

**Town of Amherst
Industrial Development Authority
April 23, 2012**

A special meeting of the Town of Amherst Industrial Development Authority was called to order by Chairman Jacob Bailey on April 23, 2012 at 5:15 PM in the Council Chambers of the Town Hall. It was noted that a quorum was present as follows:

P Jacob Bailey	P Richard Wydner
Late Gary Jennings	P Jim Meade
A Lewis Addison	P Vernon Wood
P C. Manly Rucker, III	

Town Manager Jack Hobbs was present in his capacity as Secretary to the Authority.

On a motion by Mr. Wydner, which was seconded by Mr. Wood and carried 4-1, the minutes of the April 2, 2012 meeting were approved. Messrs. Meade, Rucker, Wood and Wydner voted in favor of the motion; Mr. Bailey abstained; and Messrs. Addison and Jennings were absent.

Region 2000 Radio Board Bond

Region 2000 Local Government Council Executive Director Gary Christie, Amherst County Public Safety Director Gary Roakes, Ted Cole from financial advisor Davenport & Company and Dan Siegel from the law firm Sands Anderson came forward on behalf of the Region 2000 Radio Board to review the proposed \$13,100,000 regional radio system financing. On a motion by Mr. Rucker, which was seconded by Mr. Meade and carried 5-0, the Authority adopted a resolution approving the request. Messrs. Bailey, Meade, Rucker, Wood and Wydner voted in favor of the motion by roll call vote; Messrs. Addison and Jennings were absent. A copy of the resolution is attached and made a part of these minutes.

Mr. Jennings entered the meeting.

Brockman Park Deed Restrictions

A proposal to amend the Brockman Park deed restrictions, as requested by Hollingsworth and developed by Town Attorney Tom Berry, was discussed. It was noted that the Town Council has already authorized the Mayor to execute an amended document and that formal review by Hollingsworth, Centra and MTS is still needed. On a motion by Mr. Meade, which was seconded by Mr. Wood and carried 6-0, the Authority agreed to authorize the Chairman to execute the amended document as proposed. Messrs. Bailey, Jennings, Meade, Rucker, Wood and Wydner voted in favor of the motion; Mr. Addison was absent.

Amherst County EDA

Mr. Wydner agreed to attend the next two Amherst County EDA meetings.

Brockman Park

The Secretary reported on the status of the Hollingsworth project, Lee Cobb's study on how to relocate the rear graveyard at Brockman Park, and a visit by Virginia Economic Development Partnership representatives scheduled for the April 24.

There being no further business, the Authority adjourned its meeting at 5:37 PM.

Jacob Bailey
Chairman

ATTEST: _____
Secretary

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE TOWN OF AMHERST, VIRGINIA APPROVING FINANCING FOR VIRGINIA'S REGION 2000
LOCAL GOVERNMENT COUNCIL AND, IN TURN, THE REGION 2000 RADIO COMMUNICATIONS
BOARD**

WHEREAS, Virginia's Region 2000 Local Government Council (**the "Council"**) desires to obtain financing to finance the costs of the design, acquisition, construction, installation and equipping of a new emergency communications system (**the "Facilities"**) to serve the Cities of Lynchburg and Bedford and the Counties of Bedford and Amherst (**collectively, the "Member Jurisdictions"**) with portions of the Facilities to be located in each of the Member Jurisdictions to be operated by a new committee of the Council, known as the Region 2000 Radio Communications Board (**the "Radio Board"**);

WHEREAS, the Council is a public body corporate and politic of the Commonwealth of Virginia and the use of the Facilities will be primarily for governmental purposes benefiting the Member Jurisdictions;

WHEREAS, the Facilities will upgrade the existing emergency communications system (**the "Existing System"**) serving such Member Jurisdictions which was financed by the Industrial Development Authority of the Town of Amherst, Virginia (**the "Authority"**) through a revenue bond financing in 1996 (**the "1996 Bond"**);

WHEREAS, the 1996 Bond has been fully repaid and is no longer outstanding;

WHEREAS, Davenport & Company LLC (**the "Financial Advisor"**) coordinated the issuance of a Request for Proposals for the purchase of the 2012 Bond (as defined below), and, after reviewing the responses, the Radio Board agreed to accept the proposal (**the "Proposal"**) from Banc of America Public Capital Corporation on behalf of Bank of America, N.A. (**the "Bank"**) as the most advantageous financing of the costs of the Facilities for the Council and the Radio Board;

WHEREAS, the Council, and in turn, the Radio Board have requested that the Authority (a) issue, offer and sell its public facilities revenue bond in the principal amount of not to exceed \$13,100,000 (**the "2012 Bond"**) to finance the costs of the Facilities, including cost of issuing the 2012 Bond, (b) provide for the 2012 Bond proceeds to be loaned to the Council through the issuance of debt of the Council to be repaid through payments received from the Member Jurisdictions under a Regional Cooperative Agreement (**the "Cooperative Agreement"**) to be evidenced by a Loan or Financing Agreement (**the "Loan Agreement"**) between the Authority, the Council and the Bank and (c) secure the 2012 Bond by an assignment of its rights under such Loan Agreement to the Bank along with a lien on the Facilities and other security referred to therein (**the "Collateral"**), including but not limited to the Existing System, pursuant to a Security Agreement (**the "Security Agreement"**) to accomplish certain purposes of the Virginia Industrial Development and Revenue Bond Act (**the "Act"**);

WHEREAS, the Authority proposes to (a) issue the 2012 Bond and sell the 2012 Bond to the Bank, (b) use the proceeds of the 2012 Bond to finance the costs of the Facilities, including costs of issuing the 2012 Bond and (c) enter into the Loan Agreement and the Security Agreement, as appropriate; and

WHEREAS, there have been presented to this meeting, drafts of the following documents (**collectively, the "Documents"**) in connection with the transactions described above, copies of which shall be filed with the records of the Authority:

- a. The Loan Agreement;
- b. The Security Agreement;
- c. A Specimen Public Facilities Revenue Bond, Series 2012 in the maximum aggregate principal amount of \$13,100,000, maturing on or about 15 years from its date of issuance with an interest rate of approximately 3.04% per annum; and

d. A Promissory Note of the Council (and Assignment thereof).

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of the Town of Amherst, Virginia:

1. The Authority hereby finds and determines that the undertaking of the design, acquisition, construction, installation and equipping of the Facilities will be consistent with the purposes of the Act and that the Facilities are “authority facilities” within the meaning of the Act.
2. All costs and expenses in connection with the issuance of the 2012 Bond, including but not limited to the Authority’s expenses, the fees and expenses of the Council, bond counsel, the Financial Advisor, the Authority’s counsel, the Bank and its counsel for the sale of the 2012 Bond, shall be paid from the proceeds therefrom or other funds of the Council through payments made by the Member Jurisdictions. If for any reason the 2012 Bond is not issued, it is understood that all such expenses shall be paid by the Council (through payments made by the Member Jurisdictions) and that the Authority shall have no responsibility therefor.
3. The Authority hereby approves the Documents, the Proposal and the form of the 2012 Bond in the maximum aggregate principal amount of up to \$13,100,000 with the 2012 Bond amortizing over 15 years with a maturity date on or about 15 years from the date of issuance, payable as to interest semiannually at the rate of 3.04%, subject to such adjustment as set forth in the form of the 2012 Bond, and payable as to principal annually, as set forth in the form of 2012 Bond, with such changes, including but not limited to changes in the amounts, dates, payment dates and rates as may be approved by the officer executing them whose signature or signatures shall be conclusive evidence of his or their approval of the same.
4. The Chairman or Vice Chairman of the Authority, or either of them, and Secretary of the Authority are each hereby authorized and directed to execute the Documents and such other instruments and documents as are necessary to create and perfect a security interest in the Collateral in favor of the Bank and to issue the 2012 Bond.
5. The officers, agents and representatives of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in their sole and absolute discretion in connection with the issuance and sale of the 2012 Bond, including without limitation (a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the 2012 Bond to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended (**the “Code”**), and regulations thereunder, applicable to “arbitrage bonds,” (b) making any elections, at the request of the Council that such officers deem desirable regarding any provision requiring rebate to the United States of “arbitrage profits” earned on investment of proceeds of the 2012 Bond, (c) providing for the Council to pay any such rebate amount and (d) filing Internal Revenue Service Form 8038-G, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the 2012 Bond, financing of the Facilities and the release of the Existing System from any lien of the 1996 Bond and any conveyance to the Council of such Existing System and providing a lien on such Existing System as additional security for the 2012 Bond.
6. The Authority agrees to the recommendation of the Council, and in turn, the Radio Board that Sands Anderson PC, Richmond, Virginia, serve as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the 2012 Bond.
7. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.

8. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the 2012 Bond and the undertaking of the Facilities are hereby approved, ratified and confirmed.
9. The Council, and in turn, the Radio Board by acceptance of this financing, to the extent permitted by law, will be deemed to have agreed to indemnify, defend and save harmless, to the extent permitted by law, the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses in any way connected with the Authority and the issuance of the 2012 Bond and financing of the costs of the Facilities.
10. Nothing in this Resolution, the 2012 Bond, or the Documents shall constitute a debt or a pledge of the faith and credit of the Authority or the Town of Amherst and the Authority shall not be obligated to make any payments under the 2012 Bond or the Documents except from payments made by or on behalf of the Council under the Loan Agreement and the Security Agreement from payments made by the Member Jurisdictions under the Cooperative Agreement.
11. This resolution shall take effect immediately.

Adopted this 23rd day of April, 2012.