



City of Danville, Virginia
Industrial Development Authority of Danville

P.O. Box 3300
Danville, Virginia 24543

March 9, 2017

NOTICE OF MEETING

TO: T. Neal Morris Russell D. Reynolds
C.G. Hairston Landon R. Wyatt
Richard L. Turner Dr. Max Glass
John Laramore

A meeting of the Industrial Development Authority of Danville, Virginia has been called by the Chairman for Tuesday, March 14, 2017, at **** 10:30 a.m.**** in the *****City Council Conference Room, 4th Floor, Municipal Building, Room 425,***** Danville, Virginia.

This is an important meeting and your attendance is respectfully urged. If you cannot attend, please call the City Attorney's Office at 434-799-5122, as soon as possible.

/s/ Brooke Barksdale

Brooke Barksdale

Ken Larking, City Manager
Earl Reynolds, Deputy City Manager
W. Clarke Whitfield, Jr., City Attorney
Telly D. Tucker, Director Economic Development
Linwood Wright, Economic Development
Corrie Teague, Economic Development
Kim Custer, Economic Development
Ken Gillie, Director of Community Development
Michael Adkins, Director of Finance

**MEETING OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
TUESDAY, MARCH 14, 2017**

AGENDA

CALL TO ORDER

ROLL CALL

INDUSTRIAL DEVELOPMENT AUTHORITY:

1. APPROVAL OF MINUTES FROM REGULARLY CALLED MEETING ON FEBRUARY 14, 2017.
2. MONTHLY FINANCIAL REPORT BY MICHAEL ADKINS.

ITEMS FOR DISCUSSION

3. STAFF UPDATES FROM ECONOMIC DEVELOPMENT ON VARIOUS TOPICS.
4. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN AMENDED LEASE FOR PIEDMONT POWDER COATING LOCATED AT 750 CRAGHEAD STREET.
5. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A PHASE II ENVIRONMENTAL SITE ASSESSMENT FOR THE SCHOOLFIELD SITE LOCATED AT 1076 WEST MAIN STREET AND TO CONTRIBUTE AN AMOUNT NOT TO EXCEED A COST OF \$3,000.
6. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING THE GRANTING OF AN EASEMENT TO THE CITY OF DANVILLE FOR THE INSTALLATION OF UNDERGROUND ELECTRIC LINES ACROSS PARCEL #21396.
7. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING THE GRANTING OF AN EASEMENT TO THE CITY OF DANVILLE FOR THE INSTALLATION OF UNDERGROUND ELECTRIC LINES ACROSS PARCEL #22078.

8. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND MORISETTE PAPER COMPANY FOR 979 LOCKET DRIVE.
9. RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF DANVILLE, VIRGINIA, APPROVING A PLAN TO REFINANCE CERTAIN ECONOMIC DEVELOPMENT PROJECTS THROUGH THE ISSUANCE OF A LEASE REVENUE BOND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,000,000.
10. CLOSED MEETING
11. A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE CONTRACT AS WELL AS THE ACTUAL PURCHASE OF PROPERTY LOCATED ON MEMORIAL DRIVE FOR AN AMOUNT NOT TO EXCEED \$3,000,000 PLUS DUE DILIGENCE COSTS.
12. 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

**INDUSTRIAL DEVELOPMENT AUTHORITY OF VIRGINIA
MINUTES OF MEETING
FEBRUARY 14, 2017**

PURSUANT TO WRITTEN NOTICE DATED FEBRUARY 9, 2017, A COPY OF WHICH IS ATTACHED HERETO, A MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, WAS HELD IN THE FOURTH FLOOR CONFERENCE ROOM OF THE MUNICIPAL BUILDING ON TUESDAY, FEBRUARY 14, 2017, AT 10:30 A.M.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT: T. NEAL MORRIS, CHAIRMAN
 C.G. HAIRSTON, VICE CHAIRMAN
 RICHARD L. TURNER, TREASURER
 LONDON R. WYATT
 JOHN I. LARAMORE
 RUSSELL D. REYNOLDS
 MAX R. GLASS

ALSO PRESENT: W. CLARKE WHITEFIELD, JR., CITY ATTORNEY
 KIMBERLY FORD, LEGAL ASSISTANT
 KEN LARKING, CITY MANAGER
 TELLY TUCKER, ECONOMIC DEVELOPMENT
 LINWOOD WRIGHT, ECONOMIC DEVELOPMENT
 MICHAEL ADKINS, FINANCE DIRECTOR
 JAMES BUCKNER, COUNCIL MEMBER

T. NEAL MORRIS, CHAIRMAN, CALLED THE MEETING TO ORDER AT 10:30 A.M.

MINUTES

COPIES OF THE MINUTES OF THE JANUARY 24, 2017, MEETING WERE DISTRIBUTED TO THE MEMBERS WITH THEIR AGENDA PACKET. A MOTION WAS MADE BY MR. REYNOLDS TO APPROVE THE MINUTES. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. LARAMORE	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

UPDATE ON FINANCES

COPIES OF THE CURRENT FINANCIAL STATEMENTS WERE DISTRIBUTED TO THE MEMBERS. A MOTION WAS MADE BY MR. TURNER TO APPROVE THE FINANCIAL REPORT. THE MOTION WAS SECONDED BY MR. HAIRSTON AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. LARAMORE	- AYE
MR. HAIRSTON	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

CITY COUNCILMAN BUCKNER SPOKE

COUNCILMAN BUCKNER ADDRESSED THE BOARD ON BEHALF OF THE TIME MACHINE CAR CLUB OF DANVILLE EXPRESSING AN INTEREST IN RE-ESTABLISHING THE "CRUISE IN" THAT THE CLUB HAS PREVIOUSLY HELD DOWNTOWN. THE CLUB WOULD LIKE TO USE THE ACREE'S WAREHOUSE PARKING FACILITY FOR THE EVENT, WHICH WOULD BE HELD THE FIRST SATURDAY OF EACH MONTH STARTING IN APRIL RUNNING THROUGH SEPTEMBER FROM 5PM TO 9PM.

A MOTION WAS MADE TO APPROVE THE USE OF THE ACREE'S WAREHOUSE PARKING FACILITY BY THE TIME MACHEINE CAR CLUB OF DANVILLE ON THE FIRST SATURDAY OF EACH MONTH STARTING IN APRIL RUNNING THROUGH SEPTEMBER FROM 5PM TO 9PM WITH THE CONDITION THAT THEY PROVIDE INSURANCE ON THE BUILDING FOR EACH EVENT WITH A CERTHIFICATE LISTING THE IDA AS AN ADDITIONAL INSURED PARTY.

MOTION MADE BY MR. WYATT; 2ND BY MR. TURNER

VOTE CARRIED AS:	MR. MORRIS	- AYE
	MR. WYATT	- AYE
	MR. HAIRSTON	- AYE
	MR. LARAMORE	- AYE
	MR. TURNER	- AYE
	MR. REYNOLDS	- AYE
	DR. GLASS	- AYE

PUBLIC COMMENT

MR THOR SIMPKINS, OWNER OF PIEDMONT POWDER COATING, ADDRESSED THE IDA BOARD REGARDING A POSSIBLE AMENDMENT TO THE LEASE HE HAS

WITH THE IDA FOR THE PROPERTY LOCATED AT 750 CRAGHEAD STREET REGARDING INSURANCE PAYMENTS. HE WAS QUOTED A POLICY BY A DIFFERENT INSURANCE COMPANY THAN THE IDA USES AND THE COST WAS GOING TO BE A THIRD OF WHAT IT CURRENTLY IS FOR THE SAME COVERAGE. THE IDA BOARD ASKED THAT HE LEAVE THE QUOTE WITH THE CITY ATTORNEY SO HE COULD COMPARE THE TWO POLICIES AND COME BACK TO THE MARCH 14, 2017 MEETING FOR POSSIBLE APPROVAL OF AN AMENDMENT TO HIS CURRENT LEASE.

STAFF COMMENTS

MR. WRIGHT ADVISED THE IDA THAT FENCING WAS NEEDED AT THE SCHOOLFIELD PROPERTY FROM OLD DAN RIVER MILLS ON WEST MAIN STREET COMING OFF THE BUILDING TO GATE ON PARK AVENUE TO PREVENT VANDALISM AND THE COST FOR THIS FENCING WOULD BE \$5,078.

A MOTION WAS MADE TO APPROVE SECURITY FENCING AT SCHOOLFIELD FROM OLD DAN RIVER MILLS ON WEST MAIN STREET COMING OFF THE ONE BUILDING AND GOING TO SECOND BUILDING TO A GATE AND THEN ON PARK AVENUE FENCING WILL BE CONNECTD TO CURRENT FENCING TO COMPLETELY BLOCK OFF DRIVE IN AREA TO PREVENT VANDALISM FOR A COST NOT TO EXCEED \$5,078.

MOTION MADE BY MR. TURNER; 2ND BY MR. LARAMORE

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. HAIRSTON	- AYE
MR. LARAMORE	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF DANVILLE, VIRGINIA (IDA) APPROVING AND AUTHORIZING ADDITIONAL FUNDS IN AN AMOUNT NOT TO EXCEED \$150,000 TO CONSTRUCT A 96 SPACE PARKING LOT ON IDA OWNED PARCEL NUMBERS 25816, 26811, 23104, 21396, 22078, 22443, AND 22442.

MOTION MADE BY MR. HAIRSTON; 2ND BY MR. TURNER

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. HAIRSTON	- AYE
MR. LARAMORE	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE

DR. GLASS - AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING ADDITIONAL RENOVATION COST TO THE BUILDING LOCATED AT 319-321 CRAGHEAD STREET, ACCORDING TO THE RIVER DISTRICT DESIGN GUIDELINE COMMISSION (RDDGC).

MOTION MADE BY MR. REYNOLDS; 2ND BY MR. HAIRSTON

VOTE CARRIED AS: MR. MORRIS - AYE
MR. WYATT - AYE
MR. HAIRSTON - AYE
MR. LARAMORE - AYE
MR. TURNER - AYE
MR. REYNOLDS - AYE
DR. GLASS - AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING THE ATTACHMENT OF A VERIZON CABLE CURRENTLY LOCATED ON THE POLES AT THE ENTRANCE OF THE OF RIVER DISTRICT TOWERS TO THE TO ACREE'S WAREHOUSE PARKING FACILITY.

MOTION MADE BY MR. HAIRSTON; 2ND BY MR. LARAMORE

VOTE CARRIED AS: MR. MORRIS - AYE
MR. WYATT - AYE
MR. HAIRSTON - AYE
MR. LARAMORE - AYE
MR. TURNER - AYE
MR. REYNOLDS - AYE
DR. GLASS - AYE

A MOTION WAS MADE TO APPROVE THE NEW SINAGE FOR OVERFINCH NORTH AMERICA LOCATED AT 500 STINSON DRIVE TO ALLOW THEM TO OBTAIN THEIR AUTOMOBILE DEALERS LICENSE AND TO IDENTIFY THE BUSINESS FOR NEW POTENTIAL CUSTOMERS.

MOTION MADE BY MR. WYATT; 2ND BY MR. REYNOLDS

VOTE CARRIED AS: MR. MORRIS - AYE
MR. WYATT - AYE
MR. HAIRSTON - AYE
MR. LARAMORE - AYE
MR. TURNER - AYE
MR. REYNOLDS - AYE
DR. GLASS - AYE

DR. GLASS

- AYE

MR. TURNER 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; AND CONSULTATION WITH LEGAL COUNSEL CONCERNING ACTUAL LITIGATION AND BRIEFINGS BY STAFF MEMBERS REGARDING SPECIFIC LEGAL MATTERS REQUIRING LEGAL ADVICE AS PERMITTED BY SUBSECTION (A) (7) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950 AS AMENDED.

MOTION MADE BY MR. TURNER; 2ND BY MR. HAIRSTON

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. HAIRSTON	- AYE
MR. LARAMORE	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

MR. TURNER MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING. THE MOTION WAS SECONDED BY MR. HAIRSTON AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

VOTE CARRIED AS:

MR. MORRIS	- AYE
MR. WYATT	- AYE
MR. HAIRSTON	- AYE
MR. LARAMORE	- AYE
MR. TURNER	- AYE
MR. REYNOLDS	- AYE
DR. GLASS	- AYE

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. THE MOTION WAS
SECONDED BY MR. HAIRSTON AND CARRIED WITH THE MEMBERS PRESENT
VOTING AS FOLLOWS:

VOTE CARRIED AS:	MR. MORRIS	- AYE
	MR. WYATT	- AYE
	MR. HAIRSTON	- AYE
	MR. LARAMORE	- AYE
	MR. TURNER	- AYE
	MR. REYNOLDS	- AYE
	DR. GLASS	- AYE

MEETING ADJOURNED

MR RUSSELL REYNOLDS
SECRETARY

T. NEAL MORRIS
CHAIRMAN

Executive Memo

Lease Amendment for 750 Craghead Street

At the February 10, 2017 IDA meeting, Thor Simpkins requested that the lease for 750 Craghead Street be amended to allow him to purchase all of the required insurance rather than reimbursing the IDA for the insurance they are carrying the building which he is occupying to operate Piedmont Powder Coating.

Mr. Simkins has located comparable coverage to what the IDA has been buying, but the premium he was able to get was approximately one-third the cost of what he had been paying to the IDA for its coverage.

The lease requires Mr. Simpkins to pay for insurance on the building. The board approved the concept subject to its attorney reviewing the policies to be certain that they were equivalent. The attached amended lease will be presented by Mr. Whitfield officially approving this action by Mr. Simpkins. The IDA will be a named beneficiary of the policy.

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN AMENDED LEASE FOR PIEDMONT POWDER COATING LOCATED AT 750 CRAGHEAD STREET.

WHEREAS, Piedmont Powder Coating, owned by Thor Simpkins, leases the building located at 750 Craghead Street, from the Industrial Development Authority of Danville, Virginia; and

WHEREAS, the lease requires Piedmont Powder Coating to pay for the insurance on said building; and

WHEREAS, the insurance is currently carried by the Industrial Development Authority of Danville, Virginia as stipulated in the current lease and Piedmont Powder Coating reimburses the Industrial Development Authority of Danville, Virginia for the current premium cost of said insurance; and

WHEREAS, Thor Simpkins, owner of Piedmont Powder Coating, has requested to have the lease amended to allow him to purchase the insurance for the leased building, rather than reimbursing the Industrial Development Authority of Danville, Virginia; and

WHEREAS, the Industrial Development Authority of Danville, Virginia has agreed to allow this lease amendment.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it hereby approves the execution of an amended lease for Piedmont Powder Coating, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any officer, to execute the amended lease and any other documents necessary to complete the transaction described in this resolution.

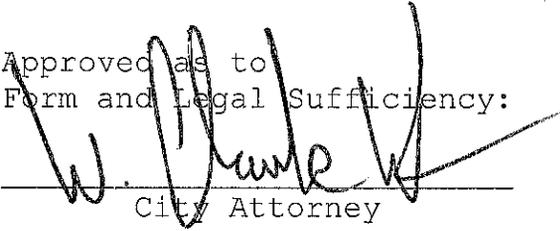
APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney

proceeding shall be brought against the Landlord by reason of any claims covered by this indemnity, the Tenant, upon notice from the Landlord, shall defend the same at the Tenant's expense by counsel reasonably approved by the Landlord. The provisions of this Section shall survive the expiration or sooner termination of this Lease with respect to claims or liabilities occurring or arising prior to such expiration or termination.

6.4 **Tenant's Insurance.** At all times during the Term and any other period of occupancy, Tenant at its sole cost and expense, shall keep in full force and effect the following insurance:

6.4.1 ~~either~~ Either a Commercial General Liability Insurance Policy (or an equivalent), an Excess Liability Policy and/or an Umbrella liability Policy insuring Tenant against any liability arising out of the leasing, use, occupancy or maintenance of the Premises such insurance shall be in the amount of One Million Dollars (\$1,000,000) Combined Single limit for injury to, or death of, one or more persons in an occurrence and for Damage to tangible property (including loss of use) in an occurrence. The policy shall insure the hazards of the Premises and Tenant's operations thereon, and (i) shall name Landlord and any secured parties designated by Landlord as additional insureds and (ii) shall contain a cross liability provision.

6.4.2 Standard form property insurance insuring against the perils of fire, extended coverage, vandalism, and malicious mischief. This insurance policy shall be upon all Improvements, including the Building, in an amount not less than the full replacement value thereof with an "agreed amount" or "stipulated value" endorsement. Such policy shall name Landlord and any secured parties designated by Landlord as loss payees, as their respective interests may appear and the proceeds thereof shall be used in accordance with Article 7 below.

6.4.3 Any combination of a Commercial General Liability Insurance Policy (or an equivalent), an Excess Liability Policy and/or an Umbrella Liability Policy insuring Landlord against any liability arising out of the leasing, use, occupancy, or maintenance of the Property, such insurance shall be in the amount of not less than One Million Dollars (\$1,000,000) Combine Single Limit for injury to, or death of, one or more persons in an occurrence, and for Damage to tangible property (including loss of use) in an occurrence.

~~6.5 **Landlord's Insurance.** At all times during the Term, Landlord shall keep in full force and effect the following insurance which may be satisfied by coverage under one or more blanket policies covering multiple properties in which Landlord or its affiliates hold interests, directly or indirectly which Tenant shall be billed for said insurance coverage as additional rent:~~

~~6.5.1 Standard form property insurance insuring against the perils of fire, extended coverage, vandalism, and malicious mischief. This insurance policy shall be upon all~~

~~Improvements, including the Building, in an amount not less than the full replacement value thereof with an "agreed amount" or "stipulated value" endorsement. Such policy shall name Landlord and any secured parties designated by Landlord as loss payees, as their respective interests may appear and the proceeds thereof shall be used in accordance with Article 7 below.~~

~~6.5.2 Any combination of a Commercial General Liability Insurance Policy (or an equivalent), an Excess Liability Policy and/or an Umbrella Liability Policy insuring Landlord against any liability arising out of the leasing, use, occupancy, or maintenance of the Property, such insurance shall be in the amount of not less than One Million Dollars (\$1,000,000) Combine Single Limit for injury to, or death of, one or more persons in an occurrence, and for Damage to tangible property (including loss of use) in an occurrence.~~

6.66.5 Certificates of Insurance. All policies shall be written in a commercially reasonable form and shall be maintained with insurance companies holding a General Policyholder's Rate of "A-" or better, and a financial rating of "VIII" or better, as set forth in the most current issue of Best's Key Rating Guide, or for the Landlord the VML Insurance Programs shall satisfy this provision. With respect to Tenant's general liability insurance and any general insurance coverage on the building if the Tenant elects to insure the building, shall require thirty (30) days advance written notice to Landlord of any cancellation or modification.

6.76.6 Waiver of Subrogation. All policies of insurance required hereunder or otherwise obtained by either party shall include a clause or endorsement waiving, on behalf of the insurer, any rights of subrogation against the other party. Notwithstanding anything to the contrary herein, Landlord and Tenant each hereby waive any and all rights of recovery against the other or against the officers, directors, shareholders, partners, employees, agents and representatives of the other, on account of loss or Damage occasioned to such waiving party or its property or the property of owners under its control to the extent that such loss or Damage is caused by or results from a risk which is actually insured against, which is required to be insured against under this Lease, or which would normally be covered by all risk property insurance, without regard to the negligence or willful misconduct of the entity so released. All of Landlord's and Tenant's repair and indemnity obligations under this Lease shall be subject to the waiver contained in this paragraph. Landlord and Tenant shall each give notice to their respective insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

6.8-6.7 Right to Procure Insurance. ~~If either Tenant or Landlord fails or neglects to procure or maintain any insurance required to be carried in this Lease, fails or neglects to pay the premiums thereof or renew the same, then in any of such events, the other party Landlord at its option, may (but shall not be required to) obtain such insurance and pay the premium therefore only after fifteen (15) days written notice (or less notice if the policy might expire) to the party failing to maintain such required insurance Tenant.~~ The cost thereof together with interest thereon at the

rate of ten percent (10%) per annum shall become due and payable as additional rent to Landlord together with Tenant's next monthly installment of Base Rent ~~if such failure or neglect is attributable to the Tenant, or become due and payable to Tenant if such failure is attributable to Landlord.~~

ARTICLE 7 – DAMAGE OR DESTRUCTION

7.1 **Destruction.** If during the Term, the premises are totally or partially destroyed, damaged, or disfigured (“Destruction”) by any cause whatsoever, whether from a risk covered by the insurance described in Article 6, from a risk not covered by such insurance, or any combination of such risks, Tenant shall promptly notify Landlord of such Damage or Destruction. Subject to the terms and conditions of this Article 7, the insuring party, up to the insurance limits, shall be responsible for the repair, restoration and rehabilitation to the same condition prior to such Damage or Destruction (“Restore” or “Restoration”) of any Damage to or Destruction of the Improvements except for any Damage due to negligence, recklessness, willful misconduct, or intentional damage on the part of the Tenant; Tenant shall be responsible for the repair and Restoration of any personal property of Tenant.

7.2 **Application of Insurance Proceeds.** The insurance proceeds maintained by the insuring party with respect to the Improvements and the Building shall be applied to the Restoration of the Improvements.

7.2.1 If the total estimated costs of Restoration of Improvements (other than Tenant's personal property), shall exceed any amount of proceeds of insurance applicable and available therefore, such excess shall be borne and paid solely by Tenant.

7.2.2 If the net proceeds of insurance applicable to the Improvements and Building exceed the total actual cost of Restoration, the balance remaining after payment of the cost of such Restoration to the Premises shall be paid to the party which maintains the insurance policy.

7.2.3 Base Rent and other charges under this Lease shall be equitably abated from the date of the occurrence of any Damage until such Damage is fully repaired or restored.

7.3 **Right to Terminate.** If the Premises are subject to any Destruction, then Tenant shall have the option to terminate this Lease if the Premises cannot be, or are not in fact, fully restored to their prior condition within one hundred twenty (120) days after the Damage.

ARTICLE 8 – TAXES

8.1 **Personal Property Taxes.** Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in, on or about the Premises. Tenant shall cause said trade fixtures, furnishings,

Executive Memo

Phase II environmental assessment of the Schoolfield site

In order to better market the Schoolfield property located at 1076 West Main Street there is a need for significant cleanup and delineation on the site which requires a Phase II environmental Assessment.

The Director of Community Development has worked with both the Virginia Economic Development Partnership and the Department of Environmental Quality to secure a \$50,000 grant to cover a portion of the cost of doing a Phase II environmental assessment of the Schoolfield site.

The grant requires a dollar for dollar match, but VEDP has agreed that the purchase cost of the site qualified as our match. Therefore, the only local expense will be \$2625 to cover the cost of the Phase II assessment over and above the \$50,000 grant from the Commonwealth. This work will be done by ATC Associates who were the environmental consultants that Dan River Inc. used for many years. They are very familiar with the site, and they did the Phase I assessment at the time that the IDA purchased the site from Old Mississippi Brick. The ATC proposal was approved by Meade Anderson of DEQ prior to our finalizing the negotiations with ATC for the job.

A resolution approving up to \$3000 to cover the cost of a Phase II ESA is requested.

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A PHASE II ENVIRONMENTAL SITE ASSESSMENT FOR THE SCHOOLFIELD SITE LOCATED AT 1076 WEST MAIN STREET AND TO CONTRIBUTE AN AMOUNT NOT TO EXCEED A COST OF \$3,000.

WHEREAS, the Schoolfield site, located at 1076 West Main Street, is owned by the Industrial Development Authority of Danville, Virginia (the "IDA"); and

WHEREAS, in order to better market the property, the site is in need of significant cleanup and remediation; and

WHEREAS, prior to the remediation it is necessary to perform a Phase II Environmental Site Assessment; and

WHEREAS, the Director of Community Development has worked with both the Virginia Economic Development Partnership and the Department of Environmental Quality to secure a \$50,000 grant to cover a portion of the cost of doing a Phase II Environmental Site Assessment of the Schoolfield site; and

Whereas, the IDA is required to pay \$3,000 in order to receive the grant and have the work performed.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that it hereby approves and authorizes a Phase II Environmental Site Assessment and further approves and authorizes to pay an

amount not to exceed a cost of \$3,000 to complete the Phase II Environmental Site Assessment on the Schoolfield Site located at 1076 West Main Street; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman or any Officer, in his absence, to execute any and all documents necessary to complete the transaction described in this resolution.

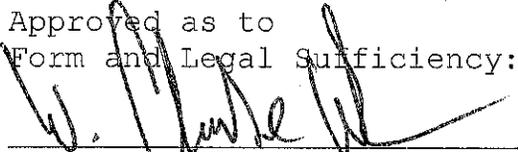
APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney

Executive Memo

Easement request for Parcel 21396 located along the 500 block of Craghead Street

In order to serve properties along the 500 block of Craghead Street, Danville Utilities is requesting an easement from the IDA to install electric lines underground at Parcel 21396. They have offered \$1.00 for this easement. The easement is attached.

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING THE GRANTING OF AN EASEMENT TO THE CITY OF DANVILLE FOR THE INSTALLATION OF UNDERGROUND ELECTRIC LINES ACROSS PARCEL #21396.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that pursuant to the authority granted by Virginia Code Section 15.2-4905 the Industrial Development Authority of Danville, Virginia hereby grants to the City of Danville, Virginia an easement for the installation of underground electric lines across Parcel #21396; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or in his absence any Officer, be, and is hereby, authorized to sign any required documents and perform any other duties needed to complete the above-mentioned transaction.

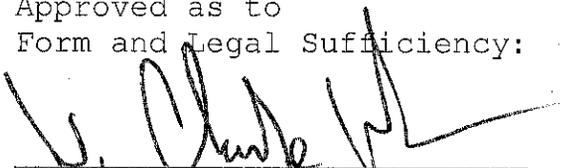
APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney

This instrument prepared by: Kevin T. Hyler

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE

Project No. 60655

Tax Parcel: 21396,

City: Danville

THIS DEED OF EASEMENT, made and entered into this ____ day of _____, 20__, by and between INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA, herein referred to as "Grantor"; and the CITY OF DANVILLE, VIRGINIA, P.O. Box 3300, Danville, Virginia 24543, a municipal corporation chartered under the laws of the Commonwealth of Virginia, herein referred to as "Grantee";

WITNESSETH:

That for and in consideration of the sum of One Dollar (\$1.00) cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged by Grantor, Grantor does hereby grant and convey to Grantee, its licensees, agents, successors and assigns, the following described easement:

A permanent easement and right-of-way for underground distribution utility facilities, consisting of the perpetual right to enter and to install, construct, erect, maintain, repair, rebuild, replace, operate and patrol such lines and facilities, including all necessary, conduits, cable, buried cables, buried wires, posts, terminals, location markers, manholes, fixtures, and other appurtenances, and the right to reconstruct, improve, add to, enlarge, change the type, as well as the size of and remove such facilities or any of them or those of such other system or systems as are duly authorized by Grantee to use jointly its poles or trenches, as may be from time to time required, in, upon, under, over, or across the parcel or tract of land described as follows.

(See attached drawing)

Together with the right to permit any other person, firm or corporation to attach or install wires to or together with any facilities hereunder within the easement and to operate the same for communications purposes with the right of ingress and egress to said premises at all times, to clear the land and keep it cleared of all trees, undergrowth or other obstructions within the easement area, to trim and cut and keep trimmed and cut all dead, weak, leaning or dangerous trees or limbs outside of the easement area which might interfere with or fall upon the lines or systems of communications or power transmission or distribution and further grants, to the fullest extent the undersigned has the power to grant, if at all, the rights hereinabove granted on the land heretofore described, over, along, under and across the roads, street or highways adjoining or through said property.

Grantor covenants that no permanent building or structure shall be erected within the easement herein granted without the written consent of Grantee. This easement shall run with the land of the Grantor, and shall be binding upon the heirs, executors, administrators, successors and assigns of Grantor and Grantee.

WITNESS the following signature(s) and seal(s).

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA

BY: _____ (SEAL)

Title: _____

PLACE CORPORATE SEAL

ATTEST: _____ (SEAL)

Title: _____

COMMONWEALTH OF VIRGINIA, CITY/COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20 __,

by _____ and _____,

in their capacity as _____ and _____ for

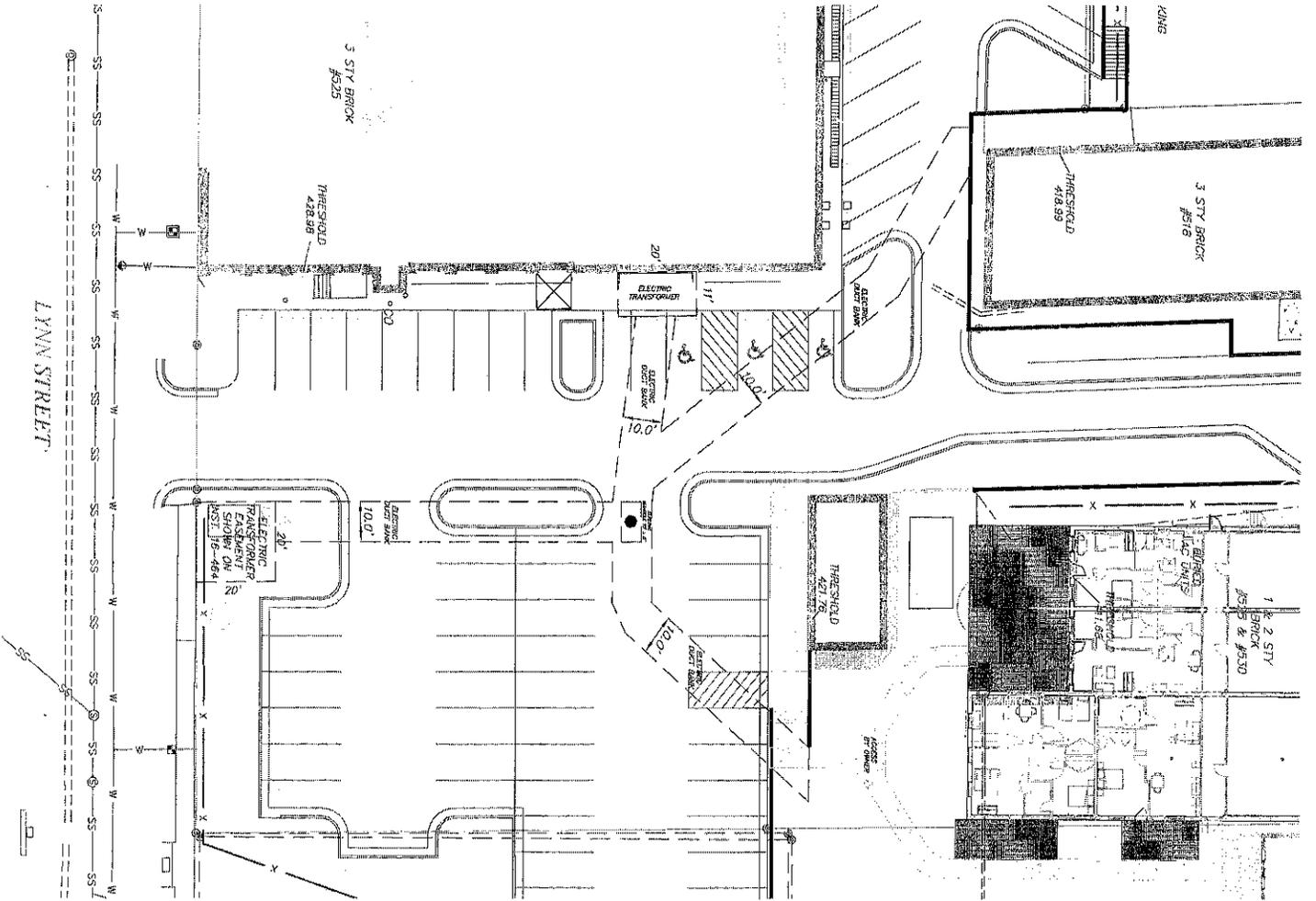
INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA, Grantor.

Notary Public

My Commission expires ____ day of _____, 20__.

This Instrument Is Exempt From The Tax Imposed By Virginia Code §58.1-801 Pursuant To
The Provisions Of Virginia Code §58.1-811(A)(3)

LYNN STREET



Executive Memo

Easement request for Parcel 22078 located along the 500 block of Craghead Street

In order to serve properties along the 500 block of Craghead Street, Danville Utilities is requesting an easement from the IDA to install electric lines underground at Parcel 22078. They have offered \$1.00 for this easement. The easement is attached.

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING THE GRANTING OF AN EASEMENT TO THE CITY OF DANVILLE FOR THE INSTALLATION OF UNDERGROUND ELECTRIC LINES ACROSS PARCEL #22078.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia that pursuant to the authority granted by Virginia Code Section 15.2-4905 the Industrial Development Authority of Danville, Virginia hereby grants to the City of Danville, Virginia an easement for the installation of underground electric lines across Parcel #22078; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or in his absence any Officer, be, and is hereby, authorized to sign any required documents and perform any other duties needed to complete the above-mentioned transaction.

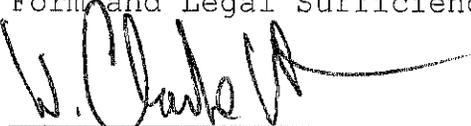
APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney

This instrument prepared by: Kevin T. Hyler

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE

Project No. 60655

Tax Parcel: 22078,

City: Danville

THIS DEED OF EASEMENT, made and entered into this ____ day of _____, 20____, by and between INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA, herein referred to as "Grantor"; and the CITY OF DANVILLE, VIRGINIA, P.O. Box 3300, Danville, Virginia 24543, a municipal corporation chartered under the laws of the Commonwealth of Virginia, herein referred to as "Grantee";

WITNESSETH:

That for and in consideration of the sum of One Dollar (\$1.00) cash in hand paid, and other good and valuable consideration, the receipt of which is hereby acknowledged by Grantor, Grantor does hereby grant and convey to Grantee, its licensees, agents, successors and assigns, the following described easement:

A permanent easement and right-of-way for underground distribution utility facilities, consisting of the perpetual right to enter and to install, construct, erect, maintain, repair, rebuild, replace, operate and patrol such lines and facilities, including all necessary, conduits, cable, buried cables, buried wires, posts, terminals, location markers, manholes, fixtures, and other appurtenances, and the right to reconstruct, improve, add to, enlarge, change the type, as well as the size of and remove such facilities or any of them or those of such other system or systems as are duly authorized by Grantee to use jointly its poles or trenches, as may be from time to time required, in, upon, under, over, or across the parcel or tract of land described as follows.

(See attached drawing)

Together with the right to permit any other person, firm or corporation to attach or install wires to or together with any facilities hereunder within the easement and to operate the same for communications purposes with the right of ingress and egress to said premises at all times, to clear the land and keep it cleared of all trees, undergrowth or other obstructions within the easement area, to trim and cut and keep trimmed and cut all dead, weak, leaning or dangerous trees or limbs outside of the easement area which might interfere with or fall upon the lines or systems of communications or power transmission or distribution and further grants, to the fullest extent the undersigned has the power to grant, if at all, the rights hereinabove granted on the land heretofore described, over, along, under and across the roads, street or highways adjoining or through said property.

Grantor covenants that no permanent building or structure shall be erected within the easement herein granted without the written consent of Grantee. This easement shall run with the land of the Grantor, and shall be binding upon the heirs, executors, administrators, successors and assigns of Grantor and Grantee.

WITNESS the following signature(s) and seal(s).

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA

BY: _____ (SEAL)

Title: _____

PLACE CORPORATE SEAL

ATTEST: _____ (SEAL)

Title: _____

COMMONWEALTH OF VIRGINIA, CITY/COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20 __,

by _____ and _____,

in their capacity as _____ and _____ for

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA, Grantor.

Notary Public

My Commission expires ____ day of _____, 20__.

This Instrument Is Exempt From The Tax Imposed By Virginia Code §58.1-801 Pursuant To
The Provisions Of Virginia Code §58.1-811(A)(3)

Executive Memo

Building Lease for 979 Lockett Drive

The staff of the Office of Economic Development has been working with a realtor from Greensboro, Tom Townes, who brought a potential tenant to Danville recently to investigate possible warehouse and limited office space.

The potential tenant was shown the property located at 979 Lockett Drive that the IDA owns and had up fitted for Macerata Wheels. The prospective tenant, Morisette Paper Company, has indicated that they would like to lease the building for one year, with an option for renewal, at a rate of \$61,200 per year, or \$5,100 per month.

They are not agreeing to any additional charges for taxes, insurance, or upkeep. We recommend that the IDA accept this arrangement which yields \$1.25 per square foot since the tenant is financially sound and may even be interested in purchasing the property if their arrangement with a local company develops as they can reasonably forecast.

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND MORISETTE PAPER COMPANY FOR 979 LOCKET DRIVE.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia (the "IDA"), that it hereby approves and authorizes a Lease Agreement between the IDA and Morisette Paper Company for the building located at 979 Locket Drive, in a form approved by the City Attorney and the Chairman of the IDA; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any Officer, to execute the lease and any other documents necessary to complete the transaction described in this resolution.

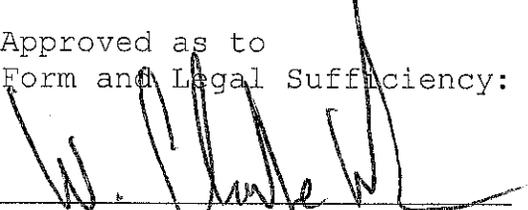
APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney

Executive Memo

Master Lease Financing - Refinancing of IDA bonds

In an effort to refinance the Series 2013 bonds issued by the Industrial Development Authority of Danville (IDA), the City's bond counsel and financial advisor have recommended, with staff concurrence, the creation of a master lease financing program between the City and the IDA. This will increase competitiveness with interest rates and provide the City with greater financing flexibility for future projects approved by City Council. Utilization of the master lease program requires City Council approval for each and every financing arrangement.

The City Council and the IDA are regularly considering various economic development projects to improve the City's tax base and create job opportunities and other economic benefits for the citizens of the City. From time to time, the City Council and the IDA determine that it is in the City's best interests to support such projects by undertaking capital improvements that are ancillary to the new economic development project, by offering performance-based incentive grants or by constructing, expanding or improving governmental property for sale to, or use by, private business. The IDA has frequently financed its portion of the development costs through bank loans that are secured by (i) a lien on the development site/project and (ii) a support agreement from the City (by which the City Council undertakes a moral obligation to appropriate funds to pay the debt service on the IDA bonds to the extent that available IDA monies are insufficient). One such example involves the IDA's 2013 note financing benefiting the Schoolfield site and the River District.

Given that the IDA will need to refinance its 2013 Note for the Schoolfield/River District project by April 1, 2017, it is timely to explore financing options that can address not only this particular refinancing need but also future development projects that the City/IDA may wish to consider. Such a master lease financing structure would be similar to financing arrangements that the City and the IDA have undertaken in the past, but offer a more comprehensive approach. The goal would be to increase the number of banks willing to support such development projects at more competitive interest rates.

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF DANVILLE, VIRGINIA, APPROVING A PLAN TO REFINANCE CERTAIN ECONOMIC DEVELOPMENT PROJECTS THROUGH THE ISSUANCE OF A LEASE REVENUE BOND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,000,000.

WHEREAS, the Industrial Development Authority of the City of Danville, Virginia (the "Authority"), pursuant to the Industrial Development and Revenue Bond Act (the "Act"), under which it was created, is authorized to exercise all the powers set forth in the Act, which include, among other things, the power to make loans to, among others, a city in furtherance of the Act, to finance or refinance and lease facilities for use by, among others, a city, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from the leasing by the Authority of such facilities or from any source as security for the payment of principal of and premium, if any, and interest on any such obligations; and

WHEREAS, at the request of the City of Danville, Virginia (the "City"), the Authority previously issued its \$7,160,000 Taxable Revenue Bond, Series 2013 (the "Refunded Bond"), to finance, for economic development purposes, the

acquisition of the Schoolfield Site and the acquisition, construction, improvement and renovation of various projects located in the River District (the "Project"); and

WHEREAS, the Refunded Bond is secured in part by a pledge of any funds appropriated for and paid to the Authority by the City under a Financing Agreement dated as of September 1, 2013, as amended by a First Amendment to Financing Agreement dated as of October 1, 2016, both between the Authority and the City; and

WHEREAS, on March 7, 2017, the Council of the City (the "Council") adopted a resolution requesting the Authority to issue its Taxable Public Facility Lease Revenue Bond, Series 2017 (the "Bond"), and use the proceeds thereof to (a) refund the Refunded Bond and (b) pay the related costs of issuance and refunding; and

WHEREAS, the Bond will be secured by certain rental payments appropriated from time to time by the Council and payable to the Authority in accordance with the terms of the Financing Lease (as hereinafter defined); and

WHEREAS, the City's administration, in collaboration with the City's financial advisor, Davenport & Company LLC (the "Financial Advisor"), has recommended that the Authority obtain a loan from a commercial banking or other financial institution to be evidenced by the Bond; and

WHEREAS, the Financial Advisor has solicited bids, on behalf of the City and the Authority, for such loan; and

WHEREAS, the City administration has recommended that Hunton & Williams LLP, Richmond, Virginia, be approved as bond counsel; and

WHEREAS, there have been circulated prior to this meeting drafts of the following documents (collectively, the "Documents"), proposed in connection with the issuance and sale of the Bond:

- (a) an Agreement of Trust, as supplemented by a First Supplemental Agreement of Trust, including the form of the Bond (collectively, the "Trust Agreement"), each between the Authority and a corporate trustee to be selected by the City (the "Trustee"), pursuant to which the Bond is to be issued and which is to be acknowledged and consented to by the City; and
- (b) a Deed and Agreement of Prime Lease (the "Prime Lease"), between the Authority and the City, conveying a leasehold interest in the City Hall Building and the Courts and Jails Building (the "Property"); and
- (c) a Deed and Agreement of Financing Lease (the "Financing Lease"), between the Authority and the City, conveying a subleasehold interest in the Property to the City in exchange for certain rental payments, subject to appropriation by the Council from time to time of sufficient amounts for such purposes; and
- (d) an Assignment Agreement (the "Assignment Agreement"), between the Authority and the Trustee and consented to by the City, assigning certain of the Authority's rights under the Prime Lease and the Financing Lease to the Trustee.

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF DANVILLE, VIRGINIA:

1. The following plan for refunding the Refunded Bond is hereby approved. The Authority will issue the Bond in an aggregate principal amount not to exceed \$6,000,000. The Authority will use the proceeds of the Bond to refund the Refunded Bond and to pay the related costs of issuance and refunding. Pursuant to the terms of the Prime Lease, the City will lease the Property to the Authority. Pursuant to the terms of the Financing Lease, the Authority will lease the Property back to the City and the City will undertake to make certain rental payments to the Authority in amounts sufficient to pay the principal of and premium, if any, and interest on the Bond, to pay the fees or expenses of the Authority and the Trustee and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the Bond will be limited to the rental payments received from the City. The Bond will be secured by an assignment of such rental payments pursuant to the terms of the Assignment Agreement, all for the benefit of the holders of the Bond. The undertaking by the City to make such rental payments will be subject to the appropriation by the Council from time to time of sufficient amounts for such purposes. The plan for refunding the Refunded Bond shall contain such additional requirements and provisions as may be approved by the City Manager and the Chair or Vice Chair of the Authority.

2. The Authority hereby authorizes the issuance of the Bond pursuant to the Trust Agreement; provided that (a) the principal amount shall not exceed \$6,000,000, (b) the initial interest rate on the Bond shall not exceed 4.75% per year, subject to adjustment pursuant to terms of the winning bid as may be approved by the Chair or Vice Chair of the Authority, (c) the Bond shall mature in installments ending not later than December 31, 2032, (d) the Bond shall be sold to the purchaser thereof (the "Bank") at a price not less than 100% of the aggregate principal amount thereof and (e) the Bond shall be subject to optional redemption, if at all, at a redemption price not to exceed 102% of the aggregate principal amount thereof. The Chair and Vice Chair of the Authority, either of whom may act, are also hereby authorized to approve, in collaboration with the City Manager, a lesser principal amount for the Bond, a maturity schedule and the redemption provisions of the Bond, all as such officers shall determine to be in the best interests of the Authority and the City.

3. Subject to the pricing parameters of the Bond described above, the Authority hereby authorizes the Chair and Vice Chair of the Authority, either of whom may act, to collaborate with the City Manager in reviewing the bids received for the loan and related purchase of the Bond and to select the bid that such officers determine to be in the best interests of the City and the Authority. The banking or other financial institution submitting such winning bid shall be selected to make the loan and purchase the Bond.

4. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to execute the Documents, which shall be in substantially the forms circulated prior to this meeting, which forms are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them. Such officer's execution and delivery thereof shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes.

5. The Chair and Vice Chair of the Authority, either of whom may act, are hereby authorized and directed to execute the Bond by manual or facsimile signature, the Secretary of the Authority is hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Bond and to attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Bond to the Trustee for authentication and delivery to the purchaser thereof upon payment therefor.

6. All costs and expenses in connection with the refunding of the Refunded Bond and the issuance of the Bond, including but not limited to the Authority's fees and expenses and the related fees and expenses of bond counsel, counsel for the Authority, the Financial Advisor, the Bank and Bank counsel, shall be paid from the proceeds of the Bond or other legally available funds of the City. If for any reason the Bond is not issued, it is understood that all such fees and expenses shall be paid by the City from its legally available funds and that the Authority shall have no responsibility therefor.

7. The prior submission to the City by the Authority of a bid to serve as the issuer of the Bond and the lessee under the Prime Lease and the sublessee under the Financing Lease is

hereby approved and ratified. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bond and the refunding of the Refunded Bond.

8. The Authority consents to the recommendation by the City that Hunton & Williams LLP serve as bond counsel for the issuance and sale of the Bond.

9. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and, if applicable, to record such document.

10. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bond and the refunding of the Refunded Bond are hereby approved and ratified.

11. This Resolution shall take effect immediately.

APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:

City Attorney

PRESENTED: March 14, 2017

ADOPTED: March 14, 2017

RESOLUTION NO. 2017-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE CONTRACT AS WELL AS THE ACTUAL PURCHASE OF PARCEL NUMBERS 21322, 21344, 23028, 23110, 23263, 23264, AND 23110 LOCATED ON MEMORIAL DRIVE FOR AN AMOUNT NOT TO EXCEED \$3,000,000 PLUS DUE DILIGENCE COSTS.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia, that it hereby approves and authorizes the execution of a purchase contract in a form substantially attached hereto as well as the actual purchase of Parcel Numbers 21322, 21344, 23028, 23110, 23263, 23264, and 23110, located on Memorial Drive for a total amount not to exceed \$3,000,000 plus due diligence and closing costs not to exceed \$50,000; and

BE IT FURTHER RESOLVED that the Industrial Development Authority of Danville, Virginia, does hereby authorize its Chairman, or in his absence any Officer, to execute said purchase agreement and any and all other documents necessary to complete the above referenced purchase.

APPROVED:

Chairman

ATTEST:

Secretary

Approved as to
Form and Legal Sufficiency:



City Attorney