

MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS MEETING

March 10, 2020 - 12:00 P.M.
101 N. 14th Street, 11th Floor Board Room
Richmond, Virginia

- I. Board Directors present: Mr. Michael Joyce, Mr. Ronnie Johnson, The Honorable Manju Ganeriwala, Mr. Corey Holeman, Dr. Monique Johnson, Mr. Sanjay Puri

Board Directors absent: Chairman John Hopper, Vice Chairman Neil Amin, Mr. Linh Hoang, Ms. Tracey Wiley, Mr. William Smith

VSBF Staff: Mr. Howard Pisons, Ms. Anna Mackley, Ms. Linda Gilbert, Ms. Karen White, Ms. Joni Marshall, Ms. Barbara Carter, Ms. Robin Foster, and Ms. Todd Boyle

Others present: Mr. Don Ferguson (Senior Assistant Attorney General), Mr. Rick Stevens, Ms. Jessica Stevens, and Miss Valeigh Stevens (Clinch River Forest Products), Ms. Pam Warden (Tazewell County ED), Mr. Steve Quiriconi, (Bon Secours Mercy Hospital), Ms. Erin Sutton (Dinsmore & Shohl LLP), and Ms. Sarah Berday-Sacks (JLARC)

Acting Chairman Michael Joyce called the meeting to order and welcomed all guests.

- II. Approval of Minutes: On a motion by Mr. Holeman, seconded by Mr. Johnson, the January 14, 2020 Board of Directors Meeting minutes were unanimously approved. Voting aye: Acting Chairman Joyce, Mr. Holeman, Mr. Johnson, Ms. Ganeriwala, Dr. Johnson, and Mr. Puri. Voting no: None.

Public Hearing declared at 12:17 p.m.

- III. 501 (c) 3 Tax-Exempt Bond Application

Bon Secours Mercy Health System - Cities of Franklin, Emporia, Petersburg, Portsmouth, Newport News, Norfolk, Suffolk, and Richmond - \$325,000,000. Ms. Mackley presented to the Board the application for bonds to refinance debt and purchase three hospitals. Ms. Mackley introduced Mr. Steve Quiriconi, CFO of Bon Secours Richmond facilities, and Ms. Erin Sutton, bond counsel with Dinsmore & Shohl LLP. Ms. Sutton discussed the multistate-, multi-financing restructure of debt, the use of the bond proceeds, financing structure, and public offering. Mr. Quiriconi discussed the hospital's financial infrastructure, new acquisitions and their locations.

On a motion by Ms. Ganeriwala, seconded by Mr. Holeman, the Board of Directors unanimously approved the resolution as presented. Voting aye: Acting Chairman Joyce, Ms. Ganeriwala, Mr. Holeman, Mr. Puri, Mr. Johnson, and Dr. Johnson. Voting no: None.

IV. State Economic Development Loan Fund Application

IDA of Tazewell County, Virginia - \$900,000. Ms. Tackett introduced Ms. Pam Warden, Tazewell County Economic Development Director, and Mr. Rick Stevens, President of Clinch River Forest Products, and his family. Ms. Tackett presented a direct loan request of \$900,000 to finance the Sale Lease Back of existing equipment used in the operations of Clinch River Forest Products/Wyrick, Inc. Mr. Stevens gave a slide presentation on the company, discussed its operations and need for financing to help keep jobs in the county. Clinch River Forest Products current employs between 92 to 100 positions and further impacts between 150-200 auxiliary positions as a result of its operations in Tazewell County. Ms. Warden commented on the need for jobs in Tazewell County that the company would continue to provide. On a motion by Mr. Holeman, seconded by Ms. Ganeriwala, the Board of Directors unanimously approved the request subject to financial statements as of December 31, 2019 be reviewed by an independent CPA within a reasonable time post-closing. Voting aye: Acting Chairman Joyce, Mr. Holeman, Ms. Ganeriwala, Mr. Puri, Dr. Johnson, and Mr. Johnson. Voting no: None.

V. Board Review and Ratification of Loans Approved/Declined by Staff

Mr. Pisons noted the delayed ratification of the project Gold Works. Ms. White reviewed the reason for declining C.E.F.D, Inc. On a motion by Mr. Johnson, seconded by Mr. Holeman, the Board of Directors ratified the loan decisions made by staff. Voting aye: Acting Chairman Joyce, Mr. Johnson, Mr. Holeman, Dr. Johnson, Ms. Ganeriwala, and Mr. Puri. Voting no: None.

VI. Other Business

The following matters were presented to the Board:

- A. Mr. Pisons introduced Ms. Joni Marshall our new Regional Lending Manager. Ms. Marshall spoke about her background and previous work experience.
- B. Ms. Karen White distributed new Child Care Financing Program brochures to Board members, briefly discussed the program and a conference sponsored by the Department of Social Services. Ms. Mackley mentioned the 0% interest being offered to desert day care areas in the state. Mr. Pisons informed the Board of the agency's contest to help market the program by referring day care centers and home providers to VSBFA.
- C. Mr. Pisons informed the Board that the agency, Department of Small Business and Supplier Diversity, won the award for Vision of Excellence given by the Metropolitan Business League.
- D. Mr. Pisons provided updates on the following legislation that affected VSBA:
 - o SB458-Patroned by Senator Reeves: sponsored by the Veterans Joint Leadership Council to promote the Microloans for Veterans Program ("MVP") passed in the House and Senate, but was not appropriated.
 - o HB472-Patroned by Delegate Runyon: the Small Business Investment Grant (SBIG) fund recommended to add a scoring system for issuing the grants but bill

was laid on the table.

- HB1505-Patroned by Delegate Dugan and joined by Delegate Runyon: the Small Business Jobs Grant fund was terminated and those funds will be transferred to the SBIG fund in July 2020.

E. Mr. Pisons announced the Board Retreat date has been changed from April to May 11th and 12th. He also reminded the directors to send in their updated bios that are needed as part of the JLARC audit.

F. Ms. Berday-Saks described JLARC's purpose and its audit process.

VII. Acting Chairman Joyce thanked the directors for attending the meeting which was then adjourned.