Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, APRIL 11, 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 MARCH 14, 2011 MEETING**

5. **OLD BUSINESS**

   A. Consideration of Resolution No. 2011-04-11-5A (first proposed as Resolution No. 2011-03-14-5) adopting 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. **NEW BUSINESS**

   A. Update on Projects of the Authority from Shawn R. Harden, PE, Manager of Civil/Economic Development, Dewberry

   B. Consideration of Resolution No. 2011-04-11-6B, to approve an 8-month lease to Patten Seed Company, a Georgia corporation, for that certain real property (GPIN 1356-75-8216) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, upon which Patten Seed Company shall plant and harvest sod and/or soybeans at a total rental fee of $3,000.00.

   C. Consideration of Resolution No. 2011-04-11-6C, authorizing and directing the Chairman or Vice Chairman of the Authority to request rezoning of any and all parcels of land constituting the Authority's Berry Hill Regional Mega Park site to the Heavy Industry Industrial District (M-2) classification and to execute all necessary documents pertaining thereto; and authorizing proffers up to $10,000 in the aggregate in connection therewith.

   D. Financial Report as of March 31, 2011.

7. CLOSED MEETING

A. 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.

8. COMMUNICATIONS FROM:

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

9. ADJOURN

AGENDA
ITEM NUMBER 4

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

March 14, 2011

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:09 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 David Luther and alternate Fred Shanks and Pittsylvania County Members Vice-Chairman Coy Harville and Hank Davis. Chairman Sherman Saunders and Pittsylvania County alternate Fred Ingram were absent. (Mr. Shanks arrived at 12:14 p.m.)

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

Also present were Dewberry and Davis Project Manager Shawn Harden.

Mr. Harville presided and called the Meeting to order.

PUBLIC COMMENT PERIOD

There were no comments from citizens.

APPROVAL OF FEBRUARY 14, 2011 MINUTES

Upon **Motion** by Mr. Luther and second by Mr. Davis, Minutes of the February 14, 2011 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

CONSIDERATION OF RESOLUTION NO. 2011-03-14-05

Mr. Davis **moved** to **table** Consideration of Resolution No. 2011-03-14-05.

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

VOTE: 3-0
AYE: Davis, Harville, Luther, (3)
NAY: None (0).

CONSIDERATION OF RESOLUTION NO. 2011-03-14-06

Mr. Luther **moved** to approve 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.

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

VOTE: 3-0
AYE: Davis, Harville, Luther (3)
NAY: None (0).

MONTHLY FINANCIAL REPORT

Mr. Harville requested that Mr. Sleeper and Mr. King discuss the Hughes Home situation and report to the Board at the next meeting.

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

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

DESIGNATE YORKTOWNE REPAYMENT OF INCENTIVES

Mr. Luther **moved** to approve a request to Designate the Yorktowne Repayment of Incentives and Retain these Funds to cover Future Operating and Project Costs as needed.

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

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

OBTAIN ADDITIONAL FUNDING BY TRANSFERRING RENTAL REVENUE

Mr. Shanks **moved** to approve Obtaining Additional Funding by Transferring $50,000.00 of Rental Revenue Realized to the Fiscal Year 2011 General Expenditures Budget.

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

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

March 14, 2011

CLOSED MEETING

At 12:23 p.m. Mr. Luther **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. CL10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.

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

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

Upon unanimous vote at 12:36 p.m., the Authority returned to open meeting and Mr. Luther **moved** adoption of the following Resolution:

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 Shanks (4)
NAY: None (0).

COMMUNICATIONS

Mr. Sleeper noted that the grading and the sewer of the Cane Creek Projects is out to bid for 30 days.

No further communications were heard.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

March 14, 2011

The Meeting adjourned at 12:39 p.m.

_____
Vice-Chairman

_____
Clerk to the Authority

AGENDA
ITEM NUMBER 5.A

Resolution No. 2011-04-11-5A

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 (i) approve the revisions to the Bylaws as set forth in Schedule 1, attached hereto and incorporated herein by this reference, and (ii) ratify and confirm the Bylaws in their entirety, as set forth in Schedule 2, attached hereto and incorporated herein by this reference.

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.

SCHEDULE 2

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

Adopted August 13, 2007
Revised June 14, 2010
Revised August 9, 2010
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.

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

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.

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. 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 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.

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. The offices of Secretary and Treasurer may be held by the same person. 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.

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) 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 Chairman and the Vice Chairman, 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 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.

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.

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. Such request shall be in writing, which may be by email to the Chairman at the email address of record, 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, 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.

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.

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, 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 April 11, 2011.

AGENDA
ITEM NUMBER 6.B

Resolution No. 2011-04-11-6B

A RESOLUTION TO APPROVE AN 8-MONTH LEASE TO PATTEN SEED COMPANY, A GEORGIA CORPORATION, FOR THAT CERTAIN REAL PROPERTY (GPIN 1356-75-8216) OF DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, CONTAINING APPROXIMATELY 30 ACRES AND FRONTING ON STATELINE BRIDGE ROAD, UPON WHICH PATTEN SEED COMPANY SHALL PLANT AND HARVEST SOD AND/OR SOYBEANS AT A TOTAL RENTAL FEE OF $3,000.00.

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, the Patten Seed Company, a Georgia corporation (**"Patten Seed"**), had previously entered into that certain Lease Agreement dated March 16, 2010 (the **"2010 Lease"**), for the lease of certain real property (GPIN 1356-75-8216) of the Authority, containing approximately thirty (30) acres and fronting on Stateline Bridge Road, in Pittsylvania County, Virginia (the **"Property"**), for agricultural purposes;

WHEREAS, the 2010 Lease expired on November 30, 2010, and 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 enter into a new lease of the Property with Patten Seed Company, under similar terms to the 2010 Lease, except that under the new lease, total rental would be Three Thousand and 00/100 Dollars ($3,000.00), and the Property may only be used for planting and harvesting sod and/or soybeans and any other purposes approved by the Authority; and

WHEREAS, the terms of such new lease are set forth in Schedule A, attached hereto and incorporated herein by this reference (the **"Lease"**).

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Lease as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Lease on behalf of the Authority, such execution of the Lease by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

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

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

4. 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.

_____

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

(SEAL)

SCHEDULE A

THIS LEASE AGREEMENT ("Lease") made as of the 15th day of April 2011, by and between DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia (hereafter referred to as "Landlord"); and PATTEN SEED COMPANY, a Georgia corporation (hereafter referred to as "Tenant");

W I T N E S S E T H :

That for and in consideration of the mutual promises and covenants contained in this Lease, the parties agree as follows:

Section 1 - Property Description. Landlord leases to the Tenant, and Tenant rents from Landlord, an approximately thirty (30) acre tract of land located on Stateline Bridge Road in Pittsylvania County, Virginia, which has been previously seeded by Tenant (the "Property").

Section 2 - Term. This Lease shall be for a term beginning on April 15, 2011, and ending on December 15, 2011 (the "Term"), unless sooner terminated as provided for herein.

Section 3 - Rental Payment. Tenant agrees to pay to Landlord a base rent ("Base Rent") for the Property in the amount of Three Thousand and 00/100 Dollars ($3,000.00), due and payable by Tenant to Landlord on the date this Lease is executed by Tenant.

Section 4 - Assignment. Tenant may not assign or sublet the Property for any reason without Landlord's prior written consent. No assignment or sublease shall affect the obligation of Tenant to perform all of Tenant's obligations under this Lease, unless Landlord executes a written document releasing Tenant from such obligations.

Section 5 - Insurance; Personal Property. It shall be the sole responsibility of Tenant to protect and, if Tenant desires, to insure Tenant's personal property located on the Property. Landlord shall have no liability for any damage to any persons or personal property located in the Property. The parties understand and agree that Tenant shall maintain, during the Term, liability insurance on the Property with a minimum limit of $1,000,000.00, naming Landlord as an additional insured, and that Tenant will provide Landlord with evidence of such insurance as requested by Landlord.

Section 6 - Alterations; Surrender of Property. Tenant agrees that Tenant shall seed or cover the Property throughout the Term. Tenant shall, at the termination of this Lease, surrender the Property in at least as good condition as the Property was in at the beginning of this Lease, reasonable wear and tear excepted. Tenant agrees that, at the termination of this Lease, the Property shall be stabilized by perennial vegetation in accordance with the guidelines specified in Std.&Spec. 3.32 of the Virginia Erosion and Sediment Control Handbook. In addition, stabilization of the Property must also comply with Minimum Standard – 3 of the Virginia Erosion and Sediment Control Regulations, which states that "A permanent vegetative cover shall be established on denuded areas not otherwise permanently stabilized. Permanent vegetation shall not be considered established until a ground cover is achieved that is uniform, mature enough to survive and will inhibit erosion." The parties understand and agree that the determination of stabilization, or the need for additional stabilization measures, shall be made by Landlord or its designated agent.

Section 7 - Maintenance; Taxes. Tenant shall be solely responsible for the maintenance of the Property during the Term. Landlord shall pay any and all real estate taxes assessed against the Property, and Tenant shall pay any and all personal property taxes or other assessments assessed against the Property.

Section 8 - Use of Property by Tenant. No permanent structure shall be erected on the Property. The Property shall be used by Tenant solely for planting and harvesting sod and/or soybeans and for no other purpose without the prior written approval of Landlord, which approval may be withheld in the sole discretion of Landlord. However, in no event shall the Property be used for any purpose or in any manner which constitutes a violation of any federal, state, or county law or regulation.

Section 9 - Waiver of Liability. Landlord shall not be responsible for any damage to Tenant or their invitees, or for any other occupant of the Property, resulting from any cause whatsoever unless caused by willful misconduct of Landlord. Tenant promises and agrees to insure, protect, and save harmless Landlord from any liabilities, costs, or expenses incurred by reason of personal injuries (including without limitation death at any time resulting therefrom) to any person or damage to any property on or about the Property during the Term, or arising from Tenant's occupancy or use of the Property.

Section 10 - Destruction of Premises and Risk of Loss. If the Property be demolished or materially damaged by fire or otherwise, then this Lease shall automatically terminate as of the date of the destruction or damage. Landlord is under no duty to make repairs under this clause. Tenant shall have the sole and exclusive responsibility for any insurance for Tenant's personal property.

Section 11 - Default of Tenant. Upon (i) the breach of any covenant of this Lease (other than payment of Base Rent pursuant to Section 3 of this Lease) which is not cured within thirty (30) days after notice of such breach is sent to Tenant, (ii) the use of the Property for any illegal purpose, or (iii) Tenant's failure to pay rent within five (5) days of written notice from Landlord that the rent is due and unpaid, Landlord shall have the right, at Landlord's sole option, (a) to declare all Base Rent immediately due and payable, and (b) to immediately terminate this Lease without further notice to Tenant. The exercise by Landlord of the rights granted pursuant to this paragraph shall not deprive the Landlord of any other remedy against Tenant for possession or for damages. The failure of either party to insist on the strict observance by the other party of any covenant contained in this Lease shall in no way be construed as a waiver of a future breach of the same or other covenants.

Section 12 - Condemnation. If the Property is condemned by public authority by the exercise of eminent domain or otherwise, or if the Property is sold to or is otherwise acquired by any public authority, thereupon vesting title in such public authority, this Lease shall thereupon immediately terminate, and Landlord shall not be liable for any inconvenience or damage to Tenant. Any and all awards for such condemnation shall be the sole and exclusive property of Landlord.

Section 13 - Condition of Property. Tenant represents and warrants that Tenant has inspected the Property and all equipment located thereon and that such is suitable for Tenant's purposes; therefore Tenant hereby accepts the Property in its present "AS IS" condition.

Section 14 - Holding Over. It is hereby agreed that, in the event that Tenant holds over after the termination of the Term, Tenant shall be a tenant at sufferance and may be removed at any time by Landlord.

Section 15 - Notice. Any notice required or contemplated to be given to a party by the other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to Landlord:
Danville-Pittsylvania Regional Industrial Facility Authority
Attention: Chairman
427 Patton Street, Room 428
Danville, VA 24541

If to Tenant:
Patten Seed Company
Attn.: Mark Osborne
1201 Berry Hill Bridge Road
Ruffin, NC 27326

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. 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.

Section 16 - Successors in Interest. All rights and liabilities set forth in this Lease or otherwise imposed upon any party shall extend to the heirs, executors, administrators, successors, and, so far as same are assignable by the terms of this Lease, to the assigns of such party (whether voluntary by act of the parties or involuntary by operation of law).

Section 17 - Construction. Feminine or neuter pronouns are to be substituted for those of the masculine form, and the plural is to be substituted for the singular number, in any place or places herein which the context may require such substitution. This Lease shall be construed under the laws of the Commonwealth of Virginia.

Section 18 - Final Agreement. This Lease represents the final understanding between the parties; no representations shall be binding upon Landlord unless stated in this Lease; no agent of Landlord has authority to change or modify any of the terms hereof except by writing endorsed on or attached to this Lease; Tenant has inspected and examined the Property and agrees to accept the same; and Landlord makes no warranties whatsoever regarding the fitness, operation, and continued usefulness of the premises for any purpose.

Section 19 - Quiet Enjoyment. Landlord agrees that so long as Tenant is not in default under this Lease, Tenant may quietly hold and enjoy the Property during the Term.

Section 20 - Attorneys' Fees and Costs. In the event that a party to this Lease defaults in the performance of any of the terms or obligations imposed upon such party by this Lease or the transactions contemplated hereby, the non-defaulting party may institute legal proceeding to enforce the provisions of this Lease. In such instance, in addition to any other remedy, the non-prevailing party shall be responsible for the reasonable attorneys' fees and costs incurred by the prevailing party in pursuing such action. The parties retain all rights at law and in equity to enforce the provisions of this agreement in accordance with applicable law.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this LEASE AGREEMENT:

LANDLORD:

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

By:_____

Title:_____

TENANT:

PATTEN SEED COMPANY, a Georgia corporation

By:_____

Title:_____

AGENDA
ITEM NUMBER 6.C

Resolution No. 2011-04-11-6C

A RESOLUTION AUTHORIZING AND DIRECTING THE CHAIRMAN OR VICE CHAIRMAN TO REQUEST REZONING OF ANY AND ALL PARCELS OF LAND CONSTITUTING THE AUTHORITY'S BERRY HILL REGIONAL MEGA PARK SITE TO THE HEAVY INDUSTRY INDUSTRIAL DISTRICT (M-2) CLASSIFICATION AND TO EXECUTE ALL NECESSARY DOCUMENTS PERTAINING THERETO; AND AUTHORIZING PROFFERS UP TO $10,000 IN THE AGGREGATE IN CONNECTION THEREWITH.

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

WHEREAS, the Authority's Berry Hill Regional Mega Park Site (the "**Mega Site**") is comprised of a number of parcels of land of various zoning classification; and

WHEREAS, as part of the Authority's planned development of the Mega Site, any and all such parcels of land constituting the Mega Site should be rezoned to the Heavy Industry Industrial District (M-2) classification, to provide locations for larger scale manufacturing, processing, and warehousing operations as permitted by such classification; and

WHEREAS, the Authority has determined that rezoning of any and all of the parcels of land constituting the Mega Site to the Heavy Industry Industrial District (M-2) classification is in the best interests of the Authority and of the citizens of the County of Pittsylvania and the City of Danville.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby directs and authorizes the Chairman or Vice Chairman of the Authority (i) to request on behalf of the Authority the rezoning of any and all of the parcels of land constituting the Mega Site to the Heavy Industry Industrial District (M-2) classification and to execute and deliver an application and any other documents pertaining thereto in connection with such request, as deemed necessary by the Chairman or Vice Chairman; and (ii) authorizes proffers on behalf of the Authority of up to Ten Thousand Dollars ($10,000) in the aggregate in connection such request, as deemed necessary by the Chairman or Vice Chairman with the concurrence of both the Manager of the City of Danville and the Administrator of the County of Pittsylvania, the making of such proffers by the Chairman or Vice Chairman to conclusively establish the concurrence of the Manager of the City of Danville and the Administrator of the County of Pittsylvania.

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

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

4. 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)

AGENDA
ITEM NUMBER 6.D

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

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A. $7.3 Million Bonds

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Danville-Pittsylvania Regional Industrial Facility Authority

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

As of March 31, 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	485,866.02				
Cane Creek Parkway		$ 3,804,576.00	$ 3,724,241.16	$ 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]		71,881.00	7,274.50	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	$ 7,630,366.44	$ 4,095,388.50	$ 6,584,543.08	$ 144,941.34	$ 900,882.02

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	$ 1,467,340.00
Bonds	3,804,576.00
	$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2011

As of March 31, 2011

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City	$ 20,000.00				
County	20,000.00				
Carryforward from FY10	79,533.66				
Transfer in from rental income realized [3]	50,000.00				
Transfer in from Research Facility-Build Out budget [1]	37.16				
Contingency					
Bank Fees		$ -	$ 4,071.25	$ -	$ -
Surveying of lots		-	1,700.00	-	-
Subsurface exploration at Cane Creek Centre		-	2,889.00	-	-
Dewberry - subdivide Cane Creek Centre		-	10,250.00	-	-
Total Contingency Budget		21,400.00	18,910.25	-	2,489.75
Legal [2]		110,570.82	82,393.98	-	28,176.84
Accounting		18,000.00	18,000.00	-	-
Postage & Shipping		100.00	-	-	100.00
Meals		2,500.00	1,889.90	-	610.10
Utilities		10,000.00	5,717.72	-	4,282.28
Insurance		7,000.00	119.00	-	6,881.00
Total	$ 169,570.82	$ 169,570.82	$ 127,030.85	$ -	**$ 42,539.97**

[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.

[3] The RIFA Board approved at its March 14, 2011 meeting to transfer $50,000 from rental income realized to the General Expenditures budget to cover legal and contingency items. The entire $50,000 has been budgeted for legal at this time.

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park

As of March 31, 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 March 31, 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] *Bond funds are available to cover this local match.*

Danville-Pittsylvania Regional Industrial Facility Authority

Yorktowne Reimbursement

As of March 31, 2011

Yorktowne Reimbursement*	$ 181,339.68

*Since Yorktowne did not meet the job requirements set forth in its initial Performance Agreement executed in 2005, it is repaying incentive money to RIFA 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. No further payments are due unless Yorktowne fails to meet the new targets in the amended performance agreement. The RIFA Board approved at the March 14, 2011 meeting to retain these funds for use within RIFA. These funds are available for the RIFA Board to allocate to budgets as needed.

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized
As of March 31, 2011

		Funding		Expenditures		Unexpended / Unencumbered
Funding						
Rent Received						
Hawkins Research Building Rent Received from IALR [1]	$	357,201.77				
Cedar Lane Rent Received		10,800.00				
Gilbert Building Rent Received from Securitas		9,800.00				
Klutz Farm Rent Received		6,500.00				
Oak Hill Hunting Club Rent Received		4,000.00				
Sod Farm Rent Received		3,500.00				
Hughes Property Rent Received		400.00				
	$	392,201.77				
Interest Received [2]	$	22,794.81				
Expenditures						
Disbursement to IALR for SEnTeC project [1]			$	278,812.00		
Transfer to General Expenditures budget [3]				50,000.00		
Total	$	414,996.58	$	328,812.00	$	86,184.58

[1] A portion of the rent received from the IALR for the Hawkins Research Building was Board-restricted for the SEnTeC project. RIFA disbursed $278,812.00 to the IALR to fully satisfy this commitment made by the Board at the June 11, 2008 meeting.

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

[3] The RIFA Board approved to transfer $50,000 from rental income realized to the General Expenditures budget at its March 14, 2011 meeting.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets [1, 2]
March 31, 2011*

		Unaudited FY 2011
Assets		
Current assets		
Cash - checking	$	309,452
Cash - money market		489,386
Total current assets		798,838
Noncurrent assets		
Restricted cash - project fund		1,225,243
Restricted cash - debt service fund		653,938
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		55,374,660
Total assets		56,173,498
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		38,620,737
Unrestricted		914,389
Total net assets	$	39,535,126

[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 March 31, 2011 as of March 31, 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
*March 31, 2011**

	Unaudited FY 2011
Operating revenues	
Rental income	359,602
Reimbursement of incentive grants	180,000
Other grants	75,000
Total operating revenues	614,602
Operating expenses [4]	
Mega Park expenses [3]	114,805
Cane Creek Centre expenses [3,5]	79,277
Cyber Park expenses [3]	20,075
Economic development - Cyberpark	934,531
Economic development - Cane Creek Centre	622,126
Professional fees	37,308
Insurance	6,065
Other operating expenses	8,270
Total operating expenses	1,822,457
Operating loss	(1,207,855)
Non-operating revenues (expenses)	
Interest income	2,688
Interest expense	(13,972)
Total non-operating expenses, net	(11,284)
Net loss before capital contributions	(1,219,139)
Capital contributions	
Contribution - City of Danville	193,058
Contribution - Pittsylvania County	193,058
Total capital contributions	386,116
Change in net assets	(833,023)
Net assets at July 1,	40,368,149
Net assets at March 31,	$ 39,535,126

[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
*March 31, 2011**

		Unaudited FY 2011
Operating activities		
Receipts from grant reimbursement requests	$	329,814
Receipts from incentive repayment		136,005
Receipts from leases		364,902
Payments to suppliers for goods and services		(635,634)
Net cash provided by operating activities		195,087
Capital and related financing activities		
Capital contributions		566,116
Interest paid on bonds		(16,095)
Principal repayments on bonds		(275,000)
Net cash provided by capital and related financing activities		275,021
Investing activities		
Interest received		2,688
Net cash provided by investing activities		2,688
Net increase in cash and cash equivalents		472,796
Cash and cash equivalents - beginning of year (including restricted cash)		2,205,223
Cash and cash equivalents - through March 31, 2011 (including restricted cash)	$	2,678,019
Reconciliation of operating loss before capital contributions to net cash provided by operating activities:		
Operating loss	$	(1,207,855)
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	$	195,087

Components of cash and cash equivalents at March 31, 2011:		
American National - Checking	$	309,452
American National - General money market		489,386
Wachovia - $7.3M Bonds CCC Debt service fund		653,938
Wachovia - $7.3M Bonds CCC Project fund		1,225,243
	$	2,678,019