

**County of Prince Edward
Board of Supervisors
Agenda Summary**

Meeting Date: March 9, 2010
Item No.: 9
Department: Economic Development
Staff Contact: Sharon Lee Carney, Director
Issue: PUBLIC HEARING – Ordinance Creating the Granite Fall CDA

Summary: At its February 9, 2010 meeting, the Board approved a request from the Prince Edward County IDA to consider amending the Ordinance which created the Granite Falls CDA. The Board authorized a public hearing on the amending ordinance for the March 9, 2010 Board meeting.

There are two amendments that the Board will consider. Listed below is the language of the original ordinance, immediately followed by the proposed amendment. Also attached are copies of the proposed amendment ordinance and a copy of the original ordinance, in its entirety and with attachments.

The first amendment is to Paragraph 3 of the Ordinance:

ORIGINAL ORDINANCE:

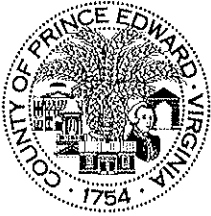
3. Facilities and Services. The CDA is created for the purpose of exercising the powers set forth in the Act, including financing, constructing, acquiring and developing, and owning and maintaining if necessary, certain improvements in connection with the development of a hotel and conference center as described in the Petition. The CDA shall have all the powers provided by the Act. The CDA shall not provide services which are provided by, or obligated to be provided by, any authority already in existence pursuant to the Act unless such authority provides the certification required by §15.2-5155 of the Act.

PROPOSED AMENDMENT:

3. Facilities and Services. The CDA is created for the purpose of exercising the powers set forth in the Act, including financing, constructing, acquiring and developing, and owning and maintaining if necessary, certain public improvements in connection with the development of a hotel and conference center, which public improvements may include sewer system improvements, roads and road improvements, landscaping, parking, the Granite Falls Conference and Hospitality Training Center and such other facilities and services as are permitted by the Act, as set forth in the Petition, as amended by the Amendment to Petition.

The second amendment is the Paragraph 6 of the ordinance, which deals with the membership and number of members to be appointed to the CDA.

| | | | |
|--------------|----------------|-------------|---------------|
| Motion _____ | Campbell _____ | Fore _____ | Gantt _____ |
| Second _____ | Jones _____ | McKay _____ | Simpson _____ |
| | Wilck _____ | Wiley _____ | |



**County of Prince Edward
Board of Supervisors
Agenda Summary**

ORIGINAL ORDINANCE:

6. Membership of the Authority.

- (a) The powers of the CDA shall be exercised by an authority board consisting of five members and such alternate members as the Board may appoint.
- (b) All members of the CDA board shall be appointed by the Board by resolution in accordance with the provisions of §15.2-5113.
- (c) The initial members of the CDA board shall be as set forth in the Articles of Incorporation for the terms set forth therein.
- (d) Each CDA board member shall receive such compensation for his or her services as a CDA board member as may be authorized from time to time by resolution of the CDA board, provided that no member shall receive compensation in excess of \$300 per meeting attended unless authorized by resolution of the Board.

PROPOSED AMENDMENT:

6. Membership of the Authority.

- (a) The powers of the CDA shall be exercised by an authority board consisting of eight members, such number being equal to the number of members of the Board of Supervisors, and such alternate members as the Board of Supervisors may appoint. The members of the Board of Supervisors shall constitute the members of the CDA Board and the term of each member of the CDA Board shall be coterminous with such member's term of office as a member of the Board of Supervisors, unless provided otherwise by resolution of the Board of Supervisors in accordance with the provisions of Section 15.2-5113 of the Act.
- (b) The initial members of the CDA board shall be as set forth in the Articles of Incorporation for the terms set forth therein.

Attachments:

- A. Public Hearing Notice
- B. Proposed Amending Ordinance
- C. Original County Ordinance w/Attachments

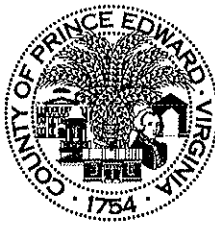
Recommendation: Following the Public Hearing, approve the Ordinance Amending the Ordinance Creating the Granite Falls Community Development Authority.

Motion _____
Second _____

Campbell _____
Jones _____
Wilck _____

Fore _____
McKay _____
Wiley _____

Gantt _____
Simpson _____



Please publish the following on Friday, February 12, 2010, Friday, February 19, 2010 and Friday, February 26, 2010 editions of The Farmville Herald. Please provide a Certificate of Publication to the County Administrator's Office.



NOTICE OF PUBLIC HEARING ON PROPOSED
AMENDMENT TO ORDINANCE CREATING THE
GRANITE FALLS COMMUNITY DEVELOPMENT AUTHORITY

Notice is hereby given that the Board of Supervisors of the County of Prince Edward, Virginia (the "County") will hold a public hearing in accordance with Sections 15.2-5110 and 15.2-5156 of the *Code of Virginia of 1950*, as amended, on a proposed amendment (the "Amendment") to the ordinance adopted November 17, 2009 (the "Ordinance") creating the Granite Falls Community Development Authority (the "CDA"). The Amendment provides that the CDA board will consist of the members of the Board of Supervisors and authorizes the CDA to undertake, in addition to the facilities described in the Ordinance, the financing, acquisition and construction of the Granite Falls Conference and Hospitality Training Center. A complete copy of the Ordinance, the Amendment and the Petition to create the CDA are on file in the Prince Edward County Administrator's office at the address shown below and also on the County's web site at www.co.prince-edward.va.us. The public hearing, which may be continued or adjourned, will be held at 7:30 p.m. or as soon thereafter as the matter may be heard on Tuesday, March 9, 2010 in the Board of Supervisors' Meeting Room, Prince Edward County Courthouse Annex, 111 South Street, 3rd Floor, Farmville, Virginia.

It is the County's intent to comply with the requirements of the Americans with disabilities Act. Should you need special accommodations, please contact W.W. Bartlett, County Administrator, at 434-392-8837, prior to March 5, 2010.

By Order of the Board of Supervisors
W.W. Bartlett, County Administrator

**AN ORDINANCE AMENDING THE ORDINANCE CREATING THE
GRANITE FALLS COMMUNITY DEVELOPMENT AUTHORITY**

WHEREAS, the Board of Supervisors of the County of Prince Edward, Virginia (the "Board of Supervisors") authorized the creation of the Granite Falls Community Development Authority (the "CDA") by ordinance entitled "Ordinance Creating the Granite Falls Community Development Authority", adopted November 17, 2009 (the "Ordinance"); and

WHEREAS, the Industrial Development Authority of Prince Edward County, Virginia (the "Authority"), as the owner of the land in the CDA and Prince Edward Development LLC (the "Purchaser") as the proposed purchaser of such land submitted a Petition, dated August 14, 2009 (the "Petition") requesting the Board of Supervisors to create the CDA; and

WHEREAS, the Authority and the Purchaser have submitted an Amendment to Petition requesting that the CDA be authorized to finance certain additional facilities; and

WHEREAS, the Board of Supervisors desires to provide that the members of the CDA Board shall consist of the members of the Board of Supervisors, each such CDA board member to be appointed for a term of office coterminous with such member's term of office as a member of the Board of Supervisors; and

WHEREAS, a public hearing has been held on March 9, 2010, by the Board of Supervisors on the adoption of this Ordinance and notice has been duly published in accordance with the requirements of Section 15.2-5156 of the Code of Virginia of 1950, as amended (the "Act"); and

NOW, THEREFORE, BE IT ORDAINED by the Board of Supervisors of the County of Prince Edward, Virginia as follows:

1. Amendment of Paragraph 3 of Ordinance. The Ordinance is hereby amended so that the first sentence of Paragraph 3 of the Ordinance reads as follows:

The CDA is created for the purpose of exercising the powers set forth in the Act, including financing, constructing, acquiring and developing, and owning and maintaining if necessary, certain public improvements in connection with the development of a hotel and conference center, which public improvements may include sewer system improvements, roads and road improvements, landscaping , parking, the Granite Falls Conference and Hospitality Training Center and such other facilities and services as are permitted by the Act, as set forth in the Petition, as amended by the Amendment to Petition.

2. Amendment of Paragraph 6 of the Ordinance. Paragraph 6 of the Ordinance is hereby amended to read as follows:

6. Membership of the Authority.

(a) The powers of the CDA shall be exercised by an authority board consisting of eight members, such number being equal to the number of members of the Board of Supervisors, and such alternate members as the Board of Supervisors may appoint. The members of the Board of Supervisors shall constitute the members of the CDA Board and the term of each member of the CDA Board shall be coterminous with such member's term of office as a member of the Board of Supervisors, unless provided otherwise by resolution of the Board of Supervisors in accordance with the provisions of Section 15.2-5113 of the Act.

(b) The initial members of the CDA board shall be as set forth in the Articles of Incorporation for the terms set forth therein.

3. Articles of Incorporation. The County Administrator is authorized and directed to execute and file Articles of Incorporation with the State Corporation Commission in substantially the form on file with the County Administrator with such changes or corrections as the County Administrator may approve prior to filing.

4. Recordation of Ordinance. In accordance with Section 15.2-5157 of the Act, a copy of this Amending Ordinance, together with the Ordinance, shall be recorded in the land records of the Clerk's Office of the Circuit Court of the County of Prince Edward for each tax map parcel in the CDA District and the CDA District shall be noted on the land records of the County.

5. Effective Date. This Ordinance shall take effect immediately upon its adoption.

Adopted at a regular meeting of the Board of Supervisors of the County of Prince Edward, Virginia, held on March 9, 2010.

Clerk, Board of Supervisors, County of
Prince Edward, Virginia

ORDINANCE CREATING THE GRANITE FALLS
COMMUNITY DEVELOPMENT AUTHORITY

WHEREAS, the Board of Supervisors of Prince Edward County, Virginia (the "Board") has received a petition (the "Petition") from the Industrial Development Authority of Prince Edward County, Virginia (the "IDA") and Prince Edward Development, LLC (the "Purchaser") for the creation of the Granite Falls Community Development Authority (the "CDA"), and the IDA has represented that it owns all of the land within the proposed CDA district, except for any public roads or other public rights-of-way (the "Real Estate");

WHEREAS, the IDA and the Purchaser have represented that the Purchaser intends to purchase all of the land within the CDA district;

WHEREAS, a public hearing has been held on November 17, 2009 by the Board on the adoption of this Ordinance and notice has been duly provided as set forth in §15.2-1427 of the Code of Virginia of 1950, as amended and §15.2-5156 of the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Code of Virginia of 1950, as amended (the "Act");

WHEREAS, the Board proposes to create the CDA in order to assist in financing all or a portion of various public improvements, consisting of sewer system improvements, roads and road improvements, landscaping, water system improvements, parking facilities and such other improvements as may be permitted by the Act;

WHEREAS, the creation of the CDA to assist in financing certain improvements in connection with the proposed development within the CDA District will benefit the citizens of Prince Edward County, Virginia (the "County") by promoting increased employment opportunities, a strengthened economic base, increased tax revenues and additional business and training opportunities, and will provide public infrastructure necessary or desirable in connection with development within or affecting the CDA district; and

WHEREAS, the IDA and the Purchaser have each waived in writing the right to withdraw their signatures from the Petition in accordance with §15.2-5156 of the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF PRINCE EDWARD COUNTY, VIRGINIA:

1. Creation of Authority. The Granite Falls Community Development Authority is hereby created as a political subdivision in accordance with the applicable provisions of the Act. The CDA shall have the powers set forth in the Act.
2. Boundaries of CDA. The CDA boundaries shall include the property identified in the attached Exhibit A (the "CDA District"). In accordance with §15.2-5157 of the Act, a copy of this Ordinance shall be recorded in the land records of the Circuit Court of Prince Edward County for each tax map parcel in the CDA district and the CDA district shall be noted on the land records of the County.

3. Facilities and Services. The CDA is created for the purpose of exercising the powers set forth in the Act, including financing, constructing, acquiring and developing, and owning and maintaining if necessary, certain improvements in connection with the development of a hotel and conference center as described in the Petition. The CDA shall have all the powers provided by the Act. The CDA shall not provide services which are provided by, or obligated to be provided by, any authority already in existence pursuant to the Act unless such authority provides the certification required by §15.2-5155 of the Act.

4. Articles of Incorporation. Attached as Exhibit B are the proposed Articles of Incorporation of the CDA. The County Administrator is authorized and directed to execute and file such Articles of Incorporation on behalf of the Board with the State Corporation Commission in substantially the form attached as Exhibit B with such changes, including insubstantial changes to the boundary description of the CDA district described therein, as the County Administrator may approve. The County Administrator is authorized to approve such changes or corrections to the Articles of Incorporation prior to filing with the State Corporation Commission as do not change the purpose or function of the CDA as set forth in this Ordinance and in the Petition.

5. Capital Cost Estimates. The Board hereby finds, in accordance with §15.2-5103(B) of the Act, that it is impracticable to include capital cost estimates, project proposals and project service rates.

6. Membership of the Authority.

(a) The powers of the CDA shall be exercised by an authority board consisting of five members and such alternate members as the Board may appoint.

(b) All members of the CDA board shall be appointed by the Board by resolution in accordance with the provisions of §15.2-5113.

(c) The initial members of the CDA board shall be as set forth in the Articles of Incorporation for the terms set forth therein.

(d) Each CDA board member shall receive such compensation for his or her services as a CDA board member as may be authorized from time to time by resolution of the CDA board, provided that no member shall receive compensation in excess of \$300 per meeting attended unless authorized by resolution of the Board.

7. Plan of Finance; Issuance of Bonds.

(a) The improvements, services and operations to be undertaken by the CDA as described herein and in the Petition shall be funded from all or some of the following sources: (i) bonds or other financing to be issued by the CDA; (ii) special ad valorem taxes to be levied pursuant to Section 15.2-5158A3 of the Act; (iii) special assessments to be levied pursuant to Section 15.2-5158A5 of the Act; and (iv) any other source of funding available to the CDA including rates, fees and charges to be levied by the CDA for the services and facilities provided or funded by the CDA.

(b) The bonds or other financing to be issued by the CDA will be used to pay certain administrative costs, the costs of certain public improvements as described herein and in the Petition, the costs of issuing such financing and any required reserves, and interest on such financing prior to, during and after construction for a period up to one year after completion of construction.

(c) Any bonds issued by the CDA or any other financing arrangements entered into by the CDA will be debt of the CDA, will not be a debt or other obligation of the County and will not constitute a pledge of the faith and credit of the County.

8. Dissolution. The CDA shall be dissolved if the Real Estate has not been acquired by the Purchaser, or its designee, within two years after the date of adoption of this Ordinance.

9. Effective Date. This Ordinance shall take effect immediately.

The undersigned Clerk of the Board of Supervisors of Prince Edward County, Virginia, certifies that the foregoing constitutes a true, complete and correct copy of an Ordinance enacted at a regular meeting of the Board of Supervisors of the County of Prince Edward, Virginia, held on November 17, 2009.

Clerk, Board of Supervisors, Prince Edward
County, Virginia

Exhibits:

- A – Initial CDA District Boundaries
- B – Proposed Articles of Incorporation

Exhibit A

Initial CDA District Boundaries

Tax Map Parcel Numbers

| <u>Tax Map Parcel</u> | <u>Owner</u> | <u>Acreage</u> |
|-----------------------|---|----------------|
| 51-A-40 (Portion) | Industrial Development Authority of Prince Edward County, Virginia | 30.79 |
| 52-A-2 | Industrial Development Authority of Prince Edward County, Virginia | 63.34 |
| | Total Acres: | 94.13 |

The CDA District will also include all public roads and rights-of-way or other publicly owned property located within the boundaries of the above-described district.

Exhibit B

Proposed Articles of Incorporation

**Articles of Incorporation
of
Granite Falls Community Development Authority**

The undersigned, pursuant to Chapter 51, Title 15.2 of the Code of Virginia, adopts the following Articles of Incorporation for the Granite Falls Community Development Authority and states as follows:

Article I

Name

The name of this Authority is GRANITE FALLS COMMUNITY DEVELOPMENT AUTHORITY (the "Authority").

Article II

Organization

Pursuant to an ordinance adopted by the Board of Supervisors of Prince Edward County, Virginia ("Board of Supervisors") the Authority shall be organized by the County of Prince Edward, Virginia (the "County") under the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2 of the Code of Virginia of 1950, as amended) (the "Act"), as a political subdivision governed by the laws of the Commonwealth of Virginia.

Article III

Members

The affairs of the Authority shall be conducted by an authority board of five members ("CDA Board"). The initial CDA Board members are as set forth in Exhibit A attached hereto and incorporated by reference. All subsequent members shall be appointed by resolution of the Board of Supervisors. Each member shall serve a four year term, except the initial members who shall serve the terms of office set forth in Exhibit A hereto. The election of officers of the Authority shall be as set forth in the By-Laws of the Authority. Qualifications and appointment of members of the CDA Board shall be consistent with the requirements of the Act.

The CDA Board shall have the powers and duties set forth in the Act and in these Articles of Incorporation and the By-Laws, to the extent that such powers and duties are not inconsistent with the Act.

Article IV

Principal Office

The Authority's principal office shall be c/o _____, _____, Virginia _____. The Authority may conduct its business and maintain offices for such purposes at such other places within or without the County as may from time to time be deemed advisable by the CDA Board, and not in conflict with the requirements of the Act.

Article V

Authority District

The land initially encompassed within the Authority is set forth in Exhibit B attached hereto (the "Authority District").

Article VI

Purposes and Powers

The Authority is organized for the purpose of exercising all powers granted by the Act, including financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging, extending, equipping, operating and maintaining public improvements generally described in the Petition attached hereto as Exhibit C to create the Authority. The Authority shall have all powers granted to a "community development authority" under the Act.

Article VII

Not-for-Profit

The Authority shall not be organized or operated for pecuniary gain or profit. No part of the net earnings of the Authority shall inure to the benefit of, or be distributable to any member, director, officer, or any other private person, except that the Authority shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments in furtherance of the purposes set forth in Article VI.

Article VIII

Amendment of Articles

These Articles of Incorporation may be amended at any time and from time to time by the Board of Supervisors as now or hereafter prescribed by the Act.

Article IX

Registered Office and Registered Agent

The address of the initial registered office of the Authority is c/o _____, _____, Virginia _____. The initial Registered Agent of the Authority is _____, [whose business address is identical to that of the initial registered office and who is a resident of Virginia and a director on the CDA Board.]

Article X

Initial Members

The names and addresses of the initial members of the CDA Board are as set forth on the attached and incorporated Exhibit A.

Article XI

Indemnification

(a) For purposes of this Article XI the following definitions shall apply:

(i) "expenses" include counsel fees, expert witness fees, and costs of investigation, litigation and appeal, as well as any amounts expended in asserting a claim for indemnification;

(ii) "liability" means the obligation to pay a judgment, settlement, penalty, fine, or other such obligation;

(iii) "legal entity" means a corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise; and

(iv) "proceeding" means any threatened, pending, or completed action, suit, proceeding or appeal whether civil, criminal, administrative or investigative and whether formal or informal.

(b) In every instance in which the Virginia Nonstock Corporation Act, as it exists on the date hereof or may hereafter be amended, permits the limitation or elimination of liability of

directors or officers of a corporation to the corporation, the members, directors and officers of the Authority shall not be liable to the Authority.

(c) The Authority shall indemnify any individual who is, was or is threatened to be made a party to a proceeding (including a proceeding by or in the right of the Authority) because such individual is or was a member, director or officer of the Authority or because such individual is or was serving the Authority or any other legal entity in any capacity at the request of the Authority while a member, director or officer of the Authority, against all liabilities and reasonable expenses incurred in the proceeding except such liabilities and expenses as are incurred because of such individual's willful misconduct or knowing violation of the criminal law. Service as a member, director or officer of a legal entity controlled by the Authority shall be deemed service at the request of the Authority. The determination that indemnification under this paragraph (c) is permissible and the evaluation as to the reasonableness of expenses in a specific case shall be made, in the case of a member or director, as provided by law, and in the case of an officer, as provided in Section (d) of this Article; provided, however, that if a majority of the members of the Authority has changed after the date of the alleged conduct giving rise to a claim for indemnification, such determination and evaluation shall, at the option of the person claiming indemnification, be made by special legal counsel agreed upon by the CDA Board and such person. Unless a determination has been made that indemnification is not permissible, the Authority shall make advances and reimbursements for expenses incurred by a member, director or officer in a proceeding upon receipt of an undertaking from such member, director or officer to repay the same if it is ultimately determined that such member, director or officer is not entitled to indemnification. Such undertaking shall be an unlimited, unsecured general obligation of the member, director or officer and shall be accepted without reference to such member's, director's or officer's ability to make repayment. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that a member, director or officer acted in such a manner as to make such member, director or officer ineligible for indemnification. The Authority is authorized to contract in advance to indemnify and make advances and reimbursements for expenses to any of its members, directors or officers to the same extent provided in this paragraph (c).

(d) The Authority may, to a lesser extent or to the same extent that it is required to provide indemnification and make advances and reimbursements for expenses to its members, directors and officers pursuant to paragraph (c) of this Article, provide indemnification and make advances and reimbursements for expenses to its employees and agents, the members, directors, officers, employees and agents of its subsidiaries and predecessor entities, and any person serving any other legal entity in any capacity at the request of the Authority, and may contract in advance to do so. The determination that indemnification under this paragraph (d) is permissible, the authorization of such indemnification and the evaluation as to the reasonableness of expenses in a specific case shall be made as authorized from time to time by general or specific action of the CDA Board, which action may be taken before or after a claim for indemnification is made, or as otherwise provided by law. No person's rights under paragraph (c) of this Article shall be limited by the provisions of this paragraph (d).

(e) The rights of each person entitled to indemnification under this Article shall inure to the benefit of such person's heirs, executors and administrators. Special legal counsel selected to make determinations under this Article may be counsel for the Authority. Indemnification pursuant to this Article shall not be exclusive of any other right of indemnification to which any person may be entitled, including indemnification pursuant to a valid contract, indemnification by legal entities other than the Authority and indemnification under policies of insurance purchased and maintained by the Authority or others. However, no person shall be entitled to indemnification by the Authority to the extent such person is indemnified by another, including an insurer. The Authority is authorized to purchase and maintain insurance against any liability it may have under this Article or to protect any of the persons named above against any liability arising from their service to the Authority or any other legal entity at the request of the Authority regardless of the Authority's power to indemnify against such liability. The provisions of this Article shall not be deemed to preclude the Authority from entering into contracts otherwise permitted by law with any individuals or legal entities, including those named above. If any provision of this Article or its application to any person or circumstance is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of this Article, and to this end the provisions of this Article are severable.

(f) No amendment, modification or repeal of this Article shall diminish the rights provided hereunder to any person arising from conduct or events occurring before the adoption of such amendment, modification or repeal.

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Exhibit A

Names and Addresses of Initial Members

| | Term of Office | |
|--|-------------------|----------------|
| | <u>Commences</u> | <u>Expires</u> |
| | November 17, 2009 | |
| | November 17, 2009 | |
| | November 17, 2009 | |
| | November 17, 2009 | |
| | November 17, 2009 | |

Exhibit B

Description of Initial Authority District

Tax Map Parcel Numbers

| <u>Tax Map Parcel</u> | <u>Owner</u> | <u>Acreage</u> |
|-----------------------|---|----------------|
| 51-A-40 (Portion) | Industrial Development Authority of Prince Edward County, Virginia | 30.79 |
| 52-A-2 | Industrial Development Authority of Prince Edward County, Virginia | <u>63.34</u> |
| | Total Acres: | 94.13 |

The Authority District will also include all public roads and rights-of-way and other publicly owned property located within the boundaries of the above-described district.

Exhibit C
Petition to Create Authority

**PETITION
FOR THE CREATION OF THE GRANITE FALLS
COMMUNITY DEVELOPMENT AUTHORITY**

**COUNTY OF PRINCE EDWARD, VIRGINIA
AUGUST 14, 2009**

WHEREAS, the undersigned Industrial Development Authority of Prince Edward County, Virginia (the "IDA") is the owner of certain land in the County of Prince Edward, Virginia, (the "County") that includes approximately 94 acres, located southwest of Rt. 628 (Zion Hill Rd.) (the "Real Estate");

WHEREAS, the IDA proposes to sell the Real Estate to Prince Edward Development, LLC (the "Purchaser") pursuant to a Real Estate Contract dated July 21, 2009 between the IDA and the Purchaser;

WHEREAS, the Purchaser has requested the IDA, as owner of the Real Estate, to petition the Board of Supervisors of the County to create a community development authority encompassing the Real Estate;

WHEREAS, the Purchaser desires to develop such property as a hotel and conference center, including meeting space, food service facilities and training facilities, all of which would provide additional employment, training and business opportunities for the citizens of the County, as well as infrastructure improvements benefiting the citizens of the County, and which would expand the tax base of the County; and

WHEREAS, the IDA and the Purchaser propose to create a community development authority as permitted under Virginia Code Sections 15.2-5152, et seq., and other applicable provisions of Chapter 51, Title 15.2 of the Code of Virginia of 1950, as amended (the "Act") to assist in financing certain public infrastructure necessary or desirable for development within or affecting the community development authority district;

NOW, THEREFORE, the IDA and the Purchaser respectfully request that the Board of Supervisors of the County adopt an ordinance creating the Granite Falls Community Development Authority pursuant to the provisions of the Act, and in support of such request, the IDA and the Purchaser, as appropriate, represent and state as follows:

1. Standing and Jurisdiction. The IDA is the owner of all the real estate to be included in the community development authority district (except for any publicly owned roads, rights of way or other publicly owned property). All such real estate is located wholly within the County.

2. Name and Boundaries of the Proposed District. The IDA and the Purchaser request that the Board of Supervisors create the Granite Falls Community Development Authority (the "CDA") pursuant to the authority granted in the Act. The boundaries of the CDA district (the "District") will be as described on Exhibit A attached hereto. The District will be entitled the Granite Falls Community Development Authority District. The IDA and the Purchaser request that the ordinance creating the CDA provide that the CDA shall be dissolved if the Real Estate has not been acquired by the Purchaser, or its designee, within two years after the adoption of such ordinance.

3. Services and Facilities to be Undertaken by the CDA. The CDA will undertake to finance, acquire and construct public improvements pursuant to Section 15.2-5158 of the Act, which public improvements may include sewer system improvements, roads and road improvements, landscaping, parking and such other facilities and services as are permitted by the Act (collectively, the "Improvements"). All Improvements will be constructed in accordance with applicable governmental standards after obtaining all necessary permits and approvals therefor.

4. Proposed Plan for Providing and Financing the Improvements.

A. The CDA will undertake to issue revenue bonds or similar financing under the authority of the Act, specifically Virginia Code Sections 15.2-5158 and 15.2-5125, as those Sections may be amended, to finance the Improvements, including the costs of issuing such bonds and administrative costs of the CDA and the County in connection with financing the Improvements,

B. The Purchaser proposes that the CDA request the Board of Supervisors to establish a special ad valorem tax or a special assessment upon the property within the District to finance the Improvements, including administrative costs as described above, as provided in Virginia Code Sections 15.2-5158(A)(3) and 15.2-5158(A)(5).

C. The CDA or its designee will contract for the construction of the Improvements and for their operation and maintenance until such time as the Improvements are conveyed to or dedicated and accepted by the applicable governmental entity, or until such time as the responsibility for operation and maintenance is assumed by another entity in accordance with applicable laws and regulations.

5. Benefits from Construction of Improvements. Petitioner represents that the following benefits are expected to be derived from the construction of the Improvements by the CDA:

A. The proposed Improvements and services to be undertaken by the CDA will facilitate development in the County, will provide training, commercial and business opportunities for County residents and will promote economic development in the County by creating new jobs and will generate substantial tax revenues for the County.

B. The establishment of the CDA will help to provide for needed public improvements, including, among other things, realignment of Route 628.

6. CDA Board Members. The members of the Board of the CDA shall be appointed by the Board of Supervisors, under the applicable provisions of Virginia Code Section 15.2-5113 and in consultation with the Purchaser.

Respectfully submitted,

PETITIONERS:

INDUSTRIAL DEVELOPMENT AUTHORITY
OF PRINCE EDWARD COUNTY, VIRGINIA

By: ROBERT G. [Signature]
Its: Chairman

**AMENDMENT TO PETITION DATED AUGUST 14, 2009
FOR THE CREATION OF THE GRANITE FALLS
COMMUNITY DEVELOPMENT AUTHORITY
AND WAIVER**

The undersigned Industrial Development Authority of Prince Edward County, Virginia (the "IDA") along with Prince Edward Development, LLC (the "Purchaser"), submitted a Petition for the Creation of the Granite Falls Community Development Authority (the "CDA"), dated August 14, 2009 (the "Petition"). The undersigned IDA, as the owner of the land within the CDA, and the undersigned Purchaser, as the proposed purchaser of the land within the CDA, hereby amend the Petition as follows:

The first sentence of paragraph 3 is amended to read: "The CDA will undertake to finance, acquire and construct public improvements pursuant to Section 15.2-5158 of the Act, which public improvements may include sewer system improvements, roads and road improvements, landscaping, parking, the Granite Falls Conference and Hospitality Training Center and such other facilities and services as are permitted by the Act (collectively, the "Improvements")."

The Board of Supervisors of the County of Prince Edward, Virginia is respectfully requested to amend its Ordinance Creating the Granite Falls Community Development Authority, adopted on November 17, 2009 (the "Ordinance"), to include the change described above.

To the extent the provisions of Virginia Code Section 15.2-5156B apply to this amendment the undersigned waive mailing of the proposed amendment to the Ordinance, notice of the adoption of such amendment and the 30 day period referred to in Section 15.2-5156B.

Respectfully submitted,

PETITIONERS:

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF PRINCE EDWARD COUNTY, VIRGINIA**

By: *R. M. Shoultz*
Its: Chairman

Dated: 2-1 , 2010

EXHIBIT A

Description of Community Development Authority Boundaries

| <u>Tax Map Parcel</u> | <u>Owner</u> | <u>Acreage</u> |
|-----------------------|---|----------------|
| 51-A-40 (Portion) | Industrial Development Authority of Prince Edward County, Virginia | 30.79 |
| 52-A-2 | Industrial Development Authority of Prince Edward County, Virginia | <u>63.34</u> |
| | Total Acres: | 94.13 |

The community development authority district will also include all public roads and rights-of-way or other publicly owned property within the boundaries of the above described district.