

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

March 25, 2021

The meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the Haberer Building Board Room, Rustburg, Virginia, on March 25, 2021.

The Directors present were:

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| Vance Driskill, Chairman | Dennis Rosser |
| Larry Dalton, Vice-Chairman | Don Wooldridge |
| George Rosser, Secretary-Treasurer | Tommy Vaughan |
| Jack Dean | |

The Directors absent were:

None

Also present:

Tyler Carraway, Campbell County Director of Finance and Strategic Initiatives
 Nina Rezai, Campbell County Economic Development Manager
 Frank Wright, Esq., Overbey, Hawkins, Wright, & Vance, PLLC
 Sarah Johnson, Campbell County Economic Development Specialist
 Kim Stewart, Campbell County Economic Development Administrative Assistant

Call to Order

// Chairman Driskill called the meeting to order at 7:01 p.m.

Review and Approval of Minutes

// Chairman Driskill asked if everyone had reviewed the minutes of January 28, 2021, and had questions or corrections. Hearing none, Mr. Wooldridge motioned to approve the minutes as presented and Mr. George Rosser seconded. With all in favor and none opposed, the minutes were approved.

Website Marketing Update

// Mrs. Johnson reviewed the new Economic Development website, highlighting the IDA's page, site selection, broadband services, the new business directory, COVID-19 response information, workforce information, the new calendar request form and newly instated newsletter, and more.

Perkins & Orrison Presentation

// Mr. Russ Orrison of Perkins & Orrison gave a presentation with engineering images for the IDA's consideration for future planning at Seneca Commerce Park. He first showed site development planning for Pinnacle Trailers on Lots G, H, and I and said that Pinnacle Trailers' owner wants to be under construction this spring.

// The second image showed the most recent layout for Lot J, which is for a 35,000 square-foot building with truck docks in the back, two four-foot dock doors and an overhead door on the left-hand side, and plentiful employee parking in front. Mr. Orrison explained that pricing estimates can begin

when drawings are at 60 percent accomplished and said that Lot J would be an ideal property for any potential prospect looking for a building concept similar to what was presented.

// Next Mr. Orrison showed his third image, the 60 percent drawings for a specific prospect considering Seneca Commerce Park. Mr. Orrison explained that because of some of the topos, they would need to bring in 12,000-16,000 yards of dirt and proposed taking it from Lot D, which would need to be graded before other development could happen on it. Chairman Driskill asked Mr. Orrison how close Lot D would be to building-ready after dirt removal, and Mr. Orrison said it would be very close to pad-ready for a significant building. He also said he could do a layout for that lot and compute the amount of earth that would come off it to show how it might maximize the use of the lot. Chairman Driskill reminded the group that he thought they had discussed the possibility at their last meeting of getting a site pad-ready at some future point. He recommended more information regarding Lot D.

// Mr. Vaughan asked what would hold the IDA back from deciding on the dirt removal. Ms. Rezai said that no dirt removal would take place regarding Lot K while the grant was still under consideration. She said the IDA could decide they want the dirt removed from Lot D contingent upon plans moving forward with Lot K. She also said that E.D. will know the result of the grant before the IDA reconvenes in June. Mr. Vaughan and several members favored making the decision contingent on Lot K moving forward. Mr. Dean expressed concern of rock being found on Lot D, but Mr. Orrison said they would adjust the grading appropriately if that occurred. Ms. Rezai asked Mr. Orrison to clarify or confirm if he would create a plan for Lot D dirt removal in conjunction with the plan for Lot K and he confirmed.

// Mr. Vaughan motioned, contingent on receiving the USED A grant and the prospect for Lot K needing dirt, that the dirt be pulled from Lot D and the lot be left in the best working condition, as level as possible, with re-seeding. Mr. Dean seconded. With all in favor and none opposed, the motion passed.

Financial Report

// Mr. Carraway reviewed the financials, reminding the group that the 265 Ewing Dr. building loan was paid off in February. He said the current liquid and fixed assets give the IDA around \$1.2 million dollars to open them up to more opportunities in the future. He then spoke to the Simplimatic lease spreadsheet and said that because the building loan was paid off, the IDA got around a 47-percent raise.

// Mr. Carraway also gave an update on the Compson loan, telling the IDA that First National Bank declined the loan (Bank of the James had previously declined). He said the bank wasn't comfortable lending on the basis of the collateral offered, so the loan would not go through the IDA.

// Finally, Mr. Carraway updated the IDA on the CARES Act grant, saying that the county still had more than \$800,000 and that the previous cap of \$5,000 per business was removed. He encouraged the IDA to spread the word to their business peers.

// Mr. Carraway also recognized the IDA with an award for the bond sale the County completed through the IDA in June and July 2020 for the Rustburg Middle School Project and the Radio Project. Chairman Driskill humbly accepted the award on behalf of the IDA.

Project Updates

// Ms. Rezai said the County had received its first lease revenue payment from Verizon for the cell tower on Seneca Commerce Park property and that revenue will go back into maintaining the park.

// Next, she updated that the revision to the Broadband Tobacco Commission grant concentrating the funds into the Concord and Mt. Athos area was approved. Project details on the document are still being finalized, but B2X will put a 160-foot pole at the top of Mt. Vista Drive with a transmission point on that tower as well as two others in that region of the County to strengthen the B2X presence.

// Then Ms. Rezai mentioned the extension agent opening and that it closed the day prior. The position is for the extension office but also works in conjunction with Economic Development to make sure the agriculture community is aware of grants and any other business opportunities.

// The last update was regarding the 60-percent drawings Glass and Associates did for Lot K for the USEDA grant project. Mr. Glass told Ms. Rezai he would get cost estimates to her soon. This is important because the grant award will pay 80-percent costs and so an exact number needs to be specified for this. Mr. Glass told Ms. Rezai he would have the estimate to her by Tuesday, March 30. The application would be turned in shortly after, within that week. The turnaround for the application should be about a month.

Covenants and Restrictions at Seneca Commerce Park

// Ms. Rezai reminded the IDA of the covenants and restrictions draft she introduced at the January meeting. She said the document was presented to the IDA as an example of the most restrictions that could be put in place in a commerce park and that the IDA could decide what needed to come out for Seneca Commerce Park. She said Seneca Commerce Park is the only park in the area without a covenants and restrictions document. She said the hope is that the document will help to ensure that in ten years the tenants in Seneca Commerce Park are still continuing the vision for the park as the IDA sees today and the development they have put into the park, as well as the investment the County has made. She went on to give an example that Pinnacle Trailers could, if they wanted, decide to sell in five years to a tire shredding operation, but the County has businesses buying in to the park expecting it to stay a commerce park into the future. So a covenants and restrictions document would help preserve the vision for the park.

// Ms. Rezai also updated that Economic Development took the document to the Planning Commission for review, as advised to do at the last IDA meeting, and some of the members said it looked standard, and some returned no comment.

// Chairman Driskill asked if a business had any say on the type of sign at the entrance, and Ms. Rezai said that currently it falls under the County code for industrial signs. Mr. Dennis Rosser said one of the reasons he had asked about the covenants and restrictions at the last meeting was because he thought that the IDA could make changes if they needed. Ms. Rezai said that once the IDA has a covenant, they can adjust, for example, sign sizes, etc., but if they have no covenant, they have no say on how businesses develop the property once the property sells. Mr. Dennis Rosser asked about covenants and restrictions expiring and Mr. Wright said that is typically seen with older covenants and he recommended the restrictions be permanent. He did, however, think it important to be able to modify a covenant. He speculated that most buyers would want to know the covenants and restrictions will not change suddenly.

// Ms. Rezai summarized the document for the IDA. She explained that the draft covenants and restrictions was modeled after one of a neighboring locality's industrial parks. When it came to setbacks, Mr. Vaughan and others recommended changing the front yard setback to the County ordinance.

// Chairman Driskill asked if anyone else had questions. He agreed that they didn't need to be more restrictive than the County with site plans and signage, but he did also agree that they needed ability to review site plans when they come in. Mr. Dean thought having a covenants and restrictions document was critical to the County's growth, specifically after a first owner of a property decides to leave and sell to

someone else. He asked Mr. Wright who would enforce the covenants and how, and Mr. Wright said the County could sue for enforcement. He said the beauty of having the covenants is that the IDA would have the right to enforcement even if they don't have to enforce anything until much later down the road. Mr. Dean preferred vague language on specifically what products would be banned from the park, as something considered safe could turn out hazardous years later. Ms. Rezai said the IDA and E.D. would not enforce from a standpoint of policing what's going on inside the walls of a business, for example, but rather that environmental laws would address any environmental byproduct at the point of contamination.

// Chairman Driskill asked how Shentel would be affected, and Ms. Rezai said that only the parcels not yet sold would be subject to the protective covenants. Chairman Driskill was satisfied with the proposed document and recommended the IDA motion to adopt them or ask any further questions. Ms. Rezai added for clarity that she would make the changes suggested: removing the approval plans, keeping the reviewing plans, and changing the setback. She then reviewed restrictions under the draft document, and Mr. Vaughan and Chairman Driskill recommended removing "contractors" from the list, because the term is so broad. Mr. Wright suggested the IDA could add language to say that the specifics listed in the document are not absolute restrictions and the IDA has the ability to grant exemptions from the particular restrictions provided they are consistent with the overall intent of the covenants and restrictions. Chairman Driskill felt that because the IDA would have the ability to adjust or amend the document as needed, that they should go ahead and approve it. Mr. Dennis Rosser, Mr. Vaughan, and Mr. Dean were comfortable with Mr. Wright's suggestions, and approving the document at the current meeting, knowing amendments may need to be addressed later.

// Mr. Vaughan motioned to approve the covenants and restrictions subject to the changes Ms. Rezai reviewed, as well as leaving the current exceptions but adding language that the IDA has the ability to grant exceptions provided the exception is consistent with the overall intent of the covenants and restrictions. Mr. Dennis Rosser seconded. With all in favor and none opposed, the motion was approved.

Adjourn

// Chairman Driskill called for any business matters from the members and, hearing none, called for a motion to adjourn. Mr. Wooldridge motioned and Mr. Dean seconded. With all in favor and none opposed, the meeting was adjourned at 8:21 p.m.

// The next regular meeting of the Board of Directors of the Industrial Development Authority of Campbell County will be held on June 24, 2021, in the Haberer Multi-Use Room at 7:00 p.m.

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Vance Driskill, Chairman

Larry Dalton, Vice Chairman