

**PRINCE EDWARD COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY
MEETING MINUTES**

**Board of Supervisors Room – 3rd Floor Prince Edward County
8:00 am, January 26, 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: Edgar Jones
Mike Montgomery, Vice-Chairman
Brad Watson, Chairman
Tim Tharpe
Quincy Handy
Robert Atkinson
Joyce Yeatts

MEMBERS PRESENT BY PHONE: None

ABSENT: None

ALSO PRESENT: Chelsey White, Director of Economic Development & Tourism/Clerk to the Industrial Development Authority; Douglas Stanley, County Administrator; Terri Atkins Wilson, IDA Attorney; Cheryl Stimpson, Director of Finance; Rhett Weiss, Chairman & CEO of DEALTEK, Ltd. Molly Kinahan, Marketing Assistant Economic Development and Tourism; Mark Smith, Sandy River Distillery/Adventure Park

Introductions

At 8:05 a.m., there being a quorum present, Mr. Watson welcomed everyone and called the January 26, 2024, IDA Meeting to order.

Meeting Minutes

Ms. White presented the November 17, 2023, IDA meeting minutes. Mr. Watson asked if there were any edits to be made to the minutes or if there was a motion for them to be approved. Ms. White noted there should be a change in verbiage on page 3, in the first paragraph, and the second to last sentence from “an option” to “a purchase”. Mr. Montgomery made a motion to approve the corrected minutes, and Mr. Tharpe seconded. The motion was approved by the following vote:

Aye:

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

Nay: (none)

Abstain: (none)

Treasurer’s Report

Ms. White presented the Treasurer’s Report:

**Treasurer’s Report
January 17, 2024**

Deposits since the last report (November 16, 2023)	
Paris Ceramics – 286K Equipment Loan Payment	\$3,774.25
Paris Ceramics - Waterjet Payment	\$5,267.49
Sale of lot 2D for car wash	\$259,970
November Interest	\$396.10
Paris Ceramics – 286K Equipment Loan Payment	\$3,774.25
Paris Ceramics - Waterjet Payment	\$5,267.49
December Interest	\$382.56
TRRC Grant #3961 Reimbursement - HIT Park	\$94,200.00
Deposit TOTAL	\$373,032.14
Disbursements since the last report (November 16, 2023)	
Fed wire transfer fee (Sale of lot 2D for car wash)	\$20.00
Dominion Energy VA - 230 Kelly Lane	\$53.58
Brightspeed	\$64.97
Timmons Group	\$8,900.00
DEALTEK, Ltd.	\$16,615.05
Timmons Group	\$25,300.00
Timmons Group	\$21,500.00
Timmons Group	\$22,895.00
DEALTEK, Ltd.	\$8,233.83
Dominion Energy VA	\$241.13
Disbursements TOTAL	\$103,823.56
December 2023 Benchmark Statement Balance	\$452,449.92
Available Balance as of January 17, 2024	\$452,119.24

MONTHLY REVENUE

Waterjet Equipment Loan | \$200,000 | \$3,774.25 monthly payment | \$25,984.63 balance
286K Equipment Loan | \$286,000 | \$5,267.49 monthly payment | \$154,894.00 balance

Aye:

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

Nay: (none)

Abstain: (none)

HIT Park Consultant and Marketing Updates

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 Industrial Development Authority of Prince Edward County, Virginia (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. Declined a prospect's Letter of Intent (LOI) to purchase HIT Park, based on the IDA Board's feedback. We provided this feedback to the prospect. The prospect did not revise its LOI. Later, however, it requested a call with Dominion Energy and the project team to ask electricity-related questions. This pre-holidays call did not affect the LOI's status.
- b. Another prospect made a full price offer to purchase HIT Park. After receiving county staff's input, this offer was declined due to various omissions in and concerns with it.
- c. Frequent communications continue with various prospects. Each is asking questions, requesting additional information, and/or considering site visits. Activity continued through the holidays. Two prospects recently have presented NDAs to DEALTEK or the county. Currently under review.
- d. Prepared for and participated in Bisnow DICE East Data Center Conference on 13 December 2023. This has led to additional prospect inquiries.
- e. Prepared the attached spreadsheet summarizing prospect activity, used as an exhibit to the county's Virginia Business Ready Sites Program (VBRSP) Application filed with Virginia Economic Development Partnership (VEDP) this month. More VBRSP info is below.
- f. Preparing a detailed spreadsheet regarding prospect activity for county staff's internal use.

3. Site Readiness and Due Diligence

- a. Developed data and proposed narrative content for various answers, to support county staff in completing the VEDP VBRSP application for infrastructure grant funding. These infrastructure components will help advance HIT Park's readiness status to Tier IV.
- b. Handled 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.

Mr. Weiss stated that he signed an NDA for a prospect recently and that he will likely sign NDAs from two other prospects soon. He said the exposure online for the HIT Park is steadily increasing and is now worldwide. Ms. Yeatts asked if there was progress on planning for the development of water infrastructure for the site. Mr. Stanley mentioned that they are finalizing plans with the town and are applying for a VEDP grant to connect the site to the Town of Farmville's water supply which includes building a water tower. Mr. Weiss stated that he would be attending another conference in northern Virginia. He stated that he will also be attending a DCD conference in New York in March to be a panelist and speaker. He said he cannot explicitly promote the HIT Park but can mention it anecdotally and work it into conversations.

IDA Proposed Meeting Schedule

Ms. White said the proposed meeting schedule will remain the same, meeting the 4th Friday of every month, except for April due to scheduling conflicts, which will be April 19th.

HIT Park Investment Update

Ms. White presented a report that broke down the total amount of HIT Park development expenses to date along with the total amount of funding that has been awarded for this project, what has been received, and the sources of the funding. She broke down the expenses by each separate infrastructure-related project. She explained that the first was \$1.9 million awarded from the Board of Supervisors and the majority of it (\$1.5 million) was used to purchase the property. She furthered that the HIT Park due diligence studies cost \$193,468. Ms. White explained that the VEDP BRSP FY22 \$640,000 grant requires a 3:1 match and that of the \$640,000, the IDA has expensed \$449,300. She explained that \$418,800 has been requested for reimbursement. Ms. White continued stating that the next grant listed was awarded from the Tobacco Commission for the elevated storage tank design which amounted to \$530,100. She explained that so far, \$343,600 has been expensed and \$318,000 has been requested for reimbursement, and that by the end of the month, she expects that payment will have been received. Ms. White stated that the total expensed for the HIT Park project is \$2,486,368.00, and the total funding and grant amounts equal \$3,070,200.00 which results in a difference of \$583,732.00. Mr. Jones asked to have DEALTEK and other expenses such as utilities added to the report to which Ms. White agreed.

VEDP BRSP Grant – FY24 Application Update

Ms. White provided the following report:

A grant proposal was submitted on January 11th for the Virginia Economic Development Partnership Business Ready Sites Program for \$16,677,000.00. The match requirement is \$4,935,432. If received, the grant will fund the construction of the one-million-gallon elevated water storage tank and the 12” waterline tying into the Town of Farmville water system. The elevated tank and 12” waterline would provide initial water supply to the site until the proposed Sandy River Reservoir is completed. To provide adequate pressure and supply to the site from the existing supply in Farmville, a water booster pump station will be required at the base of the elevated tank. Additionally, the proposal included a request for funding to acquire 263 more acres to expand the site. The attachment shows the budget breakdown in order of prioritization.

The submittal of the application will be followed by a question and answer, a virtual site tour, and a possible in-person site tour. The in-person site tour may be held between April 8-26th.

Harbor Freight Update

Ms. White presented the following report:

An update was received regarding the Harbor Freight project. The closing date is scheduled for March 13, 2024. Twin Rivers will opt into an additional closing period extension through the Ninth Amendment to the Purchase and Sale Agreement. The \$5,000.00 additional closing extension deposit has been wired to the deal escrow agent. Twin Rivers received the metal building drawings on Monday, January 15, 2024, and they have been passed along to the architect and engineers to finalize the plans. The plans should be finalized by the middle of February at the latest. The physical metal building is slated for delivery on March 20, 2024. The sign company has finalized the rendering and they are planning to submit the permit in June. Twin Rivers plans to submit the building permit application and plans to the Prince Edward County Building Official Office on the same day. The Building Official Office is expected to turn around the application in two weeks.

Monthly Report

Ms. White presented her monthly report to the Board of Supervisors at their January meeting. She stated that in her report, she highlighted milestones for the Economic Development and Tourism Department for 2023 and updated the board on current projects.

Adjournment

With no other business to discuss, Mr. Watson called to adjourn the meeting. Mr. Tharpe moved and Mr. Montgomery seconded.

The meeting was adjourned at 8:55 am.