

# **Danville-Pittsylvania Regional Industrial Facility Authority**

**City of Danville, Virginia  
County of Pittsylvania, Virginia**

## **AGENDA**

**November 16, 2016**

**12:00 P.M.**

**Danville Regional Airport  
Eastern Conference Room  
424 Airport Drive, Danville, Virginia**

### **County of Pittsylvania Members**

**Jessie L. Barksdale, Chairman  
Robert Warren  
Elton W. Blackstock, Alternate**

### **City of Danville Members**

**Sherman M. Saunders, Vice Chairman  
Fred O. Shanks, III  
J. Lee Vogler, Jr., Alternate**

### **Staff**

**Ken Larking, City Manager, Danville  
Clarence C. Monday, Pittsylvania County Administrator  
Clement Wheatley, Legal Counsel to Authority  
Susan M. DeMasi, Authority Secretary  
Michael L. Adkins, Authority Treasurer**

# **Danville-Pittsylvania Regional Industrial Facility Authority**

## **1. MEETING CALLED TO ORDER**

## **2. ROLL CALL**

## **3. PUBLIC COMMENT PERIOD**

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. *[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]*

## **4. APPROVAL OF MINUTES OF THE OCTOBER 13, 2016 MEETING**

## **5. NEW BUSINESS**

- A. Consideration of Resolution No. 2016-11-16-5A authorizing Dewberry Engineers, Inc. to prepare individual plats showing the newly formulated parcels at Berry Hill, to attach as exhibits to future conveyance and other instruments describing the parcels as a matter of convenience and efficiency, at a proposed cost of approximately \$6,300.00 - Shawn R. Harden, P.E., Dewberry Engineers, Inc. and/or Jennifer H. Burnett, Esq., Clement Wheatley *[No written resolution.]*
- B. Consideration of Resolution No. 2016-11-16-5B to amend the 1260 South Boston Road Cooperation Agreement, by and between Danville-Pittsylvania Regional Industrial Facility Authority and the Industrial Development Authority of Danville, Virginia (the "Agreement"), regarding Kyocera SGS Tech Hub LLC ("Kyocera"), the form and substance of which was originally approved by the Board as part of Resolution No. 2016-09-12-6F (copy attached), to acknowledge and approve Kyocera's request to increase the acreage from 10 acres to 14 acres in the definition of "Land" in Section 1(a) of the Agreement *[No written resolution.]*
- C. Receipt of Notice of Termination of Lease from Securitas Security Services USA, Inc., Tenant of 1260A and 1260B South Boston Road, Danville, Virginia (copy attached) – Michael L. Adkins, CPA, Treasurer of the Authority
- D. Financial Status Report as of October 31, 2016 – Michael L. Adkins, CPA, Treasurer of the Authority, and Patricia K. Conner, CPA, Assistant Finance Director, City of Danville, Virginia

## **6. CLOSED SESSION**

*[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]*

- A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

## **Danville-Pittsylvania Regional Industrial Facility Authority**

- B. As permitted by Virginia Code § 2.2-3711(A)(40) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development); and
- C. As permitted by Virginia Code §§ 2.2-3711(A)(3) and (29) (i) for discussion or consideration of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and (ii) for discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

### **RETURN TO OPEN SESSION**

- D. Confirmation of Motion and Vote to Reconvene in Open Meeting
- E. Motion to Certify Closed Meeting

### **7. COMMUNICATIONS FROM:**

Jessie L. Barksdale  
Elton Blackstock  
Sherman M. Saunders  
Fred O. Shanks, III  
J. Lee Vogler, Jr.  
Robert Warren

Staff

### **8. ADJOURN**

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 4
<b>Meeting Date:</b>	11/16/2016
<b>Subject:</b>	Meeting Minutes
<b>From:</b>	Susan M. DeMasi, Authority Secretary

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### **SUMMARY**

Attached for the Board's approval are the Meeting Minutes from the Thursday, October 13, 2016 meeting.

### **ATTACHMENTS**

Meeting Minutes – 10/13/2016

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 13, 2016

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:10 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, Fred O. Shanks, III and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Jessie L. Barksdale and Robert Warren; Alternate Elton W. Blackstock was absent.

City/County staff members attending were: City Manager Ken Larking, Deputy City Manager Earl Reynolds, Pittsylvania County Administrator Clarence Monday, City of Danville Director of Economic Development Telly Tucker, Pittsylvania County Director of Economic Development Matt Rowe, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Assistant Director of Finance Patricia Conner, City of Danville Senior Accountant Henrietta Weaver, Clement Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden and Brian Bradner of Dewberry & Davis.

**PUBLIC COMMENT PERIOD**

Coy Harville spoke regarding a fire that occurred on a portion of the Berry Hill Industrial Park and noted the RIFA Board should show their appreciation to the fire fighters.

**APPROVAL OF MINUTES FOR THE SEPTEMBER 12, 2016 MEETING**

Upon **Motion** by Mr. Shanks and **second** by Mr. Warren, Minutes of the September 12, 2016 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

**NEW BUSINESS**

**5A. CONSIDERATION – RESCHEDULING THE AUTHORITY’S NOVEMBER MEETING**

Authority Secretary Susan DeMasi explained due to the VACO Annual Conference, the November RIFA meeting would have to be moved to another day.

Mr. Shanks **moved** that the November RIFA meeting be rescheduled to Wednesday, November 16, 2016. The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0  
AYE: Barksdale, Warren, Shanks, Vogler (4)  
NAY: None (0)

**5B. CONSIDERATION – RESOLUTION 2016-10-13-5B – WAIVER AND FORBEARANCE – ELKAY WOOD PRODUCTS**

Director of Economic Development Telly Tucker explained staff received a letter from Mr. Burt Eades, plant manager of Elkay Manufacturing in Cane Creek. Their performance agreement with RIFA indicates there are several milestones they meet each year related to employment. Last year, the Board entertained a request to proportionately claw back those funds for the shortfall in employment; this year, they are doing the same. Elkay’s goal was

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380 full time jobs by September 30, 2016; as of June, they were at 171 full time employees. Based on the \$208,363.26 incentive they received, pro-rated, that equals \$548.32 per job; what they are requesting is consideration from the Board to repay proportionately their shortfall in the amount of \$114,600.54. This represents the proportional shortfall of jobs between the 380 and 171 where they are.

Mr. Vogler questioned if Elkay gave any indication why they are having trouble getting to that amount and Mr. Tucker noted the original Performance Agreement was signed during a period when the market was drastically different. They manufacture household cabinetry, kitchens and bathrooms; the market has not recovered to what they anticipated. Mr. Eades shared that a line had been discontinued and they would be bringing a new line on, so there would be opportunities for some new jobs to be created. In response to Mr. Barksdale, Mr. Guanzon explained the agreement states if they don't hit the goal, even if they are short one job, they have to pay a large amount; that is how the agreement was originally drafted. The Waiver and Forbearance Agreement says that RIFA, in its discretion can require something less than the full amount; in the past, members of the Board had indicated that if RIFA does exercise its full rights to recoup the entire amount, that could adversely affect Elkay's continued success in the area.

Mr. Barksdale asked Mr. Tucker if he gets a feeling in terms of their ability and Mr. Tucker noted he asked the plant manager if there are any concerns that RIFA needed to be aware of and he said the ownership of the company still has confidence in the Elkay manufacturing facility in Danville and they have plans to introduce a new line of cabinetry to be manufactured here in Danville.

*Mr. Saunders entered the meeting at 12:20 p.m.*

Mr. Shanks **moved** adoption of *Resolution No. 2016-10-13-5B, approving a waiver and forbearance of the full repayment amount due to the Authority in connection with the anticipated failure of Elkay Wood Products Company (surviving corporation by merger with Yorktowne Cabinetry, Inc.) to meet its 2016 Job Target pursuant to that certain Performance Agreement dated April 19, 2005, as amended, in exchange for the payment by Elkay Wood Products Company to the Authority by December 31, 2016, of a prorated amount equal to \$114,598.88.*

The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

**5C. FINANCIAL STATUS REPORT AS OF SEPTEMBER 30, 2016**

Assistant Director of Finance, Patricia Connor reviewed the Financial Status report as of September 30, 2016, beginning with Cane Creek Centre bonds, noting no changes. General Expenditures show RIFA spent \$601, \$539 of that for two months of meals and \$62 for three months of utilities. Mega Park Funding Other Than Bonds showed no changes; Berry Hill Mega Park Lot 4 Site Development shows \$35,600 for Amendment #10 with Dewberry Engineers. Rent, Interest and Other Income Realized shows \$19,000 collected in rent from the Institute for Advanced Learning and Research for the Charles Hawkins

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Research Building, \$300 in rent from Securitas and a little over \$500 in Interest Income. RIFA expended \$37,900 to the Institute for two months of the property management fee for the Hawkins Building and \$43,696 to Blair Construction related to the upfit of the Hawkins Building; that came from the Restricted Funds that are restricted by the EDA.

Mr. Warren **moved** to accept the Financial Report as presented. The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

**6. CLOSED SESSION**

*[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]*

At 12:26 p.m. Mr. Warren **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

B. As permitted by Virginia Code § 2.2-3711(A)(40) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development); and

C. As permitted by Virginia Code §§ 2.2-3711(A)(3) and (29)(i) for discussion or consideration of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and (ii) for discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

D. On **Motion** by Mr. Warren and **second** by Mr. Shanks and by unanimous vote at 1:08 p.m., the Authority returned to open meeting.

E. Mr. Warren **moved** adoption of the following Resolution:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Shanks and carried by the following vote:

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

**6F. CONSIDERATION – RESOLUTION NO. 2016-10-13-6F DIRECTING THE AUTHORITY TO USE THE VIRGINIA PROCUREMENT ACT**

Mr. Warren **moved** adoption of *Resolution No. 2016-10-13-6F directing that the Authority voluntarily use the procedure under the Virginia Procurement Act for soliciting contractors for certain utilities improvements to the Authority's Berry Hill Industrial Park project located in Pittsylvania County, Virginia. [No Written Resolution].*

The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0  
AYE: Barksdale, Warren, Saunders, Shanks (4)  
NAY: None (0)

**7. COMMUNICATIONS**

Mr. Barksdale noted RIFA has a great team, it is a pleasure to work with everyone and encouraged everyone to keep up the good work.

The Meeting adjourned at 1:12 p.m.

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Chairman

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Secretary to the Authority



# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5-A
<b>Meeting Date:</b>	11/16/2016
<b>Subject:</b>	Resolution 2016-11-16-5A
<b>From:</b>	Shawn R. Harden, P.E. Dewberry Engineers, or Jennifer H. Burnett, Esq., Clement Wheatley

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### **SUMMARY**

The Board is being asked to consider Resolution 2016-11-16-5A, authorizing Dewberry Engineers to prepare individual plats showing the newly formulated parcels at Berry Hill.

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5-B
<b>Meeting Date:</b>	11/16/2016
<b>Subject:</b>	Resolution 2016-11-16-5B
<b>From:</b>	Jennifer H. Burnett, Esq., Clement Wheatley

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### **SUMMARY**

The Board is being asked to consider Resolution 2016-11-16-5B, to amend the 1260 South Boston Road Cooperation Agreement between RIFA and the IDA regarding Kyocera SGS Tech Hub LLC.

### **ATTACHMENT**

Resolution 2016-09-12-6F

**A RESOLUTION APPROVING THAT CERTAIN COOPERATION AGREEMENT WITH INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA (THE "CITY IDA"), UNDER WHICH THE AUTHORITY SHALL DONATE APPROXIMATELY 10 ACRES LOCATED IN THE AUTHORITY'S CYBER PARK PROJECT IN DANVILLE, VIRGINIA, IN FURTHERANCE OF A PERFORMANCE AGREEMENT TO BE ENTERED BETWEEN THE CITY IDA AND KYOCERA SGS TECH HUB LLC, A VIRGINIA LIMITED LIABILITY COMPANY; SUCH COOPERATION AGREEMENT SHALL INCLUDE AMONG OTHER THINGS, THE OBLIGATION OF THE CITY IDA TO CONVEY THE DONATED PROPERTY BACK TO THE AUTHORITY UNDER CERTAIN TERMS AND CONDITIONS, SUCH AS THE BREACH OF SUCH PERFORMANCE AGREEMENT BY SUCH LIMITED LIABILITY COMPANY**

**WHEREAS**, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

**WHEREAS**, the Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia (the "**City IDA**"), and Kyocera SGS Tech Hub LLC, a Virginia limited liability company ("**Recruit**"), entered into that certain Local Performance Agreement (the "**Performance Agreement**"), for the relocation of Recruit into the Authority's Cyber Park project located in Danville, Virginia; and

**WHEREAS**, under the terms of the Performance Agreement, the City IDA is obligated to request the Authority to donate certain land containing approximately ten (10) acres (the "**Land**") to be subdivided from those certain lots, parcels and pieces of property located in the Authority's Cyber Park project, commonly known as 1260 South Boston Road, Danville, Virginia, and more particularly described as follows:

**Lots 10, 11 and 12**, containing an aggregate of **148.964 acres**, more or less, as shown on a certain Plat of Survey entitled "River View Industrial Park Plat of Subdivision Showing Cyber Park and Dedication of Right-of-Way for Slayton Avenue for the City of Danville", dated January 2, 2002, and recorded in the Clerk's Office of the Circuit Court of Danville, Virginia (the "**Clerk's Office**"); **AND BEING**, in fact, the same property conveyed by the City IDA to the Authority by that certain Deed of Conveyance dated June 21, 2002, and recorded in the Clerk's Office as Instrument No. 02-3554, at page 14, to which plat and deed specific reference is made for a more particular description of the property hereby described;

and

**WHEREAS**, under the Performance Agreement, the exact acreage of the Land would be determined by a subdivision plat to be agreed upon by the Authority and the City IDA; and

**Resolution No. 2016-09-12-6F**

**WHEREAS**, in further development of the Authority’s Cyber Park project, the Authority desires to make such donation to the City IDA under the terms and conditions set forth in that certain 1260 South Boston Road Cooperation Agreement between the Authority and the City IDA (the “**Cooperation Agreement**”), a copy of which of attached hereto and **Exhibit A**, incorporated herein by this reference; and

**WHEREAS**, under the Cooperation Agreement, (i) after the Land has been conveyed to the City IDA, (i) should construction as contemplated in the Performance Agreement not commence on or before a certain date or Recruit breaches the Performance Agreement, the Authority would have the right (but not the obligation) to buy back the Land at the City IDA’s cost; and (ii) the City IDA would be required to secure Recruit’s performance under the Performance Agreement by deed provisions, deed of trust or other security instrument acceptable to the Authority; and

**WHEREAS**, the Authority has determined that it is in the best interests of the Authority, the citizens of Pittsylvania County and the City of Danville, and the improvement of the Authority's Cyber Park project for the Authority to execute and deliver the Cooperation Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, that

1. The Authority hereby approves the Cooperation Agreement as set forth in **Exhibit A** and as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or Vice Chairman of the Authority, either of whom may act independently of the other, and hereby authorizes the Chairman or Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver the Cooperation Agreement on behalf of the Authority, such execution of the Cooperation Agreement by the Chairman and/or Vice Chairman, as the case may be, to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Cooperation Agreement, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Cooperation Agreement and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

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**CERTIFICATE**

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on September 13, 2016, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

**WITNESS** my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 13th day of September 2016.

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**SUSAN M. DeMASI**, Secretary  
Danville-Pittsylvania Regional Industrial Facility  
Authority

(SEAL)

**Exhibit A**  
(Cooperation Agreement)

**THIS 1260 SOUTH BOSTON ROAD COOPERATION AGREEMENT** (this "Agreement"), made and entered into as of the 24th day of August 2016, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("RIFA"); and **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "IDA");

**W I T N E S S E T H :**

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

Section 1. - Recitals. The parties recite the following facts:

a. The IDA and Kyocera SGS Tech Hub LLC, a Virginia limited liability company ("**Recruit**"), entered or shall enter into that certain Local Performance Agreement dated August \_\_\_\_\_, 2016 (the "**Performance Agreement**"), for the relocation of Recruit into RIFA's Cyber Park.

b. Under the terms of the Performance Agreement, the IDA is obligated to request RIFA to donate certain land containing approximately ten (10) acres (the "**Land**") to be subdivided from those certain lots, parcels and pieces of property located in the City of Danville, Virginia, commonly known as 1260 South Boston Road, Danville, Virginia, and more particularly described as follows:

**Lots 10, 11 and 12**, containing an aggregate of **148.964 acres**, more or less, as shown on a certain Plat of Survey entitled "**River View Industrial Park Plat of Subdivision Showing Cyber Park and Dedication of Right-of-Way for Slayton Avenue for the City of Danville**", dated January 2, 2002, and recorded in the Clerk's Office of the Circuit Court of Danville, Virginia (the "**Clerk's Office**"); **AND BEING**, in fact, the same property conveyed by the IDA to RIFA by that certain Deed of Conveyance dated June 21, 2002, and recorded in the Clerk's Office as Instrument No. 02-3554, at page 14, to which plat and deed specific reference is made for a more particular description of the property hereby described.

The exact acreage of the Land shall be determined by a subdivision plat to be agreed upon by RIFA and the IDA.

c. RIFA and the IDA enter into this Agreement in connection with, and in furtherance of, the Performance Agreement.

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Section 2. - Conveyance of the Land.

a. Generally. After the Performance Agreement has been executed by Recruit, RIFA, upon written request from the IDA, RIFA shall give, transfer and convey the Land, “**AS IS**”, “**WHERE IS**” and “**WITH ALL FAULTS**”, but free and clear of any monetary liens. All closing costs shall be paid by RIFA as grantor and the IDA as grantee as is customary in the Commonwealth of Virginia. Subject to the imposition of reasonable restrictions on the use of the Land or protective covenants by RIFA in furtherance of the Cyber Park’s continued development by RIFA, the deed conveying the Land from RIFA to the IDA shall be with general warranty, in the form reasonably acceptable to legal counsel to RIFA and the IDA, and at the option of the IDA, insurable by a title insurance company selected by the IDA. RIFA shall not be obligated to execute and to deliver such deed to the IDA before a date that is sixty (60) days before the earlier to occur of (i) the date that any construction loan on the Land closes or (ii) the date that construction is scheduled to commence upon the Land as contemplated in the Performance Agreement.

b. Buyback Trigger.

(i) In the event that (A) construction as contemplated in the Performance Agreement has not commenced on or before \_\_\_\_\_, 20\_\_\_\_\_, or (B) Recruit is in breach of the Performance Agreement and all applicable cure periods, if any, have expired (in either event, “**Buyback Trigger**”), the IDA, upon written request by RIFA (a “**Buyback Request**”) before the Buyback Right Expiration Date (as hereafter defined), shall sell, transfer and convey to RIFA the Land, free and clear of any monetary liens, at a purchase price equal to the actual out-of-pocket costs (if any) incurred by the IDA for the construction of improvements to the Land (or in the case of a Buyback Trigger as described in Section 2(c) below, the actual out-of-pocket costs incurred by the IDA for the re-acquisition of the Land from Recruit or its successor in interest). All closing costs and prorations shall be paid by the IDA as grantor and RIFA as grantee as is customary in the Commonwealth of Virginia. The deed conveying the Land and the improvements (if any) from the IDA to RIFA shall be with general warranty, in the form reasonably acceptable to legal counsel to RIFA and the IDA, and at the option of RIFA, insurable by a title insurance company selected by RIFA. The IDA shall give RIFA prompt written notice of the occurrence of any Buyback Trigger (the “**Buyback Trigger Notice**”).

(ii) The “**Buyback Right Expiration Date**” shall mean the date that is ninety (90) days after the later to occur of (A) the date that the IDA gives RIFA the Buyback Trigger Notice and (B) the date that the IDA gives RIFA a detailed calculation of the purchase price.

c. Conveyance to Recruit. In the event the IDA gives, sells, transfers or otherwise conveys the Land to Recruit (or its designee), i. the IDA shall cause (i) the deed conveying the Land to Recruit (or its designee) to contain a reverter provision, reasonably satisfactory to legal counsel to RIFA and the IDA, that should Recruit breach its obligations under the Performance Agreement and all applicable cure periods, if any have expired, the Land shall revert to the IDA or (ii) the IDA shall require Recruit to execute and deliver to the IDA for recordation a deed of

## **Resolution No. 2016-09-12-6F**

trust covering the Land and securing Recruit's performance under the Performance Agreement in the form reasonably satisfactory to legal counsel to RIFA and the IDA. In the event that the Land reverts to the IDA or the deed of trust is foreclosed (as the case may be), such event shall be an additional Buyback Trigger as set forth in Section 2(b) above.

Section 3. - Entire Agreement. This Agreement contains the entire agreement and understanding of RIFA and the IDA with respect to the transactions contemplated hereby; and this Agreement supersedes all prior understandings and agreements of RIFA and the IDA with respect to the subject matter hereof.

Section 4. - Due Authorization. Each party represents, warrants and agrees that the execution and performance of this Agreement have been duly approved by all necessary board action and are not in violation of any other agreement such party has with any third parties; and that this Agreement is a valid binding, legal obligation of each party, enforceable in accordance with its terms.

Section 5. - Non-waiver. No waiver of any term or condition of this Agreement by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Agreement.

Section 6 - Other Documents. The parties agree that they shall execute, acknowledge, and deliver all such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement.

Section 7. - Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 8. - Binding Effect. The terms of this Agreement shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

Section 9. - Amendment, Modification and/or Supplement. The parties may amend, modify, and/or supplement this Agreement in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest.

Section 10. - Gender and Number. Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine, and the singular number to include the plural, and vice versa.

Section 11. - Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.



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Section 12. - Severability; Interpretation. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

Section 13. - No Third-Party Beneficiaries. Nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Section 14. - Relationship of Parties. Nothing in this Agreement shall be construed so as to create a relationship of agency, employment, joint venture or partnership. Neither party to this Agreement shall make any representations to third parties tending to create apparent agency, employment, joint venture or partnership. Neither party to this Agreement will have authority to act for the other in any manner to create obligations or debts binding on the other, and neither party will be responsible for any obligations or expenses whatsoever of the other.

Section 15. - Jurisdiction and Venue. This Agreement and the performance thereof shall be governed by and enforced under the laws of the Commonwealth of Virginia, and if legal action by either party is necessary for or with respect to the enforcement of any or all of the terms and conditions hereof, then exclusive venue therefor shall lie in the jurisdiction where the Land is located.

Section 16. - Survival. Any termination, cancellation or expiration of this Agreement notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

**[SIGNATURES ON FOLLOWING PAGES.]**

**WITNESS** the following signatures to this **1260 SOUTH BOSTON ROAD COOPERATION AGREEMENT** as of the date first above written:

**DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia

By: \_\_\_\_\_  
Jessie L. Barksdale, Chairman

**COMMONWEALTH OF VIRGINIA AT LARGE**  
**CITY/COUNTY OF \_\_\_\_\_**, to-wit:

The foregoing instrument was acknowledged before me in my jurisdiction aforesaid on this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by **JESSIE L. BARKSDALE** in his capacity as chairman of **DANVILLE PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
Registration No. \_\_\_\_\_

**WITNESS** the following signatures to this **1260 SOUTH BOSTON ROAD COOPERATION AGREEMENT** as of the date first above written:

**INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia

By: \_\_\_\_\_  
T. Neal Morris, Chairman

**COMMONWEALTH OF VIRGINIA AT LARGE**  
**CITY/COUNTY OF \_\_\_\_\_**, to-wit:

The foregoing instrument was acknowledged before me in my jurisdiction aforesaid on this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by **T. NEAL MORRIS** in his capacity as chairman of **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia.

My commission expires \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
Registration No. \_\_\_\_\_

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5-C
<b>Meeting Date:</b>	11/16/2016
<b>Subject:</b>	Lease Termination - Securitas
<b>From:</b>	Michael L. Adkins, CPA, Treasurer

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### **SUMMARY**

Staff will update the Board on the Lease Termination received from Securitas.

### **ATTACHMENT**

Lease Termination Letter



October 28, 2016

BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Danville – Pittsylvania Regional Industrial Facility Authority  
c/o Finance Dept., City of Danville  
P.O. Box 3300  
Danville, VA 24543

Re: **Termination of Lease dated Sept. 28, 2009 between Danville – Pittsylvania Regional Industrial Facility Authority, as Landlord, and Securitas Security Services USA, Inc., as Tenant, for office space at 1260A & 1260B South Boston Road, Danville, Virginia**

To Whom It May Concern:

Securitas Security Services USA, Inc. hereby terminates the captioned lease effective November 30, 2016. Securitas will vacate the building on or before that date. Our local staff will deliver the keys on or before November 30, 2016.

We appreciate our many years of tenancy and thank you for your courtesies.

Please let Alan Moore (973-397-2322 or [alan.moore@securitasinc.com](mailto:alan.moore@securitasinc.com)) of my department know if there are any questions or if any additional information is required.

Very truly yours,



Diane M. Fiorey  
Director, Real Estate Operations

ec: Alan Moore, Securitas

Securitas Security  
Services USA, Inc.  
Real Estate Operations  
9 Campus Drive  
Parsippany, NJ 07054

Tel 800-325-6828  
Fax 973-397-6688  
[www.securitasinc.com](http://www.securitasinc.com)

# Danville-Pittsylvania Regional Industrial Facility Authority

## Executive Summary

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<b>Agenda Item No.:</b>	Item 5-D
<b>Meeting Date:</b>	11/16/2016
<b>Subject:</b>	Financial Status Reports – October 31, 2016
<b>From:</b>	Michael L. Adkins, Authority Treasurer

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### **SUMMARY**

A review of the financial status reports through October 31, 2016 will be provided at the meeting. The financial status reports as of October 31, 2016 are attached for the DPRIFA Board's review.

### **RECOMMENDATION**

Staff recommends approving the financial status reports as of October 31, 2016 as presented.

### **ATTACHMENTS**

Financial Status Reports

# Financial Status

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## Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2017
- C. Mega Park – Funding Other than Bond Funds
- D. Berry Hill Mega Park – Lot 4 Site Development
- E. Rent, Interest, and Other Income Realized
- F. Unaudited Financial Statements

**Danville-Pittsylvania Regional Industrial Facility Authority**

\$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 <sup>7</sup>

As of October 31, 2016

<b>Funding</b>	<b>Funding</b>	<b>Budget / Contract Amount</b>	<b>Expenditures</b>	<b>Encumbered</b>	<b>Unexpended / Unencumbered</b>
Funds from bond issuance	\$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost <sup>7</sup>	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
<b>Cane Creek Parkway <sup>3</sup></b>		\$3,804,576.00	\$3,724,241.16	\$ -	
<b>Swedwood Drive <sup>2</sup></b>		69,414.00	69,414.00	-	
<b>Cane Creek Centre entrance <sup>3</sup></b>		72,335.00	53,878.70	-	
<b>Financial Advisory Services</b>		9,900.00	9,900.00	-	
<b>Dewberry contracts <sup>1</sup></b>		69,582.50	69,582.50	-	
<b>Dewberry contracts not paid by 1.7 grant <sup>4,5</sup></b>		71,881.00	28,554.12	43,326.88	
<b>Land</b>		-	2,792,945.57	-	
<b>Demolition services</b>		71,261.62	71,261.62	-	
<b>Legal fees</b>		-	109,908.08	-	
<b>CCC - Lots 3 &amp; 9 project - RIFA Local Share <sup>6</sup></b>		142,190.00	112,464.98	-	
<b>Other expenditures</b>		-	339,846.72	-	
<b>Total</b>	<b>\$ 7,578,582.12</b>	<b>\$ 4,311,140.12</b>	<b>\$ 7,381,997.45</b>	<b>\$ 43,326.88</b>	<b>\$ 153,257.79</b>

**notes:**

<sup>1</sup> Dewberry Contracts consist of wetland, engineering, surveying and site preparation

<sup>2</sup> Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

<sup>3</sup> Project completed under budget

<sup>4</sup> In September 2008 the outstanding principal balance of \$6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

<sup>4</sup> These contracts were originally to be paid by the \$1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

<sup>5</sup> The budget amount decreased \$71,279.61 from the 9/30/2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

<sup>6</sup> This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

<sup>7</sup> The \$7.3 million bonds were refunded on 8/1/2013 with the issuance of refunding bonds in the amount of \$5,595,000.

<b>Road Summary-Cane Creek Parkway:</b>	
English Contract-Construction	\$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
<b>Total Road Contract Allocated to RIFA</b>	<b>\$ 5,271,916.00</b>

<b>Funding Summary - Cane Creek Parkway</b>	
VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	<b>\$ 5,271,916.00</b>



# Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2017

As of October 31, 2016

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<b>Funding</b>					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2016	101,941.49				
<b>Contingency</b>					
Miscellaneous contingency items		\$ 143,441.49	\$ 21.82	\$ -	\$ 143,419.67
<b>Total Contingency Budget</b>		143,441.49	21.82	-	143,419.67
<b>Legal</b>					
		80,000.00	21,048.31		58,951.69
<b>Accounting</b>					
		20,300.00	6,000.00	14,300.00	-
<b>Annual Bank Fees</b>					
		600.00			600.00
<b>Postage &amp; Shipping</b>					
		100.00			100.00
<b>Meals</b>					
		4,000.00	1,055.40		2,944.60
<b>Utilities</b>					
		500.00	93.68		406.32
<b>Insurance</b>					
		3,000.00			3,000.00
<b>Total</b>	\$ 251,941.49	\$ 251,941.49	\$ 28,219.21	\$ 14,300.00	<b>\$ 209,422.28</b>

**Danville-Pittsylvania Regional Industrial Facility Authority**

**Mega Park - Funding Other than Bond Funds**

**As of October 31, 2016**

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
<b>Funding</b>					
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property <sup>1,4</sup>	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Commission FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion <sup>5</sup>	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 <sup>6</sup>	11,854.39				
<b>Land</b>					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property <sup>2</sup>		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
<b>Other</b>					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis <sup>3</sup>		990,850.00	973,629.29	17,220.71	
Consulting Services - McCallum Sweeney <sup>7</sup>		115,000.00	103,796.85	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project <sup>8</sup>		-	11,203.15	-	
<b>Total</b>	<b>\$ 14,231,524.83</b>	<b>\$ 14,231,524.83</b>	<b>\$ 14,214,304.12</b>	<b>\$ 17,220.71</b>	<b>\$ (0.00)</b>

<sup>1</sup> This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

<sup>2</sup> Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

<sup>3</sup> This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

<sup>4</sup> RIFA paid the City back for all advances on 1/3/2012.

<sup>5</sup> The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

<sup>6</sup> Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

<sup>7</sup> Unencumbered the remaining \$11,203.15 due to termination of contract.

<sup>8</sup> As approved by RIFA Board on 10/16/2014

**Danville-Pittsylvania Regional Industrial Facility Authority**

**Berry Hill Mega Park - Lot 4 Site Development**

As of October 31, 2016

<b>Funding</b>	<b>Funding</b>	<b>Budget / Contract Amount</b>	<b>Expenditures</b>	<b>Encumbered</b>	<b>Unexpended / Unencumbered</b>
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion <sup>1</sup>	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion <sup>1</sup>	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion <sup>2</sup>	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget <sup>3</sup>	11,203.15				
<b>Expenditures</b>					
Dewberry Engineers Inc.		1,637,985.74	1,157,803.24	480,182.50	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	-	12,000.00	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		141,996.00	76,966.39	65,029.61	
<b>Transfers to "General Expenditures Fiscal Year 2015" Contingency <sup>3</sup></b>					
Dewberry Engineers Inc.		(108,603.35)	(108,603.35)	-	
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	-	(12,000.00)	
<b>Total</b>	<b>\$ 7,900,356.15</b>	<b>\$ 1,729,218.39</b>	<b>\$ 1,184,006.28</b>	<b>\$ 545,212.11</b>	<b>\$ 6,171,137.76</b>

<sup>1</sup> \$300,000 of this was received from each locality in June 2014. \$450,000 received in August 2014. \$450,000 received in September 2014.

<sup>2</sup> The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

<sup>3</sup> As approved by RIFA Board on 10/16/2014

**Danville-Pittsylvania Regional Industrial Facility Authority**  
 Rent, Interest, and Other Income Realized for Fiscal Year 2017  
 As of October 31, 2016

Source of Funds	Funding			Expenditures FY2017	Unexpended / Unencumbered
	Carryforward from FY2016	Current Month	Receipts FY2017		
<u>Carryforward</u>	\$ 548,731.95				
<u>Current Lessees</u>					
		<u>Park</u>	<u>Property</u>		
Institute for Advanced Learning and Research (IALR) <sup>1</sup>		Cyberpark	Hawkins Research Bldg. at 230 Slayton Ave.	\$ 19,024.09	\$ 75,799.84
Institute for Advanced Learning and Research (IALR)		Cyberpark	IALR Building at 150 Slayton Ave.		
Securitas		Cyberpark	Gilbert Building at 1260 South Boston Rd.	300.00	1,200.00
Capital Outdoor, Inc.		Cane Creek	Lot 6	-	-
<u>Total Rent</u>				\$ 19,324.09	\$ 76,999.84
<u>Interest Received</u> <sup>2</sup>				\$ 523.12	\$ 1,494.88
<u>Yorktowne Repayment</u>				\$ -	\$ -
<u>Expenditures</u>					
Hawkins Research Bldg. Property Mgmt. Fee					\$ 75,799.84
Disbursement to Blair Construction, Inc. for Hawkins Lab Upfit					\$ 43,696.00
<b>Totals</b>	<b>\$ 548,731.95</b>	<b>\$ 19,847.21</b>	<b>\$ 78,494.72</b>	<b>\$ 119,495.84</b>	<b>\$ 507,730.83</b>

**Restricted**<sup>1</sup> \$ 313,695.06  
**Unrestricted** \$ 194,035.77

<sup>1</sup> Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

<sup>2</sup> Please note that this is only interest received on RIFA's general money market account.

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Statement of Net Position <sup>1,2</sup>**  
**October 31, 2016\***

	<b>Unaudited FY 2017</b>
<b>Assets</b>	
<i>Current assets</i>	
Cash - checking	\$ 885,684
Cash - money market	1,148,005
<i>Total current assets</i>	2,033,689
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	203,085
Restricted cash - debt service fund CCC bonds	431,470
Restricted cash - debt service fund Berry Hill bonds	3,269
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,000
Capital assets not being depreciated	25,071,362
Capital assets being depreciated, net	24,561,601
Construction in progress	4,367,908
<i>Total noncurrent assets</i>	56,638,695
<b>Total assets</b>	<b>58,672,384</b>
<b>Liabilities</b>	
<i>Current liabilities</i>	
Accrued interest	-
Bonds payable - current portion	843,450
<i>Total current liabilities</i>	843,450
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	5,506,640
<i>Total noncurrent liabilities</i>	5,506,640
<b>Total liabilities</b>	<b>6,350,090</b>
<b>Net Position</b>	
Net investment in capital assets	47,853,866
Restricted - debt reserves	2,434,739
Unrestricted	2,033,689
<b>Total net position</b>	<b>\$ 52,322,294</b>

<sup>1</sup> Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

<sup>2</sup> Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

\*Please note these statements are for the period ended October 31, 2016 as of October 31, 2016, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Revenues and Expenses and Changes in Fund Net Position*  
*October 31, 2016\**

	<b>Unaudited FY 2017</b>
<b>Operating revenues</b>	
Rental income	80,275
<b>Total operating revenues</b>	80,275
<b>Operating expenses</b> <sup>4</sup>	
Mega Park expenses <sup>3</sup>	47,077
Cane Creek Centre expenses <sup>3</sup>	50,489
Cyber Park expenses <sup>3</sup>	120,444
Professional fees	14,853
Insurance	2,140
Other operating expenses	1,270
<b>Total operating expenses</b>	236,273
<b>Operating income (loss)</b>	(155,998)
<b>Non-operating revenues (expenses)</b>	
Interest income	2,834
Interest expense	(39,782)
<b>Total non-operating expenses, net</b>	(36,948)
<b>Net income (loss) before capital contributions</b>	(192,946)
<b>Capital contributions</b>	
Contribution - City of Danville	733,960
Contribution - Pittsylvania County	733,960
<b>Total capital contributions</b>	1,467,920
<b>Change in net position</b>	1,274,974
<b>Net position at July 1, 2016</b>	51,047,320
<b>Net position at October 31, 2016</b>	\$ 52,322,294

<sup>3</sup> A portion or all of these expenses may be capitalized at fiscal year-end.

<sup>4</sup> Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

*Danville-Pittsylvania Regional Industrial Facility Authority*  
*Statement of Cash Flows*  
*October 31, 2016\**

	<b>Unaudited FY 2017</b>
<b>Operating activities</b>	
Receipts from grant reimbursement requests	\$ -
Receipts from reimbursement of incentive grants	-
Receipts from leases	77,000
Payments to suppliers for goods and services	(363,202)
<b>Net cash used by operating activities</b>	<b>(286,202)</b>
<b>Capital and related financing activities</b>	
Capital contributions	1,467,920
Interest paid on bonds	(98,253)
Principal repayments on bonds	(1,710,000)
<b>Net cash provided by capital and related financing activities</b>	<b>(340,333)</b>
<b>Investing activities</b>	
Interest received	2,834
<b>Net cash provided by investing activities</b>	<b>2,834</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	(623,701)
<b>Cash and cash equivalents - beginning of year (including restricted cash)</b>	<b>5,295,214</b>
<b>Cash and cash equivalents - through August 31, 2016 (including restricted cash)</b>	<b>\$ 4,671,513</b>
<b>Reconciliation of operating loss before capital contributions to net cash used by operating activities:</b>	
Operating income (loss)	\$ (155,998)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Non-cash operating in-kind expenses	-
Changes in assets and liabilities:	
Change in prepaids	2,370
Change in due from other governments	-
Change in other receivables	-
Change in accounts payable	(129,299)
Change in unearned income	(3,275)
<b>Net cash used by operating activities</b>	<b>\$ (286,202)</b>

<b>Components of cash and cash equivalents at October 31, 2016:</b>	
American National - Checking	\$ 885,684
American National - General money market	1,148,005
Wells Fargo - \$7.3M Bonds CCC Debt service fund	431,470
Wells Fargo - \$7.3M Bonds CCC Project fund	203,085
US Bank - \$11.25M Bonds Berry Hill Debt service fund	3,269
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,000,000
	<b>\$ 4,671,513</b>