Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, MARCH 14, 2011

12:00 NOON

DANVILLE REGIONAL AIRPORT
EASTERN CONFERENCE ROOM
424 AIRPORT DRIVE, DANVILLE, VIRGINIA

COUNTY OF PITTSYLVANIA MEMBERS

COY E. HARVILLE, VICE CHAIRMAN
HENRY A. "HANK" DAVIS, JR.
FRED M. INGRAM, ALTERNATE

CITY OF DANVILLE MEMBERS

SHERMAN M. SAUNDERS, CHAIRMAN
T. DAVID LUTHER
FRED O. SHANKS, III, ALTERNATE

STAFF

JOSEPH C. KING, CITY MANAGER, DANVILLE
WILLIAM D. SLEEPER, PITTSYLVANIA COUNTY ADMINISTRATOR
CLEMENT & WHEATLEY, ATTORNEY FOR AUTHORITY
SUSAN M. DEMASI, AUTHORITY SECRETARY
BARBARA A. DAMERON, AUTHORITY TREASURER

1. **Meeting Called to Order**

2. **Roll Call**

3. **Public Comment Period**

   Citizens who desire to speak on an agenda item will be heard at this time. Please note the public comment period includes a three-minute time restriction for comments.

4. **Approval of Minutes for the February 14, 2011 Meeting**

5. **Consideration of Resolution No. 2011-03-14-05 for proposed revisions to the Authority's Amended and Restated Bylaws (adopted August 13, 2007, and last revised on February 14, 2011), as shown on the attached redlined draft. The proposed revisions authorize each Member Locality, through its city manager, county administrator or respective designee, to incur, on behalf of the Authority, up to an aggregate amount of $10,000.00 in reasonable expenses, related to, or arising out of, (i) developing the Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect. Prior to incurring any such expense, the Member Locality shall consult with the other Member Locality on the identification of any such business prospect. Such expenses shall be reported to the Board at its next regular meeting for consideration and ratification.**

6. **Consideration of Resolution No. 2011-03-14-06 ratifying the Proposal Acceptance for Proposal for Subsurface Exploration and Geotechnical Engineering Analysis (ECS Proposal No. 09.17364-P), between the Authority and ECS Carolinas, LLP, a North Carolina limited liability partnership, for the performance of soil borings on the Authority's Cane Creek site as requested by a business prospect, at a cost of $2,889.00.**

7. **Financial Report**

8. **Consideration to Designate the Yorktowne Repayment of Incentives and Retain these Funds to cover Future Operating and Project Costs as Needed.**

9. **Consideration to Obtain Additional Funding by Transferring $50,000.00 of Rental Revenue Realized to the Fiscal Year 2011 General Expenditures Budget.**

10. **Closed Meeting –**

    A. **Motion to Convene in Closed Meeting as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with and briefing by legal counsel pertaining to actual litigation regarding *Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors* (Case No. Cl10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.**

    B. **Confirmation of Motion and Vote to Reconvene in Open Meeting**

    C. **Motion to Certify Closed Meeting**

11. Action on Matters Considered in Closed Meeting

12. Communications From:

Henry A. "Hank" Davis, Jr.
Coy E. Harville
Fred M. Ingram
T. David Luther
Sherman M. Saunders
Fred O. Shanks, III
Staff

13. Adjourn

AGENDA
ITEM NUMBER 4

Danville-Pittsylvania Regional Industrial Facility Authority

Minutes

February 14, 2011

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:20 p.m. on the above date in the Conference Room located at the Danville Regional Airport, 424 Airport Drive. Present were City of Danville Members Chairman Sherman Saunders, David Luther and alternate Fred Shanks and Pittsylvania County Members Chairman Coy Harville and Hank Davis. Pittsylvania County alternate Fred Ingram was absent.

City/County staff members attending were: City Manager Joe King, Danville Economic Development Director Jeremy Stratton, Pittsylvania County Administrator Dan Sleeper, Pittsylvania County Economic Development Director Ken Bowman, Assistant County Administrator for Planning & Development Gregory Sides, Danville Finance Director Barbara Dameron, Danville Senior Accountant Patricia Knutti, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Citizen in attendance was Barbara Hudson.

Mr. Saunders called the Meeting to order.

PUBLIC COMMENT PERIOD

There were no comments from citizens.

APPROVAL OF JANUARY 10, 2011 MINUTES

Upon **Motion** by Mr. Harville and second by Mr. Luther, Minutes of the January 10, 2011 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

CONSIDERATION TO APPROVE PROPOSED REVISIONS TO AUTHORITY'S AMENDED AND RESTATED BY-LAWS

Mr. Harville **moved** to approve the revisions to the Authority's Amended and Restated By-laws (adopted August 13, 2007 and last revised on August 9, 2010) to clarify the appointment and qualifications of the Secretary and the Treasurer of the Authority; the election of officers; and requests for a special meeting.

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

VOTE:	4-0
AYE:	Davis, Harville, Luther, and Saunders (4)
NAY:	None (0).

Danville-Pittsylvania Regional Industrial Facility Authority

Minutes

February 14, 2011

APPOINTMENT OF THE AUTHORITY SECRETARY

Mr. Saunders called for a nomination for Secretary to RIFA; Mr. Harville requested clarification from legal counsel.

Mr. Harville nominated Sue DeMasi to serve as Secretary to RIFA. The Nomination was seconded by Mr. Davis and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

Mr. Harville **moved** to adopt a Motion to appoint Sue DeMasi as Secretary for RIFA. The Motion was seconded by Mr. Davis and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

CONSIDERATION OF RESOLUTION NO. 2011-02-14-07

Mr. Harville **moved** to approve Resolution No. 2011-02-14-07 (i) authorizing a Lease Agreement between the Authority, as landlord, and Browning & Associates, Ltd., a Virginia corporation, as tenant, for the Authority's real property in the Mega Park, commonly known as 4380 Berry Hill Road (GPIN 1367-70-4519), for a one-year period, terminable by either party with at least 30 days notice; during the term, rent would be $1,000 per month, with a $1,000 security deposit; and use of the property would be at all times in compliance with the Agricultural District A-1 zoning ordinance; and (ii) authorizing the Chairman and/or the Vice Chairman to execute all necessary documents pertaining thereto.

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

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

CONSIDERATION OF U.S. GREEN ENERGY SITE PLAN APPROVAL PER CANE CREEK COVENANTS

Mr. Greg Sides, Assistant County Administrator for Planning and Development gave a brief overview of the U.S. Green Energy Site Plan. Also present from U.S. Green Energy was Troy Sacra, Gary Waldman and George Peterson. Jim Reynolds, also present, prepared the site

development plan. Mr. Sides presented the site plan demonstrating that the initial 27,000 square foot building meets RIFA guidelines. The site can be accessed by Barker Road. Mr. Sides presented a picture of the building showing it to be primarily a metal construction building with a 10% stone area. Landscaping requirements will also be met. Mr. Sides presented a letter to the RIFA Chairman from Troy Sacra of U.S. Green Energy, outlining the U.S. Green Energy request for approval from RIFA to construct a Solar Module Manufacturing Facility at Cain Creek Center. The letter was read to the Board by RIFA secretary.

Mr. Harville questioned Mr. Guanzon as to the proper motion to approve the plan presented in the letter to the chairman and that those conditions meet the covenants of RIFA.

Mr. Sides also presented a second letter to RIFA from Gregory Sides indicating that he has reviewed the Site Development Plan and building specifications submitted by U.S. Green Energy for the new manufacturing facility to be located at the Cane Creek Centre. Mr. Sides notes the plans and building specifications are in compliance with the design guidelines outlined in the Cane Creek Centre Declaration of Protective Covenants. This letter was read to the Board by the RIFA secretary.

Mr. Harville **moved** to approve a Motion approving the U.S. Green Energy site plan per the Cane Creek Covenants as outlined in the letter to Mr. Saunders, Chairman of RIFA and also referenced in the letter of Mr. Greg Sides.

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

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

MONTHLY FINANCIAL REPORT

Mr. Luther moved to accept the financial report as presented. The Motion was seconded by Mr. Harville and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

CLOSED MEETING

At 12:38 P.M. Mr. Davis **moved** that the meeting be recessed and the Authority immediately convene in Closed Meeting as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950 as amended, for consultation with and briefing by legal counsel pertaining to actual

litigation regarding Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors (Case No. CL 10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.

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

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

At 12:58 the Authority returned to open meeting and Mr. Luther **moved** adoption of the following Motion:

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 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. Davis and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

Mr. Luther **moved** to adopt the following Motion:

The Authority hereby certified that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from 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. Harville and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

COMMUNICATIONS

Mr. Davis presented Mayor Saunders with an award from VACO for the Innovative County Program Award presented to RIFA. Mr. Davis had received one for Pittsylvania County and presented Mr. Saunders with one for the City of Danville.

The Meeting adjourned at 1:00 P.M.

_____
Chairman

_____
Clerk to the Authority

AGENDA
ITEM NUMBER 5

Resolution No. 2011-03-14-05

A RESOLUTION TO REVISE THE AUTHORITY'S AMENDED AND RESTATED BYLAWS (ADOPTED AUGUST 13, 2007, AND LAST REVISED ON FEBRUARY 14, 2011), AS SHOWN ON THE ATTACHED REDLINED DRAFT. THE PROPOSED REVISIONS AUTHORIZE EACH MEMBER LOCALITY, THROUGH ITS CITY MANAGER, COUNTY ADMINISTRATOR OR RESPECTIVE DESIGNEE, TO INCUR, ON BEHALF OF THE AUTHORITY, UP TO AN AGGREGATE AMOUNT OF $10,000.00 IN REASONABLE EXPENSES, RELATED TO, OR ARISING OUT OF, (I) DEVELOPING THE AUTHORITY'S PROJECTS FOR A PARTICULAR BUSINESS PROSPECT OR (II) MARKETING TO A PARTICULAR BUSINESS PROSPECT. PRIOR TO INCURRING ANY SUCH EXPENSE, THE MEMBER LOCALITY SHALL CONSULT WITH THE OTHER MEMBER LOCALITY ON THE IDENTIFICATION OF ANY SUCH BUSINESS PROSPECT. SUCH EXPENSES SHALL BE REPORTED TO THE BOARD AT ITS NEXT REGULAR MEETING FOR CONSIDERATION AND RATIFICATION.

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, Article IV ("Member Locality Agreement") of the Authority's Amended and Restated Bylaws (Adopted August 13, 2007, and Last Revised On February 14, 2011) (the "Bylaws") acknowledges that certain Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, executed by the Governing Body of each Member Locality of the Authority; and

WHEREAS, each Member Locality wishes to clarify that it may incur, on behalf of the Authority, up to an aggregate amount of Ten Thousand Dollars ($10,000.00) in reasonable expenses, related to, or arising out of, (i) developing or testing the Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect, so long as such Member Locality consults with the other Member Locality prior to incurring any such expense; and

WHEREAS, Article XIV ("Amendments") of the Bylaws provides that "these Bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board, at any regular meeting of the Board"; and

WHEREAS, the Board began its discussions on these amendments to the Bylaws at its regular meeting held on March 14, 2011; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville for the Authority to make such amendments to the Bylaws.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the revisions to the Bylaws as set forth in Schedule 1.

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

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 April 11, 2011, 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 11th day of April 2011.

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Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

SCHEDULE 1

AMENDED AND RESTATED BYLAWS OF DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Adopted August 13, 2007
Revised June 14, 2010
Revised August 9, 2010
~~Last~~ Revised February 14, 2011
Last Revised April 11, 2011

ARTICLE I. PURPOSES AND POWERS

Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority") shall be organized and operated in accordance with Title 15.2, Chapter 64 of the Code of Virginia, 1950, as amended, also known as the Virginia Regional Industrial Facilities Act (the "Act"), as the same may be amended from time to time. The Authority shall also comply with all lawful directives as may be mutually agreed to between the City of Danville, Virginia (the "City"), and the County of Pittsylvania, Virginia (the "County"). The general purpose of the Authority shall be to enhance the economic base of the City and the County by developing, owning, and operating one or more facilities on a cooperative basis involving such localities (each locality being hereinafter referred to as a "Member Locality" or collectively hereinafter referred to as "Member Localities"), including without limitation the specific purpose to develop The Cyber Park of Danville and Pittsylvania County (as defined in the Agreement (as hereinafter defined)) and to develop one or more parcels in both the City and the County as regional industrial parks and for additional purpose of future development of other industrial properties or other reasons as permitted by the Act and as agreed upon by the Member Localities. The Authority shall have any and all powers under the Act, as the same may be amended from time to time.

ARTICLE II. OFFICES

1. The principal office of the Authority shall be located within a Member Locality as designated by the Board of Directors of the Authority (the "Board").

2. The title to all property of every kind belonging to the Authority shall be titled in the name of the Authority, which shall hold such title for the benefit of its Member Localities.

3. Except as otherwise required by resolution of the Authority, or as the business of the Authority may require, all of the books and records of the Authority shall be kept at the office to be designated as provided above.

4. The minutes of the Authority shall be open and available for inspection as required by The Virginia Freedom of Information Act, Virginia Code § 2.2-3700 *et seq.*, as amended. Draft minutes shall be made reasonably available within ten (10) business days of the meeting to which they relate. Final minutes shall be made reasonably available within three (3) business days of approval by the Board.[1]

ARTICLE III. MEMBERSHIP

The Member Localities of the Authority are the City and the County, each of which is a political subdivision of the Commonwealth of Virginia, and each of which is authorized by the Act to participate in the Authority. The membership may, with unanimous approval of the Board, be expanded as may be authorized in the Act.

ARTICLE IV. MEMBER LOCALITY AGREEMENT

1. The Authority shall be governed by the Act, these Bylaws and by the Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, executed by the Governing Body of each Member Locality (the "Agreement"). The Agreement establishes the respective rights and obligations of the Member Localities and provides for revenue and economic growth-sharing arrangements with respect to tax revenues and other income and revenues generated by any facility owned by the Authority.

2. Without limiting the provisions of the Agreement, each Member Locality, through its city manager, county administrator or respective designee, is authorized to incur, on behalf of the Authority, up to an aggregate amount of Ten Thousand Dollars ($10,000.00) in reasonable expenses, related to, or arising out of, (i) developing or testing the Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect. Prior to incurring any such expense under this paragraph, the Member Locality shall consult with the other Member Locality on such business prospect. Such expenses

[1] 06/14/2010: Entire paragraph revised.

shall be reported to the Board at its next regular meeting for consideration and ratification.[2]

ARTICLE V. BOARD OF DIRECTORS

1. The powers, rights, and duties conferred by the Act upon the Authority shall be exercised by the Board, which shall consist of four (4) members selected as follows: two (2) members shall be appointed by the Governing Body of each Member Locality. In addition to the members of the Board, each Governing Body of each Member Locality shall select one (1) alternate director, to serve in the absence of a director appointed by the Governing Body of such Member Locality, in accordance with the provisions of these Bylaws.

2. Each Member Locality shall appoint to the Board one (1) member from its Governing Body to serve an initial two (2) year term and one (1) member from its Governing Body to serve an initial four (4) year term pursuant to the Act. Each Member Locality shall also appoint one (1) member from its Governing Body to serve an initial four (4) year term as an alternate director. Each appointee of a Governing Body shall be a resident of the Member Locality of that Governing Body. All subsequent terms shall be four (4) year terms, and no director or alternative director may serve more than one (1) additional term.

3. In order to remain a director or alternate director of the Authority, such director or alternate director must be a current member of the Governing Body. Once a director or alternate director of the Authority is no longer a member of the Governing Body, the locality will appoint a new director or alternate director, as the case may be, from its Governing Body to fill the unexpired term of the vacating director or alternate director as the case may be. In the event of a vacating director, the alternate director from the same Member Locality shall serve until a replacement director is appointed by the Governing Body of such Member Locality, which shall have the authority to fill any such vacancies.

4. Each director or alternate director of the Board, before entering upon the discharge of the duties of the office, shall take and subscribe to the oath prescribed in Virginia Code • 49-1, as amended, and shall serve in compliance with the Act, these Bylaws and the Agreement.

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[2] 04/11/2011: New paragraph added to clarify how expenses may be incurred on behalf of the Authority for developing business prospects. Such expenses would be ultimately shared by the Member Localities under the Agreement for Cost Sharing and Revenue Sharing.

5. In the absence of a director appointed by the Governing Body of a Member Locality, the alternate director of the same Member Locality may act in place of such absent director. The alternate director from one Member Locality shall not have the right to vote unless at least one (1) director from the same Member Locality is absent.

6. All powers and duties of the Authority shall be exercised and performed by the Board, acting by simple majority vote of those directors present at a meeting at which a quorum is present, except that no facilities owned by the Authority shall be leased or disposed of in any manner without a majority vote of the Board. A quorum shall consist of three (3) directors (including any alternate director entitled to vote at such meeting) of the Board. For the purposes of determining quorum, an alternate director from one Member Locality shall not be counted unless a director of the same Member Locality is absent. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board.

7. Members of the Board shall be reimbursed for actual and reasonable expenses incurred the performance of their duties from funds available to the Authority.

ARTICLE VI. OFFICERS

1. The Board shall elect from its directors a Chairman and a Vice Chairman[3]. The director elected to the office of chairman shall alternate each term of office from one Member Locality to another Member Locality, beginning with the County.

2. The term of office for the officers shall be for the fiscal year in which they are elected, and shall continue until their successors are elected.

3. The duties of the Chairman shall be to preside at meetings of the Authority; to prepare the agenda for any and all meetings, and to make a copy of such agenda available to the Secretary for the purpose of providing notice of special meetings as hereinafter provided; to call special meetings; to call special elections; to appoint committees as may be deemed appropriate to carry out the intents and purposes of the Authority; to be ex officio a member of all committees; to sign, with the Secretary or any other proper officer of the Authority authorized by the Board, any documents or instruments which the Board has authorized to be executed, except in cases where the

[3] 08/09/2010: Vice Chairman inserted. Offices of secretary and treasurer shall be appointed by the Board from the Authority's staff.

signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer of the Authority, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of chairman and such other duties as may be prescribed by the Board from time to time. The Chairman shall have an equal vote with the other directors, and shall not have a second, tie-breaking vote on any question.

4. The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties imposed upon the Chairman and exercise the powers granted to the Chairman, including without limitation those duties and powers set forth in these Bylaws.[4]

5. The Board shall appoint a Secretary and a Treasurer from the Authority's staff, which may include staff provided by a Member Locality or other persons employed or contracted by the Authority.[5] The offices of Secretary and Treasurer may be held by the same person.[6,7] If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office.[8]

a. The duties of the Secretary shall be to take the minutes of the meetings of the Board; to have custody of all records of the Authority; to have custody of the Seal of the Authority and to ensure that the Seal of the Authority is affixed to all documents or instruments, the execution of which on behalf of the Authority under its Seal is duly authorized by the Board; to sign with the Chairman (or the Vice Chairman, as the case may be)[9] any documents or instruments which the Board has authorized to be executed; to ensure that all notices are duly given as required by law, these Bylaws or by the Board; to call meetings of the Board to order in the absence of the

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[4] 08/09/2010: Entire new paragraph added.

[5] 02/14/2011: The Authority's staff may include staff provided by a Member Locality or other persons employed or contracted by the Authority.

[6] 08/09/2010: Secretary and Treasurer shall by appointed by the Board from the Authority's staff.

[7] 02/14/2011: Corrected capitalization of Secretary and Treasurer.

[8] 02/14/2011: Added "If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office."

[9] 08/09/2010: Reference to Vice Chairman added.

Chairman and the Vice Chairman,[10] and thereupon to conduct an election for a temporary presiding officer for that meeting; and in general to perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the Board. In the absence of the Secretary, the Chairman shall appoint a director or alternate director or shall direct a member of the Authority's staff to be[11] responsible for the preparation of detailed minutes of any meeting.

b. The duties and authority of the Treasurer shall include: (a) the duty to keep suitable records of all financial transactions of the Authority; (b) the authority to arrange for the preparation of any audits of the financial records of the Authority, as may be directed by the Board; (c) the duty and authority to have charge and custody of all funds and arrange for their investment and deposit in the name of the Authority when authorized by the Board; and (d) in general, to perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the Board. The Treasurer shall give bond in such sum as may be fixed by the Board with surety to be approved by the Board. The cost of such surety shall be paid by the Authority.

ARTICLE VII. ELECTIONS OF OFFICERS

1. Regular elections of officers shall be held at the regular meeting of the Board in July of each fiscal year.

2. Special elections of officers in order to fill vacancies or to fill newly created offices shall be held (i) at a regular meeting duly called or (ii) at a special meeting designated by the Chairman, but only after notice of such special meeting, as hereinafter provided, has been given.[12]

ARTICLE VIII. MEETINGS

1. The Board shall determine the times and places of its regular meetings, but shall meet at least, for its annual meeting, as set forth in Paragraph 2 below. Regular meetings of the Board shall be held in the City or in the County, upon call of the Chairman or as otherwise provided in these Bylaws. At a regular meeting, any business may be brought before the Board, whether or not that business is set forth in the notice of regular meeting.

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[10] 08/09/2010: Reference to Vice Chairman added.

[11] 08/09/2010: Reference to the Authority's staff added.

[12] 02/14/2011: Requests for special meetings shall be in writing.

2. The annual meeting of the Board shall take place at the regular meeting of the Board in July of each year, at such place, time, and date as may be established by the Board or the Chairman. Each Member Locality shall make their appointments prior to such annual meeting so that the membership of the Board will be complete for such annual meeting. At the annual meeting, the Board shall elect its officers to serve for the then current fiscal year.

3. Special meetings of the Board may be called by the Chairman at the request of (a) any two (2) directors; (b) two (2) alternate directors; or (c) one (1) director and one (1) alternate director, so long as those two (2) persons requesting the special meeting represent both Member Localities.[13] Such request shall be in writing, which may be by email to the Chairman at the email address of record,[14] and shall specify the time and place of the special meeting and the matters to be considered at the special meeting. No matter not specified in the notice of special meeting shall be considered at such special meeting unless all directors (or an alternate director acting in lieu of an absent director) of the Board are present.

4. Notices of both regular and special meetings shall be mailed by the Secretary to each member of the Board not less than three (3) business days before any such meeting; and notices of special meetings shall state the purposes thereof. All notices required herein shall state the date, time, and location of the meeting and shall be delivered by hand, United States mail, or a private courier service which provides evidence of receipt as part of its service to the address of record of all directors and alternate directors. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Any notice required herein may be waived in writing by the party entitled to such notice, and such waiver may specify that notice may be given to such party electronically (including without limitation by email or access to a website) in lieu of other means of delivery.

At the time that any such notice is given to the directors and alternate directors, a copy of such notice shall be posted (i) in a prominent location at which notices are regularly posted, and (ii) at the office of the clerk of the Authority, currently at 427 Patton Street,

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[13] 08/09/2010: Clarification that directors or alternate directors representing two Member Localities may request a special meeting.

[14] 02/14/2011: Clarification that the request must be in writing, which may include an email to the Chairman at the email address of record. See Va. Code § 1-257.

Room 428, Danville, Virginia. A copy of any agenda materials or other information included with the notice to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code § 2.2-3700, *et seq.*, as amended) shall be posted or made available with the copy of such notice. Notice may also be posted electronically on the Authority's website or otherwise, but such posting shall not be required.

At least one (1) copy of the agenda materials or other information given at the meeting to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code § 2.2-3700, *et seq.*, as amended) shall be made open and available for inspection at the meeting.

Attendance of a director or alternate director at a meeting shall constitute a waiver of notice of such meeting, except where a director or alternate director attends for the express purpose of objecting to the sufficiency of the notice given or to the lack of notice.[15]

5. Formal action shall be taken by the Board only at open sessions and such meetings shall be open to the public.

6. The vote on the adoption of every resolution, any proposals creating a liability, or for the appropriation or expenditure of funds shall be by yeas or nays, and whenever the vote is not unanimous, the names of the directors (or alternate directors, where permitted under these Bylaws) voting for and of those voting against such action shall be entered upon the minutes.

7. Unless otherwise provided, procedure at meetings shall follow Robert's Rules of Order as then revised.

8. When approved, all minutes shall be signed by the Secretary and the presiding officer of the particular meeting.

9. All actions of the Board requiring the approval of an expenditure will be accompanied by a budget reference and/or funding source.

10. No item will be added to the agenda of a Board meeting without the unanimous consent of the Board members present.

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[15] 06/14/2010: Entire paragraph revised.

ARTICLE IX. REQUIRED REPORTS

1. Annual Reports. The Board shall report to the Governing Body of each Member Locality annually, on or before the last March meeting of the Governing Body, on the activities of the Authority. In addition to oral presentation at the meeting, a written annual report shall be provided prior to the meeting and shall contain, at a minimum, the following information:

a. A financial update through December 31 of the current fiscal year;

b. After completion of the first fiscal year, an audited financial report showing expenditures and revenues and a statement showing financial condition at the end of the preceding fiscal year;

c. A written report, approved by the Board, of the activities and accomplishments of the Authority and recommendations regarding future activities of the Authority; and

d. A list of tenants, purchasers or other persons occupying The Cyber Park of Danville and Pittsylvania County or any other regional industrial facilities developed by the Authority.

2. Special Reports. Upon written request of the Governing Body of any Member Locality, the Board shall report to such Governing Body within thirty (30) days of receipt of such request or within a longer period if so provided in such request. The special report shall describe the activities and financial status of the Authority within the six (6) month period immediately preceding the request, or as otherwise specified in the request and shall be furnished to each Member Locality. A written report shall be provided if requested.

ARTICLE X. FUNDING

Funding of the Authority shall be by appropriation as decided from time to time by the Governing Bodies of the Member Localities and from such other sources as are identified in the Agreement.

ARTICLE XI. STAFF

The Board may hire such employees as are necessary to accomplish the purposes and powers of the Authority.

ARTICLE XII. OFFICIAL SEAL

The Seal of the Authority shall show the name of the Authority, the name of the Commonwealth, and the year of its formation; i.e., "DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY - VIRGINIA - 2001."

ARTICLE XIII. FISCAL YEAR

The fiscal year of the Authority shall be from July 1 until June 30 of the following year.

ARTICLE XIV. AMENDMENTS

Except as otherwise provided by law, these Bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board, at any regular meeting of the Board, or at any special meeting where such action has been announced in the call and notice of such meeting; however, instead of the time frame described in paragraph 3 of Article VIII above, at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors.

The undersigned hereby certify that the foregoing are the Amended and Restated Bylaws adopted by the Board of Directors at its monthly meeting held August 13, 2007, revised at its monthly meeting held June 14, 2010, ~~and~~ revised at its monthly meeting held August 9, 2010, revised at its monthly meeting held February 14, 2011, and as last revised at its monthly meeting held ~~February 14~~April 11, 2011.[16]

_____

Secretary

** The bracketed footnotes and annotations do not constitute a part of these Bylaws and are provided for convenience only.*[17]

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[16] 06/14/2010 ~~and~~, 08/09/2010 ~~and~~, 02/14/2011, 04/11/2011: Updated references to monthly meetings.

[17] 02/14/2011: Footnotes and annotations do not constitute a part of the Bylaws and are for convenience only.

AGENDA
ITEM NUMBER 6

Resolution No. 2011-03-14-6

A RESOLUTION RATIFYING THE PROPOSAL ACCEPTANCE FOR PROPOSAL FOR SUBSURFACE EXPLORATION AND GEOTECHNICAL ENGINEERING ANALYSIS (ECS PROPOSAL NO. 09.17364-P), BETWEEN THE AUTHORITY AND ECS CAROLINAS, LLP, A NORTH CAROLINA LIMITED LIABILITY PARTNERSHIP, FOR THE PERFORMANCE OF SOIL BORINGS ON THE AUTHORITY'S CANE CREEK SITE AS REQUESTED BY A BUSINESS PROSPECT, AT A COST OF $2,889.00.

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, Article IV ("Member Locality Agreement") of the Authority's Amended and Restated Bylaws (Adopted August 13, 2007, and Last Revised On February 14, 2011) acknowledges that certain Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, executed by the Governing Body of each Member Locality of the Authority (the "Member Locality Agreement"); and

WHEREAS, in accordance with the Member Locality Agreement and as requested by a business prospect for one of the Authority projects, Jeremy Stratton, Director of the City of Danville Office of Economic Development of a Member Locality, on behalf of the Authority, accepted certain Proposal for Subsurface Exploration and Geotechnical Engineering Analysis (ECS Proposal No. 09.17364-P), (the "Soil Boring Proposal") between the Authority and ECS Carolinas, LLP, A North Carolina limited liability partnership, for the performance of soil borings on the Authority's Cane Creek Site, at a cost of $2,889.00, a copy of which is attached hereto; and

WHEREAS, the Authority has determined that such expenditure was in accordance with the Member Locality Agreement, reasonable, necessary and proper for the development and marketing for a business prospect for one of the Authority projects; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville for the Authority to make such an amendment to the Bylaws.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby ratify, approve and confirm the Soil Boring Proposal and all prior acts by Jeremy Stratton, Director of the City of Danville Office of Economic Development, pertaining to the Soil Boring Proposal that relate to, are in support of and/or in any manner provide aid, material, support, and assistance to the Authority.

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

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 March 14, 2011, 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 14th day of March 2011.

_____

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

AGENDA
ITEM NUMBER 7

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

A. $7.3 Million Bonds

B. General Expenditures for FY 2011

C. Mega Park

D. Cane Creek Centre – Lots 3 & 9

E. Yorktowne Reimbursement

F. Rent, Interest, and Other Income Realized

G. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

$7.3 million Bonds for Cane Creek Centre - Issued in August 2005

As of February 28, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	485,680.19				
Cane Creek Parkway		$ 3,423,296.09	$ 3,342,961.25	$ 80,334.84	
Swedwood Drive [2]		69,414.00	69,414.00	-	
Cane Creek Centre entrance [3]		72,335.00	53,878.70	-	
Financial Advisory Services		7,600.00	7,600.00	-	
Dewberry contracts [1]		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant [4,5]		71,461.00	6,854.50	64,606.50	
Yorktowne Sound Buffer		-	-	-	
Land			2,560,921.67	-	
Demolition services			33,761.62	-	
Legal fees			48,179.23	-	
Other expenditures			9,689.70	-	
Total	$ 7,630,180.61	$ 3,713,688.59	$ 6,202,843.17	$ 144,941.34	$ **1,282,396.10**

notes:

[1] *Dewberry Contracts consist of wetland, engineering, surveying and site preparation*

[2] *Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive*

[3] *Project completed under budget*

[*] *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.*

[4] *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.*

[5] *The budget amount decreased $71,279.61 from the September 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.*

Road Summary-Cane Creek Parkway:	
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
Total Road Contract Allocated to RIFA	**$ 5,271,916.00**

Funding Summary - Cane Creek Parkway	
VDOT	$ 1,848,619.91
Bonds	3,423,296.09
	$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2011

As of February 28, 2011

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City	$ 20,000.00				
County	20,000.00				
Carry forward from FY10	79,533.66				
Transfer in from Research Facility-Build Out budget [1]	37.16				
Contingency					
Bank Fees		$ -	$ 4,071.25	$ -	$ -
Surveying of lots			1,700.00	-	-
Dewberry - subdivide Cane Creek Centre		-	10,250.00	-	-
Total Contingency Budget		21,400.00	16,021.25	-	5,378.75
Legal		60,570.82	75,455.78	-	(14,884.96)
Accounting		18,000.00	18,000.00	-	-
Postage & Shipping		100.00	-	-	100.00
Meals		2,500.00	1,595.97	-	904.03
Utilities		10,000.00	5,692.11	-	4,307.89
Insurance		7,000.00	119.00	-	6,881.00
Total	$ 119,570.82	$ 119,570.82	$ 116,884.11	$ -	**$ 2,686.71**

[1] This was the remaining balance on the Research Facility - Build Out project upon completion. This is a portion of the interest earned while the funds from the Danville Regional Foundation were invested in a money market account. Per the Danville Regional Foundation, this belongs to RIFA. The RIFA Board approved to transfer this to the General Expenditures budget at its October 12, 2010 meeting.

[2] The Board approved at its December 13, 2010 meeting to increase the legal budget using $14,570.82 of available funding and transferring $6,000 from the Contingency budget.

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park

As of February 28, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Land					
Klutz property		$ 8,394,553.50	$ 8,394,553.50	$ -	
Canter property [2]		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	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis[3]		990,850.00	936,763.29	54,086.71	
Consulting Services - McCallum Sweeney		115,000.00	80,343.52	34,656.48	
Total	$ 14,388,399.83	$ 14,231,524.83	$ 14,142,781.64	$ 88,743.19	$ 156,875.00

[1] *This figure does not include the interest the City is losing from the uninvested funds.*

[2] *Settlement fees have been charged to general expenditures until a funding source is available*

[3] *This contract was originally for $814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. $740,000 will be covered by the FY09 Tobacco Allocation and $250,850 will be covered by the FY10 Tobacco Allocation.*

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of February 28, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
EDA Grant Investment	$ 2,275,030.00				
Tobacco Commission FY10 Reserve Fund Allocation	426,568.00				
Local Match - RIFA [1]	142,190.00				
Expenditures					
Dewberry & Davis		$ 111,600.00	$ 3,060.00	$ 108,540.00	
Total	$ 2,843,788.00	$ 111,600.00	$ 3,060.00	$ 108,540.00	**$ 2,732,188.00**

[1] *Pending approval from RIFA Board*

Danville-Pittsylvania Regional Industrial Facility Authority

Yorktowne Reimbursement

As of February 28, 2011

Yorktowne Reimbursement*	$ 181,339.68

*The City and County both contributed $525,000 to RIFA in July of 2005 for Yorktowne Incentives. Because Yorktowne did not meet the job requirements set forth in the Performance Agreement, they are having to repay incentive money to account for the jobs not created. In accordance with the amended Performance Agreement, we received one payment from Yorktowne in the amount of $45,334.92 in November 2009. We received another payment of $136,004.76 in November 2010.

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized
As of February 28, 2011

Rent Received	
Hawkins Research Building Rent Received from IALR [1]	$ 341,946.88
Cedar Lane Rent Received	10,800.00
Gilbert Building Rent Received from Securitas	9,500.00
Klutz Farm Rent Received	6,500.00
Sod Farm Rent Received	3,500.00
Hughes Property Rent Received	400.00
	$ 372,646.88
Interest Received [2]	$ 22,731.00
Total	$ 395,377.88

[1] *A portion of the rent received from the IALR for the Hawkins Research Building is Board-restricted for the SEnTeC project and will be disbursed to the IALR.*

[2] *Please note that this is only interest received on RIFA's general money market account.*

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets [1, 2]
*February 28, 2011**

		Unaudited FY 2011
Assets		
Current assets		
Cash - checking	$	581,606
Cash - money market		489,322
Total current assets		1,070,928
Noncurrent assets		
Restricted cash - project fund		1,225,057
Restricted cash - debt service fund		655,275
Capital assets not being depreciated		24,193,225
Capital assets being depreciated, net		28,161,909
Construction in progress		1,023,794
Unamortized bond issue costs		116,551
Total noncurrent assets		55,375,811
Total assets		56,446,739
Liabilities		
Current liabilities		
Due to City of Danville		10,457,372
Bonds payable - current portion		285,000
Security deposit		1,000
Total current liabilities		10,743,372
Noncurrent liabilities		
Bonds payable - less current portion		5,895,000
Total noncurrent liabilities		5,895,000
Total liabilities		16,638,372
Net Assets		
Invested in capital assets - net of related debt		38,621,888
Unrestricted		1,186,479
Total net assets	$	39,808,367

[1] Please note that 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.

[2] Please note that this balance sheet does not include 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 that these statements are for the period ended February 28, 2011 as of February 28, 2011, 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 Assets
*February 28, 2011**

	Unaudited FY 2011
Operating revenues	
Rental income	344,347
Reimbursement of incentive grants	180,000
Other grants	75,000
Total operating revenues	599,347
Operating expenses [4]	
Mega Park expenses [3]	113,428
Cane Creek Centre expenses [3,5]	77,939
Cyber Park expenses [3]	18,270
Economic development - Cyberpark	655,719
Economic development - Cane Creek Centre	622,126
Professional fees	33,551
Insurance	6,065
Other operating expenses	7,951
Total operating expenses	1,535,049
Operating loss	(935,702)
Non-operating revenues (expenses)	
Interest income	2,401
Interest expense	(12,597)
Total non-operating expenses, net	(10,196)
Net loss before capital contributions	(945,898)
Capital contributions	
Contribution - City of Danville	193,058
Contribution - Pittsylvania County	193,058
Total capital contributions	386,116
Change in net assets	(559,782)
Net assets at July 1,	40,368,149
Net assets at February 28,	$ 39,808,367

[3] A portion or all of these expenses may be capitalized at fiscal year-end.

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

[5] Please note that this line item includes $51,564 for fees related to the $7.3M bonds for Cane Creek.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*February 28, 2011**

		Unaudited FY 2011
Operating activities		
Receipts from grant reimbursement requests	$	329,814
Receipts from incentive repayment		136,005
Receipts from leases		349,647
Payments to suppliers for goods and services		(348,226)
Net cash provided by operating activities		467,240
Capital and related financing activities		
Capital contributions		566,116
Interest paid on bonds		(14,720)
Principal repayments on bonds		(275,000)
Net cash provided by capital and related financing activities		276,396
Investing activities		
Interest received		2,401
Net cash provided by investing activities		2,401
Net increase in cash and cash equivalents		746,037
Cash and cash equivalents - beginning of year (including restricted cash)		2,205,223
Cash and cash equivalents - through February 28, 2011 (including restricted cash)	$	2,951,260
Reconciliation of operating loss before capital contributions to net cash provided by operating activities:		
Operating loss	$	(935,702)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Non-cash economic incentive expenses		1,202,845
Non-cash economic incentive reimbursements		(180,000)
Changes in assets and liabilities:		
Change in prepaids		10,470
Change in due from other governments		254,814
Change in other receivables		140,305
Change in accounts payable		(26,492)
Change in security deposit		1,000
Net cash provided by operating activities	$	467,240

Components of cash and cash equivalents at February 28, 2011:		
American National - Checking	$	581,606
American National - General money market		489,322
Wachovia - $7.3M Bonds CCC Debt service fund		655,275
Wachovia - $7.3M Bonds CCC Project fund		1,225,057
	$	2,951,260

AGENDA
ITEM NUMBER 8

Danville-Pittsylvania Regional Industrial Facility Authority

427 Patton Street, Room 428
Danville, VA 24541
Telephone: 434-799-5185
Facsimile: 434-799-5041

Date: March 14, 2011

To: Danville-Pittsylvania Regional Industrial Facility Authority (RIFA) Board Members

From: Barbara A. Dameron

Subject: Designation of Yorktowne Repayment of Incentives

In April 2005, RIFA and the City of Danville entered into an agreement with Yorktowne to provide funding and land if the company met specific capital investment and job requirements within 60 months of the agreement. Yorktowne has met its capital investment requirements. However, Yorktowne did not fulfill the job requirements as specified in the agreement by the target date of March 31, 2009.

As a result, an amendment to the performance agreement was executed on September 28, 2009 between Yorktowne, RIFA, the City of Danville, and Pittsylvania County to provide Yorktowne with altered job targets and altered time frames for meeting those targets. Part of this re-negotiated agreement included the return of a portion of funding to RIFA. Yorktowne has repaid incentives to RIFA in the amount of $181,339.68. No further amounts are due from Yorktowne at this time; however, Yorktowne will be required to repay more of the incentives provided if it fails to meet the altered job targets by the target dates stated in the amended performance agreement. The next target date is September 30, 2012, with a target date each September 30th through 2016. Payments of $208,363.26 are due for each target date if job targets are not met.

The funding for these incentives was local contributions from the City of Danville and Pittsylvania County. It is under the RIFA Board's discretion, in conjunction with the Danville City Council and the Pittsylvania County Board of Supervisors, whether to allocate this money to another RIFA project or return it to each locality (to be split equally). Therefore, staff requests that the RIFA Board, City Council, and Board of Supervisors consider this item. Staff recommends that RIFA retain these funds to cover future operating and project costs as needed.

AGENDA
ITEM NUMBER 9

Danville-Pittsylvania Regional Industrial Facility Authority

427 Patton Street, Room 428
Danville, VA 24541
Telephone: 434-799-5185
Facsimile: 434-799-5041

Date: February 25, 2011

To: Danville-Pittsylvania Regional Industrial Facility Authority (RIFA) Board Members

From: Barbara A. Dameron

Subject: Fiscal Year 2011 General Expenditures Budget

The *General Expenditures for Fiscal Year 2011* budget sheet has remaining funds of $2,686.71 as of February 25, 2011. Thus, RIFA is seeking to obtain additional funding for the fiscal year 2011 general expenditures budget. Options for obtaining additional funds are as follows:

- The City and County each budgeted $75,000 to cover RIFA's fiscal year 2011 general expenditures. Each locality only disbursed $20,000 of the budgeted funds to RIFA. This leaves $55,000 of available funding that may be requested from each locality to cover general expenditures, for a total of $110,000 in available funding.
- RIFA has realized $372,646.48 in rental income through February 25, 2011. While a portion of these funds are Board-restricted to be remitted to the Institute for Advanced Learning and Research, a significant portion will remain that the Board may designate to cover general expenditures.

RIFA staff estimates that approximately $50,000 in additional funds is necessary to cover the legal budget deficit, future legal billings, and contingency items. Since localities are experiencing tight budgets, staff recommends that the Board approve transferring $50,000 of rental revenue realized to the fiscal year 2011 general expenditures budget.