

STAUNTON RIVER REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2021

The regular meeting of the Staunton River Regional Industrial Facility Authority was convened at 12:15 p.m. on the above date at the Community Center, 115 South Main Street, Chatham, VA 24531. Present were Pittsylvania County members Ben Farmer, Tim Dudley, and alternate Dr. Charles H. Miller. Town of Hurt members present was Shirley Barksdale-Hill. City of Danville members present were Sherman Saunders, Lee Vogler, and alternate Larry Campbell.

County/Town/City staff members attending were: City Manager Ken Larking; County Director of Economic Development Matthew Rowe; City Director of Economic Development Corrie Bobe; County Project Manager Susan McCulloch; County Finance Director Kim Van Der Hyde; Secretary to the Authority Hollye Keese; and Clement Wheatley Attorney Jennifer Burnett. Also present was Shawn Harden from Dewberry.

ROLL CALL AND CONFIRMATION OF QUORUM

Hollye Keese, Secretary, read the roll call and confirmed that a quorum was present.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES

Upon **Motion** by Mr. Vogler and **seconded** by Mr. Dudley, minutes of the December 1, 2020 meeting was unanimously approved as presented.

NEW BUSINESS

- A. ELECTION AND APPOINTMENT OF OFFICERS FOR CALENDAR YEAR 2021** – Jennifer H. Burnett, Esq., Clement Wheatley, Legal Counsel to the Authority

Mr. Saunders explained that under the by-laws that there is a rotation between the localities for Chairman and Vice Chairman.

1. Election of Chairman from Town of Hurt Member Locality (*see* Bylaws, Article VI, paragraph 1)

Dr. Miller **nominated** Shirley Barksdale-Hill for Chairman of the Authority; the motion was **seconded** by Mr. Vogler and carried with the following vote:

VOTE:	4-1
AYE:	Farmer; Barksdale-Hill; Saunders; Vogler (4)
NAY:	Dudley (1)

2. Election of Vice Chairman from City of Danville Member Locality (see Bylaws, Article VI, paragraph 4)

Mr. Vogler **nominated** Sherman Saunders for Vice Chairman of the Authority; the motion was **seconded** by Mr. Dudley and carried with the following vote:

VOTE: 5-0
AYE: Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY: None (0)

3. Reappointment of Secretary from the Authority's staff – Hollye M. Keesee, Executive Assistant, Pittsylvania County, Virginia

Mr. Farmer **moved** to reappoint Hollye Keesee as Secretary of the Authority; the motion was **seconded** by Mr. Dudley and carried with the following vote:

VOTE: 5-0
AYE: Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY: None (0)

4. Reappointment of Treasurer from the Authority's staff – Kim Van Der Hyde, Director of Finance, Pittsylvania County, Virginia

Mr. Farmer **moved** to reappoint Kim Van Der Hyde as Treasurer of the Authority; the motion was **seconded** by Mr. Dudley and carried with the following vote:

VOTE: 5-0
AYE: Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY: None (0)

Mr. Saunders handed the meeting over to Ms. Barksdale-Hill. Mr. Saunders thanked the Board and staff for allowing him to be apart of the Authority. He is honored to be part of the Authority. He is a native son of Pittsylvania County and former resident of the Town of Chatham and it feels like being home. He thanked everyone for their support, his City colleagues, County colleagues and the wonderful staff.

Ms. Barksdale-Hill thanked the Board for appointing her Chairperson of the Authority. She will do her best to serve everyone as fairly as she possibly can. She stated that in the future, please direct her if she needs so.

B. General Expenditures Reports as of November 30, 2020 and December 31, 2020 – Kim Van Der Hyde, Director of Finance, Pittsylvania County, Virginia

Mrs. Van Der Hyde discussed the two months of General Expenditure Reports and there were no questions.

Mr. Saunders **moved** to accept the Treasurer's Report; the Motion was **seconded** by Mr. Vogler and unanimously approved.

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 12:24 p.m. Mr. Vogler **moved** that the meeting of the Staunton River Industrial Facility Authority be recessed in a closed meeting for the following purposes:

- A. 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
- B. 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 Southern Virginia Multimodal Park, in Hurt, Virginia, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and
- C. As permitted by Virginia Code § 2.2-3711(A)(5) for 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.

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

VOTE: 5-0
AYE: Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY: None (0)

RETURN TO OPEN SESSION

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

On **Motion** by Mr. Saunders and **seconded** by Mr. Vogler and by unanimous vote at 12:49 p.m., the Authority returned to open meeting.

E. Motion to Certify Closed Meeting

Mr. Dudley **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: 5-0
AYE: Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY: None (0)

F. Consideration of Resolution No. 2021-01-14-6F, (i) approving, ratifying and confirming that certain First Amendment to Local Performance Agreement with Staunton River Plastics, LLC, a Virginia limited liability ("SRP"), dated December 22, 2020, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference (the "First Amendment"), which has been executed by the Authority and the other parties thereto to amend the Local Performance Agreement dated May 8, 2020 (the "LPA"), under the terms and conditions set forth in the Amendment in connection with the terms and conditions of that certain loan being obtained by the Industrial Development Authority of Pittsylvania County, Virginia, a political subdivision of the Commonwealth of Virginia (the "PCIDA"), from First Citizens Bank & Trust Company for (x) the acquisition by the PCIDA from the Authority of approximately 19.623 acres in the Southern Virginia Multimodal Park (the "SVMP") for the Facility as

described in the LPA (the "Property"), at a gross purchase price of \$50,000 per acre, which shall be subject to a payment reduction adjustment price of \$15,000 per acre as set forth in a purchase and sale agreement to be entered into by and between the PCIDA and the Authority, which Property will be purchased by the Authority from Hurt Partners, LLC, a North Carolina limited liability company and owner of the SVMP ("Hurt Partners"), on the terms and conditions set forth in that certain SVMP Development and Option Agreement by and between the Authority and Hurt Partners dated October 4, 2019, and (y) the construction by the PCIDA of the Project Emotion Building as described in the LPA, which will be leased by the PCIDA to SRP; (ii) authorizing and directing the 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; and (iii) approving, ratifying and confirming any and all actions previously taken by the Authority, its agents and representatives, in respect to the Amendment and the matters contemplated in this Resolution, including the execution and delivery of the Amendment for and on behalf of the Authority by Sherman M. Saunders in his capacity as the Chairman of the Authority as of the effective date of the Amendment [NO SEPARATE WRITTEN RESOLUTION] – Matthew Rowe, Director of Economic Development, Pittsylvania County, Virginia

Mr. Rowe stated that based on the direction of the Staunton River Plastics, the company agreed to take all State discretionary grants as they received them and to apply towards the debt on the building. This resolution amends the local performance agreement to reflect. Mr. Rowe stated that this also adds additional cash equity into the project.

Mr. Saunders **moved** to approve Resolution 2021-01-14-6F; the Motion was **seconded** by Mr. Farmer and carried by the following vote:

VOTE: 5-0
AYE: Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY: None (0)

G. Consideration of Resolution No. 2021-01-14-6G, (i) approving and authorizing, in furtherance of the consummation of the transactions described and approved in Resolution No. 2021-01-14-6F adopted by the Authority at its January 14, 2021, meeting, (x) the exercise by the Authority of its option on, and the acquisition by the Authority of, 19.623 acres in the Southern Virginia Multimodal Park (the "Property") currently owned by Hurt Partners, LLC, a North Carolina limited liability company ("Hurt Partners"), on the terms and conditions set forth in that certain SVMP Development and Option Agreement by and between the Authority and Hurt Partners dated October 4, 2019, at a price of \$15,000 per acre, (y) the sale of the Property to the Industrial Development Authority of Pittsylvania County, Virginia, a political subdivision of the Commonwealth of Virginia (the "PCIDA"), at a

gross sales price of \$50,000 per acre, which shall be subject to a payment reduction adjustment price of \$15,000 per acre, as set forth in and pursuant to a purchase and sale agreement to be entered into by and between the Authority and the PCIDA (the "Purchase Agreement"), and (z) the entering into by the Authority of the Purchase Agreement on the terms and conditions set forth in this Resolution, and on such additional terms and conditions as may be approved by the Authority's Chairman or Vice Chairman, either of whom may act independently of the other, the execution of same by the Authority's Chairman or Vice Chairman to conclusively establish his/her approval of any further terms and conditions; (ii) authorizing and directing 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 in this Resolution or as they in their discretion deem necessary or appropriate in order to carry out the intent and purpose of this Resolution; and (iii) approving, ratifying and confirming any and all actions previously taken by the Authority, its agents and representatives, in respect to the matters contemplated in this Resolution [NO SEPARATE WRITTEN RESOLUTION] – Mr. Rowe

Mr. Rowe stated that this is with the same company, Staunton River Plastics. The amendment states that the sales price to the Industrial Development Authority is \$15,000.

Mr. Vogler **moved** to approve Resolution 2021-01-14-6G; the Motion was **seconded** by Mr. Farmer and carried by the following vote:

VOTE:	5-0
AYE:	Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY:	None (0)

H. Consideration of Resolution No. 2021-01-14-6H, (i) approving, as presented at this January 14, 2021, meeting of the Authority, the terms and conditions of an agreement with Hurt Partners, LLC, a North Carolina limited liability company (the "Hurt Partners") and owner of the Southern Virginia Multimodal Park ("SVMP"), regarding Project Bigfoot, pertaining to an industry desiring an option to lease certain property in the SVMP from Hurt Partners for the benefit of the Authority; (ii) authorizing the Chairman or Vice Chairman of the Authority, either of whom may act independently of the other, to enter into such agreement on the terms and conditions presented at this January 14, 2021, meeting of the Authority, and on such additional terms and conditions as may be approved by the Authority's Chairman or Vice Chairman, either of whom may act independently of the other, the execution of same by the Authority's Chairman or Vice Chairman to conclusively establish his/her approval of any further terms and conditions; (iii) authorizing and directing 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 in this Resolution or as they in their discretion deem necessary or appropriate in order to carry out the intent and purpose of this Resolution; and (iv) approving, ratifying and confirming any and all actions previously taken by the Authority, its

agents and representatives, in respect to the matters contemplated in this Resolution [NO SEPARATE WRITTEN RESOLUTION] – Mr. Rowe

Mr. Rowe stated that this resolution is an agreement with SR RIFA, Hurt Partner and a solar firm, Clean Footprint. This firm is looking to lease a property from Hurt Partners with permission from SVMP and SR RIFA. This solar facility would be for the typical 20 years with additional extensions. This approval is to allow Hurt Partners to enter into a lease arrangement and to approve a cost revenue sharing agreement between Hurt Partners and SR RIFA.

Mr. Farmer **moved** to approve Resolution 2021-01-14-6G; the Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE:	5-0
AYE:	Dudley; Farmer; Barksdale-Hill; Saunders; Vogler (5)
NAY:	None (0)

COMMUNICATIONS

Mr. Rowe thanked the Authority members for being able to get together in time to meet deadlines.

Mr. Dudley thanked the staff for doing all the legwork. They do a lot for the County and City and is appreciated.

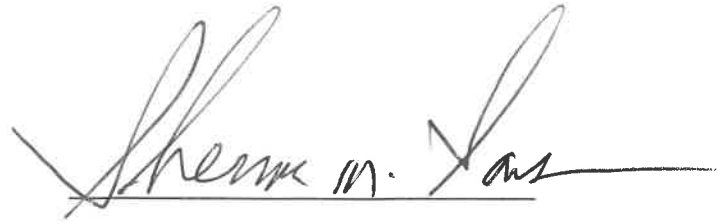
Mr. Saunders thanked staff for the work that is done daily. Thank you to the board members. Congratulations to the new Chairperson. Thank you to the Council. Thank you everyone.

Ms. Barksdale-Hill thanked the board members for serving. Thank you for continuing to serve our area, this is a good crew, and there has been lots of positive things happening in the short time on the Board. She is always open to learning more.

NEXT MEETING

Mr. Rowe said that it would probably be a called meeting. Ms. Burnett said when things begin to materialize in the future, they will call another meeting. Mr. Rowe asked the Board members to think about what the groundbreaking for Staunton River Plastics project, what that needs to look like with COVID restrictions. Several members stated that they would love to see a groundbreaking in Hurt.

The meeting adjourned at 1:00 p.m.



Chairman



Secretary to the Authority

