

VIRGINIA: AT THE REGULAR MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DINWIDDIE COUNTY, VIRGINIA, HELD IN THE MEETING ROOM OF THE DINWIDDIE COUNTY AIRPORT BUILDING, 6775 BECK-CHAPPELL DRIVE, NORTH DINWIDDIE, VIRGINIA, ON MARCH 25, 2019 AT 7:00 P.M.

PRESENT: DAVID W. LYLE – CHAIRMAN  
JAMES VAN LANDINGHAM – VICE CHAIRMAN  
ROBERT SPIERS - SECRETARY-TREASURER  
WILLIAM A. KISSNER  
MICHELLE OLGERS  
MAXWELL WATKINS

ADMINISTRATION PRESENT: TAMMIE COLLINS, DEPUTY COUNTY ADMINISTRATOR OF PLANNING AND COMMUNITY DEVELOPMENT  
TYLER C. SOUTHALL, COUNTY ATTORNEY

OTHERS PRESENT: KEVIN WHITE, BUTLER SNOW

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1. **CALL TO ORDER AND ROLL CALL**

Mr. Lyle called the meeting to order at 7:00 P.M., and Mr. Southall called roll.

2. **APPROVAL OF/AMENDMENTS TO AGENDA**

Mr. Lyle asked if there needed to be any amendments to the agenda. None were needed.

Upon motion by Mr. Kissner to adopt the agenda, as presented, and a second by Mr. Spiers, and upon the following vote, the agenda was adopted.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

3. **APPROVAL OF MINUTES**

Mr. Lyle asked the Board to look at the minutes from the January 28, 2019 organizational meeting. He asked if any changes or additions were needed. There were none.

Upon motion by Mr. Van Landingham, seconded by Mr. Kissner, the minutes for the January 28, 2019 meeting were approved as presented by the following vote.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None  
Abstain: Mr. Spiers

4. **TREASURER'S REPORT**

Mr. Spiers started the Treasurer's report, as of March 21, 2019 by saying that the IDA had started with a balance of \$168,401.97 and there were several transactions. This gave the IDA a balance of \$171,343.18. Mr. Spiers stated that the two Touchstone CDs were \$67,064.39 and \$102,355.61. The total IDA funds are \$421,835.75. Mr. Spiers noted that the balance in the BSV ALDI project account is \$81,071.57.

Upon motion by Mr. Van Landingham, seconded by Mr. Watkins, the Treasurer's Report as of March 21, 2019 was adopted as presented.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

## **5. RICHLANDS CREAMERY BOND**

Mr. Southall introduced Mr. Kevin White of Butler Snow. Mr. White went through the attached resolution and answered questions. Ms. Collins gave the Board a quick update on the Richlands Creamery. Mr. Southall made an amendment to section 11 concerning the IDA's financing polices and procedures.

Upon motion by Mr. Van Landingham, seconded by Ms. Olgers, the following resolution was passed by the following vote.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

### **RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DINWIDDIE COUNTY, VIRGINIA, AUTHORIZING THE ISSUANCE AND SALE OF A REVENUE BOND IN A PRINCIPAL AMOUNT NOT TO EXCEED \$750,000, PROVIDING FOR THE FORM, DETAILS AND PAYMENT OF THE BOND, AND PROVIDING FOR THE LOAN OF THE PROCEEDS OF THE BOND TO RICHLANDS CREAMERY, LLC**

WHEREAS, the Industrial Development Authority of Dinwiddie County, Virginia (the "**Authority**") is a political subdivision of the Commonwealth of Virginia (the "**Commonwealth**"), duly created and existing pursuant to the Industrial Development and Revenue Bond Act (the "**Act**");

WHEREAS, the Act authorizes the Authority to issue its revenue bonds for the purpose of, among other things, financing facilities for commercial enterprises, to the extent the interest on such bonds is not exempt from federal income taxation; and

WHEREAS, Richlands Creamery, LLC (the "**Creamery**") has requested the Authority to issue and sell its revenue bond to Virginia Resources Authority, as Administrator of the Virginia Tobacco Region Revolving Fund ("**VRA**"), and to loan the proceeds of the bond to the Creamery

to pay costs of acquiring certain equipment (the “**Project**”) to be located and installed at the Creamery’s business located in Dinwiddie County, Virginia (the “**County**”).

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DINWIDDIE COUNTY, VIRGINIA:

1. Recitals. The foregoing recitals are incorporated as and found to be a substantive part of this resolution.

2. Determinations. The Authority determines that the facilities to be financed by the loan to the Creamery are “authority facilities” within the meaning of the Act and that the loan to the Creamery will be in furtherance of the purposes of the Act. The Authority finds that the financing will promote industry and develop trade by inducing a manufacturing, industrial or commercial enterprise to locate in or remain in the Commonwealth, that the financing will further the use of the Commonwealth’s agricultural products and natural resources, and that the financing will be exercised for the benefit of the inhabitants of the Commonwealth through the increase of their commerce and through the promotion of their welfare, convenience and prosperity.

3. Inducement. As an inducement to the Creamery to undertake the Project, the Authority agrees to assist the Creamery with financing the Project and to undertake the issuance of the Authority’s revenue bond (the “**Bond**”) in a principal amount not to exceed \$750,000 (the “**Maximum Amount**”).

4. Authorization of Bond. Subject to Section 11 of this resolution, the Authority determines it to be necessary to, and the Authority shall, issue and deliver the Bond to VRA, as provided and authorized in this resolution and in the Financing Agreement and pursuant to the Act. The Bond will be substantially in the form of the bond included in this resolution, with appropriate completions, deletions and insertions. Either of the Chairman or Vice-Chairman of the Authority is authorized to determine and approve all the final details of the Bond, including, but not limited to, its dated date, interest rate or rates or the determination of interest or interest rates by reference to indices and formulas, the payment dates of interest, the payment dates of principal, the amount of each principal payment, and the provisions for prepayment or redemption, except that (a) the principal amount of the Bonds must not exceed the Maximum Amount, and (b) the due date of the last installment of principal of the Bond must not be later than twelve (12) years after the date of the Bond. Such officer’s determination and approval of the final details of the Bond shall be evidenced conclusively by such officer’s execution and delivery of the Bond in accordance with this resolution.

5. Form of Bond. The Bond shall be in substantially the following form, with such variations, insertions and omissions as may be consistent with this resolution:

#### FORM OF BOND

[\$amount]

[date]

INDUSTRIAL DEVELOPMENT AUTHORITY OF DINWIDDIE COUNTY, VIRGINIA  
 LOAN REVENUE BOND (RICHLANDS CREAMERY PROJECT)  
 Series 2019

The Industrial Development Authority of Dinwiddie County, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, promises to pay, solely from the sources and in the manner described in this Bond, to the Virginia Resources Authority, as Administrator of the Virginia Tobacco Region Revolving Fund, Richmond, Virginia (the "VRA"), the principal sum equal to the aggregate amount of principal advances made and noted on the Schedule of Principal Advances below, but not to exceed [amount] Dollars (\$[amount]), with interest on the unpaid principal from the date of each principal advance shown on the attached Certificate of Principal Advances until payment of the entire principal sum, at the annual rate of 2.86%.

Commencing [\_\_\_\_ 1, 2019] and continuing monthly thereafter on [the first day of each month], interest will be due and payable under this Bond. Commencing [\_\_\_\_ 1, 2021] and continuing monthly thereafter on [the first day of each month], principal due under this Bond shall be due and payable in equal installments through and including [\_\_\_\_ 1, 2031], when if not sooner paid, all amounts due under this Bond shall be due and payable in full. If principal disbursements up to the maximum authorized amount of this Bond are not made, the principal amount due on this Bond shall not include such undisbursed amount.

In addition, if any installment of principal is not received by the registered owner of this Bond within ten (10) days from its due date, the Authority shall pay to the registered owner of this Bond a late payment charge in an amount equal to five percent (5.00%) of such overdue installment. Principal and other sums hereunder are payable in lawful money of the United States.

No notation is required to be made on this Bond of the payment of any principal on normal installment payment dates or of any prepayments of principal. HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.

This Bond is issued under and pursuant to the Constitution and laws of the Commonwealth of Virginia, particularly the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"). This Bond and the interest on it shall not be deemed to constitute or to create in any manner a debt, liability or obligation of the Commonwealth of Virginia or of any of its political subdivisions, including Dinwiddie County, or a pledge of the faith and credit of the Commonwealth of Virginia or any of its political subdivisions, including Dinwiddie County. This Bond and the interest on it shall be limited obligations of the Authority, payable solely from the revenues and other funds pledged therefor and shall not be payable from any assets or funds of the Authority other than the revenues and other funds pledged therefor.

Neither the Commonwealth, nor any political subdivision thereof, nor the Authority shall be obligated to pay this Bond or the interest on it or other costs incident thereto except from the revenues and moneys pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth, or any political subdivision of it, is pledged to the payment of the principal of this Bond or the interest on it or other costs incident thereto.

This Bond has been issued in order to provide funds for acquiring certain equipment (the "Project") to be located and installed at the business of Richlands Creamery, LLC (the "Creamery") in Dinwiddie County, Virginia.

As used in this Bond, "Financing Agreement" means the Financing Agreement dated as of [date], among the VRA, the Authority, and the Creamery, and any amendments to it. Capitalized terms used in this Bond and not otherwise defined have the meanings given them in the Financing Agreement.

Pursuant to the Financing Agreement, the Authority will lend to the Creamery the proceeds of this Bond, and in consideration and as evidence of the loan the Creamery has issued its promissory note (the "Note") in the principal amount, payable in installments, bearing interest at rates and payable at times corresponding to the principal amount of, installments of principal of, interest rates on and due dates of this Bond. Pursuant to the Assignment Agreement, the Authority has assigned the Note to VRA, as security for the payment of this Bond and the interest on it. The payments of principal of and interest on and other sums under the Note are the sole revenues and funds pledged by the Authority for payment of this Bond and the interest on it.

Reference is made to the Financing Agreement and the Assignment Agreement for a description of the provisions, among others, with respect to the terms on which this Bond is issued, the nature and extent of the security for this Bond, the rights, duties and obligations of the Authority and the Creamery and the rights of the holder of this Bond.

Transfer of this Bond may be registered upon the registration books of the Bond Registrar. Prior to due presentment for registration of transfer of this Bond, the Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal hereof and the exercise of all other rights and powers of the owner.

This Bond is subject to optional prepayment on the terms set forth in the Financing Agreement.

If an Event of Default occurs, the principal of and interest on this Bond may be declared immediately due and payable by the holder by written notice to the Authority.

Notwithstanding anything in this Bond to the contrary, in addition to the payments of the principal and interest provided for by this Bond, the Authority shall also pay, but solely from the

revenues and other funds pledged therefor, such additional amounts, if any, which may be necessary to provide for payment in full of all amounts due under the Financing Agreement.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in due time, manner and form as required.

IN WITNESS WHEREOF the Authority has caused this Bond to be signed by its Chairman and its seal to be impressed or imprinted hereon and attested by its Secretary-Treasurer.

Industrial Development Authority of Dinwiddie County, Virginia

[FORM OF BOND-NOT FOR SIGNATURE]

By: \_\_\_\_\_  
Chairman

(SEAL)

ATTEST:

[FORM OF BOND-NOT FOR SIGNATURE]

\_\_\_\_\_  
Secretary-Treasurer

**SCHEDULE OF PRINCIPAL ADVANCES**

The amount and date of principal advances not to exceed the face amount hereof shall be entered hereon by an authorized representative of the VRA when the proceeds of each such advance are delivered to the Authority.

<u>AMOUNT</u>	<u>DATE</u>	<u>AUTHORIZED SIGNATURE</u>

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6. Execution and Delivery of Bond. The Chairman or the Vice-Chairman of the Authority is authorized and directed to execute the Bond by his manual signature, the Secretary-Treasurer is authorized and directed to impress or imprint the seal or a facsimile of the seal of the Authority on the Bond and attest the same, by his manual signature, and either is authorized and

directed to deliver the Bond to the VRA in accordance with the terms of the Financing Agreement. Interest on the Bond will not be excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. Accordingly, no public hearing and approval under Section 15.2-4906 of the Act are needed before the Bond is issued.

7. Financing Documents. There have been presented to the Authority and its counsel forms of the following documents which the Authority proposes to execute to carry out the financing of the Project, copies of which shall be filed with the records of the Authority:

- a. Financing Agreement (the “**Financing Agreement**”) among VRA, the Authority, and the Creamery; and
- b. Assignment Agreement (the “**Assignment Agreement**”) between the Authority, VRA and the Creamery.

The documents described above are referred to as the “**Financing Documents**.”

8. Execution and Delivery of Financing Documents. The officers of the Authority are authorized and directed to execute the Financing Documents and to deliver them to the other parties to them. The Financing Documents will be substantially in the forms presented to the Authority and its counsel, with appropriate completions, omissions and insertions as approved by the officer executing such Financing Document, whose approval will be evidenced conclusively by the execution and delivery of the Financing Document.

9. Other Documents. The Chairman or Vice-Chairman and the Secretary-Treasurer, or any one of those officers, as may be appropriate or requested, are authorized and directed to execute any certifications, agreements, assignments and instruments that are necessary or appropriate, with advice of counsel, to consummate the transactions contemplated in this resolution and the Financing Documents.

10. Extent of Authority. Any authorization made by this resolution to the officers of the Authority to execute a document shall include authorization to execute the document, authorization to the Secretary-Treasurer to affix the seal of the Authority to such document and attest such seal and authorization to any officer to provide for the recording of such document where appropriate and to deliver it to the other parties thereto.

11. Waiver of Authority Financing Policies and Procedures. All requirements of the Authority’s Financing Policies and Procedures are waived for the purposes of this transaction, including the application fee, other fees, and application.

12. Ratification. All action previously taken by the Authority and by the officers of the Authority not inconsistent with this resolution and directed toward the issuance of the Bond is ratified, approved and confirmed.

13. Effective Date. This resolution shall be in full force and effect on the date of its adoption.

No citizens were present to comment.

## **6. CLOSED SESSION**

Mr. Lyle asked Mr. Southall to take the Board into closed session. Mr. Southall noted a need to go into closed session under:

### §2.2-3711 (A) (5) Business and Industry Development

- Discussion concerning prospective businesses or industries or the expansion of existing businesses or industries where no previous announcements have been made of the business' or industries' interest in locating or expanding in the county: Economic Development prospects update.

### §2.2-3711 (A) (8) Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel:

- Broadband project

Upon motion of Mr. Watkins, seconded by Mr. Kissner, the Board voted to go into Closed Session at 7:40 P.M.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

At 8:10 P.M., Mr. Southall noted a need to reconvene into Open Session.

Upon motion by Mr. Kissner, seconded by Mr. Spiers, the Board voted to come out of closed session at 8:10 PM

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

## **CERTIFICATION**

Mr. Southall read the Certification Resolution and upon motion by Mr. Watkins, seconded by Mr. Van Landingham, the following Certification Resolution was adopted:

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

*WHEREAS, this Authority convened in a closed meeting under:*

### §2.2-3711 (A) (5) Business and Industry Development

- Discussion concerning prospective businesses or industries or the expansion of existing businesses or industries where no previous announcements have been made of the business' or industries' interest in locating or expanding in the county: Economic Development prospects update.

§2.2-3711 (A) (8) Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel:

- Broadband project

*AND WHEREAS, no member has made a statement that there was a departure from the lawful purpose of such closed meeting or that matters other than those identified in the motion were discussed,*

*NOW BE IT CERTIFIED, that only those matters as were identified in the motion were heard, discussed or considered in the closed meeting.*

**7. OLD/NEW BUSINESS**

**A. Marketing Expenditures**

Ms. Collins told the Board that staff only had one marketing expenditure to present. During Business Appreciation Month, Economic Development and the Dinwiddie Chamber of Commerce would jointly be throwing a reception at the new Administration Building. They were asking for a \$500 allowance for the reception.

Upon motion by Mr. Van Landingham, seconded by Mr. Watkins, the Board unanimously voted to grant the \$500 allowance for the Business Appreciation Month reception.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

**8. INDUSTRIAL DEVELOPMENT AUTHORITY BOARD MEMBER COMMENTS**

No members had any comments

**9. DEPUTY COUNTY ADMINISTRATOR OF PLANNING AND COMMUNITY DEVELOPMENT COMMENTS**

Ms. Collins noted that soon there would be a County-wide newsletter published.

Ms. Collins informed the Board of the advertised tax rate and that personal property taxes were going to be lowered.

Ms. Collins mentioned that the Teen Expo was coming up on May 18<sup>th</sup>.

**10. ADJOURNMENT**

Mr. Lyle asked if there was any further business. There was none.

Upon motion by Ms. Olgers, seconded by Mr. Watkins, the meeting was adjourned at 8:24 P.M. by the following vote.

Ayes: Mr. Lyle, Mr. Van Landingham, Mr. Spiers, Mr. Kissner, Ms. Olgers, Mr. Watkins  
Nays: None

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