

MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS MEETING

October 11, 2016 - 12:00 P.M.

Monroe Building, 101 N. 14th Street, 11th Floor Board Room
Richmond, Virginia

- I. Board Directors present: Chairman, Ms. Gail Letts, Vice Chairman, Mr. Neil Amin, Mr. John Hopper, Dr. Monique Johnson, Mr. Bill Smith, and Ms. Manju Ganeriwala (Treasurer of Virginia, ex-officio member)

Board members absent: Mr. Nicholas Jordan, Mr. Linh Hoang, Mr. Andrew Lock, Mr. Brad Jiulianti, and Ms. Tracey Wiley.

Others present: Mr. Don Ferguson (Senior Assistant Attorney General), Mr. Scott Parsons, Ms. Anna Mackley, Ms. Mary Jo Sisson-Vaughan, Ms. Nathalia Artus, Mr. Ousman Kah, Mr. Doug Lamb (McGuire Woods), Mr. James Gross (McGuire Woods), Mr. Ken Spisak (Citizen), Ms. Jennifer Mayton (SBSD), and Ms. Reba O'Connor (SBSD).

Chairman Letts called the meeting to order.

- II. Approval of Minutes - On a motion by Mr. Hopper, seconded by Dr. Johnson, the minutes of the September 13, 2016 Board of Directors Meeting were unanimously approved. Voting aye: Chairman Letts, Vice Chairman Amin, Mr. Hopper, Dr. Johnson, Mr. Smith, and Ms. Ganeriwala. Voting no: None.

- III. Industrial Development Bond Program - RePower South Chesapeake, LLC - City of Chesapeake - \$105,000,000 request. (Increase of previously approved \$90,000,000 request.)

Mr. Parsons stated that a public hearing was required and the Board declared the public hearing to be open at 12:09pm.

Ms. Sisson-Vaughan introduced this request to the Board and provided an explanation of the request as well as background on the project to finance the construction and equipping of a facility to process municipal waste into recyclable commodities. This was a request for an increase to the previously approved \$90,000,000 bond approved by the Board in June of 2016. On a motion by Mr. Hopper, seconded by Mr. Amin, the request was approved as presented. Voting aye: Chairman Letts, Vice Chairman Amin, Mr. Hopper, Dr. Johnson, Mr. Smith, and Ms. Ganeriwala. Voting no: None.

Mr. Spisak asked a question about the nature of the bond issuance which was responded to by Mr. Lamb and Mr. Gross. There being no other public comment, Mr. Parsons requested that the Board close the public hearing period. Without objection, Chairman Letts declared the public hearing closed at 12:17pm.

- IV. Economic Development Loan Fund - TBD Real Estate Holding Company for Page West II, Inc. - Goochland County - \$2,000,000 request. Ms. Sisson-Vaughan introduced this request to the Board. This was a request from the Bank of Southside Virginia (BSV) with the permission of the client to gauge the Board's interest in potentially participating with BSV on a loan request up to \$10,000,000. The VSBFA's portion was anticipated to be \$2,000,000 and be subordinate to the bank as is generally the case with the EDLF. After much discussion surrounding the issues of the size of the potential applicant business and the appropriateness of the VSBFA's participation in this type of transaction, the Board agreed to table the request until such time as more information could be provided, especially with regard to the economic development impact and job creation. On a motion by Dr. Johnson, seconded by Mr. Amin, the request was tabled. Voting aye: Chairman Letts, Vice Chairman Amin, Mr. Hopper, Dr. Johnson, Mr. Smith, and Ms. Ganeriwala. Voting no: None.
- V. Board Review and Ratification of Loans Approved/Declined by Staff - Mr. Parsons presented the loans and credit enhancements approved and declined by Staff under its designated authority. On a motion by Vice Chairman Amin, seconded by Mr. Hopper, the Board of Directors ratified the loan decisions for September of 2016 made by Staff. Voting aye: Chairman Letts, Vice Chairman Amin, Mr. Hopper, Dr. Johnson, Mr. Smith, and Ms. Ganeriwala. Voting no: None.
- VI. Board Review and Ratification of TCAP Claims Approved & Paid by Staff - Mr. Parsons presented the bank claims under the Tobacco Capital Access Program (TCAP) that were approved and paid by Staff under its designated authority. On a motion by Mr. Hopper, seconded by Vice Chairman Amin, the Board of Directors ratified the payments made by Staff. Voting aye: Chairman Letts, Vice Chairman Amin, Mr. Hopper, Dr. Johnson, Mr. Smith, and Ms. Ganeriwala. Voting no: None.
- VII. Board Review and Ratification of SSBCI CAP Claims Approved & Paid by Staff - Mr. Parsons presented the bank claims under the State Small Business Credit Initiative (SSBCI CAP) that were approved and paid by Staff under its designated authority. On a motion by Mr. Hopper, seconded by Vice Chairman Amin, the Board of Directors ratified the payments made by Staff. Voting aye: Chairman Letts, Vice Chairman Amin, Mr. Hopper, Dr. Johnson, Mr. Smith, and Ms. Ganeriwala. Voting no: None.
- VIII. Change of Date for the November 8 Board Meeting - Mr. Parsons informed the Board that the regular date for the November Board meeting was scheduled to be on November 8th, Election Day. In order to accommodate the directors who have to come in from out of town, Mr. Parsons recommended moving the meeting to a different date in order to allow everyone the opportunity to vote. Without objection, the Board agreed and an alternative date of Tuesday, October 25th at noon was decided on, if the Staff has business to bring before the Board at that time. If not, the November meeting would be cancelled.
- IX. Adjourn - There being no other business before the Board, Chairman Letts declared the meeting adjourned.