PRINCE EDWARD COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY MEETING MINUTES

Board of Supervisors Room – 3rd Floor Prince Edward County 8:00 am, June 28, 2024

The Prince Edward County Industrial Development Authority strongly encourages citizen participation in public meetings through in-person participation, written comments, and/or remote participation by calling: **1-844-890-7777**, **Access Code: 390313** (if busy, please call again). Should citizens have questions, or need additional information, please contact the Industrial Development Authority Clerk's Office at 434-392-1482.

MEMBERS PRESENT IN PERSON: Mike Montgomery, Vice-Chairman

Brad Watson, Chairman

Edgar Jones Joyce Yeatts Robert Atkinson

MEMBERS PRESENT BY PHONE: Tim Tharpe

ABSENT: Quincy Handy

ALSO PRESENT: Chelsey White, Director of Economic Development & Tourism/Clerk to the Industrial Development Authority; Douglas Stanley, County Administrator; Rhett Weiss, Chairman & CEO of DEALTEK, Ltd. Molly Kinahan, Marketing Assistant, Economic Development and Tourism Department; Terri Atkins Wilson, IDA Attorney

Introductions

Call to Order

At 8:02 am, there being a quorum present, Mr. Watson welcomed everyone and called the June 28, 2024, Regular IDA meeting to order.

Approval of Minutes

Mr. Montgomery moved to approve the May 7, 2024 meeting minutes, and Ms. Yeatts seconded. The minutes were approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones Mr. Montgomery moved to approve the June 11, 2024 meeting minutes and Ms. Yeatts seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

Treasurer's Report

Ms. White presented the Treasurer's Report:

Treasurer's Report June 14, 2024

Deposits since the last report (April 22, 2024)	
April Interest Payment	\$987.18
Paris Ceramics – 286K Equipment Loan Payment	\$3,774.25
Paris Ceramics - Waterjet Payment	\$5,267.49
County Incentive Grant Reimbursement	\$39,778.49
May Interest Payment	\$954.86
Deposit TOTAL	\$50,762.86
Disbursements since the last report (April 22, 2024)	
Sandy River Distillery 2023 Real Estate Reinvestment Grant	\$2,373.03
Sandy River Distillery 2023 Tangible Reinvestment Grant	\$108.90
Sandy River Distillery 2023 Machinery and Tools Reinvestment Grant	\$346.50
Sandy River Distillery 1st Tourism Grant	\$5,000.00
Dominion Energy VA – HIT Park	\$113.88
Timmons Group - Offsite Utilities - Water Main and Wastewater Force Main	\$25,000.00
Timmons Group - HIT Park - EWST and BMP HIT Park	\$23,250.00
Timmons Group - PEC Business Park Updated Due Diligence	\$600.00
DEALTEK, Ltd.	\$8,000.00
RKG Associates	\$5,000.00
RKG Associates	\$7,500.00
RKG Associates	\$7,800.00
VACORP	\$2,059.00
DEALTEK, Ltd.	\$8,264.17
Timmons Group - HIT Park - EWST and BMP HIT Park	\$26,500.00
Timmons Group - Offsite Utilities - Water Main and Wastewater Force Main	\$5,900.00
Timmons Group - PEC Business Park Updated Due Diligence	\$400.00
Disbursements TOTAL	\$128,215.48
May 2024 Benchmark Statement Balance	\$1,134,397.08
Available Balance as of June 14, 2024	\$1,083,268.94

MONTHLY REVENUE

Waterjet Equipment Loan | \$200,000 | \$3,774.25 monthly payment | \$3,758.35 balance 286K Equipment Loan | \$286,000 | \$5,267.49 monthly payment | \$126,148.33 balance

Ms. White reported that the deposit total was \$50,762.86, the disbursement total was \$128,215.48, and the available balance was \$1,083,268.94. Mr. Jones asked what the RKG Associates payment was for. Ms. White explained that the payment was to the consulting company producing the Prince Edward County Strategic Economic Development Plan. She mentioned that a \$20,000.00 AFID grant was awarded for this project therefore some of the IDA payments will be reimbursed. Mr. Atkinson moved to approve the treasurer's report and Ms. Yeatts seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

FY23 IDA Audit

Ms. White presented the audit and explained that the second page was updated with the correct spelling of Mr. Handy's name. Mr. Stanley stated that the report does not show the Poplar Hill CDA loans being paid off as that recently happened. Ms. Yeatts moved to approve the audit, and Mr. Atkinson seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

HIT Park Consulting and Marketing Update Mr. Weiss presented the following report:

The following is a high-level summary of economic development, marketing, and related consulting activities for Heartland Innovative Technology Park (HIT Park) since the last Activity Report, conducted under the Contract for Consulting Services between DEALTEK and the IDA dated 1 May 2023:

1. Strategy

Executing the two-part strategy to develop interest in HIT Park from the data center industry, while gaining insights from industry leaders and prospects to enhance HIT Park's desirability.

2. Industry Interactions

- a. Frequent communications continue with prospects. Since the last report, DEALTEK has signed four NDAs with prospects and has had detailed discussions with an adjacent property owner about possible acquisition and development scenarios for that owner's site.
- b. Since the last report, three prospects have conducted HIT Park site visits and presented purchase offers. To date, we have had ten physical site visits. These are in addition to dozens of virtual site visits conducted with webbased tools and videoconferences.
- c. In total, we have received five purchase offers, four of which were at full listing price and two of which, after negotiation, were above full price.
- d. The IDA Board has considered all offers. After negotiation, we down-selected the three recent offers to two. After further negotiation, we decided to focus on the prospect which we believe is offering the best terms and ability to execute the project's development.
- e. Per the IDA Board's recent motion, the IDA and this prospect are finalizing an MOU. It will require the IDA to engage with that prospect exclusively for a specific time period while they draft a PSA and a Master Agreement (MA) with terms outlined in the MOU. Before the IDA signs a PSA or MA, the prospect needs to provide satisfactory proof of funds to acquire and develop HIT Park.
- f. On 28-29 March, I represented HIT Park at DCD>Connect Data Center Investment Forum and Conference in New York City. There, I was a session panelist and the closing roundtable moderator. On 21-23 May, I represented HIT Park at the National DICE East Data Center Conference in Reston, VA. At both conferences, I met with several prospects, including ones which made purchase offers.

3. Site Readiness and Due Diligence

- a. Assisted county staff with to VEDP's questions and requests for information.
- b. Addressed various other HIT Park-related requests from county staff.
- c. Continually reviewing information on other data center sites and locations, trends, developments, publicized projects (pending or completed), and their contexts.

Please note: Names of prospects, their points of contact, and industry sources need to be kept confidential. Similarly, our communications typically contain sensitive and/or proprietary information, which likewise needs to be kept confidential. These details certainly are available upon request in closed session.

In addition to his report, Mr. Weiss mentioned that students from UC Irving completed a study on the HIT Park that he thought was impressive. He stated that he would share the report with the IDA via email.

HIT Park Investment Update

Ms. White presented a spreadsheet that detailed funding and expenses for the HIT Park project. She explained how funding has been used to cover marketing, utilities, and infrastructure

improvement expenses. Mr. Watson complemented Ms. White on finding grants to help offset project costs.

5 Pillar Meats Performance Agreement

Ms. White stated that the 5 Pillar Meats Performance Agreement (PA) needed to be tabled. She explained that the PA needs to be in place before requesting and expending funds from the TRRC grant. She furthered that the grant proposal was initially for \$25,000 but that staff from TRRC and VDACS encouraged county staff to submit a higher TRRC RFP at \$75,000. The AFID grant for \$50,000 was awarded afterward which can be used as part of the match for the \$75,000 TRRC grant. Since the TRRC grant requires a one-to-one match, there is \$25,000 in match funding that the county or IDA still needs to cover. Ms. White stated that she and Mr. Stanley are working on preparing a local incentive grant package to cover the \$25,000 needed. Mr. Atkinson moved to table the 5 Pillar Meats Performance Agreement, and Mr. Jones seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

Economic Development and Tourism Monthly Report

Ms. White stated that the Economic Development and Tourism Monthly Report was presented at the June 11th Board of Supervisor Meeting. She furthered that the report detailed departmental activities from March through early June. Ms. White highlighted that the county was awarded a \$442,005 TRRC grant to fund Phase One of the Industrial access road for the HIT Park project. She explained that Phase One includes engineering and design services and right-of-way relocation costs. Ms. White mentioned that Mr. Atkinson and Mr. Montgomery were also reappointed to the IDA board at the June 11th Board of Supervisors meeting.

FOIA Training Requirement

Ms. White explained that Freedom of Information Act (FOIA) training is required for all IDA members and has to be updated every two years. She asked that if IDA members have not completed their training, do so as soon as possible. She also asked IDA members to email her to provide her with the date that their training was completed. Ms. White mentioned that training opportunities are available in-person and online via the following opportunities:

- The link below provides information on all upcoming trainings:
 - o https://foiacouncil.dls.virginia.gov/training.htm
- Below is a link to a training via an MP4 video. This version can be played at any time:
 - o https://foiacouncil.dls.virginia.gov/training MP4.htm
- Additionally, a link to the Conflict-of-Interest Act (COIA) Training is also provided below:
 - o https://ethicswebinar.dls.virginia.gov/

Mr. Stanley stated that in December 2011, the IDA loaned The Manor Golf Course LLC \$50,000.00. He explained that this money was never paid back from the entity and there was no lien put on the golf course. Mr. Stanley furthered that with the added interest, the current balance on the loan is \$114,000. Mr. Stanley stated that the Poplar Hill CDA paid a one-time \$15,000 payment. He furthered that since The Manor Golf Course LLC is no longer an entity and has gone out of business, the IDA cannot collect back payments from it and he recommended writing off the remaining loan balance. Ms. Yeatts motioned to write off the remaining loan balance including the \$35,000 principal and the interest thereon as a loss and Mr. Jones seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain:

Mike Montgomery Robert Atkinson

Brad Watson Joyce Yeatts Tim Tharpe Edgar Jones

Closed Session

Mr. Watson called for a motion to enter a closed session. Mr. Atkinson made a motion, seconded by Mr. Jones, to convene in closed session for discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, and consultation with legal counsel and briefing by staff members or consultants pertaining to actual or probable litigation pursuant to the exemptions provided for in Section 2.2-3711(A)(3) of the Code of Virginia. The motion carried:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

The Board returned to the regular session by a motion from Ms. Yeatts, seconded by Mr. Atkinson, and adopted as follows:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery

Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe

Edgar Jones

The following certification of the closed meeting was adopted in accordance with the Virginia Freedom of Information Act:

WHEREAS, the Board of the Prince Edward County Industrial Development Authority convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711(A)(3) of the Code of Virginia requires certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE BE IT RESOLVED that the Board of the Prince Edward County Industrial Development Authority hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Board of the IDA. The motion was made by Mr. Montgomery and Mr. Jones seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

Mr. Watson asked if there were any departures from clauses one and two were asked to speak. There was no departure.

Aye:

Nay: (none)

Abstain: (none)

Mike Montgomery

Brad Watson Robert Atkinson

Joyce Yeatts Tim Tharpe

Edgar Jones

Closed Session Ended at 9:23 am.

Mr. Montgomery moved that the IDA move forward with the memorandum of understanding with the respective purchaser and allow the chairman and staff to sign the necessary documents and Mr. Atkinson seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery

Brad Watson

Quincy Handy

Robert Atkinson

Joyce Yeatts

Edgar Jones

Other Business

Capital Improvement Plan

Mr. Stanley stated that the county plans to build a new animal control facility. He furthered that a letter will be addressed to the IDA about acquiring a part of Lot 9, beside the YMCA and FACES, for the new facility due to its access to sewer and water.

Adjournment

With no other business to discuss, Ms. Yeats made a motion to adjourn the meeting and Mr. Atkinson seconded. The motion was approved by the following vote:

Aye: Nay: (none) Abstain: (none)

Mike Montgomery Brad Watson Robert Atkinson Joyce Yeatts Tim Tharpe Edgar Jones

The meeting was adjourned at 9:30 am.