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A Special Joint Work Session of the Danville City Council and the Danville Pittsylvania Regional Industrial Facility Authority convened on March 18, 2019 at 6:13 p.m. in the Institute for Advanced Learning and Research, 150 Slayton Avenue, Danville, Virginia. Council Members present were: L. G. "Larry" Campbell Jr., Mayor Alonzo L. Jones, Dr. Gary P. Miller, Sherman M. Saunders, Fred O. Shanks, III, Vice Mayor J. Lee Vogler, Jr., and Madison J.R. Whittle (7). James B. Buckner and Adam J. Tomer and were absent (2).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Members of the Danville Pittsylvania Regional Industrial Facility Authority present were: Chairman Fred O. Shanks, III, Sherman M. Saunders and Alternate J. Lee Vogler Jr. County Members Present were: Vice Chairman Robert W. Warren and Ronald S. Searce; Alternate Elton W. Blackstock was absent.

Members of the Pittsylvania County Board of Supervisors present were Chairman Joe B. Davis, Robert W. Warren and Ronald S. Searce.

UPDATE FROM THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH

Mr. Gignac introduced Don Merricks, Chairman of the Institute Board, and Institute Employees Tim Kruggel, Manager of IT, Allison Moore, Manager of Public Relations and Communications, and Daniel Dalton, Communications Specialist. Mr. Gignac noted tonight was to bring people up to speed on what the Institute is doing. Each director will give a brief overview of their departments and the new things going on. Mr. Gignac noted the Institute's mission is Economic Transformation and believes they have refocused on that, to try to transform the economy through their five divisions to impact the region: Advanced Learning, Applied Research Division, Advanced Manufacturing, Economic Development and Institute Conference Center & Facilities.

Mayor Jones called the City Council meeting to order. County Administrator David Smitherman noted the County Board of Supervisors did not have a quorum so would not call a meeting into session. Supervisors Warren, Searce and Chairman Davis were in attendance. Chairman Fred Shanks called the Danville Pittsylvania Regional Industrial Facility Authority to order.

Advanced Learning

Ms. Julie Brown, Director of Advanced Learning reviewed her programmatic activities including STEM Capacity, where their research areas focus; aligning Talent Development and Career Readiness, how do they look at what is going in their system and align those things toward greater impact; and Organizational Capacity Leadership where they fill the role as an intermediary or sector liaison, fiscal agent for a project or a convener. STEM includes summer internships, scholarships, partnering with the City's IT department to sponsor GIS Day, hosting STEM Summits, the Inspiration Lab, partnering with Code Virginia, and providing summer camps for Elementary through High School students. They also support two high school programs, the Governors School and the Academy for Engineering and Technology and they offer the Excite Program, an externship for teachers. GoTech, Great Opportunities in Technology and Engineering Careers is a way to build off of the Precision Machining Model. Ms. Brown invited Council and Board Members to attend one of their career expo events; this year it will be September 24-26 with about four thousand students that attend. They also champion Virginia's Work Ready Community Initiative and both Danville and Pittsylvania County have been recognized as work ready communities in the Commonwealth of Virginia. They have studied apprenticeships and have

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eighty employers ready to start apprenticeship programs in the near term. Ms. Brown also discussed Organizational Leadership and Capacity Building, partnerships with regional Chambers, Community Health Worker Initiative, and the AmeriCorps Program.

Applied Research

Scott Lowman, Director of Applied Research, noted their department strives to help businesses grow and succeed in many different areas including chemistry, advanced materials, biotechnology and life sciences, and precision agriculture. They work with a number of different science industries including growers and producers in the County and with large industries to help them speed the decision making processes, rent lab space, and do contract research for them. They also work with small industries; the Institute has a lot of equipment small industries don't have access to, so they can help them prove their processes, find them data and also work with entrepreneurs and start ups, and provide them with preliminary data to raise money for their businesses and succeed.

Their Advanced Material Group has historically been focused on providing services to industry; more recently, they help attract BGF to the Park and they are renting the Institute's entire processing lab. Analytical Chemistry works with a number of different companies; they can help companies keep their products moving on the floor. They also provide method developments, developing specific methods to detect molecules that other industries have not done before, such as in plant science. The Life Science and Biotechnology Group also supports research. The core of this group is the Beneficial Bacterial Library, studying plant probiotics; they use these bacteria to help plants grow bigger and healthier naturally. They can also be used to decrease runoff.

Precision Agriculture is way they can help growers and industry with their smart tables, those are precision imaging platforms developed in combination with Virginia Tech's Department of Chemical Engineering. They are so precise, they can watch and monitor plants as they move, and are linking plant movement to plant health. They can also provide farmers with information on what fertilizers may be working and what different types of treatment may work with certain crops. They have a Drone Program that is led by Samantha Herndon; she has worked with twenty regional farmers in the last two years flying over farms to help farmers maximize output while lowering inputs. They are launching a plant endophyte research center; this will be the first one in the world and think they are ahead of the curve. In the future, crops have to be grown that are large and healthy naturally, but has to be done while the consumer demand is for less chemicals, fertilizers, and pesticides to protect the environment and human health. They have been studying these bacteria for about ten years and it is something that has recently been recognized. They also work with growers and have trials with vineyards across the region and strawberry farms across the state to help lower pesticide use.

Economic Development

Linda Green, Director of Economic Development at the Institute noted Economic Development at IALR is constant in a lot of different ways. They sponsored 60% of the cost for the Southern Virginia Regional Alliance and each locality supports the cost as well, on a pro capita basis. Ms. Green noted she was going to concentrate on the Southern Virginia Regional Alliance and why the Institute supports it so heavily. Ms. Green discussed local economic development, noting it coordinates with local leadership, working with partners, investors, and infrastructure providers. They manage the existing industry programs, they have to know every existing industry, their problems and concerns and how do they help them grow. Probably the biggest part of their time

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is spent in Infrastructure preparation, next is marketing the locality, managing the asset and investment roles, capacity building and coordinating announcements.

Ms. Green noted regional economic development is quite different than local; theirs is developing a regional strategy, identifying regional supply chains, and the assets to fill the industry's needs. They direct studies for research and capacity building through national groups and support diverse needs of various localities. Characterizing the assets of a region, how do they identify them for people outside the region. They familiarize the area with all the outside resources, such as the Port of Virginia; the Virginia Maritime Association have now formed a chapter in this area. They liaison with the Commonwealth of Virginia for regional leads and then work with Economic Developers in the footprint regarding those leads. They also act as an advocate for regional support, marketing the region to prospects and supporting the local economic developers for that. They also market Virginia to ensure success in every region; encourage coordination of economic development organizations; encouraging and administering economic development grants and incentive programs and participate in announcements. The SVRA website markets the entire region and every locality in it; they also have one for quality of life they use for foreign direct investment. Ms. Green noted results are nine new companies, twelve expansions, over 1,000 jobs and \$110M in capital investment to the region.

Institute Conference Center & Facilities

Ms. Leslie Dobbins, Director of Institute Conference Center & Facilities, noted they believe the Conference Center plays a key and very critical role in the Institute's mission to drive economic transformation to Southern Virginia. Their premiere meeting facilities attract businesses, organizations, training workshops and conferences from all over the State, Region and beyond. Superior technology, top notch customer service along with excellent food and beverage make the conference center a distinguished and very meaningful resource for attracting potential clients and investors to Southern Virginia. There are over 25,000 square feet of flexible meeting space including the Great Hall, Executive Auditorium, and Business Conference Rooms, hosting conferences of various sizes. Their onsite, local catering partner offers an array of menu options for wide ranging clientele. The onsite restaurant, Mega Bytes offers daily breakfast items as well as a lunch buffet. Last year their team supported about 500 programs and events and served over 22,000 guests; in addition Mega Bytes saw 18,000 people, totaling about 39,000 people. This year, they are tracking well above that number.

The Decorating the Trees Project was started nine years ago in an effort to decorate the atrium during the Christmas season for the people coming in hosting events and activities. They solicited businesses and organizations in the community to select a non-profit and decorate a Christmas Tree for a three week period of time. The community comes in and donates money for their favorite tree; to date, they have raised over \$100,000 with this event. They recently completed the up fit of the Hawkins' Building and are working with new tenants to support their needs as they continue to move in. They are working with a landscape architect on a plan for a pathway throughout the IALR campus. With multiple buildings and a need for tenants and guests to get from one location to another, they have a real need for easy and seamless access.

Advanced Manufacturing

Mr. Gignac noted he would be speaking on behalf of Troy Simpson on Advanced Manufacturing, stating the program at the Haas Center is opening a lot of opportunities for the Institute. Industry 4.0 is about wireless connect and how machines are going to help machines make decisions. The centerpiece of that comes out of the Gene Haas Center for Advanced Machining. One of the keys

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to Go Tech is building the pipeline; to fill the seats in the Gene Haas Center, they have to start young and go regional. The Middle School program is the Go Tech initiative that will go out throughout Region 3. The Secondary schools is another draw for the program and then the existing Danville Community College. Industry came to DCC and the Institute and said they need a higher level of student and that is how the Capstone Program was started; the Integrated Machining Technical Training is in the Gene Haas Center.

They also do Advanced Training Solutions; they generate revenue from people in industry that send people into their program to take training in the H Tech Training Center. They have begun to recruit industry through the region because of the workforce training initiative; the problem they have today is that the Institute is at capacity. Others that are interested in their community not only want to be in the community while they build their facility, they want to be on the campus. They have filled all the remaining spots on the campus and are looking to the future. A year ago, they put together a team led by Don Merricks to investigate funding a new facility to add to the campus. They received funding for their CMA Building, the Center for Manufacturing Advancement. This building will have a Phase 4 launching business, a rapid launch space; they want to put people interested in the community in a spot to launch quickly. This is not a building for people with an idea; this is for industries that exist that want to have a presence in the community. The building will feature an optimization space, a space for technology, dedicated to showing new technologies like additive manufacturing, and they will also have an ISO lab as a part of the facility that will test parts. It will be about a \$25.5M project, the Commonwealth of Virginia will pay the entire cost of the facility. The Institute did have to raise \$7M, \$5M for advanced machinery equipment, as well as almost \$2M which will cover the first four year start up. They are looking to run this as a stand alone opportunity; they expect it to be a self-supporting operation and after four years, break even and make some money. Mr. Gignac also discussed the Hawkins' Expansion which is underway, a 14,000 square foot building; this is to rent to two companies.

Chairman of RIFA, Fred Shanks noted he would entertain a motion that RIFA go into Closed Session.

CLOSED SESSION

At 7:41 p.m. Mr. Saunders **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

B. 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) (information relating to the negotiation and award of a specific contract pertaining to the Authority's Berry Hill Mega Site project where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power

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or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in the Authority's Berry Hill Mega Site project subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

C. 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, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

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

VOTE: 4-0
AYE: Warren, Searce, Shanks, Saunders (4)
NAY: None (0)

D. On **Motion** by Mr. Warren and **second** by Mr. Saunders and by unanimous vote at 8:18 p.m., the Authority returned to open meeting.

E. Mr. Warren **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. Searce and carried by the following vote:

VOTE: 4-0
AYE: Warren, Searce, Shanks, Saunders (4)
NAY: None (0)

MEETING ADJOURNED AT 8:21 P.M.

MAYOR

CITY CLERK