

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

Monday, February 11, 2013

12:00 Noon

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

County of Pittsylvania Members

**Coy E. Harville, Vice Chair
James H. Snead
Jessie L. Barksdale, Alternate**

City of Danville Members

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

Staff

**Joseph C. King, City Manager, Danville
William D. Sleeper, Pittsylvania County Administrator
Clement & Wheatley, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Barbara A. Dameron, Authority Treasurer**

Danville-Pittsylvania Regional Industrial Facility Authority

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

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

4. APPROVAL OF MINUTES OF THE JANUARY 14, 2012 MEETING

5. OLD BUSINESS

- A. Consideration of Resolution No. 2013-01-14-6B, amending paragraph 2 of Article V ("Board of Directors") of the Bylaws of the Authority by deleting "... and no director or alternative director may serve more than one (1) additional term" – Michael C. Guanzon, Esq., Clement & Wheatley, Authority's Legal Counsel

6. NEW BUSINESS

- A. Consideration of Resolution No. 2013-02-11-6A, approving a license to the City of Danville to use a portion of Lot 7B, fronting on Tom Fork Road, in the Authority's Cane Creek project in Pittsylvania County, Virginia, for the purpose of storing materials and installing and using a temporary gravel road in support of the City of Danville's utility project to rebuild the 69kV transmission line between Brantley Substation and Airside Substation – Kenneth L. Ashworth, Director, Power & Light Division, Danville Utilities
- B. Notice from Danville City Planning Commission regarding Special Use Permit Application PLSUP20130000012, filed by Kelvin Miller, requesting a Special Use Permit to operate an automobile repair facility, including an automobile paint and body shop, at 705 River Park Drive, in Danville, Virginia, which is in the vicinity of the Authority's Cyber Park project - Kenneth C. Gillie, Jr., City of Danville Director of Planning Division and Zoning Administrator. *[No written resolution.]*
- C. Consideration of Resolution No. 2013-02-11-6C, approving the assignments by Dewberry & Davis, Inc., a North Carolina corporation, to Dewberry Engineers Inc., a New York corporation, of (i) that certain Standard Form of Agreement Between Owner and Engineer for Professional Services dated as of June 21, 2012, as amended (Project #50018376), which pertains to work in the Authority's Mega Park project in Pittsylvania County, Virginia; and (ii) that certain Proposal for Technical Services dated April 1, 2003, Wetlands Monitoring of Impact and Non-Impact Areas at the Cane Creek Center Post-Construction Monitoring at the Anglers Park Wetland Mitigation Site, Monitoring Year 2009-2010, as amended (Project #50003249) Wetlands), which pertains to work in the Authority's Cane Creek project in Pittsylvania County, Virginia, and Danville, Virginia, and authorizing the Chairman and/or Vice Chairman of the Authority to execute on its behalf a consent to such assignments – Shawn R. Harden, P.E., Associate/Project Manager, Dewberry Engineers Inc. *[No written resolution.]*

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- D. Consideration of Resolution No. 2013-02-11-6D, approving the transfer of an aggregate of \$181,000 from the "Funds Available for Appropriation" budget sheet and from the "Rent, Interest, & Other Income Realized" budget sheet to a new "Berry Hill Mega Park – Lot 4 Site Development" budget sheet to fund the Authority's required local match under a grant from the Tobacco Indemnification and Community Revitalization Commission – Barbara A. Dameron, CPA, Authority Treasurer, and Patricia K. Conner, CPA, City of Danville Senior Accountant [No written resolution.]
- E. Financial Report as of January 31, 2013 – Ms. Dameron and Ms. Conner

7. CLOSED SESSION

- A. As permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants on *Danville-Pittsylvania Regional Industrial Facility Authority v. AVRC, Inc.*, Case No. CL12000634-00, in the Circuit Court for the City of Danville, where such consultation or briefing in open meeting would adversely affect the negotiating or 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:

Jessie L. Barksdale
Coy E. Harville
Sherman M. Saunders
Fred O. Shanks, III
James H. Snead
J. Lee Vogler, Jr.
Staff

9. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	4
Meeting Date:	02/11/2013
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, January 14, 2013 meeting.

ATTACHMENTS

Meeting Minutes – 01/14/2013

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

January 14, 2013

The Regular Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:04 p.m. on the above date in the Danville Regional Airport Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders and Fred O. Shanks, III. Alternate J. Lee Vogler was absent. Pittsylvania County Members present were Vice Chairman Coy E. Harville, James Snead and Alternate Jessie L. Barksdale. *(Mr. Shanks entered the meeting at 12:10 p.m.)*

City/County staff members attending were: City Manager Joe King, County Administrator Dan Sleeper, Danville Finance Director/Authority Treasurer Barbara Dameron, Pittsylvania County Director of Economic Development Ken Bowman, Pittsylvania County Director of Finance Kim Van Der Hyde, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Director of Economic Development Jeremy Stratton, City of Danville Project Manager Corrie Teague, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Dewberry and Davis Project Manager Shawn Harden.

Chairman Saunders called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES OF THE DECEMBER 10, 2012 MEETING

Upon **Motion** by Mr. Harville and **second** by Mr. Snead, Minutes of the December 10, 2012 meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

ELECTION OF OFFICERS FOR 2013 CALENDAR YEAR TERM

Authority Attorney Michael Guanzon noted at the last meeting he had discussed Virginia law requiring officer's terms be calendar year versus fiscal year. The nominees listed are the current officers and there is an informal agreement of the member localities that the Board would alternate the term from the City to the County for the Chairman and Vice Chairman respectfully. Instead of cutting off Chairman Saunders' term which started in July, the County agreed to let him continue to the end of the year.

Mr. Snead **moved** that the Board approve the nominees as they are listed on the slate for Chairman, Vice Chairman, Secretary and Treasurer.

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

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Saunders (4)
NAY: None (0)

NEW BUSINESS

6A. CONSIDERATION – RESOLUTION NO. 2013-01-14-6A – APPROVING A ONE YEAR LEASE RENEWAL OF THE LEASE WITH MOUNTAIN VIEW FARMS OF VIRGINIA, L.C.

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Vice Chairman Harville noted the first contract with Mountain View Farms was \$3,000. Mr. Harville explained he reviewed a chart from the USDA National Agricultural Statistics Service and in Pittsylvania County the top value is \$40 per acre. Mr. Harville passed the USDA chart to the Board members and asked that the Secretary to file the chart for future reference.

Mr. Harville **moved** adoption of *Resolution 2013-01-14-6A, approving a one-year renewal of the Lease with Mountain View Farms of Virginia, L.C., a Virginia limited liability company, as tenant, for that certain real property (GPIN 1356-75-8216) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, in the Authority's Mega Park site, in Pittsylvania County, Virginia, for the purpose of planting and harvesting sod, soybeans, and/or other cover crops, but not tobacco, at a total rental fee of \$1,200.00 - upon the Authority's attorney receiving the verification of the Charter.*

The Motion was **seconded** by Mr. Snead.

(Mr. Shanks entered the meeting at 12:10 p.m.)

Mr. Harville noted that the Authority attorney had contacted him when the lease was being prepared and the tenant is having his Charter renewed with Mountain View Farms; that is the reason Mr. Harville added the clause. The Lease will not be approved until Mr. Guanzon receives verification the Charter has been approved by the State Corporation Commission.

The **Motion** was carried by the following vote:

VOTE: 5-0
AYE: Harville, Snead, Barksdale, Saunders, Shanks (5)
NAY: None (0)

(Chairman Saunders left the meeting at 12:11 p.m. and Vice Chairman Harville chaired the remainder of the meeting).

6B. CONSIDERATION – RESOLUTION 2013-01-14-6B – AMENDING THE AUTHORITY'S BY-LAWS

Authority Attorney Michael Guanzon noted this amends the bylaws to remove term limits. The City has a term limit internally in the City Code but the County does not. Since the only members of RIFA are member localities and no individual citizens, staff thought to be consistent with the discussion at the last meeting, the localities should have the final say as to whether there is a term limit to put people on the board. Vice Chairman Harville noted that there would not be a vote on the matter at this meeting, but at the February meeting. Mr. Guanzon noted that there is additional time requirement for notice, and the notice is being given by discussion at this meeting.

6C. CONSIDERATION – RESOLUTION 2013-01-14-6C – APPROVING RENEWAL OF AUTHORITY'S INSURANCE COVERAGE WITH VML

Authority Treasurer Barbara Dameron noted staff is seeking the Board's permission to renew the insurance from VML. Ms. Dameron explained they do not presently have the rates and probably won't have those for a couple of months, but do not anticipate a large

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increase. Vice Chairman Harville requested that if there is an increase, that Ms. Dameron check VACO and Ms. Dameron agreed she would check other options.

Mr. Snead **moved** adoption of Resolution 2013-01-14-6C, *approving the renewal of the Authority's insurance coverage with VML Insurance Programs, administered by Virginia Municipal League, Policy No. VMLP-0628-1.*

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

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Shanks (4)
NAY: None (0)

6D. CONSIDERATION – RESOLUTION NO. 2013-01-14-6D – APPROVING TRANSFER OF FUNDS

Authority Treasurer Barbara Dameron noted the Authority had some grants expire and in the Mega Park - Funding Other Than Bonds, the Authority was over-expended by approximately \$12,000. Staff is requesting permission to fund that amount from the Other Funds Available for Appropriation where the Authority has monies from Yorktowne and the sale from Harmony Church, of approximately \$187,000. Staff is requesting a transfer from there to the Mega Park to cover that \$12,000 difference.

Mr. Snead **moved** adoption of Resolution 2013-01-14-6D, *approving the transfer of \$11,854.39 from the "Funds Available for Appropriation" budget sheet to the "Mega Park – Funding Other than Bond Funds" budget sheet to cover certain Phase I expenses of the Authority's Mega Park project, in light of the expiration of a grant from the Tobacco Indemnification and Community Revitalization Commission. (No written resolution)*

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

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Shanks (4)
NAY: None (0)

6E. AUDITED FINANCIAL REPORT AND AUDIT LETTERS FROM BROWN, EDWARDS & COMPANY

Ms. Susan Chapman from Brown, Edwards gave the Authority a brief report on the audit beginning with a review of the Financial Report and noted that Brown, Edwards has issued a Unqualified Opinion for the FY 2012. She noted they did not have any findings related to the Federal Funds and they issued an Unqualified Opinion for Federal Program compliance as well. Ms. Chapman stated that the Summary of Compliance Matters notes key things they look at for RIFA outside of the numbers regarding compliance. Ms. Chapman also reviewed the summary of the results of the audit noting this year they have no significant deficiencies.

Changes in the financials this year include some increases related to the debt issued for the Mega Park and the increase in restricted cash representing the unspent proceeds. On the Income Statement, there are increases in contributions from both localities related primarily to debt service. Ms. Chapman discussed the evaluation of land values and stated the issue

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came up last year in the audit and they were having some issues determining some costs per acre for the Mega Park. Brown, Edwards had recommended that the Authority consider contacting an appraiser, but because of the volume of land involved it was a fairly significant bill. Staff discussed this and felt it wasn't the best use of funds at the time.

Mr. Shanks **moved** to accept the Audited Financial Report and Audit Letters from Brown, Edwards & Company, LLP as presented. The Motion was **seconded** by Mr. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Shanks (4)
NAY: None (0)

6F. FINANCIAL REPORT AS OF DECEMBER 31, 2012

Authority Treasurer Barbara Dameron gave the Financial Report and noted that the disbursements for December total \$9,652, the majority of which were in general expenditures. Under Cane Creek Center, \$860 was expended for a power signs at the Center. General Expenditures include \$7,000 in legal fees, approximately \$3,400 for the Cyber Park and some expenditures for postage, meals and utilities. There are no changes in Funds Available for Appropriation and under Rent, Interest and Other Income Realized, the Authority received \$2,933 in rent from the Institute and \$300 from Securitas.

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

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Shanks (4)
NAY: None (0)

7A. - CLOSED SESSION

Vice Chairman Harville noted that during closed session all matters discussed will involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.

At 12:23 p.m., Mr. Snead **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with the Authority's legal counsel, Clement & Wheatley, and briefings by the Authority staff or consultants on *Danville-Pittsylvania Regional Industrial Facility Authority v. AVRC, Inc.*, Case No. CL 12000634-00, in the Circuit Court for the City of Danville, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Authority.

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

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Shanks (4)
NAY: None (0)

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On **Motion** by Mr. Snead and **second** by Mr. Shanks, and by unanimous vote at 12:41 p.m., the Authority returned to open meeting.

Mr. Barksdale **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 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. Snead and carried by the following vote:

VOTE: 4-0
AYE: Harville, Snead, Barksdale, Shanks (4)
NAY: None (0)

COMMUNICATIONS

Danville City Manager Joe King distributed a letter to members from the Institute for Advanced Learning and Research noting the matter would be on the February agenda. IALR is asking RIFA to transfer the ownership of the Charles Hawkins Research Center to the Institute. Mr. King noted that staff is researching whether the EDA that funded the building would allow this transaction to occur. Mr. King noted staff would bring this back with all the pertinent information at the February meeting and the Board can determine what action they wish to take.

MEETING ADJOURNED AT 12:46 P.M.

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	5-A
Meeting Date:	02/11/2013
Subject:	Bylaws Amendment
From:	Michael C. Guanzon, Esq., Clement & Wheatley

SUMMARY

The attached resolution was presented to the board for review during the January 14, 2013 meeting. The resolution will amend the bylaws to remove members' term limits. This matter was discussed during last month's meeting, but due to the time requirement for the notice the matter could not be voted on until the February meeting.

ATTACHMENTS

Resolution No. 2013-01-14-6B

Resolution No. 2013-01-14-6B

A RESOLUTION AMENDING PARAGRAPH 2 OF ARTICLE V (“BOARD OF DIRECTORS”) OF THE BYLAWS OF THE AUTHORITY BY DELETING “... AND NO DIRECTOR OR ALTERNATIVE DIRECTOR MAY SERVE MORE THAN ONE (1) ADDITIONAL TERM”

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 XIV ("Amendments") of the Amended and Restated Bylaws of the Authority Adopted August 13, 2007, and last revised December 10, 2012 (the "**Bylaws**") provides that the 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 ... , [with] at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors"; and

WHEREAS, the Board believes it is in the best interests of the Authority and for efficient operation of the Authority (i) to allow more discretion to the Member Localities when appointing the Directors and Alternate Directors to the Authority's Board of Directors; and (ii) to remove term limits under the Bylaws; and

WHEREAS, at least one (1) week advance written notice of such proposed amendments to the Bylaws was given to the Directors of the Board.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby amends paragraph 2 of Article V (“Board of Directors”) of the Bylaws by deleting “... and no director or alternative director may serve more than one (1) additional term”.
2. Except as amended by this Resolution, the Bylaws shall remain unchanged.
3. 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 meetings duly called and held on January 14, 2013, and continued to February 11, 2013, 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 February 2013.

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

(SEAL)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	6-A
Meeting Date:	02/11/2013
Subject:	City Utilities Project
From:	Ken Ashworth, Power & Light Director

SUMMARY

Attached for the board's review and approval is a resolution to approve a license to the City of Danville to use a Portion of Lot 7B, fronting on Tom Fork Road, in the Authority's Cane Creek project in Pittsylvania County, Virginia, for the purpose of storing materials and installing and using a temporary gravel road in support of the City of Danville's utility project to rebuild the 69kV transmission line between Brantley Substation and Airside Substation.

ATTACHMENTS

Resolution No. 2013-02-11-6A

A RESOLUTION TO APPROVE A LICENSE TO THE CITY OF DANVILLE TO USE A PORTION OF LOT 7B, FRONTING ON TOM FORK ROAD, IN THE AUTHORITY'S CANE CREEK PROJECT IN PITTSYLVANIA COUNTY, VIRGINIA, FOR THE PURPOSE OF STORING MATERIALS AND INSTALLING AND USING A TEMPORARY GRAVEL ROAD IN SUPPORT OF THE CITY OF DANVILLE'S UTILITY PROJECT TO REBUILD THE 69KV TRANSMISSION LINE BETWEEN BRANTLEY SUBSTATION AND AIRSIDE SUBSTATION

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 City of Danville, Virginia (the "**City**"), a member locality of the Authority, in support of a utilities project to rebuild the 69kV transmission line between Brantley Substation and Airside Substation (the "**City Utilities Project**"), desires a license to use a portion of Lot 7B, fronting on Tom Fork Road, owned by Authority in the Cane Creek Centre to store materials and to install and use a temporary gravel road. The transmission line provides a vital link with the Third Delivery Point located at the Rocksprings Substation and fortifies service to the customers in the eastern part of City's service territory; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the citizens of Pittsylvania County and the City of Danville, and the improvement of the Authority's Cane Creek Centre project for the Authority to support the City Utilities Project by entering into a License Agreement with the City under the terms set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "**License**").

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the License as set forth in **Exhibit A** and as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Vice Chairman of the Authority, and hereby authorizes the Vice Chairman to execute and deliver the License on behalf of the Authority, such execution of the License by the Vice Chairman 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 License, 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 License 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 February 11, 2013, 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 February 2013.

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

(SEAL)

Resolution No. 2013-02-11-6A

Exhibit A
(License Agreement)

THIS LICENSE AGREEMENT (this "**Agreement**") made as of the 11th day of February 2013 by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**RIFA**"); and the **CITY OF DANVILLE, VIRGINIA**, a municipal corporation ("**City**");

WITNESSETH:

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

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

a. In support of a utilities project to rebuild the 69kV transmission line between Brantley Substation and Airside Substation (the "**City Utilities Project**"), City, a member locality of RIFA, desires a license to use certain property owned by RIFA in the Cane Creek Centre to store materials and to install and use a temporary gravel road. The transmission line provides a vital link with the Third Delivery Point located at the Rocksprings Substation and fortifies service to the customers in the eastern part of City's service territory.

b. RIFA finds that the City Utilities Project is appropriate and is beneficial not only to the citizens of Danville, Virginia, and Pittsylvania County, Virginia, but also to improving RIFA's Cane Creek Centre project. RIFA is agreeable to granting such license under the terms and conditions set forth in this Agreement.

Section 2. - License. RIFA, as licensor, hereby licenses to City, as licensee, the exclusive right to use a portion of **Lot 7B**, fronting on Tom Fork Road, in RIFA's Cane Creek Centre project in Pittsylvania County, Virginia, as more particularly shown on **Schedule 1**, attached hereto and incorporated herein by this reference (the "**Licensed Area**"), for the purposes set forth in this Agreement (the "**License**"). The License shall be used for (i) storing materials, including without limitation steel poles, material trailers and reels of wire; (ii) installing and using a temporary gravel road in support of the City Utilities Project; (iii) all incidental and reasonable purposes thereto; and (iv) no other purpose.

Section 3. - Term. The License shall be for a term beginning on the date hereof, and ending on Termination Date (as hereafter defined) (the "**Term**"), unless sooner terminated as provided for herein. The "**Termination Date**" shall mean the first to occur of (i) the date that is forty-five (45) days after the City Utilities Project has been completed; (ii) the date that is thirty (30) days after RIFA executes a performance grant agreement to sell or otherwise to convey the Licensed Area to a business or industry relocating or expanding its business and gives written notice of the same to City; or (iii) December 31, 2014.

Section 4. - Assignment. City shall not assign the License for any reason without RIFA's prior written consent, which consent may be withheld in the discretion of RIFA. No assignment shall affect the obligation of City to perform all of City's obligations under this License, unless

RIFA executes a written document releasing City from such obligations.

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

Section 6. - Restoration of the Licensed Area. Upon the Termination Date, City shall restore and surrender the Licensed Area in at least as good condition as the Licensed Area was in at the beginning of this Term, including without limitation removing the gravel road and re-seeding the same.

Section 7. - Maintenance. City shall be solely responsible for the maintenance of the Licensed Area during the Term.

Section 8. - No Liens. City, at its expense, shall promptly discharge or bond off any mechanic's or materialmen's liens imposed upon the Licensed Area, as a result of, related to, or arising out of the City's use of the Licensed Area.

Section 9. - Waiver of Liability. RIFA shall not be responsible for any damage to City or its contractors, agents, and/or invitees, resulting from any cause whatsoever unless caused by willful misconduct of RIFA.

Section 10. - Destruction of the Licensed Area and Risk of Loss. If the Licensed Area or any improvements thereon is demolished or materially damaged by fire or otherwise, RIFA shall be under no duty to make repairs. City shall have the sole and exclusive responsibility for any insurance for City's personal property.

Section 11. - Condition of Licensed Area. City represents and warrants that City has inspected the Licensed Area and that it is suitable for City's purposes; therefore, City hereby accepts the Property in its present condition, "**AS IS**", "**WHERE IS**", and "**WITH ALL FAULTS**".

Section 12. - Due Authorization. Each party represents and warrants to the other party and agrees that the execution and performance of this Agreement have been duly approved and are not in violation of any other agreement such party has with any third parties; and that this Agreement is a valid binding, legal obligation of each party, enforceable in accordance with its terms.

Section 13. - Non-waiver. No waiver of any term or condition of this Agreement by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of

any other term or condition of this Agreement.

Section 14. - Other Documents. The parties agree that they shall execute, acknowledge, and deliver all such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement.

Section 15. - Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 16. - Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

Section 17. - Amendment, Modification and/or Supplement. The parties may amend, modify, and/or supplement this Agreement in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest.

Section 18. - Survival. Any termination, cancellation or expiration of this Agreement notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

Section 19. - No Third-Party Beneficiaries. Nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this **LICENSE AGREEMENT**:

RIFA:

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

By: _____
Coy E. Harville, Vice Chairman

CITY:

CITY OF DANVILLE, VIRGINIA, a municipal corporation

By: _____
Joseph C. King, City Manager

ATTEST:

SUSAN M. DeMASI, City Clerk

APPROVED AS TO FORM:

W. CLARKE WHITFIELD, JR.
City Attorney

Schedule 1
(The Licensed Area)





To see all the details that are visible on the screen, use the "Print" link next to the map.



PROPOSED STORAGE LOT

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	6-B
Meeting Date:	02/11/2013
Subject:	RIFA Opinion on Special Use Permit Application PLSUP20130000012, filed by Kelvin Miller
From:	Jeremy Stratton, Danville Economic Development Director

SUMMARY

The City of Danville Planning Commission is requesting the Board's opinion on a proposed use of property near the Cyber Park entrance. The property is zoned industrial, but paint and body shops require a Special Use Permit to operate legally in the area.

BACKGROUND

On January 29, 2013, the City of Danville Planning Commission sent out notice that Kelvin Miller is requesting a Special Use Permit (PLSUP20130000012) to open a paint and body shop operation in a building owned by Riverside Roof and Truss in Riverview Industrial Park. Riverside Roof and Truss recently bought a couple of buildings in foreclosure from a previous stone flooring business, and moved their headquarters to one building and want to locate the paint and body operation in another building. The Planning Commission is hosting a meeting on Monday, February 11 at 3:00 p.m. to discuss this application and other zoning matters.

According to Danville Planning Director Kenny Gillie, the property's zoning in Riverview Industrial Park allows for paint and body shops with a Special Use Permit. The permit would require appropriate screening of the on-site activities, but does not protect surrounding land owners if wrecked automobiles are stored on the property in front of the building causing an eyesore. There is a legitimate concern that a paint and body shop in this location will visually and adversely detract from other companies wanting to invest in the area. Cyber Park is considered to be a more high tech park, and current and future tenants want to protect their level of investment from adjoining adverse uses. For instance, EIT located their new facility in Cyber Park in order to build a state-of-the-art brick exterior manufacturing facility, which would be a showcase for customers that visited their plant. A paint and body shop would not be an attractive nearby use, and would lower the value of EIT's new manufacturing plant.

We should be vigilant that future clients for both the Riverview Industrial Park and the Cyber Park will be heavily influenced by who their neighbors will be. The tenants of a park are a reflection of the type of companies we want to attract. In the future, we will

also need to expand Cyber Park's acreage, and a body shop would not be a good adjoining use for the park's boundaries to abut. Three years ago, the RIFA Board raised some good questions about a proposed race car body shop at the entrance of Cane Creek. The same good prudence should be exercised in this case.

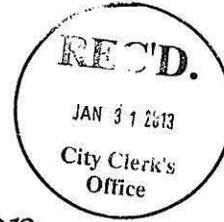
City and County staff can work with Kelvin Miller to find a more suitable location for the operation.

RECOMMENDATION

Staff strongly recommends that the RIFA Board expresses their opinion on the proposed Special Use Permit by stating that it is not a good idea to have a paint and body shop at this location.

ATTACHMENTS

Letter from City of Danville Planning Commission



City Planning Commission

POST OFFICE BOX 3300

DANVILLE, VIRGINIA

(434) 799-5261

January 29, 2013

Dear Property owner(s):

The purpose of this letter is to notify you in accordance with Section 15.2-2204 of the Code of Virginia that the following requests have been filed with the City of Danville:

Special Use Permit Application PLSUP20130000012, filed by Kelvin Miller, requesting a Special Use Permit to operate an automobile repair facility in accordance with Article 3.0; Section C, Item 1 of the Code of the City of Danville, Virginia, 1986, as amended, at 705 River Park Drive, otherwise known as Grid 2608, Block 002, Parcel 000002 of the City of Danville, Virginia, Zoning District Map. The applicant is proposing to operate an automobile paint and body shop at this location.

According to the record of land ownership, **YOU ARE ENTITLED TO EXPRESS AN OPINION ONLY**, as to whether you approve or disapprove of the above request by completing the enclosed form. If you approve or disapprove of the request, please check the appropriate box on the enclosed form and return it in the self addressed stamped envelope prior to the meeting date. You are not required to complete the enclosed form unless you desire to express an opinion on this matter.

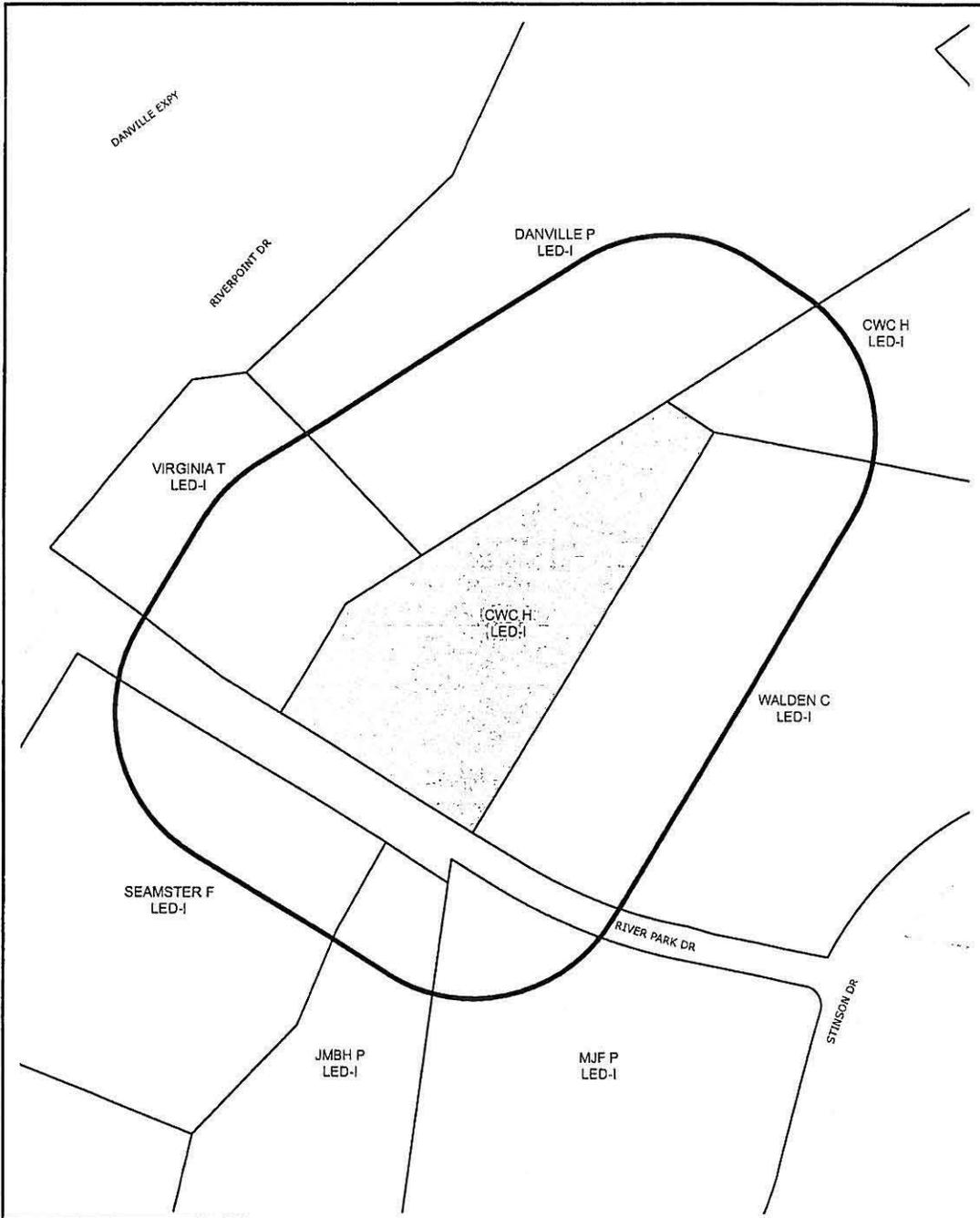
A map depicting the property location and surrounding ownership is enclosed. A data sheet regarding the above request is also provided for your use.

A public hearing will be held on this request, by the Danville City Planning Commission on **MONDAY, FEBRUARY 11, 2013 at 3:00 P.M.** in the City Council Chambers located on the fourth floor of City Hall. You are also welcome to attend this public hearing to express any opinions you may have on this request. The Commission will vote on a recommendation to the City Council. The Council will then hold another meeting before making a final decision on this request.

If you have any questions, or if we can be of further assistance, please contact me at (434) 799-5261.

Sincerely,


Kenneth C. Gillie Jr.
Director of Planning Division
Zoning Administrator



SURROUNDING PROPERTY OWNERS AND ZONING WITHIN 300 FEET OF SUBJECT PROPERTY



Prepared by:
 Planning Division
 1/15/2013

Disclaimer: Information contained on this map is to be used for reference purposes only. The City of Danville is not responsible for any inaccuracies herein contained. The City of Danville makes no representation of warranty as to this map's accuracy, and in particular, its accuracy in labeling, dimensions, contours, property boundaries, or placement or location of any map features thereon. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, use or misuse of the information herein provided.

SPECIAL USE PERMIT APPLICATION
DATA SHEET

DATE: February 11, 2013

LOCATION OF PROPERTY: 705 River Park Drive

PRESENT ZONE: LED-I Light Economic Development District

LAND USE PLAN DESIGNATION: Heavy Industry

ACTION REQUESTED: The applicant is requesting to operate an automobile repair facility

PRESENT USE OF PROPERTY: Roof truss storage and manufacturing

PROPOSED USE OF PROPERTY: The applicant is proposing to operate an automobile paint and body shop at this location.

PROPERTY OWNER (S): CWC Holdings LLC

NAME OF APPLICANT (S): Kelvin Miller

PROPERTY BORDERED BY: Welcome Center and vacant land to the north, industrial development to the east, south and west.

ACREAGE/SQUARE FOOTAGE: Approximately 5.9 acres

CHARACTER OF VICINITY: Industrial

INGRESS AND EGRESS: River Park Drive

TRAFFIC VOLUME: Moderate

NEIGHBORHOOD REACTION: To be reported at the Planning Commission meeting of February 11, 2013

NEIGHBORING PROPERTY OWNERS STATEMENT

According to the record of land ownership you own property that is located within 300 feet of property that is the subject of a public hearing. You are entitled to express an opinion as to whether you are opposed or not opposed to the request by completing the form below. Please check the appropriate box and return it by **FEBRUARY 8, 2013**, in the enclosed self-addressed, stamped envelope. You are not required to complete this form but may if you desire to express an opinion on this matter.

I (we) DANVILLE PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY
AUTHORITY

as owner(s) of Lot(s) RIVERPOINT DR

_____ **AM OPPOSED**

_____ **AM NOT OPPOSED**

to the following request filed with the City of Danville:

Special Use Permit Application PLSUP20130000012, filed by Kelvin Miller, requesting a Special Use Permit to operate an automobile repair facility in accordance with Article 3.0; Section C, Item 1 of the Code of the City of Danville, Virginia, 1986, as amended, at 705 River Park Drive, otherwise known as Grid 2608, Block 002, Parcel 000002 of the City of Danville, Virginia, Zoning District Map. The applicant is proposing to operate an automobile paint and body shop at this location.

Signatures(s):

Comments:

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	6-C
Meeting Date:	02/11/2013
Subject:	Assignment of Dewberry & Davis, Inc. Contracts to Dewberry Engineers Inc.
From:	Barbara A. Dameron, Authority Treasurer

SUMMARY

Attached for your review are two letters from Dewberry & Davis, Inc. requesting assignment of two contracts to Dewberry Engineers Inc.

Dewberry & Davis, Inc. has transferred its engineering operations to its sister company, Dewberry Engineers Inc. The project personnel RIFA currently works with will remain the same. The assignment is requested for the "Wetlands Monitoring – Cane Creek" and the "Berry Hill Industrial Park" contracts.

RECOMMENDATION

Staff recommends the RIFA Board approve the assignment of Dewberry & Davis, Inc. contracts to Dewberry Engineers Inc.

ATTACHMENTS

1. Letter of Assignment of Project #50003249 Wetlands Monitoring – Cane Creek
2. Letter of Assignment of Project #50018376 Berry Hill Industrial Park

CONSENTED, ACKNOWLEDGED AND AGREED TO:

Danville Pittsylvania County Regional Industrial Facility Authority

Signature

By: _____

Title: _____

Date: _____





December 10, 2012

Danville Pittsylvania County Regional Industrial Facility Authority (RIFA)
Mr. Gary Via
Purchasing Department
P.O. Box 3300
Danville, VA 24543

Dewberry & Davis, Inc.
551 Piney Forest Road
Danville, VA 24540 3353
434.797.4497
434.797.4341 fax
www.dewberry.com

Re: Assignment of Dewberry & Davis, Inc. Contract to Dewberry Engineers Inc.

Dear Mr. Via:

At year end, Dewberry & Davis, Inc. will transfer its engineering operations to its sister company, Dewberry Engineers Inc. After the consolidation, the project personnel you currently work with will remain the same; you will have the same main point of contact. Dewberry Engineers Inc.'s insurance program will also be the same. You will receive a new certificate of insurance in January.

As part of the transfer of Dewberry & Davis, Inc.'s engineering staff, assets and business to Dewberry Engineers Inc., this letter provides notice of, and requests your consent to, the assignment by Dewberry & Davis, Inc. to Dewberry Engineers Inc. of all of Dewberry & Davis, Inc.'s rights, title, and interest in and under the below listed agreements between Dewberry & Davis, Inc. and RIFA ("Client").

Existing agreements between Dewberry & Davis, Inc. and Client:

Table with 4 columns: Dewberry & Davis, Inc. Project No., Client Project No., Dewberry & Davis, Inc. Project Name, Client Project Manager. Row 1: 50018376, Berry Hill Industrial park, Shawn Harden.

Dewberry & Davis, Inc. respectfully requests that you signify your approval and confirmation of the above by executing this letter and returning it as soon as possible in the enclosed pre-addressed, stamped envelope.

Thank you for your prompt attention to this matter. We appreciate your assistance as we organize our operations to best support our clients and to better align with how most people know us, as "Dewberry." Should you have any questions about this request or need any additional documentation, please call me 434.549.8508.

Sincerely,

Dewberry & Davis, Inc.

Signature of Shawn R. Harden
By: Shawn Harden, P.E.
Title: Associate/Project Manager

CONSENTED, ACKNOWLEDGED AND AGREED TO:

Danville Pittsylvania County Regional Industrial Facility Authority

Signature

By: _____

Title: _____

Date: _____



Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	6-D
Meeting Date:	02/11/2013
Subject:	Berry Hill Mega Park Lot 4 Site Development - RIFA Local Match
From:	Barbara A. Dameron, Authority Treasurer

SUMMARY

The Tobacco Commission awarded RIFA a grant for site development of Lot 4 in the Berry Hill Mega Park. This grant requires local match funds of \$750,000 from the City and the County each and \$181,000 from RIFA itself. A transfer of RIFA funds is being requested to fund the RIFA local match of \$181,000.

BACKGROUND

It is requested the RIFA Board fund the \$181,000 local match by approving a transfer of the remaining \$175,316.17 from the "*Funds Available for Appropriation*" budget sheet and \$5,683.83 from the "*Rent, Interest, and Other Income Realized*" budget sheet for creation of the new "*Berry Hill Mega Park – Lot 4 Site Development*" budget sheet. Each budget sheet is attached for your reference. Upon approval of the transfer, the new budget sheet for the Lot 4 project will be added to future monthly Financial Status Reports.

The transfer is being requested at this time to cover the expense of the required Virginia Water Protection (VWP) permit from the Department of Environmental Quality's Water Division for the Berry Hill Mega Park project. The required fee is \$57,840.00.

RECOMMENDATION

Staff recommends the RIFA Board approve transferring the remaining \$175,316.17 from the "*Funds Available for Appropriation*" budget sheet and \$5,683.83 from the "*Rent, Interest, and Other Income Realized*" budget sheet to the "*Berry Hill Mega Park – Lot 4 Site Development*" new budget sheet.

ATTACHMENTS

1. "Funds Available for Appropriation" budget sheet as of 1/31/2013
2. "Rent, Interest, and Other Income Realized" budget sheet as of 1/31/2013
3. "Berry Hill Mega Park – Lot 4 Site Development" new budget sheet as of 1/31/2013

Danville-Pittsylvania Regional Industrial Facility Authority
Funds Available for Appropriation
As of January 31, 2013

<i>Source of Funds</i>	<i>Funding</i>	<i>Contract Amount</i>	<i>Expenditures</i>	<i>Encumbered</i>	<i>Unexpended / Unencumbered</i>
Yorktowne Reimbursement ¹	\$ 181,339.68				
General funds reimbursed by Berry Hill \$11.25M Bonds	184,266.38				
Sale of Land to Harmony Church	36,564.50				
Expenditures					
Transfer to 'Mega Park - Other than Bonds' budget ²		\$ -	\$ 76,854.39	\$ -	
CBN Grant Agreement - Approved 11/12/12 ³		150,000.00	-	150,000.00	
Totals	\$ 402,170.56	\$ 150,000.00	\$ 76,854.39	\$ 150,000.00	\$ 175,316.17

¹ 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.

² The RIFA Board approved to utilize \$65,000 of these funds toward the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park. Due to expiration of the Tobacco Commission grant, the RIFA Board approved on 1/14/2013 to utilize an additional \$11,854.39 to cover budgeted Phase I engineering costs.

³ This grant is to be paid to CBN according to the approved agreement once CBN has (1) delivered a Performance Bond or letter of credit to RIFA and (2) obtained a building permit and provided RIFA with proof that substantial grading has started.

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized
As of January 31, 2013

Source of Funds	Funding			Expenditures	Unexpended / Unencumbered
	Carryforward from FY2012	Receipts January 2013	Receipts FY2013		
<u>Carryforward</u>	\$ 376,519.31				
<u>Current Lessees</u>					
Institute for Advanced Learning and Research (IALR) ¹					
Securitas					
Axxor N.A. LLC ³					
Guilford Whitetail Management					
Browning & Associates, Ltd. ⁴					
Mountain View Farms of Virginia, L.C.					
Osborne Company of North Carolina, Inc.					
Clodfelter Hunting Lease					
Mark L. Osborne					
<u>Total Rent</u>	\$ 4,204.51	\$ 53,673.36			
<u>Interest Received</u> ²	\$ 29.05	\$ 175.31			
<u>Expenditures</u>				\$ -	
<u>Totals</u>	\$ 376,519.31	\$ 4,233.56	\$ 53,848.67	\$ -	\$ 430,367.98

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

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

³ Lease terminated August 31, 2012

⁴ Lease terminated August 13, 2012

Danville-Pittsylvania Regional Industrial Facility Authority

Berry Hill Mega Park - Lot 4 Site Development

As of January 31, 2013

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<i>Funding</i>					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
<i>Expenditures</i>					
VA Water Protection Permit Fee		57,840.00	-	57,840.00	
Total	\$ 7,889,153.00	\$ 57,840.00	\$ -	\$ 57,840.00	\$ 7,831,313.00

¹ These amounts have not been sent to RIFA yet as they are not needed at this time. Each locality has its local match budgeted.

² Upon approval of the transfer request by the RIFA Board, the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet will be transferred to used for the RIFA local match to the Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	6-E
Meeting Date:	02/11/2013
Subject:	Financial Status Reports – January 31, 2013
From:	Barbara A. Dameron, Authority Treasurer

SUMMARY

A review of the financial status reports through January 31, 2013 will be provided at the meeting. The financial status reports as of January 31, 2013 are attached for the board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of January 31, 2013 as presented.

ATTACHMENTS

Financial Status Reports

**Danville - Pittsylvania Regional Industrial Facility
Authority**

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY 2013
- C. Mega Park – Funding Other than Bond Funds
- D. Funds Available for Appropriation
- E. Rent, Interest, and Other Income Realized
- F. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

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

As of January 31, 2013

<u>Funding</u>	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
Funds from bond issuance	\$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,549.31				
Cane Creek Parkway ³		\$ 3,804,576.00	\$ 3,724,241.16	\$ -	
Swedwood Drive ²		69,414.00	69,414.00	-	
Cane Creek Centre entrance ³		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4,5}		71,881.00	12,644.62	59,236.38	
Land		-	2,560,921.67	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	50,884.23	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	21,229.70	-	
Total	\$ 7,631,049.73	\$ 4,311,140.12	\$ 6,756,423.18	\$ 59,236.38	<u>\$ 815,390.17</u>

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

⁴ 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.

⁵ 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.

⁶ 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.

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

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 2013

As of January 31, 2013

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2012	11,042.93				
Contingency					
Miscellaneous contingency items		\$ 47,992.93	\$ 218.50	\$ -	\$ 47,774.43
Total Contingency Budget		47,992.93	218.50	-	47,774.43
Legal					
		75,000.00	45,470.30	-	29,529.70
Accounting					
		20,750.00	20,750.00	-	-
Annual Bank Fees					
		4,400.00	4,571.25	-	(171.25)
Postage & Shipping					
		100.00	84.36	-	15.64
Meals					
		2,800.00	1,585.52	-	1,214.48
Utilities					
		4,000.00	137.64	-	3,862.36
Insurance					
		6,000.00	-	-	6,000.00
Total	\$ 161,042.93	\$ 161,042.93	\$ 72,817.57	\$ -	<u>\$ 88,225.36</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of January 31, 2013

<i>Funding</i>	<u>Funding</u>	<u>Budget / Contract</u> <u>Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended /</u> <u>Unencumbered</u>
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ¹⁻⁴	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Commission FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
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	972,754.29	18,095.71	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
 Total	 \$ 14,231,524.83	 \$ 14,231,524.83	 \$ 14,190,559.30	 \$ 40,965.53	 <u>\$ (0.00)</u>

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

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

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

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

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

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

Danville-Pittsylvania Regional Industrial Facility Authority

Funds Available for Appropriation

As of January 31, 2013

<i>Source of Funds</i>	<u>Funding</u>	<u>Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Yorktowne Reimbursement ¹	\$ 181,339.68				
General funds reimbursed by Berry Hill \$11.25M Bonds	184,266.38				
Sale of Land to Harmony Church	36,564.50				
Expenditures					
Transfer to 'Mega Park - Other than Bonds' budget ²		\$ -	\$ 76,854.39	\$ -	
CBN Grant Agreement - Approved 11/12/12 ³		150,000.00	-	150,000.00	
Totals	<u>\$ 402,170.56</u>	<u>\$ 150,000.00</u>	<u>\$ 76,854.39</u>	<u>\$ 150,000.00</u>	<u>\$ 175,316.17</u>

¹ 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.

² The RIFA Board approved to utilize \$65,000 of these funds toward the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park. Due to expiration of the Tobacco Commission grant, the RIFA Board approved on 1/14/2013 to utilize an additional \$11,854.39 to cover budgeted Phase I engineering costs.

³ This grant is to be paid to CBN according to the approved agreement once CBN has (1) delivered a Performance Bond or letter of credit to RIFA and (2) obtained a building permit and provided RIFA with proof that substantial grading has started.

Danville-Pittsylvania Regional Industrial Facility Authority
 Rent, Interest, and Other Income Realized
 As of January 31, 2013

Source of Funds	Funding Receipts		Expenditures	Unexpended / Unencumbered
	Carryforward from FY2012	January 2013		
<u>Carryforward</u>	\$ 376,519.31			
<u>Current Lessees</u>				
	<u>Park</u>	<u>Property</u>		
Institute for Advanced Learning and Research (IALR) ¹	Cyberpark	Hawkins Research Bldg at 230 Slayton Ave.	\$ 3,904.51	\$ 50,373.36
Securitas	Cyberpark	Gilbert Building at 1260 South Boston Rd.	300.00	1,800.00
Axxor N.A. LLC ³	Cane Creek	Apartments at 390 Cedar Lane	-	500.00
Guilford Whitetail Management	Berry Hill	Klutz Farm off State Rd. 863	-	-
Browning & Associates, Ltd. ⁴	Berry Hill	4380 Berry Hill Road House	-	1,000.00
Mountain View Farms of Virginia, L.C.	Berry Hill	30 acre tract on Stateline Bridge Rd.	-	-
Osborne Company of North Carolina, Inc.	Berry Hill	4380 Berry Hill Road Pastureland	-	-
Clodfelter Hunting Lease	Berry Hill	371.13 acres off State Road 863	-	-
Mark L. Osborne	Berry Hill	Mega Park Lot 8 approx. 34.4 acres	-	-
<u>Total Rent</u>			\$ 4,204.51	\$ 53,673.36
<u>Interest Received</u> ²			\$ 29.05	\$ 175.31
<u>Expenditures</u>				\$ -
Totals			\$ 376,519.31	\$ 4,233.56
			\$ 53,848.67	\$ -
				\$ 430,367.98

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

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

³ Lease terminated August 31, 2012.

⁴ Lease terminated August 13, 2012.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets^{1, 2}
January 31, 2013*

	Unaudited FY 2013
Assets	
<i>Current assets</i>	
Cash - checking	\$ 427,103
Cash - money market	1,140,121
Prepays	208
<i>Total current assets</i>	1,567,432
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	917,754
Restricted cash - debt service fund CCC bonds	995,308
Restricted cash - debt service fund Berry Hill bonds	207
Restricted cash - debt service reserve fund Berry Hill bonds	2,000,016
Capital assets not being depreciated	24,839,271
Capital assets being depreciated, net	27,794,063
Construction in progress	2,277,130
Unamortized bond issuance costs	627,906
<i>Total noncurrent assets</i>	59,451,655
Total assets	61,019,087
Liabilities	
<i>Current liabilities</i>	
Bonds payable - current portion	1,045,000
<i>Total current liabilities</i>	1,045,000
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	10,275,000
<i>Total noncurrent liabilities</i>	10,275,000
Total liabilities	11,320,000
Net Assets	
Invested in capital assets - net of related debt	48,131,655
Unrestricted	1,567,432
Total net assets	\$ 49,699,087

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 all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note these statements are for the period ended January 31, 2013 as of January 29, 2013, 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
*January 31, 2013**

	Unaudited FY 2013
Operating revenues	
Virginia Tobacco Commission Grants	5,708,878
Rental income	45,179
Total operating revenues	5,754,057
Operating expenses⁴	
Mega Park expenses ³	7,139
Cane Creek Centre expenses ^{3, 5}	87,441
Cyber Park expenses ³	13,831
Professional fees	35,650
Insurance	5,456
Other operating expenses	1,855
Total operating expenses	151,372
Operating income	5,602,685
Non-operating revenues (expenses)	
Interest income	320
Interest expense	(67,517)
Total non-operating expenses, net	(67,197)
Net income before capital contributions	5,535,488
Capital contributions	
Contribution - City of Danville	339,488
Contribution - Pittsylvania County	339,488
Total capital contributions	678,976
Change in net assets	6,214,464
Net assets at July 1,	43,484,623
Net assets at January 31,	\$ 49,699,087

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 fees of \$41,863 related to the \$7.3M bonds for Cane Creek.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*January 31, 2013**

	Unaudited FY 2013
Operating activities	
Receipts from grant reimbursement requests	\$ 5,867,159
Receipts from leases	52,174
Payments to suppliers for goods and services	(226,317)
Net cash provided by operating activities	<u>5,693,016</u>
Capital and related financing activities	
Capital contributions	678,726
Interest paid on bonds	(191,153)
Principal repayments on bonds	(5,825,000)
Net cash used by capital and related financing activities	<u>(5,337,427)</u>
Investing activities	
Interest received	320
Net cash provided by investing activities	<u>320</u>
Net increase in cash and cash equivalents	355,909
Cash and cash equivalents - beginning of year (including restricted cash)	<u>5,124,600</u>
Cash and cash equivalents - through January 31, 2013 (including restricted cash)	<u>\$ 5,480,509</u>
Reconciliation of operating income before capital contributions to net cash provided by operating activities:	
Operating income	\$ 5,602,685
Adjustments to reconcile operating income to net cash provided by operating activities:	
Non-cash operating in-kind expenses	250
Changes in assets and liabilities:	
Change in prepaids	9,371
Change in due from other governments	158,281
Change in other receivables	17,886
Change in accounts payable	(84,851)
Change in unearned income	(9,106)
Change in security deposit	(1,500)
Net cash provided by operating activities	<u>\$ 5,693,016</u>

Components of cash and cash equivalents at January 31, 2013:	
American National - Checking	\$ 427,103
American National - General money market	1,140,121
Wachovia - \$7.3M Bonds CCC Debt service fund	995,308
Wachovia - \$7.3M Bonds CCC Project fund	917,754
US Bank - \$11.25M Bonds Berry Hill Debt service fund	207
US Bank - \$11.25M Bonds Berry Hill Debt service reserve fund	2,000,016
	<u>\$ 5,480,509</u>