

**MEETING OF THE  
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA  
TUESDAY, June 14, 2016**

**AGENDA**

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON May 10, 2015.
2. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.

ITEMS FOR DISCUSSION

3. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS PROJECTS.
4. STAFF PRESENTATION FROM JERRY RIGNEY
5. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING ROOF AND STRUCTURAL IMPROVEMENTS AT 410 MAIN STREET FOR A COST NOT TO EXCEED \$150,000.
6. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (IDA) APPROVING AND AUTHORIZING THE SALE OF ALL MACHINING EQUIPMENT AND OTHER EQUIPMENT CURRENTLY IN THE COMMONWEALTH MACHINE BUILDING LOCATED AT 411 & 417 LOYAL STREET.
7. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (IDA) APPROVING AND AUTHORIZING A CHANGE IN THE MEETING TIME OF THE IDA.
8. CLOSED MEETING
9. CONSIDER AND TAKE ACTION UPON ANY AND ALL BUSINESS THAT MAY BE LAWFULLY ENACTED AT A REGULAR MEETING OR DISCUSSED IN A CLOSED MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

ADJOURN

MEETING OF THE  
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA  
TUESDAY, MAY 10, 2016  
MINUTES

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON APRIL 12, 2016.

MOTION MADE BY MR. HAIRSTON; 2<sup>ND</sup> BY MR. REYNOLDS

MR. MORRIS	YEA
MR. WYATT	YEA
MR. HAIRSTON	YEA
DR. PRIMIANO	NAY
MR. REYNOLDS	YEA
DR. GLASS	YEA

2. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.

MOTION MADE BY DR. PRIMIANO; 2<sup>ND</sup> BY MR. HAIRSTON

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

ITEMS FOR DISCUSSION

1. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS PROJECTS.
2. NORTH UNION STREET PROPERTIES WITH LEASE ACCOUNTS IN ARREARS.

RESOLUTIONS FOR CONSIDERATION

1. **A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING LIGHTING IMPROVEMENTS AT 750 CRAGHEAD STREET.**

MOTION MADE BY MR. REYNOLDS; 2<sup>ND</sup> BY MR. HAIRSTON

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

2. **A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE SALE OF 518 CRAGHEAD STREET TO RICK BARKER PROPERTIES, LLC.**

MOTION MADE BY MR. HAIRSTON; 2<sup>ND</sup> BY DR. PRIMIANO

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

3. **A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA CONFIRMING AND RATIFYING THE EXECUTION OF AN OPTION AGREEMENT FOR THE SALE OF 410 MAIN STREET TO SKYFALL HOLDINGS, LLC.**

MOTION MADE BY DR. PRIMIANO; 2<sup>ND</sup> BY MR. HAIRSTON

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

**4. CLOSED MEETING**

MOVED THE MEETING BE RECESSED AND THE BOARD IMMEDIATELY RECONVENE IN EXECUTIVE CLOSED MEETING FOR THE PURPOSE OF DISCUSSION CONCERNING A PROSPECTIVE BUSINESS OR INDUSTRY OR THE EXPANSION OF AN EXISTING BUSINESS OR INDUSTRY WHERE NO PREVIOUS ANNOUNCEMENT HAS BEEN MADE AS PERMITTED BY SUBSECTION (A)(5) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED; AND DISCUSSION OR CONSIDERATION OF THE ACQUISITION/DISPOSITION OF REAL PROPERTY FOR A PUBLIC PURPOSE WHERE DISCUSSION IN AN OPEN MEETING WOULD ADVERSELY IMPACT THE BARGAINING POSITION OF THE AUTHORITY AS PERMITTED BY SUBSECTION (A)(3) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED.

MOTION MADE BY DR. PRIMIANO; 2<sup>ND</sup> BY MR. REYNOLDS

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

**5. MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING.**

MOTION MADE BY DR. PRIMIANO; 2<sup>ND</sup> BY MR. HAIRSTON

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

UPON RECONVENING, MR. TURNER MOVED THAT THE BOARD ADOPT A RESOLUTION CERTIFYING THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE THAT (1) ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER SECTION 2.2-3711 AND (2) ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED OR CONSIDERED IN THE CLOSED MEETING.

MOTION MADE BY DR. PRIMIANO; 2<sup>ND</sup> BY MR. REYNOLDS

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

6. **A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING IMPROVEMENTS TO THE CHARLES HAWKINS RESEARCH BUILDING ON THE CAMPUS OF THE INSTITUTE FOR ADVANCED LEARNING AND RESEARCH, IN AN AMOUNT NOT TO EXCEED \$40,000.**

**\*\*\*\*ITEM PULLED FROM AGENDA\*\*\*\***

7. **VERBAL MOTION TO LEASE UPPER FLOORS OF 310 MAIN STREET TO AMY EANES ON A MONTH TO MONTH BASIS AT A RATE OF \$500 A MONTH NOT TO EXCEED A TOTAL LIMIT OF \$2500 (5 MONTHS)**

MOTION MADE BY MR. REYNOLDS; 2<sup>ND</sup> BY MR. HAIRSTON

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

8. **VERBAL MOTION MADE TO ALLOW THE TRANSFER OF THE INDUSTRIAL DEVELOPMENT AUTHORITY'S PURCHASE OPTION FOR THE VACANT GAS STATION BUILDING LOCATED AT 1009 MAIN STREET TO TWO CROWS, LLC.**

MOTION MADE BY MR. REYNOLDS; 2<sup>ND</sup> BY MR. HAIRSTON

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	NAY
MR. REYNOLDS	YEA
DR. GLASS	YEA

9. **VERBAL MOTION MADE TO ALLOW FOR A PURCHASE OPTION ON THE ALLIED BUILDING LOCATED ON KEEN STREET IN AN AMOUNT NOT TO EXCEED \$120,000.**

MOTION MADE BY MR HAIRSTON; 2<sup>ND</sup> BY MR. REYNOLDS

MR. MORRIS	YEA
MR. WYATT	(LEFT SICK)
MR. HAIRSTON	YEA
DR. PRIMIANO	YEA
MR. REYNOLDS	YEA
DR. GLASS	YEA

THERE BEING NO FURTHER BUSINESS, THE REGULAR IDA MEETING ADJOURNED AT 12:12 P.M.

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DR. SHIRLEY PRIMIANO  
SECRETARY

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T. NEAL MORRIS  
CHAIRMAN

## EXECUTIVE SUMMARY

### Roof and Structural Improvements to 410 Main Street

The Department of Economic Development is requesting to make roof and structural improvements to 410 Main Street, for a cost not to exceed \$150,000. (Please see the attached report.)

PRESENTED: June 14, 2016

ADOPTED: June 14, 2016

RESOLUTION NO. 2016-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING ROOF AND STRUCTURAL IMPROVEMENTS AT 410 MAIN STREET FOR A COST NOT TO EXCEED \$150,000.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize the roof and structural improvements at 410 Main Street, at a cost not to exceed \$150,000; and

BE IT FURTHER RESOLVED that the Chairman, or in his absence, any officer, is authorized to execute any and all documents in regards to the above referenced improvements.

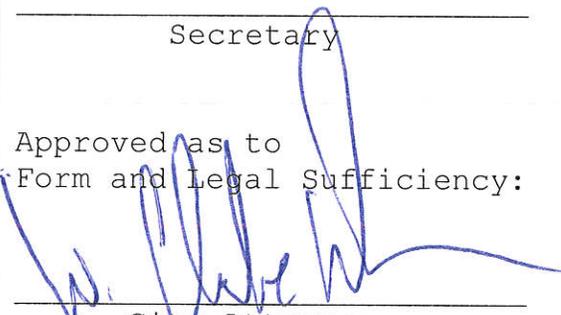
APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and Legal Sufficiency:

  
\_\_\_\_\_  
City Attorney



**PRELIMINARY STRUCTURAL ASSESSMENT**

**410 MAIN STREET**  
**DANVILLE, VIRGINIA**

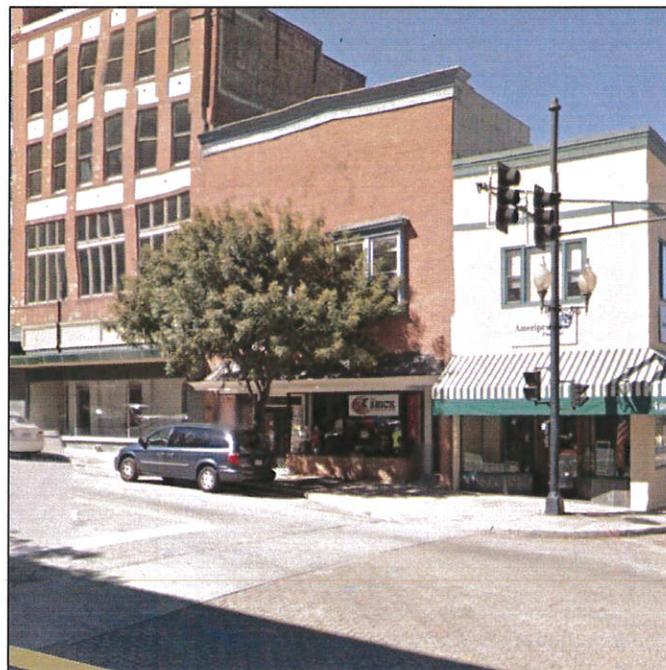
May 5, 2016

**BACKGROUND:**

At the request of Mr. Jeffrey Bond, B&B Consultants, Inc. has completed a preliminary structural assessment of the building structure located at 410 Main Street in Danville, Virginia. It is our understanding that Mr. Bond is considering purchase of this property with intentions to renovate the second and third floors for business occupancy. With this in mind, the goals of this inspection and preliminary structural assessment are as follows:

1. Visually inspect accessible structural elements to assess condition and structural integrity.
2. Evaluate the adequacy of the existing structure to support live load requirements of intended business occupancy on second and third floors.
3. Identify structural deficiencies as may be encountered.
4. Provide a preliminary budget level cost estimate for the correction of deficiencies noted.

Field inspection of this property was performed over the course of site visits on April 8 and April 10, 2016. This report is intended to document the findings of these site visits and present a general recommendation for repair along with a budgetary level cost estimate for this work.



*410 Main Street*

## **BUILDING SUMMARY:**

The building was found to be constructed of full width clay brick masonry exterior walls with heavy timber and conventional lumber interior floor and roof framing. The framing generally consists of dimensional lumber transvers floor joists supported by a heavy timber central floor beam running the length of the structure which is in turn supported on columns at an average spacing of 12 feet on-center. The structure measures approximately 32 feet in width and 110 feet in length totaling roughly 3,400 square feet per floor. Levels include a below grade basement, at grade first floor, second floor, and third floor/attic level.

Occupancy/Use of the Levels:

- Basement – Unfinished Storage
- First Floor – Mercantile (Occupied by *The Brick* – running apparel store)
- Second Floor – Unfinished Residential (Unoccupied – renovations incomplete)
- Third Floor - Unfinished Storage

The original building structure is estimated to date from the late 1800s to early 1900s, while the front façade of the building appears to be more modern masonry with permit records indicating it was installed in late 2004.

**INSPECTION FINDINGS:** Figures referenced in this section are presented in Appendix A.

**Masonry:** Visual inspection of the masonry structure indicates that the exterior load bearing masonry walls are structurally adequate and stable. These walls display no significant signs of distress, lateral movement or differential settlement. Damp to wet masonry and the presence of efflorescence on the walls at the basement level indicate significant moisture migration through the masonry walls below grade. Significant dusting of the masonry was also noted at the basement level.

**Heavy Timber and Dimensional Lumber Framing:** Visual inspection of the wood structural elements indicate that this portion of the structure has undergone significant structural movements over time resulting from wood decay, wood fiber crush, wood fiber creep and fire damage. Evidence indicates that multiple repairs to the wood structure have been attempted over time with varying degrees of adequacy.

Sagging floor beams and joists on the first floor appear to have been shored with steel columns and screw jacks installed at various locations in the basement. Structural steel columns have been used to replace the original timber columns on the basement and first floor levels (See Figure 1). Wood columns remain on the second and third floor levels.

The second floor framing was found to consist of a plywood subfloor on 2x4 shimmed floor joists which were over-framed above the original floor framing. The original floor framing was found to sag toward the center of the building as much as 4 inches (See Figure 2). This deflection carries through to the third floor where deflections in excess of 5.5 inches were noted over a distance of 15 feet in both the floor and roof structures.

Evidence of significant fire damage was noted on the second and third floor levels. This damage appears to originate near the central to rear third floor level with evidence of full penetration upward through the roof structure and downward through the floor framing. Approximately 1,500 square feet of the roof and 600 square feet of the floor framing have been replaced as a result of fire damage. Much of the remaining roof structure toward the rear of the building displays significant fire damage and remains unrepaired. (See Figures 3 through 9).

**Assessment:**

The masonry portion of this structure appears structurally adequate and stable. Structural repairs to heavy timber and dimensional lumber framing elements on the basement and first floor levels appear adequate and stable. Deflections noted on the second floor appear to have been stabilized with the installation of structural steel columns extending to the basement level. The over-framed floor will likely result in serviceability deficiencies over time as unsecured shims work loose under cyclic live loading. Partial repairs to the fire damaged roof and third floor structure are not considered structurally adequate to resist floor and roof live loads. The majority of these repairs show evidence of poor workmanship and many are considered structurally inadequate with improper scabbing and splicing of floor joists and beams being of primary concern. Significant fire damaged portions of the roof structure remain with some areas considered to be structurally deficient.

**Recommendations:**

Given the range of structural deficiencies in the roof structure resulting from undersized members, inadequate repairs and remaining fire damage, it is recommended that the roof structure be removed and replaced in its entirety.

Third floor framing is not considered adequate for business occupancy either separate of or in combination with roof loading with the rooftop trellis under consideration by the developer. Occupancy of the third floor for anything other than restricted storage will require significant structural modification and/or replacement of this structure.

**Preliminary Budget Level Cost Estimate:**

Removal and Replacement of Roof Structure:

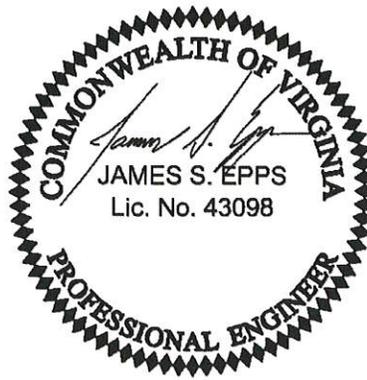
3,400 SF @ \$25/SF = \$85,000 (does not include roofing material)

Modifications to Third Floor Structure for Business Occupancy Live Loads:

3,400 SF @ \$18/SF = \$61,200 (does not include finishes)

Total Estimated Cost for Structural Repairs to Roof and Third Floor = **\$146,200**

**Engineer of Record:** James S. Epps, PE



5/5/16

**APPENDIX A**  
**SUPPORTING PHOTOS**



*Figure 1 - Structural Steel Columns on First Floor*



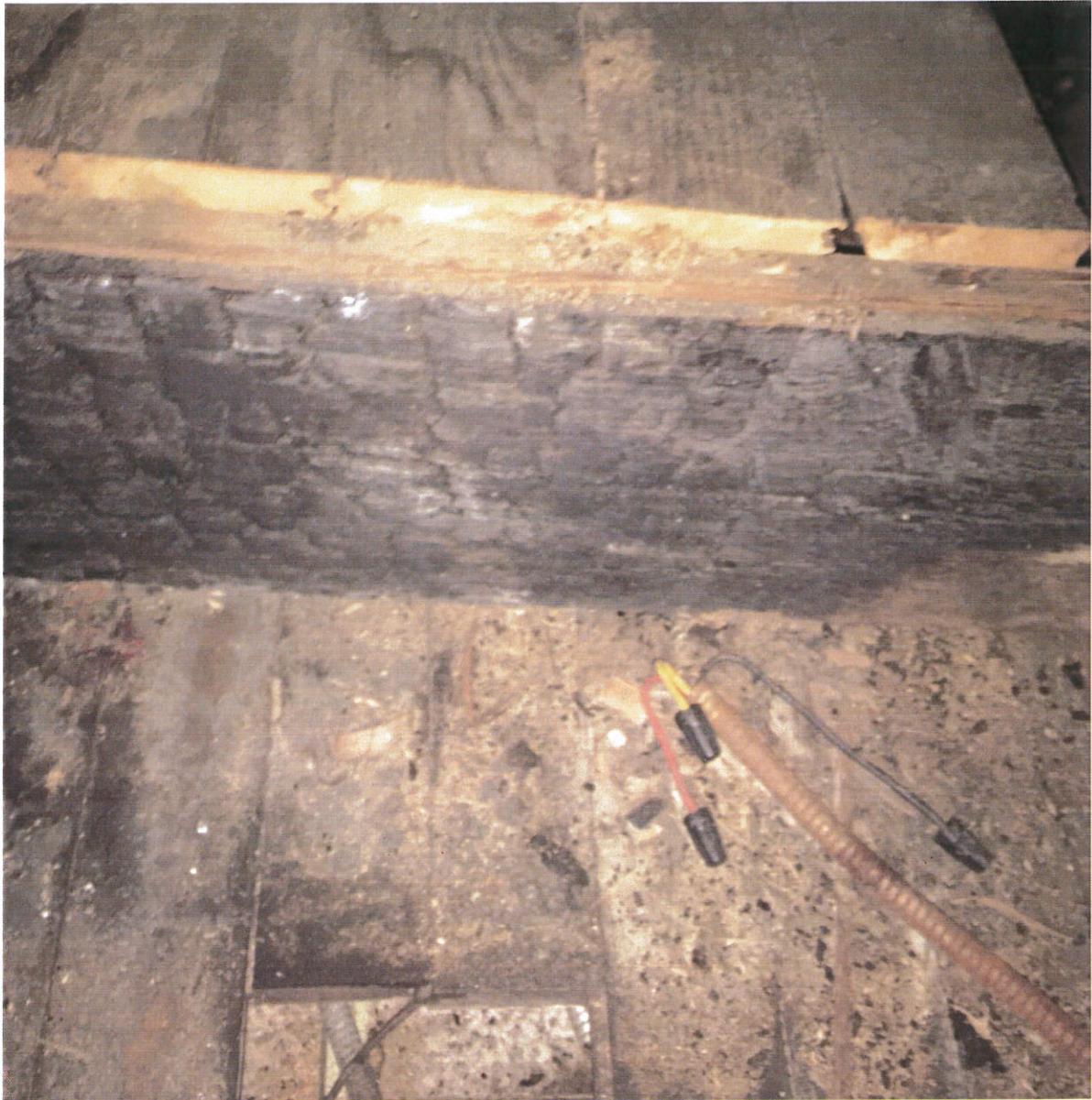
Figure 2 - Over-framing of Second Floor



*Figure 3 -Painted Wood Charring of Second Floor Column*



*Figure 4 - Charring of Second Floor Column with Damaged Beam Removed*



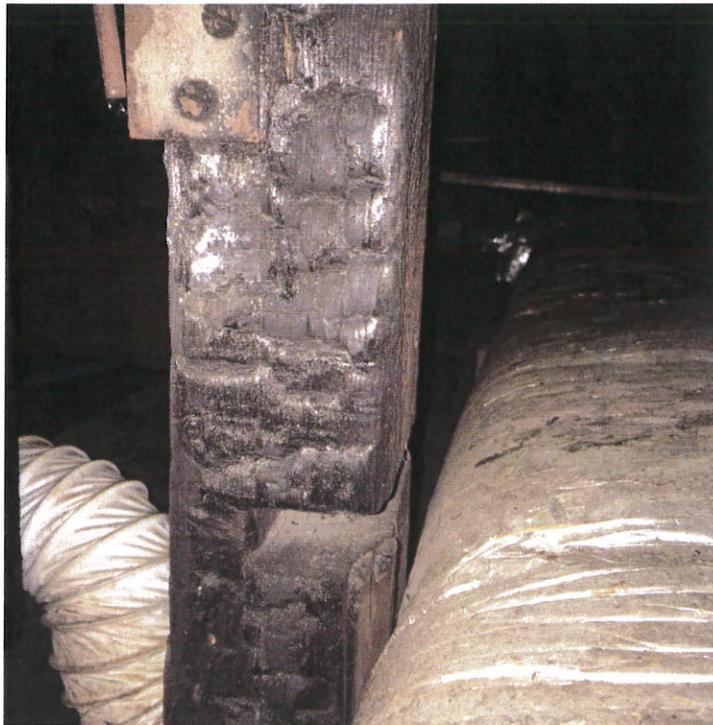
*Figure 5 - Charring of Third Floor Joists*



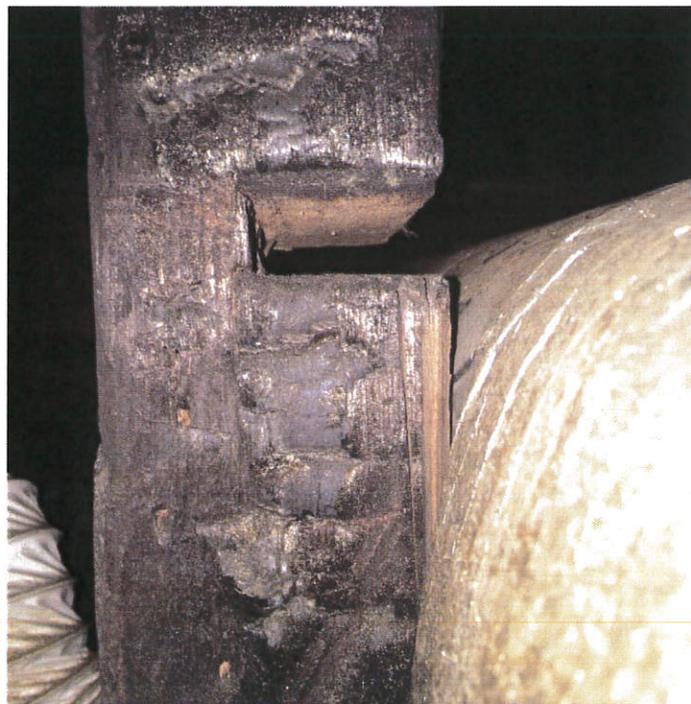
*Figure 6 - Partial Roof Repair and Remaining Fire Damaged Rafters*



*Figure 7 - Inadequate Support and Scabbing of Fire Damaged Roof Beam*



*Figure 8 - Salvaged Fire Damaged Components Used to Support Remaining/Repaired Structure*



*Figure 9 - Second Photo of Salvaged Fire Damaged Components*

## EXECUTIVE SUMMARY

The sale of machining Equipment and other equipment at 411 & 417 Loyal Street

The Department of Economic Development has received permission from the Tobacco Commission to sell the machining equipment and other equipment currently in the Commonwealth Machine Building located at 411 & 417 Loyal Street and use the monies from the sale to make renovations at 411 & 417 Loyal Street.

Since the IDA owns this equipment the Department of Economic Development is now seeking the same permission and approval to sell the equipment and reinvest the monies back into 411 & 417 Loyal Street.

PRESENTED: June 14, 2016

ADOPTED: June 14, 2016

RESOLUTION NO. 2016-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (IDA) APPROVING AND AUTHORIZING THE SALE OF ALL MACHINING EQUIPMENT AND OTHER EQUIPMENT CURRENTLY IN THE COMMONWEALTH MACHINE BUILDING LOCATED AT 411 & 417 LOYAL STREET.

WHEREAS, the IDA purchased 411 & 417 Loyal Street, commonly known as the Commonwealth Machine Building, along with all of its equipment with a grant from the Tobacco Commission; and

WHEREAS, the Tobacco Commission has granted the IDA permission to sell said equipment and invest the monies from the sale into building renovations.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize the sale of all machining equipment and other equipment currently in the Commonwealth Machine Building, and invest the monies from the sale in renovations to 411 & 417 Loyal Street; and

BE IT FURTHER RESOLVED that the Chairman, or in his absence, any officer, is authorized to execute any and all documents in regards to the above referenced sale.

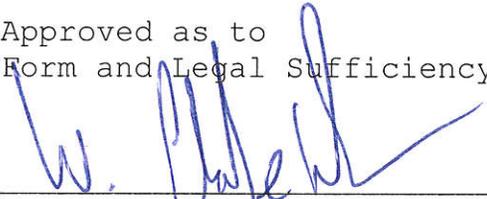
APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and Legal Sufficiency:

  
\_\_\_\_\_  
City Attorney

## EXECUTIVE SUMMARY

### IDA Meeting Time Change

Dr. Primiano has made a request that the meetings of the Industrial Development Authority start at 10:30AM instead of 11:00AM. The following resolution would make that change if approved by the Authority.

PRESENTED: June 14, 2016

ADOPTED: June 14, 2016

RESOLUTION NO. 2016-\_\_\_\_.\_\_\_\_

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (IDA) APPROVING AND AUTHORIZING A CHANGE IN THE MEETING TIME OF THE IDA.

WHEREAS, the IDA currently meets on the second Tuesday of each month at 11:00AM; and

WHEREAS, it has been proposed that the start time of the meeting be changed to 10:30AM.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it does hereby approve and authorize a change in the start time of the IDA meetings to 10:30AM; and

BE IT FURTHER RESOLVED for clarification purposes, from this date forward the IDA meetings will be held on the second Tuesday of each month at 10:30AM.

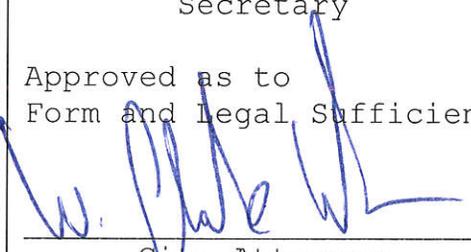
APPROVED:

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to  
Form and legal Sufficiency:

  
\_\_\_\_\_  
City Attorney