved by the Authority as "Southern Virginia Megasite at Berry Hill – Water & Sewer" [No Written Resolution.]*

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)

5C. CONSIDERATION OF RESOLUTION 2024-12-09-5C AUTHORIZING EXECUTION OF A COMMITMENT LETTER FOR A LOAN FROM THE VSBFA

Pittsylvania County Director of Economic Development, Matt Rowe, explained this item was to authorize the RIFA Board to execute the Commitment Letter from Virginia Small Business Financing Authority. This was for a loan of up to \$1,895,000, the purchase price agreed upon for the Waller-Hairston family, for the approximately 290 acres. The County Board of Supervisors and the Danville City Council would need to approve their respective Moral Obligations as well. The additional contract they had with the Waller-Hairston family went through December 8th, and Mr. Guanzon has reached out to their attorney and requested the extensions RIFA was allowed, for \$16,500. The County has excess Brownfield planning grant funds, so they went ahead and purchased those to do due diligence on the property, using about \$75,000. They received on Thursday a third-party appraisal of the property, which came back for \$2,315,000. Staff feels this was a strong transaction; the VSBFA was providing a rate of around 5.5% and amortizing it over a twenty-five-year period with a ten year balloon.

Mr. Saunders **moved** for adoption of *Resolution 2024-12-09-5C, a Resolution authorizing the Chairman of the Authority to execute and deliver that certain Commitment Letter for a \$1,895,000.00 Loan from the Virginia Small Business Financing Authority to finance the purchase of certain real property consisting of approximately 289.47 acres (GPIN 1366-12-5834), commonly known as 5981 Berry Hill Road, Danville, VA 24541, near the Authority's Southern Virginia Megasite at Berry Hill Project, located in Pittsylvania County, Virginia, in connection with Resolution No. 2024-09-09-5B.*

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

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

At 12:39 p.m., at the request of Mr. Saunders, Mr. Ingram made a Motion for a temporary adjournment, the Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

The Board **reconvened** at 1:06 p.m.

Mr. Vogler **moved** to Amend the Order of the Agenda Items, the Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

6. CLOSED SESSION

At 1:08 p.m. Mr. Vogler **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

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- 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)

7. RETURN TO OPEN SESSION

On **Motion** by Dr. Miller and **second** by Mr. Tucker and by unanimous vote at 1:53 p.m., the Authority returned to open meeting.

Dr. Miller **moved** for adoption of the following Resolution:

That the Authority certify that, to the best of each Member's knowledge:

(i) only public business matters lawfully exempted from 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 Authority.

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

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

RETURN TO NEW BUSINESS ITEMS

5D. CONSIDERATION OF RESOLUTION 2024-12-09-5D APPROVING A ONE YEAR RENEWAL OF A LEASE WITH MOUNTAIN VIEW FARMS OF VIRGINIA

Legal Counsel to the Authority Michael Guanzon explained this item was a renewal of the sod lease with Mountain View Farms of Virginia, which was part of the thirty acres fronted by Stateline Bridge Road. It was only for harvesting sod, soy beans and other cover crops; there was no tobacco, and the rental fee will be \$1,200 for the year. It can be terminated with a 60 days early termination with notice.

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Mr. Saunders **moved** for adoption of *Resolution 2024-12-09-5D, a Resolution approving a one-year renewal of the lease with Mountain View Farms of Virginia, L.C., a Virginia Limited Liability Company, as tenant, for that certain real property (being a portion of GPIN 1356-80-4414) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, in the Authority's Southern Virginia Megasite at Berry Hill Project, in Pittsylvania County, Virginia, for the purpose of planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, at a total rental fee of \$1,200; such renewal also includes a 60-day early termination right and right to show the property to business recruits of the Authority.*

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

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

5E. FINANCIAL STATUS REPORTS AS OF NOVEMBER 30, 2024

Authority Treasurer Michael Adkins gave the Financial Status report as of November 30, 2024, beginning with the \$7.3M Bonds for Cane Creek which had no activity for November. General Expenditures for the current fiscal year include a payment to Bob's Rentals of \$14,030 for rental of tents, chairs and other items for the ribbon cutting at the Harville-Saunders Parkway as well as the Microporous announcement. Monthly meals at the Institute were \$456, monthly utilities were \$132 and the recurring monthly maintenance paid to Sellars Brothers for services provided at Berry Hill and the Cyber Park was \$4,890. Funding Other than Bonds at the Megasite had one legal bill from Troutman Pepper Hamilton Saunders for legal services of \$630. Lot 4, Lots 1 and 2, Water and Sewer at Berry Hill and Cyber Park Site Development had no expenditures for November. Rent, Interest and Other Income show RIFA received the \$1,500 per month lease payment from AEP, and the monthly payment from the Institute for the Hawkins' building of \$23,342. Miscellaneous income shows RIFA received three checks from Hopkins' Lumber for timber sales totaling \$18,175; that brings the total timber sales to date up to \$1,920,000. As far as expenses, RIFA did have one pass-through, a grant paid to Aerofarms for the AFID grant. The State sent the money to RIFA and told them it was time to pass it on to Aerofarms. RIFA had its recurring monthly expense to the Institute for the Hawkins' Building of \$23,342, and one progress payment to KFH Group, the group doing the Regional Bus Feasibility Study, and that payment was \$9,350.

Mr. Tucker **moved** to accept the Treasurer's Report, the Motion was **seconded** by Dr. Miller and carried by the following vote:

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

8. COMMUNICATIONS

Mr. Rowe gave a brief update on the grave relocation noting staff received a permit from the Department of Historic Resources on November 26th. Last week, WSP group, RIFA's archeological consultants, were out doing mapping and initial rate work, delineating the depressions on the grave sites. By the end of this week, or beginning of next week, the Danville Public Works crew will be out there doing some clearing of the vegetation. In Hairston

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II, staff had believed there were seventeen gravesites; in the first day, they found fifty-five. These were individuals and gravesites that people had forgotten about. In the Adams-Wilson cemetery, there was a portion of a headstone that had been cracked, and they didn't know who that individual was. They were able to find remnants of that headstone, piece it back together and identify that individual. In Hairston II, they found another grave marker confirming the age of that cemetery from the 1940s. Staff will be with their advisory team, along with a couple additional descendants, at a meeting at the Bachelor's Hall Fire Department tomorrow at 11:00 am, then head out and show the individuals the sites before the proper clearing itself.

Mr. Shorter thanked the Board for allowing him to serve with them for the last six months, wished them all well and enjoyed working with them.

Mr. Guanzon thanked the Board for the opportunity to serve, it has been very energetic, challenging and intellectually stimulating, and appreciated everyone's patience. He also appreciated the care that all the staff has given to ensure they were on track. It has been a pleasure to work with the Chairman and Vice Chairman on these meetings and wished everyone a very Merry Christmas.

Dr. Miller wished everyone Happy Holidays and Happy New Year. Mr. Tucker wished everyone a Merry Christmas. Mr. Dalton noted it was another great meeting, he enjoyed working with everyone and hopes he will be back next year; Merry Christmas and Happy New Year. Mr. Saunders thanked the Board for allowing him to serve on it and thanked the staff for doing an excellent job. Mr. Saunders noted he has enjoyed serving with the Chairman and the Board, he was feeling good about everything and thanked the Board for the recognition of the Harville- Saunders Parkway.

Mr. Ingram noted he has had the honor of serving on this Board for five years, was the Chairman twice, and was grateful for the support. This has been one of the enjoyable parts of his political career to be able to serve with his colleagues and friends. Mr. Ingram thanked staff members and the Board members for their work.

Meeting adjourned at 2:17 p.m.

APPROVED:

s/ William V. Ingram
Chairman

s/ Susan M. DeMasi
Secretary to the Authority