



Wednesday, August 18, 2021; 6:00 P.M; Elections and Training Center; 18 Deport Street, Chatham, Virginia 24531

AGENDA

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. ANY ADDITIONS/REVISIONS TO AGENDA**
- IV. APPROVAL OF AGENDA**
- V. CONSENT AGENDA**
 - A. June Meeting Minutes Approval
 - B. Financials Approval
- VI. NEW BUSINESS**
 - A. ARCO Design-Build; Staunton River Plastics Construction Update (*S. Buckley*)
 - B. DPC Shell Building Status Report (*M. Rowe*)
- VII. OLD BUSINESS**
 - A. MEP, Ltd. Local Performance Agreement
- VIII. ECONOMIC DEVELOPMENT UPDATE (*M. Rowe*)**
 - Overview of July 17, 2021 Industrial Park(s) Tour
- IX. MATTERS FROM IDA MEMBERS**

X. CLOSED SESSION

- A. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business or industry’s interest in locating or expanding its facilities in the community.

Authority: Virginia Code §2.2-3711(A)(5)
Subject Matters: Projects Solomon; AI; RL; P
Purpose: Updates on Prospective Unannounced Businesses/Industries

XI. RETURN TO OPEN SESSION AND CLOSED SESSION CERTIFICATION

A. Closed Session Certification
PITTSYLVANIA COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY CLOSED MEETING CERTIFICATION

BE IT RESOLVED that at the meeting of the Pittsylvania County Industrial Development Authority (“Authority”) on August 18, 2021, the Authority hereby certifies by a recorded vote that to the best of each Authority member’s knowledge only public business matters lawfully exempted from the Open Meeting requirements of the Virginia Freedom of Information Act (“Act”) and identified in the motion authorizing the closed meeting were heard, discussed, or considered in the closed meeting. If any authority member believes that there was a departure from the requirements of the Act, he shall so state prior to the vote indicating the substance of the departure. The statement shall be recorded in the Authority’s minutes.

	<u>Vote</u>
Joey Faucette	Yes/No
John Daniel	Yes/No
Ronnie L. Haymore	Yes/No
Timothy Reynolds	Yes/No
Bill Nuckols	Yes/No
Steven Merricks	Yes/No
Charles L. Minter	Yes/No

XII. ADJOURNMENT

Agenda Section:	Consent Agenda (Section V (A))
Agenda Title:	Approval of June Minutes
Staff Contact:	MDR
Agenda Date:	August 18, 2021
Attachments:	1 (June Meeting Minutes)

SUMMARY:

A copy of the June meeting minutes is included in the packet for your review, comment, and approval. The document has already been reviewed by the IDA Vice-Chairman.

FINANCIAL IMPACT AND FUNDING SOURCE:

None

RECOMMENDATION:

County Staff recommends the IDA approve the June meeting minutes as presented.

MOTION:

“I make a Motion to approve the June meeting minutes as presented”.

PITTSYLVANIA COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

WEDNESDAY, JUNE 16, 2021; 6:00 P.M.; ELECTIONS AND TRAINING CENTER; 18 DEPOT STREET,
CHATHAM, VA 24531

MEETING MINUTES

I. CALL TO ORDER

Faucette called Meeting to Order at 6:02 PM.

II. ROLL CALL

IDA Members present: Faucette, Nuckols, Merricks and Haymore. IDA members absent: Daniels, Reynolds and Miller. County Staff present: Rowe, Hunt, Kim Van Der Hyde, and Saunders.

III. REVISIONS TO AGENDA

Faucette requested to add a Closed Session item (VIII) to the agenda before *Matters from IDA Members* and to add item (VI E) Approval of MEP, Ltd. Local Performance Agreement after *Revised Loan Documents for SRP, LLC Project*. There was no objection from other IDA Members present.

IV. APPROVAL OF AGENDA

On Motion by Haymore, second by Nuckols, the revised Agenda was unanimously approved by IDA Members present.

V. APPROVAL OF CONSENT AGENDA

- A. May IDA Meeting Minutes Approval**
- B. IDA Financials Approval**

On Motion by Nuckols, second by Merricks, the Consent Agenda was unanimously approved by IDA Members present.

VI. NEW BUSINESS

A. Introduction of New Economic Development Project Manager

Rowe introduced Ms. Kattie Saunders, Economic Development Project Manager for the County. Saunders stated that she appreciated the opportunity to work for the County and with the IDA.

B. Project FX Land Option Agreement Execution

Rowe presented the resolution for Project FX that enables the Chairman or Vice-Chairman to sign a land option agreement for the main pad site at the Brosville Industrial Park. There were no questions or comments from IDA members present.

On a motion by Haymore, second by Nuckols, the resolution that enables the Chairman or Vice-Chairman to approve a land option agreement with agreed upon terms with and between the IDA and Project FX was unanimously approved by IDA members present.

C. DPC Shell Building Status Report

Rowe provided the requested update on the previously tabled consideration of the joint Danville-Pittsylvania County Shell Building. He stated that the City IDA responded to the County's request and provided documentation regarding the AIA Contract for Blair Construction, and methods of financing. He also informed that RIFA was supportive of the shell building going on lot 10B, the lot bordering the intersection of Riverpoint Drive and Slayton Avenue, in its Cyber Park. Finally, he shared that the final ground lease, MOU agreements, and finance proposal(s) would be forthcoming when available.

On a motion by Merricks, second by Haymore, it was stated that the County IDA approved moving forward with executing the AIA Contract with Blair Construction on lot 10B (lot bordering the intersection of Riverpoint Drive and Slayton Avenue) in RIFA's Cyber Park in conjunction with Danville City IDA for the construction of a joint-owned 30,000 sq. ft. shell building; with the understanding that Staff will present final land lease and MOU documents between relevant parties to the County IDA for consideration and approval when available; and with the understanding that Staff will present the final proposed financing structures and associated documents to the County IDA for consideration and approval when available. The motion was unanimously approved by IDA members present.

D. Revised Loan Documents for SRP, LLC Project

Rowe shared a revised term sheet and moral obligation agreement for the Staunton River Plastics, LLC loan. Due to the bank's requirement of a 2-year construction performance bond, an additional unexpected cost was added to the project of roughly \$80,000. This additional amount was added to the original loan amount and approved by the bank. The County has received the Company's roughly \$1.5M upfront commencement rent payment and it is currently sitting in escrow. The company's payment still exceeds their required percentage of total project costs.

On a motion by Nuckols, second by Haymore, the revised term sheet and moral obligation documents were unanimously approved by IDA Members present.

E. MEP, Ltd. Local Performance Agreement

Rowe presented the Company and RIFA executed local performance agreement for MEP, Ltd., a United Kingdom-based firm that was announced by the Governor's Office on June 7, 2021. He shared that the Board of Supervisors would consider approval of the document during its July meeting and that it may be appropriate for the IDA to table consideration until after the Board made its formal approval.

On a motion by Haymore, second by Nuckols, it was decided that the IDA table the matter to the IDA's July meeting so that the IDA can review the final agreement and possibly act on it after consideration by the County Board of Supervisors. The motion was unanimously approved

VII. ECONOMIC DEVELOPMENT UPDATE

Rowe stated that activity levels were extremely high and that individual project specifics would be shared during the Closed Session period.

VIII. CLOSED SESSION

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

At 6:42 p.m., Haymore motioned that the meeting of the IDA be recessed in a closed meeting for the following purposes:

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

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) 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 commonly known as the Brosville Industrial Park, in Brosville, Virginia, and Ringgold East Industrial Park, in Ringgold, Virginia, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

A second was made Merricks and unanimously approved by IDA Members present.

RETURN TO OPEN SESSION

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

On Motion by Haymore, second by Nuckols, and by unanimous vote at 6:54 p.m., the IDA returned to open meeting.

D. Motion to Certify Closed Meeting

On motion by Nuckols, second by Merricks, the IDA unanimously approved 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.

IX. MATTERS FROM IDA MEMBERS

Faucette asked Staff about the progress of developing a solicitation process for legal assistance when needed by the IDA.

Rowe responded that Staff was working with the County's purchasing department and had drafted the RFQ's scope and specifications section for interested respondents and that the RFQ would likely be advertised in the paper and be ready for respondents within the next few weeks.

Faucette asked if the IDA thought it would be appropriate for County Staff to work with City Staff to develop a joint process for soliciting various development components for future joint projects, such as the approved shell building. IDA members concurred.

Rowe stated that he would follow-up on the request after he had a conversation with City Staff.

Merricks departed the meeting at 7:01 p.m., resulting in less than a quorum of members present.

Faucette introduced John Vigoreaux of Averett University's Center for Entrepreneurship and Innovation. Vigoreaux provided a powerpoint presentation to IDA members present regarding the center and its function(s).

After the presentation, Faucette and the IDA members thanked Vigoreaux for his time and stated that they looked forward to future opportunities for collaboration.

X. ADJOURNMENT

Faucette adjourned the Meeting at 7:41 PM.

Agenda Section:	Consent Agenda (Section V (B))
Agenda Title:	Approval of Financials
Staff Contact:	Kim Van Der Hyde
Agenda Date:	August 18, 2021
Attachments:	1 (June and July Financial Report)

SUMMARY:

A copy of the June and July financial report is included in the packet for your review, comment, and approval.

FINANCIAL IMPACT AND FUNDING SOURCE:

None

RECOMMENDATION:

County Staff recommends the IDA approve the June and July financial report as presented.

MOTION:

“I make a Motion to approve the June and July financial report as presented”.

Pittsylvania County Industrial Development Authority

Balance Sheet

As of June 30, 2021

	Jun 30, 21
ASSETS	
Current Assets	
Checking/Savings	
101000 · First Citizens Checking	999,946.43
10300 · FCB-Panacea Reserve Account	112,193.53
10400 · FCB-IDA SR-Plastics	797,817.48
Total Checking/Savings	1,909,957.44
Total Current Assets	1,909,957.44
Fixed Assets	
110000 · Inventory	1,035,300.00
15000 · Capital Assets	
150100 · Land	1,174,496.00
150200 · Industrial Building	1,098,368.64
Total 15000 · Capital Assets	2,272,864.64
160000 · Accumulated Depreciation	-58,514.75
Total Fixed Assets	3,249,649.89
Other Assets	
120100 · Notes Receivable-Intertape	2,722,474.33
121000 · Note Receivable-Panacea Equip	292,160.11
121100 · Notes Rec-Panacea Equip Reserve	-112,193.53
121500 · Note Receivable-Panacea Upfit	113,710.05
121600 · Note Receivable-VRA Loan-Realty	1,150,000.00
130000 · Interest Receivable	5,120.92
Total Other Assets	4,171,271.88
TOTAL ASSETS	9,330,879.21
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
200000 · Accounts Payable	124,496.05
260000 · Interest Payable	21,548.97
270100 · SR-Plastics Reserve	797,793.56
Total Other Current Liabilities	943,838.58
Total Current Liabilities	943,838.58
Long Term Liabilities	
210000 · Security Deposit-Panacea	6,750.00
250000 · Note Payable-ANB-Intertape	2,722,474.33
253000 · Bond Payable-Panacea	899,139.00
253200 · Note Payable-First Citizens-Pana	292,160.11
253300 · Note Payable-VRA Loan-Realty	1,150,000.00
Total Long Term Liabilities	5,070,523.44
Total Liabilities	6,014,362.02
Equity	
30000 · Opening Balance Equity	2,204,971.66
32000 · Unrestricted Net Assets	-62,038.66
Net Income	1,173,584.19
Total Equity	3,316,517.19
TOTAL LIABILITIES & EQUITY	9,330,879.21

Pittsylvania County Industrial Development Authority
Transaction List by Date

June 2021

Type	Date	Num	Name	Account	Split	Debit	Credit
Deposit	06/04/2021			101000 · First Citizens Checking	120100 · Notes Receivable-Intertape	30,324.97	
Deposit	06/04/2021			10400 · FCB-IDA SR-Plastics	270100 · SR-Plastics Reserve	1,504,012.65	
Check	06/04/2021			10400 · FCB-IDA SR-Plastics	5051 · Wire Transfer Fee		16.00
Deposit	06/07/2021			101000 · First Citizens Checking	-SPLIT-	15,963.64	
Transfer	06/07/2021			101000 · First Citizens Checking	10300 · FCB-Panacea Reserve Account		9,000.00
Transfer	06/07/2021			10400 · FCB-IDA SR-Plastics	101000 · First Citizens Checking		100.00
Check	06/07/2021			101000 · First Citizens Checking	5050 · Bank Charges		144.31
Check	06/07/2021			101000 · First Citizens Checking	62150 · Professional Services		22,500.00
Check	06/08/2021	1009	Hunton Andrews Kurth LLP	10300 · FCB-Panacea Reserve Account	-SPLIT-		6,614.24
Check	06/10/2021	EFT	First Citizens Bank	10300 · FCB-Panacea Reserve Account	5030 · 5030 Professional Services		2,201.74
Check	06/30/2021	1012	Pittsylvania County	101000 · First Citizens Checking	-SPLIT-		304,097.45
General Journal	06/30/2021	56		10400 · FCB-IDA SR-Plastics	-SPLIT-		141,351.05
General Journal	06/30/2021	57		10400 · FCB-IDA SR-Plastics	503500 · Closing Costs SR-Plastics		260,754.59
General Journal	06/30/2021	58		10400 · FCB-IDA SR-Plastics	150200 · Industrial Building		
Deposit	06/30/2021			101000 · First Citizens Checking	45030 · Interest Revenue	363.83	
Deposit	06/30/2021			10400 · FCB-IDA SR-Plastics	45030 · Interest Revenue	23.92	
Check	06/30/2021	1011	American National Bank	101000 · First Citizens Checking	-SPLIT-		30,324.97
General Journal	06/30/2021	59		120100 · Notes Receivable-Intertape	45030 · Interest Revenue	114,337.52	
General Journal	06/30/2021	60		121000 · Note Receivable-Panacea Equip	45030 · Interest Revenue	13,206.55	
General Journal	06/30/2021	61		504000 · Interest Expense	260000 · Interest Payable	21,548.97	
General Journal	06/30/2021	62		130000 · Interest Receivable	45030 · Interest Revenue	5,120.92	
General Journal	06/30/2021	63		30000 · Opening Balance Equity	-SPLIT-		7,434.70
General Journal	06/30/2021	64		200000 · Accounts Payable	150200 · Industrial Building		124,496.05
General Journal	06/30/2021	65		110000 · Inventory	30000 · Opening Balance Equity		268,400.00
General Journal	06/30/2021	67		62810 · Depreciation Expense	160000 · Accumulated Depreciation	17,827.95	

Pittsylvania County Industrial Development Authority

Balance Sheet

As of July 31, 2021

	Jul 31, 21
ASSETS	
Current Assets	
Checking/Savings	
101000 · First Citizens Checking	1,003,482.02
10300 · FCB-Panacea Reserve Account	105,579.29
10400 · FCB-IDA SR-Plastics	673,327.90
Total Checking/Savings	1,782,389.21
Total Current Assets	1,782,389.21
Fixed Assets	
110000 · Inventory	1,035,300.00
15000 · Capital Assets	
150100 · Land	1,174,496.00
150200 · Industrial Building	1,098,368.64
Total 15000 · Capital Assets	2,272,864.64
160000 · Accumulated Depreciation	-58,514.75
Total Fixed Assets	3,249,649.89
Other Assets	
120100 · Notes Receivable-Intertape	2,661,824.39
121000 · Note Receivable-Panacea Equip	285,545.87
121100 · Notes Rec-Panacea Equip Reserve	-114,579.29
121500 · Note Receivable-Panacea Upfit	112,346.41
121600 · Note Receivable-VRA Loan-Realty	1,150,000.00
Total Other Assets	4,095,137.38
TOTAL ASSETS	9,127,176.48
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
270100 · SR-Plastics Reserve	673,297.51
Total Other Current Liabilities	673,297.51
Total Current Liabilities	673,297.51
Long Term Liabilities	
210000 · Security Deposit-Panacea	6,750.00
250000 · Note Payable-ANB-Intertape	2,701,409.55
253000 · Bond Payable-Panacea	851,105.00
253200 · Note Payable-First Citizens-Pana	286,527.51
253300 · Note Payable-VRA Loan-Realty	1,150,000.00
Total Long Term Liabilities	4,995,792.06
Total Liabilities	5,669,089.57
Equity	
30000 · Opening Balance Equity	2,204,971.66
32000 · Unrestricted Net Assets	1,111,545.53
Net Income	141,569.72
Total Equity	3,458,086.91
TOTAL LIABILITIES & EQUITY	9,127,176.48

Pittsylvania County Industrial Development Authority
Transaction List by Date
July 2021

Type	Date	Num	Name	Account	Split	Debit	Credit
Check	07/01/2021	1010	VACorp	101000 · First Citizens Checking	65120 · Insurance - Liability, D and O		1,472.00
General Journal	07/01/2021	61R		504000 · Interest Expense	260000 · Interest Payable		21,548.97
General Journal	07/01/2021	62R		130000 · Interest Receivable	45030 · Interest Revenue		5,120.92
General Journal	07/01/2021	64R		200000 · Accounts Payable	150200 · Industrial Building	124,496.05	
Deposit	07/02/2021			101000 · First Citizens Checking	120100 · Notes Receivable-Intertape	30,324.97	
Check	07/08/2021		First Citizens Bank	101000 · First Citizens Checking	5050 · Bank Charges		409.42
Check	07/16/2021	EFT	First Citizens Bank	10300 · FCB-Panacea Reserve Account	-SPLIT-		6,614.24
Deposit	07/21/2021			101000 · First Citizens Checking	-SPLIT-	15,963.64	
Check	07/23/2021	Wire	ARCO Design/Build, LLC	10400 · FCB-IDA SR-Plastics	150200 · Industrial Building		124,496.05
Check	07/30/2021	1013	American National Bank	101000 · First Citizens Checking	-SPLIT-		30,324.97
Check	07/30/2021	1014	BB & T	101000 · First Citizens Checking	-SPLIT-		67,747.67
Check	07/30/2021	1015	Pittsylvania County	101000 · First Citizens Checking	65030 · Advertising		83.70
Deposit	07/30/2021			101000 · First Citizens Checking	43410 · Pittsylvania Cty Contribution	26,565.83	
Deposit	07/30/2021			101000 · First Citizens Checking	120100 · Notes Receivable-Intertape	30,324.97	
Deposit	07/31/2021			101000 · First Citizens Checking	45030 · Interest Revenue	393.94	
Deposit	07/31/2021			10400 · FCB-IDA SR-Plastics	45030 · Interest Revenue	6.47	

Agenda Section:	New Business (Section VI (A))
Agenda Title:	ARCO Design-Build; Staunton River Plastics Construction Update
Staff Contact:	MDR
Agenda Date:	August 18, 2021
Attachments:	None

SUMMARY:

Sam Buckley with ARCO Design-Build will be present to provide an update on the construction of the Staunton River Plastics project and overview the current construction schedule. He will also answer any questions from IDA members.

FINANCIAL IMPACT AND FUNDING SOURCE:

None

RECOMMENDATION:

None

MOTION:

None

Agenda Section:	New Business (Section VI (B))
Agenda Title:	DPC Shell Building Update
Staff Contact:	MDR
Agenda Date:	August 18, 2021
Attachments:	None

SUMMARY:

Mr. Rowe will provide a brief update on the status of the joint City and County IDA shell building and its impending construction.

FINANCIAL IMPACT AND FUNDING SOURCE:

None

RECOMMENDATION:

None

MOTION:

None

Agenda Section:	Old Business (Section VII (A))
Agenda Title:	MEP, Ltd. Local Performance Agreement
Staff Contact:	MDR
Agenda Date:	August 18, 2021
Attachments:	None (MEP, Ltd. Local Performance Agreement was previously provided to IDA members)

SUMMARY:

On June 7, 2021, Governor Northam’s office announced that MEP, Ltd. of Aylesford, United Kingdom, would locate their first US manufacturing facility in the RIFA owned Cyber Park resulting in new capital investments of \$6.4 and the creation of 45 high-wage jobs. County staff has visited the Company’s UK operations, has met with the Company and Governor at the Paris Aerospace Show, and has worked with the Company for over 2-years. RIFA jointly presented to them a competitive and impactful incentive offer that is dependent upon the execution of a Local Performance Agreement (LPA) by all parties including the County IDA. After considering whether to locate their operation in Danville-Pittsylvania County or North Carolina, the Company executed the LPA with RIFA. RIFA approved the LPA during their June 14, 2021 meeting, and the Board of Supervisors considered and approved of the LPA during their July 2021 meeting. The IDA’s approval and signature is a formality since performance grants are often provided through the IDA as a conduit of earned funds. The Company will locate into the recently constructed 5,500 sq. ft. high bay space at IALR while their facility in the Cyber Park is being constructed.

FINANCIAL IMPACT AND FUNDING SOURCE:

The LPA provides that RIFA will pay a grant in the amount of \$250,000 to the Company once all project metrics are met (after the fact). It further provides \$80,000 of Enterprise Zone grants and fee waivers to the Company based upon performance due to the location of the Cyber Park being in a State Enterprise Zone. Finally, RIFA is paying up to one-year’s rent for the Company at IALR with an amount to not exceed \$75,000. All grants and their liability are shared 50 / 50 by the County and City per RIFA’s by-laws. The funding source for the grants will be from the Company’s tax payments.

RECOMMENDATION:

County Staff recommends the IDA approve the LPA as presented.

MOTION:

“I make a Motion to approve the Local Performance Agreement between MEP, Ltd. and Pittsylvania County IDA as presented”.