

**INDUSTRIAL DEVELOPMENT AUTHORITY  
OF  
RICHMOND COUNTY, VIRGINIA**

***MINUTES OF THE AUGUST 19, 2019 MEETING***

The Industrial Development Authority of Richmond County, Virginia met on Monday, August 19, 2019 starting at 6:00 p.m. in the Richmond County Public Meeting Room.

The following members were present:

Russell Brown  
Meredith M. Smith  
E. Peyton Motley, Jr.  
Stan Terhune  
John Paul Welch

Also Present:

R. Morgan Quicke

Absent:

Deborah G. Bass

**CALL TO ORDER**

Chairman Smith opened the meeting at 6:00 p.m. and declared a quorum was present.

**APPROVAL OF MINUTES- JUNE 18, 2019**

*“On a motion by Russell G. Brown, seconded by E. Peyton Motley, Jr., the IDA members voted: Russell G. Brown – aye; Meredith M. Smith – aye; E. Peyton Motley, Jr. – aye; Stan Terhune- aye; John Paul Welch – aye; to approve the minutes from the June 18, 2019 meeting.”*

**PROPERTY LEASE AMENDMENT- CDI HEAD START**

Mr. Quicke reviewed the lease amendment for Head Start. Mr. Quicke mentioned a lease agreement was entered with the CDI Head Start about three years ago, December 17<sup>th</sup>, 2016, for the front of the Verizon building.

Mr. Quicke mentioned this is the Head Start Program that was formally handled by the Department of Social Services and the school system years ago and taken over by CDI. Mr. Quicke noted CDI is a Federal contractor that is contracted through the federal government to run the Head Start Program.

Mr. Quicke noted initially a yearlong lease was done with CDI due to their ultimate goal to bring in another private provider to be able to handle the head start program. Mr. Quicke mentioned the lease was officially up in November 30<sup>th</sup>, 2017.

Mr. Quicke noted the County works with Head Start every month on building concerns, HVAC issues, and other concerns. Mr. Quicke mentioned a playground was put in recently and an area needs to be cleaned up where the pods are located. Mr. Quicke noted he had spoken with Head Start about putting them back under a lease in order to get things cleaned up.

Mr. Quicke mentioned the only changes to the lease amendment are:

- Section three (3) paragraph (A) stating lease should be amended so the term shall be extended to November 30<sup>th</sup>, 2020
- Section four (4) rent stating monthly rent shall be \$1200 monthly

Mr. Quicke noted all other terms and conditions agreed to on original lease remains in full force.

Mr. Quicke stated CDI is still actively looking for a private provider. Mr. Quicke noted the importance of the preschool program.

Mr. Quicke added that the County and School Board also provide rent to the IDA which, together with the payment of CDI rent, the IDA account stays adequate. There are parking lot improvements that need to be addressed at this building.

***“On a motion by E. Peyton Motley, Jr., seconded by Russell G. Brown, the IDA members voted: Russell G. Brown – aye; Meredith M. Smith – aye; E. Peyton Motley, Jr. – aye; Stan Terhune- aye; John Paul Welch – aye; to accept the amendment to the lease agreement.”***

### **LEASE AMENDMENTS TO 2018 BOND ISSUANCE**

Mr. Quicke reviewed the two Resolutions needed for approval; an amendment to the lease agreements and a Resolution to the Industrial Development Authority.

Mr. Quicke noted the \$2,000,000 issuance of 2018 was primarily for the construction of our new emergency services facility, located at the Richmond County Commerce Park. Mr. Quicke mentioned the original collateral on this loan was the 85 acres of the Richmond County Commerce Park, to include the fairgrounds and the little league complex, as well as approximately 7.5 acres of Richmond County Commerce Park Land.

Mr. Quicke mentioned the change in collateral assignment will place the constructed EMS facility and that parcel of land as the sole collateral on the \$2,000,000 issuance. Mr. Quicke noted the Atlantic Union Bank is in agreement with the change, as this was planned prior to the issuance of the funds in 2018.

Mr. Quicke noted the Board of Supervisors approved their Resolution and Amendment at the August 8<sup>th</sup> meeting.

Mr. Quicke noted that 41 acres of the current collateral property is under contract to be sold, therefore, this amendment is necessary.

Ms. Smith asked about interest in the old EMS building. Mr. Quicke mentioned there have been several parties interested in the old EMS facility but none have gone any further with interest. Mr. Quicke noted the Board authorized the facility to be put up for sealed bid with a reserve.

*“On a motion by E. Peyton Motley, Jr., seconded by Stan Terhune, the IDA members voted: Meredith M. Smith – aye; E. Peyton Motley, Jr. – aye; Stan Terhune- aye; John Paul Welch- aye; to accept the Resolution, attached hereto as Exhibit I.” (Russell G. Brown recused and abstained)*

*“On a motion by E. Peyton Motley, Jr., seconded by Stan Terhune, the IDA members voted: Meredith M. Smith – aye; E. Peyton Motley, Jr. – aye; Stan Terhune- aye; John Paul Welch- aye; to accept the amendment to the lease amendments, attached hereto as Exhibit II.” (Russell G. Brown recused and abstained)*

#### **OTHER BUSINESS**

There is no other business.

#### **ADJOURNMENT**

There being no further business, Chairman Smith adjourned the meeting.

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF  
RICHMOND COUNTY, VIRGINIA APPROVING LEASE AMENDMENTS**

**WHEREAS**, the Board of Supervisors (the **"Board of Supervisors"**) of the County of Richmond, Virginia (the **"County"**) County and the Industrial Development Authority of Richmond County, Virginia (the **"Authority"**) previously financed certain costs and expenditures associated with the design, acquisition, construction and equipping of a public safety facility and an animal shelter for the County, together with related costs and expenses (collectively, the **"Project"**), with such facilities to be utilized by the County in furtherance of its governmental purposes;

**WHEREAS**, in connection with the financing of the Project through a plan of lease financing, (i) the Authority and the County entered into that certain Ground Lease dated as of July 1, 2017, recorded on June 30, 2017 as Instrument Number 170000499 of the Clerk's Records of the Circuit Court of the County of Richmond, Virginia, (the **"Ground Lease"**) and the Lease Agreement dated as of July 1, 2017 recorded on June 30, 2017 as Instrument Number 170000500 of the Clerk's Records of the Circuit Court of the County of Richmond, Virginia (the **"Lease Agreement,"** and, together with the Ground Lease, the **"Lease Agreements"**), pursuant to which the County and the Authority entered into a lease/leaseback agreement of certain land located in Richmond County, Virginia more fully described in Exhibit B attached to the Lease Agreement (including any improvements now or hereafter existing thereon), and (ii) the Authority issued its \$2,000,000 Public Facilities Lease Revenue Bond, Series 2017 (the **"Bond"**) which was purchased by Atlantic Union Bank, formerly Union Bank & Trust (the **"Bank"**) and the proceeds from such sale were made available to the County to finance the costs of the Project.

**WHEREAS**, the Authority, the County and the Bank understood that the property securing the Lease Agreements and the Bond was expected to be amended once the Project was completed; and

**WHEREAS**, the County, the Authority and the Bank now desire to amend the Lease Agreements in order to reflect the final collateral for the Bond, consisting of the County EMS building property;

**WHEREAS**, there has been presented to this meeting a draft Lease Amendment (the **"Lease Amendment"**) between the County and Authority, and acknowledged by the Bank, releasing the original collateral described in the Lease Agreements (the **"Existing Collateral"**) and substituting the County's EMS building property as the updated collateral (the **"Updated Collateral"**);

**NOW THEREFORE, BE IT RESOLVED** by the Industrial Development Authority of Richmond County, Virginia:

1. The Authority hereby approves the Lease Amendment and instructs Bond Counsel to take all such action as necessary or appropriate to conclude the execution and delivery of the Lease Amendment and any related documents in connection with the release of the Existing Collateral and the addition of the Updated Collateral to the leasehold interest created under the Ground Lease and the Lease Agreement.

2. The Authority hereby approves, ratifies and confirms the actions of its officers, employees and representatives in furtherance of the Lease Amendment, and authorizes and directs its officers, employees and representatives, Bond Counsel and other professionals to take all such action necessary or appropriate to finalize the Lease Amendment, the release of the Existing Collateral and the addition of the Updated Collateral.
3. This Resolution shall take effect immediately upon its passage.

ADOPTED: This 19<sup>th</sup> day of August, 2019.

**CERTIFICATION OF ADOPTION OF RESOLUTION**

The undersigned Secretary of the Industrial Development Authority of Richmond County, Virginia hereby certifies that the Resolution set forth above was adopted in an open meeting on August 19<sup>th</sup>, 2019, by the Authority with the following votes:

Aye: Russell G. Brown  
Meredith M. Smith  
Stan Terhune  
E. Peyton Motley, Jr.  
John Paul Welch

Absent: Deborah G. Bass  
J. Keith Whelan

Nay: —

Abstentions: —

Signed this 19<sup>th</sup> day of August, 2019.

By:   
Secretary

## Exhibit II

**THIS AMENDMENT TO LEASE AGREEMENTS (the "Amendment")** dated as of August 2, 2019, by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF RICHMOND COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**Authority**"), and the **BOARD OF SUPERVISORS OF RICHMOND COUNTY, VIRGINIA, ON BEHALF OF RICHMOND COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**County**"); provides as follows:

### WITNESSETH:

**WHEREAS**, the County and the Authority previously financed certain costs and expenditures associated with the design, acquisition, construction and equipping of a public safety facility and an animal shelter for the County, together with related costs and expenses (**collectively, the "Project"**), with such facilities to be utilized by the County in furtherance of its governmental purposes.

**WHEREAS**, in connection with the financing of the Project through a plan of lease financing, (i) the Authority and the County entered into that certain Ground Lease dated as of July 1, 2017, recorded on June 30, 2017 as Instrument Number 170000499 of the Clerk's Records of the Circuit Court of the County of Richmond, Virginia, (**the "Ground Lease"**) and the Lease Agreement dated as of July 1, 2017 recorded on June 30, 2017 as Instrument Number 170000500 of the Clerk's Records of the Circuit Court of the County of Richmond, Virginia (**the "Lease Agreement," and, together with the Ground Lease, the "Lease Agreements"**), pursuant to which the County and the Authority entered into a lease/leaseback arrangement of certain land located in Richmond County, Virginia more fully described in Exhibit B attached to the Lease (including any improvements now or hereafter existing thereon), and (ii) the Authority issued its \$2,000,000 Public Facilities Lease Revenue Bond, Series 2017 (**the "Bond"**) which was purchased by Atlantic Union Bank, formerly Union Bank & Trust (**the "Bank"**) and the proceeds from such sale were made available to the County to finance the costs of the Project.

**WHEREAS**, the Authority, the County and the Bank understood that the property securing the Lease Agreements and the Bond was expected to be amended once the Project was completed; and

**WHEREAS**, the County, the Authority and the Bank now desire to amend the Lease Agreements in order to reflect the final collateral for the Bond, consisting of the County EMS building property.

**NOW, THEREFORE**, for and in consideration of the mutual covenants hereinafter contained and other valuable consideration, the parties hereto agree as follows:

Prepared by:  
Daniel M. Siegel, Esquire  
Sands Anderson PC  
P.O. Box 1998  
Richmond, Virginia 23219  
(804) 648-1636  
VSB # 20523

**Section 1.1. Definitions.** All capitalized terms defined in the Lease Agreements shall have the same meanings when used herein.

**Section 1.2. Amendment to Exhibit A.** In accordance with Section 8.4 of the Lease Agreement, Exhibit A of the Ground Lease and Exhibit B of the Lease Agreement are hereby deleted in its entirety and replaced with the attached Exhibit A in order to reflect the revision to the description of the Leased Property and to release the property previously included in the definition of Leased Property thereunder.

**Section 1.3. No Other Amendments.** Except as modified herein, all of the terms and conditions of the Lease shall remain unchanged. The parties hereby ratify and reaffirm all of the terms and conditions of the Lease as amended by this Amendment.

**Section 1.4. Counterparts.** This Amendment may be executed in any number of counterparts, each of which shall be an original, all of which together shall constitute but one and the same instrument; except that (a) to the extent, if any, that the Lease, as amended, shall constitute personal property under the Uniform Commercial Code of Virginia, no security interest in the Lease, as amended, may be created or perfected through the transfer or possession of any counterpart of this Amendment other than its original counterpart, which shall be the counterpart containing the receipt therefor executed by the Bank following the signatures to this Amendment and (b) as to delivery of the original counterpart of this Amendment as required by the Assignment Agreement, the counterpart containing the receipt therefor executed by the Bank following the signatures to this Amendment shall be the original.

(Signatures Appear on Following Pages)



Prepared by:  
Daniel M. Siegel, Esquire  
Sands Anderson PC  
P.O. Box 1998  
Richmond, Virginia 23219  
(804) 648-1636  
VSB # 20523

Notary Public

**Exhibit A**

**PROPERTY DESCRIPTION**

[EMS Building Property]

**RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF RICHMOND, VIRGINIA APPROVING LEASE AMENDMENTS**

**WHEREAS**, the Board of Supervisors (the **"Board of Supervisors"**) of the County of Richmond, Virginia (the **"County"**) County and the Industrial Development Authority of Richmond County, Virginia (the **"Authority"**) previously financed certain costs and expenditures associated with the design, acquisition, construction and equipping of a public safety facility and an animal shelter for the County, together with related costs and expenses (collectively, the **"Project"**), with such facilities to be utilized by the County in furtherance of its governmental purposes;

**WHEREAS**, in connection with the financing of the Project through a plan of lease financing, (i) the Authority and the County entered into that certain Ground Lease dated as of July 1, 2017, recorded on June 30, 2017 as Instrument Number 170000499 of the Clerk's Records of the Circuit Court of the County of Richmond, Virginia, (the **"Ground Lease"**) and the Lease Agreement dated as of July 1, 2017 recorded on June 30, 2017 as Instrument Number 170000500 of the Clerk's Records of the Circuit Court of the County of Richmond, Virginia (the **"Lease Agreement,"** and, together with the Ground Lease, the **"Lease Agreements"**), pursuant to which the County and the Authority entered into a lease/leaseback agreement of certain land located in Richmond County, Virginia more fully described in Exhibit B attached to the Lease Agreement (including any improvements now or hereafter existing thereon), and (ii) the Authority issued its \$2,000,000 Public Facilities Lease Revenue Bond, Series 2017 (the **"Bond"**) which was purchased by Atlantic Union Bank, formerly Union Bank & Trust (the **"Bank"**) and the proceeds from such sale were made available to the County to finance the costs of the Project.

**WHEREAS**, the Authority, the County and the Bank understood that the property securing the Lease Agreements and the Bond was expected to be amended once the Project was completed; and

**WHEREAS**, the County, the Authority and the Bank now desire to amend the Lease Agreements in order to reflect the final collateral for the Bond, consisting of the County EMS building property;

**WHEREAS**, there has been presented to this meeting a draft Lease Amendment (the **"Lease Amendment"**) between the County and Authority, and acknowledged by the Bank, releasing the original collateral described in the Lease Agreements (the **"Existing Collateral"**) and substituting the County's EMS building property as the updated collateral (the **"Updated Collateral"**);

**NOW THEREFORE, BE IT RESOLVED** by the Board of Supervisors of the County of Richmond, Virginia:

1. The Board of Supervisors hereby approves the Lease Amendment and instructs Bond Counsel to take all such action as necessary or appropriate to conclude the execution and delivery of the Lease Amendment and any related documents in connection with the release of the Existing Collateral and the addition of the Updated Collateral to the leasehold interest created under the Ground Lease and the Lease Agreement.

2. The Board of Supervisors hereby approves, ratifies and confirms the actions of its officers, employees and representatives in furtherance of the Lease Amendment, and authorizes and directs its officers, employees and representatives, Bond Counsel and other professionals to take all such action necessary or appropriate to finalize the Lease Amendment, the release of the Existing Collateral and the addition of the Updated Collateral.
3. This Resolution shall take effect immediately upon its passage.

ADOPTED: This 8<sup>th</sup> day of August, 2019.

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Clerk of the Board of Supervisors of the County of Richmond, Virginia hereby certifies that the Resolution set forth above was duly adopted during an open meeting on August 8, 2019, by a majority of the members of the Board of Supervisors at a regular meeting with the following votes:

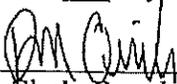
Aye: F. Lee Sanders  
Richard E. Thomas  
J. David Parr  
William C. Herbert, II  
Robert B. Pemberton

Nay: —

Abstentions: —

Signed this 8<sup>th</sup> day of August, 2019.

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

  
Clerk, Board of Supervisors