

MINUTES

A Virtual Special Meeting of the Western Virginia Regional Industrial Facility Authority (WVRIFA) Board was held on Friday, May 15, 2020 at 10:00 a.m. via zoom remotely via Zoom.

***NOTE:** The Virtual May 15, 2020 Meetings of the WVRIFA Board of Directors and the WVRIFA Participation Committee were held simultaneously (jointly) since several items on both agendas were the same.*

1. CALL MEETING TO ORDER

Chair Larrowe called the WVRIFA Board of Directors' Meeting to order at 10:01 a.m.

2. ROLL CALL

Chair Larrowe asked Virginia Mullen to call the roll of the WVRIFA Board. Ms. Mullen reported that a quorum was established.

Board Members Attendance:

Gary Larrowe, Botetourt County (participated remotely from Botetourt County)

Luke Campbell, Botetourt County (participated remotely from Botetourt County)

Michael Burnette, Franklin County (participated remotely from 1255 Franklin Street, Rocky Mount, VA)

Dan O'Donnell, Roanoke County (participated remotely from 5204 Bernard Drive, Roanoke VA)

Rebecca Owens, Roanoke County (participated remotely from 5204 Bernard Drive, Roanoke VA)

Jill Loope, Roanoke County (participated remotely from 51 Gillie Ln, Blue Ridge VA)

Bob Cowell, City of Roanoke (participated remotely from 215 Church Ave, Roanoke, VA)

James Taliaferro, City of Salem (participated remotely from 114 North Broad Street, Salem, VA)

Melinda Payne, City of Salem (participated remotely from 722 Paragon Ave, Salem VA)

Barry Thompson, Town of Vinton (participated remotely from 311 S. Pollard St., Vinton VA)

Pete Peters (participated remotely from 311 S. Pollard St., Vinton VA).

Staff Attended Virtually: John Hull, WVRIFA Director; Beth Doughty, WVRIFA Assistant Director; Sam Darby, WVRIFA Counsel; Sherry Dean and Virginia Mullen, WVRIFA Finance/Administrative Staff.

ADMINISTERED BY:

Roanoke Valley-Alleghany Regional Commission
313 Luck Avenue, SW, Roanoke, VA 24016
info@wvrifa.org / www.wvrifa.org

Others Attended Virtually: Paul Jacobson, Sands Anderson; Kyle Laux, Davenport & Co; Laura Carini, Davenport & Co; and Matt Miller, Roanoke Valley-Alleghany Regional Commission.

3. APPROVAL OF THE APRIL 29, 2020 WVRIFA BOARD MINUTES

The Minutes of the Virtual Special April 29, 2020 WVRIFA Board Meeting were previously distributed.

Motion: by Dan O'Donnell to approve the April 29, 2020 WVRIFA Board Minutes, as presented. Motion was seconded by Barry Thompson.

WVRIFA Board Action: Roll Call Vote – Ayes 11 (Larrowe, Campbell, Burnette, O'Donnell, Owens, Loope, Cowell, Taliaferro, Payne, Thompson, Peters); Nays 0; and Abstentions 0. Motion carried unanimously.

4. PUBLIC COMMENT PERIOD

There were no comments.

5. CONSIDERATION OF CONTRACT WITH BOWMAN EXCAVATING FOR THE CONSTRUCTION OF INNOVATION DRIVE

John Hull reported that the contract was previously distributed in the agenda packet. He noted that the form and provisions of the contract were standard, the same as the one used with E.C. Pace for the Water/Sewer Project. The price reflected in the contract is \$372,500. The contract has been reviewed and approved by the WVRIFA Council and the WVRIFA Insurance Agent. The project is expected to be substantially completed by October 5, 2020 and Innovation Drive should be ready for final pavement on or before November 4, 2020.

Motion: by Bob Cowell to authorize WVRIFA staff to enter in contract with Bowman Excavating Inc. for the construction of Innovation Drive. Motion was seconded by Dan O'Donnell.

WVRIFA Board Action: Roll Call Vote – Ayes 11 (Larrowe, Campbell, Burnette, O'Donnell, Owens, Loope, Cowell, Taliaferro, Payne, Thompson, Peters); Nays 0; and Abstentions 0. Motion carried unanimously.

6. DAVENPORT'S RECOMMENDATION TO THE WVRIFA IN REGARD TO REFINANCING

Chairman Larrowe noted that the presentation on Davenport's recommendation on WVRIFA Bond Refinancing was previously distributed with the agenda and invited Mr. Kyle Laux, Davenport & Co to present. Mr. Laux reported that in the spring Davenport

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identified an opportunity for the Authority to refinance the 2016 Bond for debt serving savings and distributed a competitive Request for Proposals (RFP) to solicit local, regional and national banks for funding proposals to complete the Refinancing Opportunity. The original bond was established at 3.70% fixed interest rate and prepayable anytime without penalty. As a result of the Spring 2020 competitive bidding process, the Authority received a proposal from Atlantic Union Bank that will reduce the interest rate to 2.59% on the 2016 Bond and create debts service savings for the three local jurisdictions (City of Roanoke, Roanoke County and City of Salem) and allow the Authority to complete the 2020 Refinancing with the same repayment structure, final maturity, security structure and prepayment flexibility as the 2016 Bond.

7. CONSIDERATION OF RESOLUTION OF THE WVRIFA AUTHORIZING THE ISSUANCE OF ITS REVENUE REFUNDING BOND, SERIES 2020 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,450,000 AND AUTHORIZING THE EXECUTION AND DELIVERY OF BOND DOCUMENTS AND FURTHER ACTIONS IN CONNECTION THEREWITH

Mr. Paul Jacobson noted that there is a minor change to the resolution that was distributed with the agenda packet. The resolution distributed with the agenda packet lists a term of "approximately 16.5 years" and it was proposed to be changed to "approximately 17 years". The resolution is included as part of the Minutes.

Motion: by Dan O'Donnell to approve the resolution, as amended to include the "approximately 17 years term". The motion was seconded by Bob Cowell.

WVRIFA Board Action: Roll Call Vote – Ayes 11 (Larrowe, Campbell, Burnette, O'Donnell, Owens, Loope, Cowell, Taliaferro, Payne, Thompson, Peters); Nays 0; and Abstentions 0. Motion carried unanimously.

8. PROJECT UPDATES

John Hull reported that on May 5th, 2020 a presentation on the rezoning of the Bower parcel was presented to the Planning Commission. No comments were received, and the Planning Commission recommended the approval or the rezoning of the Bower parcel. The presentation on rezoning of the Bower parcel will be presented to the Board of Supervisors on May 26, 2020.

Mr. Hull reported that the work on the Water/Sewer extension project had been completed. The final pre-application had been submitted.

Mr. Hull reported that Phase 1 Clearing/Grading project is in permitting review. It is anticipated that the results from the wildlife survey would be available in June.

Ms. Beth Doughty noted that John Hull had done a remarkable job with moving the projects along.

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9. **OTHER BUSINESS**

No other business was discussed

10. **ADJOURNMENT OF THE WVRIFA BOARD OF DIRECTORS' MEETING**

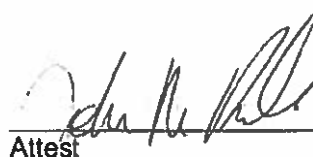
Motion: by Bob Cowell to adjourn the WVRIFA Board of Directors' Meeting. Motion was seconded by Barry Thompson.

WVRIFA Board Action: Motion carried.

The WVRIFA Board of Directors' meeting adjourned at 10:46 a.m.



Barry W. Thompson, Secretary
WVRIFA Board of Directors



Attest

ADMINISTERED BY:

Roanoke Valley-Alleghany Regional Commission
313 Luck Avenue, SW, Roanoke, VA 24016
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RESOLUTION OF THE WESTERN VIRGINIA REGIONAL INDUSTRIAL FACILITY AUTHORITY AUTHORIZING THE ISSUANCE OF ITS REVENUE REFUNDING BOND, SERIES 2020 IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,450,000 AND AUTHORIZING THE EXECUTION AND DELIVERY OF BOND DOCUMENTS AND FURTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Western Virginia Regional Industrial Facility Authority (the "Authority") is a political subdivision of the Commonwealth of Virginia duly created under the Virginia Regional Industrial Facilities Act, Chapter 64 of Title 15.2 of the Code of Virginia of 1950, as amended (the "Act") pursuant to ordinances adopted by the County of Botetourt, Virginia ("Botetourt County"), the County of Franklin, Virginia ("Franklin County"), the City of Roanoke, Virginia ("the City of Roanoke"), the County of Roanoke, Virginia ("Roanoke County"), the City of Salem, Virginia (the "City of Salem") and the Town of Vinton, Virginia ("the Town of Vinton") and a certificate issued by the Secretary of the Commonwealth of Virginia dated February 4, 2014;

WHEREAS, the Act authorizes the Authority to borrow money by issuing its bonds to pay the costs of a Facility, as defined in the Act, including real estate and improvements for manufacturing, warehousing, distribution, office or other industrial or commercial purposes in order to enhance the economic base for localities that are members of the Authority, to accept funds from counties, cities and towns and use the same for Authority purposes, to make loans and to enter into contracts of any kind to accomplish the purposes of the Authority, and the Act further authorizes the Authority to issue bonds to refund any of its bonds then outstanding;

WHEREAS, in order to further the purposes of the Act, on or about October 14, 2016 the Authority issued its \$10,000,000 Revenue Bond, Series 2016 (the "2016 Bond") to finance the acquisition of interests in land in the vicinity of Interstate 81 and Wood Haven Road in Roanoke County and related improvements and facilities, including necessary expenses incidental thereto (collectively, the "Project");

WHEREAS, the 2016 Bond is a limited obligation of the Authority payable from the revenues and receipts of the Authority to be received under support agreements with the City of Roanoke (being a general obligation of the City of Roanoke), with the City of Salem (being a general obligation of the City of Salem) and with Roanoke County (being a subject to annual appropriation commitment of Roanoke County secured by a lease of the Roanoke County Government Center);

WHEREAS, the Authority's financial advisor, Davenport & Company LLC (the "Financial Advisor") prepared a Request for Proposal (the "RFP") to obtain financing proposals to refund and refinance the 2016 Bond for debt service savings, has received responses to the RFP that would achieve debt service savings for the benefit of the of the Authority and the Participants (as defined below) and, after reviewing the responses, the Financial Advisor has recommended that the Board of Directors of the Authority (the "Board") select the proposal (the "Atlantic Union Bank Proposal") received from Atlantic Union Bank (the "Bank");

WHEREAS, the Board has reviewed responses to the RFP and the recommendation of the Financial Advisor and has determined that the Atlantic Union Bank Proposal is the most beneficial response to the RFP and provides attractive financing terms to refund and refinance the 2016 Bond in order to achieve debt service savings, and the Board on behalf of the Authority desires to accept the Atlantic Union Bank Proposal and authorize the Authority to issue, offer and sell its revenue refunding bond in an amount not to exceed \$10,450,000 (the **"Refunding Bond"**) to refund and refinance the 2016 Bond; and

WHEREAS, it is anticipated that the Authority and the Bank will enter into a bond purchase and loan agreement setting forth the terms and conditions of the sale by the Authority and purchase by the Bank of the Refunding Bond (the **"Bond Purchase and Loan Agreement"**);

WHEREAS, payments on the Refunding Bond are expected to be made from certain payments to the Authority from the City of Roanoke, Virginia (the **"City of Roanoke"**), the County of Roanoke, Virginia (**"Roanoke County"**) and the City of Salem, Virginia (the **"City of Salem"**) and, together with the City of Roanoke and Roanoke County, the **"Participants"**) to the Authority as follows:

(a) payments from Roanoke County pursuant to a Refunding Support Agreement between Roanoke County and the Authority (the **"Roanoke County Refunding Support Agreement"**), such payments under the Roanoke County Refunding Support Agreement being subject to annual appropriation and in the same amount as rent payments under the Roanoke County Lease (as defined below), and further such payments from Roanoke County to constitute a percentage of amounts due under the terms of the Refunding Bond as set forth in the Bond Purchase and Loan Agreement (the **"Roanoke County Portion of Support"**);

(b) payments from the City of Roanoke pursuant to a Refunding Support Agreement between the City of Roanoke and the Authority (the **"City of Roanoke Refunding Support Agreement"**), such payments from the City of Roanoke being a general obligation of the City of Roanoke and to constitute a percentage of amounts due under the terms of the Refunding Bond as set forth in the Bond Purchase and Loan Agreement (the **"City of Roanoke Portion of Support"**); and

(c) payments from the City of Salem pursuant to a Refunding Support Agreement between the City of Salem and the Authority (the **"City of Salem Refunding Support Agreement"**), such payments from the City of Salem being a general obligation of the City of Salem and to constitute a percentage of amounts due under the terms of the Refunding Bond as set forth in the Bond Purchase and Loan Agreement (the **"City of Salem Portion of Support"**);

WHEREAS, in connection with the Roanoke County Refunding Support Agreement, Roanoke County will lease certain real property owned by the County, described as the Roanoke County Government Center (the **"Roanoke County Leased Property"**) to the Authority for an approximately 23 year term in accordance with a Ground Lease dated as of June 15, 2020 between Roanoke County and the Authority (the **"Roanoke County Ground Lease"**) and the Authority will lease such Roanoke County Leased Property back to Roanoke County for a term not less than the term of the Refunding Bond in accordance with a Lease Agreement dated

as of June 15, 2020 between Roanoke County and the Authority (the "Roanoke County Lease" and, together with the Roanoke County Ground Lease the "Roanoke County Leases"), with the rent payable under the Roanoke County Lease constituting the Roanoke County Portion of Support;

WHEREAS, payments constituting the Roanoke County Portion of Support, the City of Roanoke Portion of Support and the City of Salem Portion of Support (together, the "Support Payments") will be assigned, together with the Authority's assignment to the Bank of certain rights under the Roanoke County Leases, from the Authority to the Bank as security for the payment of debt service on the Refunding Bond pursuant to an Assignment Agreement between the Authority and the Bank, dated as of June 15, 2020 (the "Assignment Agreement"); and

WHEREAS, the obligation of the Authority to pay principal and interest on the Refunding Bond will be limited to payments received from the Participants in accordance with the terms of the Bond Purchase and Loan Agreement;

WHEREAS, drafts of the forms of the Roanoke County Refunding Support Agreement, the City of Roanoke Refunding Support Agreement, the City of Salem Refunding Support Agreement, the Roanoke County Ground Lease, the Roanoke County Lease, the Assignment Agreement and the Bond Purchase and Loan Agreement (together, the "Authority Documents") and a draft of the form of the Refunding Bond, were made available to the Authority at this meeting.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Authority confirms and reiterates its findings previously made that the financing of the Project is in the public interest, will benefit the citizens of the geographical region served by the Authority, will increase commerce, and will promote the safety, health, welfare, convenience and prosperity of the Participants and their citizens.

2. The Authority hereby authorizes and approves the issuance of the Refunding Bond substantially upon the terms set forth therein and in the Bond Purchase and Loan Agreement and agrees that the Refunding Bond will be purchased by the Bank. The Chairman or Vice Chairman of the Authority, either of whom may act, are authorized to execute the Refunding Bond, and the Secretary or Assistant Secretary, either of whom may act, are authorized to attest the same, with the final terms and interest rate of the Refunding Bond to be approved by the Chairman or Vice Chairman of the Authority whose execution thereof shall be conclusive evidence of such approval, provided, however, that the principal amount of the Refunding Bond shall not exceed \$10,450,000, that the interest rate on the Refunding Bond shall not exceed 2.59% per annum and that the term of the Refunding Bond shall be not longer than approximately 17 years from its date of issuance.

3. The Authority Documents are hereby approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof and therein and changes to reflect the final terms of the

Refunding Bond as described in paragraph 2 above including change in Refunding Bond term and applicable rate) as may be approved by the Chairman or the Vice Chairman of the Authority, whose approval thereof shall be evidenced conclusively by the execution and delivery of the Authority Documents containing such changes, insertions or omissions.

4. The delivery of the Refunding Bond against payment therefor, the amount of such payment to be disbursed in accordance with the terms of the Bond Purchase and Loan Agreement, is hereby authorized and directed.

5. The Chairman and the Vice Chairman of the Authority, either of whom may act, are each authorized and directed to execute the Authority Documents on behalf of the Authority, and, if required or requested, the Secretary and the Assistant Secretary of the Authority, either of whom may act, are each authorized and directed to affix the seal of the Authority, if any, to the Authority Documents and to attest such seal. The signatures of the Chairman or Vice Chairman and the Secretary or Assistant Secretary and the seal of the Authority on the Refunding Bond may be by facsimile.

6. Each officer of the Authority is authorized and directed to execute and deliver on behalf of the Authority such agreements, instruments, documents or certificates and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Authority Documents including such other instruments and documents as are necessary to create and perfect the assignment of the Support Payments to the Bank, to issue the Refunding Bond and to lease real property as contemplated by the Roanoke County Leases, and each officer of the Authority is further authorized and directed to execute and deliver on behalf of the Authority such agreements, instruments, documents or certificates. All of the foregoing previously done or performed by such officers of the Authority are in all respects approved, ratified and confirmed.

7. The Authority determines that the issuance of the Refunding Bond in accordance with the terms of the Authority Documents and all actions of the Authority contemplated thereunder will be in the furtherance of the purposes for which the Authority was organized.

8. Any authorization to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.

9. All other actions hereafter taken by the officers, agents and representatives of the Authority, by Glenn, Feldmann, Darby & Goodlatte as Authority counsel, by Davenport & Company LLC as financial advisor to the Authority and by Sands Anderson PC as bond counsel to the Authority, that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Refunding Bond and the financing of the Project are hereby ratified, approved and confirmed.

10. Nothing in this Resolution, the Refunding Bond, or the Authority Documents shall constitute a debt of the Authority other than the limited obligation of the Authority set forth in the Refunding Bond, and the Authority shall not be obligated to make any payments under the Refunding Bond or the Authority Documents except from the Support Payments.

11. A copy of this Resolution, certified by the Secretary of the Authority, shall be filed with the Clerk of the Circuit Court of the County of Roanoke, Virginia, in accordance with Section 15.2-6409 J. of the Code of Virginia of 1950, as amended, and this Resolution shall be deemed to be the initial resolution of the Authority authorizing the issuance of the Refunding Bond within the meaning of Section 15.2-6409 J. of the Code of Virginia of 1950, as amended.

12. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Western Virginia Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted during open meeting by a quorum of the directors of the Western Virginia Regional Industrial Facility Authority at a meeting duly called and held on May 15, 2020, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Western Virginia Regional Industrial Facility Authority this 15th day of MAY, 2020.

Amy W. Thompson

Secretary, Western Virginia Regional Industrial Facility Authority

