

April 20, 2021
Regular Meeting

**Pittsylvania County Economic Development Committee
Meeting
April 20, 2021**

VIRGINIA: The Pittsylvania County Board of Supervisors' Economic Development Committee was held on April 20, 2021, in the Elections and Training Center, 18 Depot Street, Chatham, Virginia. Chairman Warren called the Meeting to Order at 3:00 PM. The following Members were present:

Attendee Name	Title	Status	Arrived
Robert ("Bob") W. Warren	Chairman; Chatham Blairs District	Present	2:37 PM
Ronald S. Searce	Supervisor; Westover District	Present	2:36 PM
Timothy W. Dudley	Supervisor; Staunton River District	Present	2:35 PM

AGENDA ITEMS TO BE ADDED

None.

APPROVAL OF AGENDA

Motion to approve Agenda.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Searce
SECONDER:	Dudley
AYES:	Warren, Searce, Dudley

NEW BUSINESS

a. Staunton River Plastics, LLC Financing Update (Staff Contact: Matthew D. Rowe)

Rowe stated that on April 15, 2021, the Pittsylvania County Industrial Development Authority ("IDA") approved a construction contract and package with ARCO Design-Build for the construction of a 150,000 sq. ft. turn-key manufacturing facility for a price of \$9,732,406 or \$65.77/sq. ft. County Economic Development Staff and Staunton River Plastics, LLP ("Company"), vetted and received estimates from three (3) developers and four (4) builders (note: ARCO's per square foot price was more than \$5/sq. ft. cheaper than the nearest competitor). The scope not only includes a move-in ready concrete tilt-up building, but also improvements to the rail sideline, construction of parking areas, and drainage improvements. Moreover, due to ARCO's size and relationship with steel sources, the Project was not impacted by the rise of steel prices.

During its April 15, 2021, Meeting, the IDA approved "Bank Term Sheet Option #2" with American National Bank for a construction loan up to \$8,592,280, amortized on a twenty-five (25)-year schedule with a seven (7)-year balloon at 3.55% (a formal solicitation process was conducted by the County's financial consultant). Also at the Meeting, the IDA approved a Facility Lease (already signed by the Company) and Facility Lease Amendment (a one (1)-page amendment document reflecting final bank terms) that results in the Company paying the IDA a

lease rate equal to or more than the monthly mortgage, plus \$1,500 per month financing fee, in addition to the Company making an up-front rental payment of \$1,504,012.65.

All stormwater and land disturbance permits are in hand, and once financial closing occurs, ground will immediately be broken. The construction period is roughly ten (10) to twelve (12) months. The Board will need to approve a Moral Obligation at its April 2021 Business Meeting to stay on the current track of financial closing in early May 2021. American National Bank has ordered an expedited appraisal and is proactively conducting its title due diligence and work.

b. Danville IDA-Pittsylvania IDA Shell Building Update (Staff Contact: Matthew D. Rowe)

Rowe stated that at its April 15, 2021, Meeting, the IDA tabled their consideration of the Blairs Construction (“Contractor”) Contract for a 30,000 square foot shell building in the Cyber Park. In doing so, the IDA directed County Staff to do the following:

- (1) Work with the City IDA and Contractor to develop an itemized budget, more clear scope of construction, and design-build specifics;
- (2) Establish/finalize financing terms/specifics;
- (3) Create a Memorandum of Understanding between the County IDA and City IDA regarding financing and revenue details; and
- (4) Finalize the final approved location of the Facility (dependent on RIFA’s final approval); and
- (5) Transmit a letter to City IDA Staff outlining all the above.

Once the information is received, the IDA is willing to have a Special Called Meeting to expedite the Project.

For reference, the County and City IDAs agreed earlier this year to jointly develop and finance the 30,000 sq. ft. shell building on a lot in the Cyber Park. County Staff is working with several potential end tenants and there is a high likelihood that the project will morph into a build-to-suit facility.

MATTERS FROM COMMITTEE MEMBERS

None.

CLOSED SESSION

Motion to enter Closed Session by Dudley, seconded by Scearce. Motion unanimously approved by Committee. The Committee entered Closed Session at 3:14 PM.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Scearce
SECONDER:	Dudley
AYES:	Warren, Scearce, Dudley

- 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. (Staff Contact: Matthew D. Rowe)

(1) Legal Authority: Virginia Code § 2.2-3711(A)(5)
Subject Matters: Projects Matterhorn, FX, Solomon, Aurora, Darwin,
Thin Foil, Foam, Installation, and Map
Purpose: Economic Development Updates on Unannounced
Industries/Prospective Businesses

RETURN TO OPEN SESSION AND CLOSED SESSION CERTIFICATION

The Committee returned to Open Session at 3:31 PM and the following Certification was recorded:

PITTSYLVANIA COUNTY BOARD OF SUPERVISORS
CLOSED MEETING CERTIFICATION

BE IT RESOLVED that at the Pittsylvania County Board of Supervisors’ Economic Development Committee Meeting on April 20, 2021, the Committee hereby certifies by a recorded vote that to the best of each Committee 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 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 Committee’s Minutes.

	<u>Vote</u>
Searce	Yes
Dudley	Yes
Warren	Yes

Motion to recess Meeting until conclusion of the tonight’s Business Meeting.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Searce
SECONDER:	Dudley
AYES:	Warren, Searce, Dudley

Warren reconvened the Meeting at 8:25 PM. The Board returned to Open Session at 8:55 PM and the following Certification was recorded.

PITTSYLVANIA COUNTY BOARD OF SUPERVISORS
CLOSED MEETING CERTIFICATION

BE IT RESOLVED that at the Pittsylvania County Board of Supervisors’ Economic Development Committee Meeting on April 20, 2021, the Committee hereby certifies by a recorded vote that to the best of each Committee 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 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 Committee’s Minutes.

	<u>Vote</u>
Scearce	Yes
Dudley	Yes
Warren	Yes

ADJOURNMENT

Warren adjourned the Meeting at 8:56 PM.