

**Town of Amherst
Industrial Development Authority
February 5, 2007**

A meeting of the Town of Amherst Industrial Development Authority was called to order by Chairman Bailey on February 5, 2007 at 5:15 PM in the Council Chambers of the Town Hall. IDA attendance was as follows:

P Jacob Bailey, Chairman	P Richard Wydner
A Gary Jennings, Vice Chairman	P Marshall Mays
P Vernon Wood	A Jim Meade
P C. Manly Rucker, III	

The Chair noted that a quorum was present. IDA Attorney Kevin Cash and Town Manager Jack Hobbs, in his capacity as Secretary to the Authority, were present.

On a motion by Mr. Mays which was seconded by Mr. Rucker and carried 5-0, the minutes of the January 2, 2007 meeting were approved. Messrs. Bailey, Mays, Rucker, Wood, and Wydner voted in favor of the motion; Messrs. Jennings and Meade were absent.

Centra Health Bond Financing Request

Kevin Cash, on behalf of Centra Health, requested that the Authority issue an \$8,000,000 "bank qualified" bond to support new cancer center and assisted living facilities in Lynchburg. It was reported that the required public hearing had taken place on January 19. On a motion by Mr. Wood which was seconded by Mr. Wydner and carried 5-0, a resolution to authorize the bond issuance was adopted. Messrs. Bailey, Mays, Rucker, Wood, and Wydner voted in favor of the motion; Messrs. Jennings and Meade were absent. The resolution is attached and made a part of these minutes.

The Secretary confirmed that the members were to receive \$50 per meeting for each meeting attended for the Centra matter and that the Town Council would need to allocate a portion of the Town's "bank qualified" allocation for 2007 to complete the local approvals for the matter.

The IDA Attorney confirmed that the implementing documents for the Centra financing would be arranged so that the 1/8 of 1% fee would be calculated on the principal as of June 30 of each year and that the monies would be due on July 1 of that same calendar year.

Authority agreed that the IDA budget request for the upcoming FY08 fiscal year would be unchanged from the FY07 request.

There being no further business, the Authority adjourned its meeting at 5:57 PM.

Jacob P. Bailey, Chairman

ATTEST: _____
Secretary

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE TOWN OF AMHERST, VIRGINIA
AUTHORIZING THE ISSUANCE OF \$8,000,000
HOSPITAL FACILITIES REVENUE BOND (CENTRA HEALTH, INC.) SERIES 2007**

The Industrial Development Authority of the Town of Amherst, Virginia, a political subdivision of the Commonwealth of Virginia ("Authority"), has been duly created by the Town of Amherst, Virginia, (the "Locality") pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended ("Act"). In furtherance of the Act's purposes, the Authority, at the request of Centra Health, Inc. ("Centra"), will issue the Authority's revenue bond ("Bond") to assist in a plan of financing for the construction of a regional cancer center located at 2216 Langhorne Road, Lynchburg, Virginia 24501 and the construction of an assisted living facility at the Summit Nursing home located in the Wyndhurst on Enterprise Drive, both of which are located in the City of Lynchburg, Virginia. (the "Project") and costs of issuance as may be necessary for the proposed issuance of the Bond. Centra has represented that the estimated cost of the plan of financing and all expenses of issuance will require the issue of a revenue bond in the aggregate principal amount of \$8,000,000 which is to be issued by the Authority. The Authority held a public hearing regarding the plan of financing on January 19, 2007. After the public hearing, pursuant to applicable law the issuance will be submitted to the City for approval prior to the issuance of the Bond and pursuant to applicable law the issuance will be submitted to the Locality for approval prior to the issuance of the Bond.

The Authority now desires to authorize the issuance of the Bonds and their sale to Branch Banking and Trust Company as purchaser and initial holder of the Bond (the "Bond Purchaser"), subject to the conditions contained herein. The Bond may be issued in one or more series from time to time on or before March 15, 2007. The Bond will be dated the date of its delivery (the "Closing Date"), be in an aggregate principal amount of \$8,000,000, bear a fixed interest rate equal to 4.13%, and mature on a date twenty years thereafter subject to earlier redemption and prepayment (the "Bond Terms").

It is expected that the Bond will be issued pursuant to the following documents: (i) a Financing Agreement to be dated as of February 28, 2007 ("Financing Agreement"), between the Authority and Centra; (ii) a Bond Purchase Agreement to be dated as of February 28, 2007 ("Bond Purchase Agreement"), among the Authority, Centra and the Bond Purchaser; and (iii) form of the Bond, attached to the Bond Purchase Agreement. The documents listed above, except the Bond, are referred to in this resolution as the "Basic Documents."

(A) No member of the Authority is an officer or employee of the Town of Amherst other than the Chairman who serves as the Mayor of the Town of Amherst and C. Manly Rucker , who serves as Vice-Mayor of the Town of Amherst (B) each member has, before entering upon his duties during his or her present term of office, taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended and (C) at the time of their appointments and at all times thereafter, including the date hereof, all of the members of the Authority have satisfied the residency requirements of the Act.

No member of the Authority has any personal interest or business interest in Centra, the Bond, or any of the transactions contemplated therein or has otherwise engaged in conduct prohibited under the Conflict of Interests Act, Chapter 40.1, Title 2.1 of the Code of Virginia of 1950, as amended (the "Conflict of Interests Act") in connection with this resolution or any other official action of the Authority in connection therewith.

NOW, THEREFORE, IT IS RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF AMHERST, VIRGINIA:

1. The Bond provides that it does not constitute a debt or pledge of the faith and credit or taxing power of the Commonwealth of Virginia or any of its political subdivisions, including the Authority, the Locality and the City. Neither the Commonwealth of Virginia nor any of its political subdivisions, including the Authority, the Locality and the City, will be obligated to pay the principal of, premium, if any, or interest on the Bond or other costs incident to them except from the revenues and monies pledged for such purposes, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any of its political subdivisions, including the Authority, the Locality and the City, is pledged to the payment of principal of, premium, if any, or interest on the Bond or other costs incident to them.

2. The issuance of the Bond is approved provided its terms are consistent with the Bond Terms. The Chairman, or the Vice Chairman of the Authority, are hereby authorized to approve the forms of the Basic Documents, provided their terms are consistent with the Bond Terms, after their review by counsel to the Authority, and their approval will be evidenced conclusively by the execution and delivery of the Bond and the Basic Documents.

3. The issuance of the Bond on the Closing Date, to be evidenced by execution of the Bond and delivery against payment, are authorized. The execution, delivery and performance by the Authority of its obligations under the Basic Documents to which it is a party on the Closing Date are authorized.

4. The Chairman and the Vice Chairman of the Authority are each authorized and directed to execute on behalf of the Authority the Bond and the Basic Documents to which the Authority is a party, and the Secretary or the Assistant Secretary of the Authority are each authorized and directed to affix and attest the seal of the Authority to the Bond and, as necessary, to the Basic Documents; provided such Basic Documents are consistent with the Bond Terms and have been reviewed and approved by counsel to the Authority. The signatures of the Chairman or Vice Chairman and the Secretary or the Assistant Secretary and the seal of the Authority may be by facsimile. Each officer of the Authority is authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, and to do and perform such things and acts, as they deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bond, the Basic Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by the officers of the Authority are in all respects approved, ratified and confirmed.

5. The Authority determines that the issuance of the Bond in accordance with the Bond Terms and all action of the Authority contemplated by this resolution and the Bond Terms will be in furtherance of the purposes for which the Authority was organized.

6. The Authority will not take or approve any action or make any investment or use of bond proceeds which would cause the Bond to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations.

7. The Authority hereby designates the Bond as a "qualified tax-exempt obligation" eligible for the exception from the disallowance of the deduction of interest by financial institutions allocable to the cost of carrying tax-exempt obligations in accordance with the provisions of Section 265(b)(3) of the Code. The Authority does not reasonably anticipate issuing more than \$10,000,000 in qualified tax-exempt obligations during calendar year 2006, and the Authority will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to such Section 265(b)(3) this calendar year.

8. This resolution shall take effect immediately upon its adoption, subject to the conditions stated herein.