

**MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF  
CAMPBELL, VIRGINIA**

January 23, 2020

The meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the first floor conference room of the Citizen Services Building, Rustburg, Virginia, on January 23, 2020.

The Directors present were:

Vance Driskill	George Rosser
Greg Morris	Dennis Rosser
Steve Shockley	Larry Dalton

The Directors absent were:

Kenny Brown

Also present:

Mike Davidson, Campbell County Economic Development Director  
Frank Wright, Jr., Esq., Overbey, Hawkins & Wright  
Sarah Johnson, Campbell County Economic Development Specialist  
Kim Stewart, Campbell County Economic Development Administrative Assistant

// Chairman Vance Driskill called the meeting to order at 7:05 p.m. and brought the members' attention to the minutes from the meeting of October 24, 2019. With all members having read the minutes and having no questions or concerns, Chairman Driskill called for a motion to approve the minutes. Mr. Steve Shockley motioned and Mr. Dennis Rosser seconded. With all in favor and none opposed, the minutes passed unanimously, and Chairman Driskill turned the meeting over to Mr. Davidson to review the financial matters.

**Matters from the Economic Development Director**

// Mr. Davidson reviewed the financial balance statement and recited the current accounts balances and assets as shown below.

INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF CAMPBELL, VIRGINIA						
BALANCE SHEET						
January 23, 2020						
<b>Current Assets Per Online Bank Balances 1/23/20:</b>						
Balance in FNB Banker Steel Collateral Account (1015141)						\$125,276.71
Annual Tax set aside \$455.00 & insurance set aside \$125.00 to date						
Balance in BOJ Operating Account (3229)						\$50,400.90
Balance in BOJ Rangoon Rd Account (3226)						\$158,964.92 <b>Previous Balance:</b>
Balance in First National CD (REF. 34222)	2.0%	mat. 12/13/20				\$26,849.99
Balance in First National CD (REF. 42196)	1.8%	mat. 12/24/23				\$34,472.09
Balance in First National CD (REF. 34115)	2.5%	mat. 10/23/24				\$27,934.50
TOTAL OF CURRENT ASSETS:						\$424,005.65
<b>Fixed Assets:</b>						
Construction (Real Estate)						\$1,044,000.00
TOTAL OF FIXED ASSETS:						\$1,044,000.00
<b>Current Liabilities:</b>						
(Nothing other than reimbursable loan payments)						
TOTAL OF CURRENT LIABILITIES:						\$0.00
<b>Fixed Liabilities (6374):</b>						
Construction (Real Estate)						\$330,371.82
TOTAL OF FIXED LIABILITIES:						\$330,371.82
<b>Totals:</b>						
TOTAL OF ASSETS:						\$1,468,005.65
TOTAL OF LIABILITIES:						\$330,371.82
NET WORTH:						\$1,137,633.83
<b>Reconciliations Per December 31, 2019 Paper Bank Statements:</b>						
Account	Beginning Balance	Deposits/ Interest	Fees	Checks		Ending Balance
Banker Steel FNB Collateral	\$115,544.54	\$9,527.69	\$0.00	\$4,924.34		\$120,147.89 *
Banker Steel BOJ Operating	\$50,394.27	\$6.63	\$0.00	\$0.00		\$50,400.90
Banker Steel BOJ Rangoon	\$158,938.85	\$26.07	\$0.00	\$0.00		\$158,964.92
*Doesn't show Jan. rent from Simplimatic (\$7,280.16) or IDA monthly mortgage payment (\$2,151.34)						

// Mr. Davidson pointed out to the members the third line down that states the tax and insurance money set aside and stated that this is a new addition that will be included going forward. He also reminded them that at the October meeting they had discussed two of the IDA’s CDs that would be maturing in October and December of 2019. It was decided that both CDs would be rolled into new CDs. The interest rate for CD 34115 increased to 2.5% and will mature October 23, 2024. CD 34090 was rolled into new CD 42196 and the interest rate changed to 1.8%. The new maturity date is December 24, 2023.

// Mr. George Rosser asked if Mr. Davidson had heard yet if the IDA will have to pay back the Tobacco Commission loan on the IDA’s building that Simplimatic Automation is leasing, but he still does not know and believes the IDA will have to wait three years (the IDA is at year two currently) to know for sure. Part of the criteria for the loan was job creation, and Mr. Davidson reminded the members that the new jobs in Bedford associated with Simplimatic Automation will count toward the job creation numbers.

// Mr. Davidson then went on to review the financials for the IDA’s building, noting the taxes and insurance set aside, and he also informed the members that the lease of the building yielded a revenue of \$54,131.95 in 2019. This amount will cover almost 24 months of mortgage payments should the funds be necessary for that purpose for a time in the future.

// Mr. George Rosser asked for progress on the Bedford shell building that is being built. Mr. Davidson stated that it is somewhat impressive in size and should be completed in February of 2020. Mr. Greg Morris followed that up to find out if Simplimatic Automation has made any improvements to the IDA building. The improvements they've made, Mr. Davidson stated, are adding a dock leveler and a concrete pad at the back of the building. The IDA paid for both improvements.

// The next item of financial business was to discuss the County's bond line of credit, which is listed on the IDA's First National online statement of account information. Mr. Davidson explained that both the bank and the County are aware that the liability for the bond falls solely with the County. The line of credit had to be listed somewhere on paper and because the IDA already had an account with First National, it is believed that is why it was listed with the IDA's account. When the County moves to permanent financing, the IDA will push for the line of credit to be removed from the IDA's online bank presence. Chairman Driskill was alright with this and mentioned that it was well stated during the signing process that the liability was not with the IDA.

### **Project Updates: Industrial Development Activity and Projects Activity**

// Next, Mrs. Sarah Johnson reviewed the Projects Updates provided in the members' meeting packet prior to the meeting.

// Mr. Dennis Rosser questioned the construction of trails at Seneca Commerce Park. Mr. Davidson explained here that the original intention was for hiking, biking, etc., for employees of businesses in the industrial park. A couple of lots were set aside for recreational use. Mr. Dennis Rosser followed up his question, asking where people will park, as there are no parking sites as of yet. Mr. Davidson agreed that there are none at this point and stated that it would be something that would need to be worked on as the county continues to develop the recreational park.

// Mr. George Rosser asked if there would be a ball field constructed, and Mr. Davidson answered that no funds have been allocated to date but that it is in the long-term plan. Chairman Driskill mentioned that the group Challenge Sports Outreach is looking for a permanent land spot and wondered if the County would be a place for them to start looking. Mr. Davidson pointed him toward the Recreation Department, but indicated that the County does not have land to sell for recreational purposes.

### **IDA Building Storm Water Maintenance Agreement**

// Moving on to the next item of business, Mrs. Johnson turned the floor over to Mr. Davidson to discuss the IDA Building Storm Water Maintenance Agreement. Mr. Davidson explained that a Storm Water Maintenance Agreement is required to be in place on all storm water ponds and states that the owner is responsible for all storm water maintenance. As the owner of the 10,000 square foot building, the IDA needs to complete this document. A consensus among the members is necessary to do so, and the document will be signed by the chairman of the IDA, the director of Community Development, the director of Economic Development, and the Economic Development Specialist. Chairman Driskill asked if there was consensus among the IDA members and all members indicated that they were in agreement. Mr. Davidson informed them that the Economic Development office would perform the necessary actions to receive the paperwork and required signatures, as well as to have it recorded with the Campbell County Circuit Court Clerk's office.

### **Potential New Building**

// Next, Mr. Davidson elaborated on the Projects Updates section that mentions Joe Anwyl. This individual has been hired and funded through the Tobacco Commission to bring English companies to the Tobacco Commission footprint in Virginia to try to bring foreign direct investment back into the United States. A potential company that does modular clean space is expressing interest in a 20,000 square foot building that has toured the IDA's building as well as other lots in the Seneca Industrial Park and several other buildings in the region. The modular unit they would need to fit inside a building is 75 feet wide and would fit well within a 100 square foot by 200 square foot space.

// Mr. Davidson answered yes to Mr. Shockley's question of whether it was explained to the company that if they were to take ownership of the IDA's 10,000 square foot building that they would not have to relocate to expand out to 20,000, 30,000 or 40,000 square feet. Mr. Shockley also asked if the company wanted the 10,000 square foot building, and Mr. Davidson knew they wanted to expand out to 20,000, would the IDA try to sell them the graded lot adjacent or hold off and try to sell them land in a different part of the park? Mr. Davidson indicated that he did not think the IDA had any desire to try to sell that graded lot until all the space in the park has been sold, and that it would be more beneficial to sell other land in the park. He also said that according to Mr. Anwyl, shell buildings are not a known concept to them and that they want a finished building. Mr. Shockley then asked if the IDA had decided on an ideal square footage. On a recap from the previous IDA meeting, Mr. Davidson reminded the members that the IDA had tasked the Economic Development department to collect some different cost amounts to bring back to this meeting. Mr. Daryl Glass of Glass and Associates indicated that the IDA would need to figure \$10-12 per square foot *more* than what the IDA paid on the 10,000 square foot building because the market is high right now and therefore costs have gone up. For a 20,000 square foot building at \$130 per square foot, the IDA would be looking at \$2.6 million and \$3.9 million to get out to 30,000 square feet if the building is finished.

// Mr. Shockley and Chairman Driskill debated options of a 30,000 square foot shell building, a 30,000 square foot building with only 10,000 square feet finished, and a smaller finished building with room for expansion similar to the 10,000 square foot building Simplimatic is leasing. Mr. George Rosser brought up a project in Halifax for a 50,000 square foot building and wondered if it will be a finished building, and it will be. Mr. Davidson suggested a few options for the members to consider: they can wait to see how fortunate the Bedford shell building will be; the IDA can go ahead and do civil engineering on a 30,000 square foot pad; they can get the environmental work completed on 30,000 square feet so that it will already be done in the event a smaller building is constructed but with the expectation of future expansion to 30,000 square feet. Any of these options would allow time for a cushion in case the IDA needs the assets in their account to use for the construction of the next building.

// Mr. Davidson said he expected a period of 30-45 days to receive bids back on securing a civil engineer and indicated that civil engineering could take a few months to complete. Mr. Greg Morris expressed concern about starting anything with a new building before getting a guarantee from the Tobacco Commission that the IDA won't have to pay back the grant from the 10,000 square foot building. However, he did also say that he was in favor of going ahead with civil engineering. Chairman Driskill agreed and added that going ahead with civil engineering would not be committing to millions of dollars. The members discussed this option. Mr. Davidson expected that civil engineering would run the IDA \$25,000-\$30,000 and that after sending out an RFP, the IDA would need to get at least three quotes to choose an engineer.

// Chairman Driskill asked the group if there was consensus on Mr. Davidson getting quotes on engineering costs and all indicated affirmatively.

// Chairman Driskill then turned the group's attention to the next item of business, Closed Session. With no business of a nature to require a closed session requested or needed, Chairman Driskill moved on. With no matters to present himself, he opened the floor for any matters from IDA members. Hearing none, Chairman Driskill called for a motion to adjourn. Mr. Morris motioned and Mr. George Rosser seconded. With all in favor and none opposed, the meeting of the Industrial Development Authority adjourned at 8:08 p.m.

// The next regular meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, will be held on March 26, 2020, in the Citizen Services Building first floor conference room at 7:00 p.m.

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CAMPBELL, VIRGINIA**

January 23, 2020

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Vance Driskill, Chairman

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Larry Dalton, Vice Chairman