



BOARD OF DIRECTORS MEETING MINUTES

November 10, 2022, 12:00 P.M.
101 N. 14th Street, 11th Floor Board Room
Richmond, Virginia 23219

Available by Public Teleconference: (866) 845-1266, 65069804#

- I. Chairman Bew called the meeting to order 12:10 p.m. and welcomed the Board and guests.
- a) Board Directors present: Chairman Ronald Bew, Vice Chairman Linh Hoang, Ms. Victoria Vasques (arrived at 12:13 pm); and Messrs. John Dane (arrived at 12:15 pm), Ronald Hobson, Willis Morris (arrived at 1:45 pm), David Richardson and William Smith.
 - b) Board Directors absent: Ms. Mary Margaret Kastelberg, and Messrs. Ronnie Johnson, and Michael Joyce
 - c) VSBFVA Staff present: Mses. Anna Mackley, Shari Adams, Cheryl Bostick, Todd Boyle, Angela Reese, Linda Tackett and Karen White; and Messrs. Donald Jacubec, Howard Pisons, and Terrence Rogers.
 - d) Others present: Ms. Katrin Wilcox (Consultant, Pure Salmon Virginia, LLC) and Messrs. Brandon Thorne (CFO, Pure Salmon Virginia), Paul Inskeep (Project Manager, Pure Salmon Virginia), Eric Young (County Administrator, Tazewell County), Michael Graff Jr. (Partner, McGuireWoods LLP), Mark Shea (Director, Wells Fargo), Karim Ghannam (Co-Founder & CEO, 8F Asset Management), Gerald Toledano (Partner- Risk & Financing, 8F Asset Management), Arv Sreedhar (Managing Director, Atlantic Partners Asia, Jay Mahone (Public Finance Manager, Virginia Department of the Treasury), and Don Ferguson (Senior Assistant, Attorney General of Virginia)

II. Approval of Minutes

Motion by Mr. Hoang and seconded by Mr. Smith to approve the October 11, 2022 Board of Directors Meeting Minutes, Motion carried. Voting aye: Messrs. Bew, Hoang, Hobson, Richardson, and Smith. Voting nay: None. Absent for vote: Ms. Vasques, and Messrs. Dane and Morris

III. The Public Hearing was declared open at 12:11 p.m.

IV. Tax-Exempt Bond Project

- a) Pure Salmon Virginia LLC (Pure Salmon) – Tax-exempt and Taxable Resolution of up to \$351,800,000:

Ms. Mackley, presented Pure Salmon's request to adopt the inducement and final resolution, followed by presentations made by Ms. Wilcox, and Messrs. Graff Jr, Young, Shea, Thorne, Inskeep, Toledano, and Sreedhar.

Pure Salmon's request for the inducement and final resolution of up to \$250,000,000 of Tax-

exempt Industrial Development bonds and up to \$101,800,000 Taxable bonds to finance and refinance (i) the cost of acquisition, construction, development, installation and equipping of a vertically-integrated Atlantic salmon production, processing and manufacturing facility and related facilities located in Tazewell and Russell Counties, and (ii) finance certain costs of issuance and, as necessary, working capital, capitalized interest on the bonds and reserves for the Project or the bonds. This project is expected to create 217 new full-time jobs within three years of the bond’s issuance.

Pursuant to the presentations, and questions from the Board regarding the technology, suppliers, partnerships, process, cost, and economic impact, Chairman Bew called for the motion to adopt the resolution. Mr. Smith motioned to adopt the resolution as submitted, seconded by Mr. Hobson, Motion carried. Voting aye: Ms. Vasques, and Messrs. Bew, Dane, Hoang, Hobson, Richardson, and Smith. Voting nay: None; Abstaining due to conflict of interest: Mr. Richardson; Absent for vote: Mr. Morris

V. The Public Hearing was declared closed at 1:24 p.m.

VI. Board Review and Ratification

- a) VSBFA presented two (2) direct loans totaling \$175,000 approved by management for ratification.

Chairman Bew called for the motion to ratify management’s loan approvals. Mr. Hoang motioned for ratification and was seconded by Mr. Hobson, Motion carried. Voting aye: Ms. Vasques, and Messrs. Bew, Dane, Hoang, Hobson, Richardson, and Smith. Voting nay: None. Absent for vote: Mr. Morris

VII. Interim Appointment of Chief Credit Officer as Secretary/Treasurer of the Board

- a) Mr. Pisons presented the resolution to approve the appointment of the Chief Credit Officer as Secretary/Treasurer of the Board on an interim basis, while the recruitment for a replacement Executive Director is underway. Motion to approve the resolution by Mr. Dane, seconded by Ms. Vasques, Motion carried. Voting aye: Ms. Vasques, and Messrs. Bew, Dane, Hoang, Hobson, Richardson, and Smith. Voting nay: None. Absent for vote: Mr. Morris

VIII. Interim Increase in Chief Credit Officer Lending Authority

- a) Mr. Pisons presented a resolution to increase the lending authority of the Chief Credit Officer on an interim basis to \$1,000,000. Motion to approve the resolution by Ms. Vasques, seconded by Mr. Dane, Motion carried. Voting aye: Ms. Vasques, and Messrs. Bew, Dane, Hoang, Hobson, Morris, Richardson, and Smith. Voting nay: None.

IX. Other Business

- a) VSBFA Executive Director Vacancy and Position Recruitment: The Executive Director for the Virginia Small Business Financing Authority resigned on October 31, 2022 and his resignation became effective November 14, 2022. The recruitment for and hiring of a new VSBFA Executive Director is the responsibility of the Department of Small Business and Supplier Diversity, with assistance from the VSBFA Board of Directors.

- b) **Rebuild! VA Grant Fund Program:** The number of awards and the value of grants awarded to small businesses from inception (8/10/2020) to date is 8,933 and \$475 million, respectively; average grant is \$53,200. We are processing \$8-10 million of grants/week and expect to exhaust the current \$130 million funding allocation by the mid November 2022.
- c) **SSBCI 2.0 \$230.4 million Capital Program Grant:** VSBFA’s revised SSBCI 2.0 Capital Program application was approved by the US Treasury on November 3, 2022 and the SSBCI 2.0 Allocation Agreement between VSBFA and the US Treasury was executed the following day. VSBFA is currently preparing a Memorandum of Agreement, with assistance from VSBFA legal counsel, to detail the terms and conditions under which VSBFA will provide approximately \$173.4 million of the aggregate SSBCI 2.0 grant funds to the Virginia Innovation Partnership Corporation (VIPIC).
- d) **SSBCI 2.0 \$230.4 million Capital Program Grant Press Release:** Within the next two weeks, the US Treasury will authorize the publication of a press release announcing the SSBCI 2.0 grant award to the Virginia Small Business Financing Authority. At that time, VSBFA will advise SBSD of the US Treasury authorization and the Governor’s Office can proceed with a press release announcing the SSBCI 2.0 grant award to VSBFA, as well as the partnership planned with VIPIC.
- e) **SSBCI 2.0 Technical Assistance Grant (TAG) \$4.1 million:** A five (5) member team was assembled in mid-October to review nine (9) applications from entities seeking to receive a portion of the \$4 million in technical assistance funding available from SSBCI 2.0. Final VSBFA approval of those TAG applications is pending. VSBFA submitted our Technical Assistance Grant application to the US Treasury on 10/13/2022 and we are awaiting final Treasury approval and award of that application for TAG SSBCI 2.0 funds.
- f) **Activity:** VSBFA has thirteen (13) financing, credit enhancement and bond transactions totaling \$580,858,543 that are approved and pending closing compared to \$505,658,543 last reported. VSBFA has eight (8) financing and credit enhancement transactions totaling \$227,325,000 in the application pipeline that are pending approval compared to \$352,100,000 last report. At the end of calendar Q3, 11,916 jobs have been created or retained in small businesses; 1,019 as a result of loan and credit support transactions and 10,862 resulting from bond activity; 290 businesses are located in rural areas.
- g) **Systems:** Implementation of VSBFA’s new general ledger accounting systems (AccuFund) is complete. Conversion of existing account data and transition to our new core loan processing (CommonGoals) continues with approximately 50% of the conversion complete as of 11/10/2022. The conversion to CommonGoals is necessary by the end of calendar 2022. Selection of a platform to manage the SSBCI 2.0 and Technical Assistance grants is also underway.
- h) **Small Business Investment Grant (SBIG):** Due to the current severe constraints on staffing and the implementation of critically important operational systems, it is unlikely that SBIG will open for applications until mid-December.
- i) **Personnel Vacancies:** The job posting for Loan Administration Specialist is still open after

posting it on 9/26/2022 after previously posting it on 9/12/2022 for two weeks that did not provide satisfactory candidates. This is a key operation position.

X. Public Comment Period

Chairman Bew called for comments from the public. Hearing none the comment period was closed at 2:17 p.m.

XI. Having no further business, the meeting was adjourned at 2:17 p.m.

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