

**MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE COUNTY OF CAMPBELL, VIRGINIA**

May 8, 2006

The regular meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the Community & Economic Development Conference Room, County Office Building, Rustburg, Virginia, on May 8, 2006.

The Directors present were:

Vance Driskill, Chairman  
Robert Kennedy  
Malcolm Morris, Vice-Chair  
Lewis Robertson  
George Rosser, Secretary-Treasurer  
Darryl Whitesell  
John Yates

Also Present:

J. Michael Davidson, Economic Development Director  
Jamie Banton, Assistant Secretary  
Frank Wright, Overby, Hawkins, Selz & Wright

Mr. Driskill called the meeting to order at 7:30pm. Mr. Driskill introduced Mr. Robert Kennedy. The Board of Supervisors appointed Mr. Kennedy to the Industrial Development Authority on April 17, 2006 to represent the Sunburst District.

The March 13, 2006 meeting minutes were presented for review. On a motion by Mr. Yates, seconded by Mr. Rosser and duly adopted by unanimous vote, the minutes were approved as presented.

**Matters from the Economic Development Director**

// Mr. Davidson presented the IDA with a Project Updates Report. General discussion of the Project Updates Report followed.

// Next, Mr. Davidson explained that the IDA Attorney has a pre-existing meeting scheduled on the same date as IDA meetings. Discussion of regularly scheduled meetings followed. By general consensus, the Campbell County Industrial Development Authority altered its meeting schedule to the 4<sup>th</sup> Monday of odd-numbered months (January, March, May, July, September and November). The next meeting is scheduled for July 24, 2006.

// Next, Mr. Davidson discussed the Hirschfeld industrial project the IDA has worked for the past several months. A formal announcement from Governor Kaine's office is expected at the May 16, 2006 Business Appreciation Lunch. Mr. Davidson explained that the IDA must formally adopt several items related to the sale of the Hirschfeld Building. Mr. Yates asked how firm the ingress and egress to the building is. Mr. Davidson stated that Rangoon Road is a state maintained street. Mr. Yates also asked about the portion of the building that lies within Norfolk-Southern Railroad right-of-way. Mr. Davidson explained that Carolina Steel signed a five-year lease agreement with Norfolk-Southern last fall. The lease will be assigned to the IDA when the purchase of the property is finalized. Mr. Davidson also stated that Milton Realty appraised the facility at \$1.7 million. In addition, Banker Steel Company signed the lease agreement (effective June 1, 2006) on April 26, 2006. First National Bank of Altavista is aware of the lease agreement with Banker Steel and the railroad right-of-way. Mr. Davidson stated that as of last

Campbell County  
Industrial Development Authority – May 8, 2006

Friday, May 5, 2006, the process moved from the Due Diligence Period to the Closing Period. Closing is expected to take place sometime between May 15 and May 23. General discussion followed.

On a motion by Mr. Morris, seconded by Mr. Yates and duly adopted by unanimous vote, the Campbell County Industrial Development Authority approves the purchase of the Hirschfeld Property for \$1.6 million.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

On a motion by Mr. Morris, seconded by Mr. Yates and duly adopted by unanimous vote, the Campbell County Industrial Development Authority approves First National Bank of Altavista as the lender for the purchase of the Hirschfeld Property.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

On a motion by Mr. Yates, seconded by Mr. Rosser and duly adopted by unanimous vote, the Campbell County Industrial Development Authority approves the First National Bank of Altavista loan package as detailed in the First National Bank commitment letter dated February 17, 2006.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

On a motion by Mr. Robertson, seconded by Mr. Yates and duly adopted by unanimous vote, the Campbell County Industrial Development Authority authorizes Mr. Vance Driskill, Mr. George Rosser, Mr. John Yates and Mr. Darryl Whitesell as representatives, any two, to sign any and all loan agreements and closing documents related to the Hirschfeld Property.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

// Next, Mr. Davidson discussed the terms of the lease agreement with Banker Steel. He stated that the agreement set-forth an eight-year triple net lease with Banker paying all expenses for the operation of the facility.

On a motion by Mr. Morris, seconded by Mr. Whitesell and duly adopted by unanimous vote, the Campbell County Industrial Development Authority approves the lease agreement with Banker Steel Company.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

// Next, Mr. Davidson discussed the closing period process. General discussion followed.

On a motion by Mr. Whitesell, seconded by Mr. Morris and duly adopted by unanimous vote, the Campbell County Industrial Development Authority authorizes its attorneys to prepare the legal documents necessary to carry out all transactions related to the purchase of the Hirschfeld Property and related loan from First National Bank of Altavista.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

On a motion by Mr. Morris, seconded by Mr. Yates and duly adopted by unanimous vote, the Campbell County Industrial Development Authority authorizes its Chair and Executive Committee to act on behalf of the Industrial Development Authority to carryout the acquisition and lease of the Hirschfeld Property.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

// Next, Mr. Davidson discussed the former Thomasville building project in Brookneal. The original Sales Agreement with Sanfaçon stated that the \$800,000 sales price would be paid by April 21, 2006. Mr. Sanfaçon would like to use the funds he needs to payoff the building to instead purchase additional equipment and set-up new production lines. Each production line requires the hiring of additional employees. First National Bank of Altavista has agreed to convert the IDA's interest only loan to a principal and interest loan. The original sales contract was extended an additional 30-days to complete the transfer. Mr. Sanfaçon's attorneys are currently reviewing the terms of the new agreement. The agreement will be a lease purchase agreement and set-forth a five year renewable period. Sanfaçon Virginia will be charged a monthly administrative fee by the IDA. As part of the agreement, the First National Bank Loan will increase from \$655,000 to \$800,000 so that the IDA can repay Campbell County all funds borrowed. Sanfaçon Virginia will pay lease payments to cover interest, principal and administrative fee payments.

On a motion by Mr. Robertson, seconded by Mr. Yates and duly adopted by unanimous vote, the Campbell County Industrial Development Authority authorizes Mr. Vance Driskill, Mr. George Rosser, Mr. John Yates and Mr. Darryl Whitesell as representatives, any two, to sign any and all loan agreements and closing documents related to the former Thomasville property and Sanfaçon - Virginia.

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

#### **Matters from the Chairman**

// Chair Driskill mentioned the recognition and plaque presented to Mr. Frank Wright during the April 3, 2006 Board of Supervisors meeting. Supervisors Rosser presented Mr. Wright with the plaque for his long service on the IDA.

// Next, Chair Driskill explained that because of Mr. Wright's resignation, the IDA's at-large seat on the Economic Development Commission is now vacant. General discussion followed.

Campbell County  
Industrial Development Authority – May 8, 2006

On a motion by Mr. Rosser, seconded by Mr. Whitesell and duly adopted by unanimous vote, the Campbell County Industrial Development Authority recommends the Board of Supervisors appoint Mr. Vance Driskill to the Campbell County Economic Development Commission

The vote was: Aye: Driskill, Kennedy, Morris, Robertson, Rosser, Whitesell, Yates  
Nay: None  
Absent: None

// Next, Mr. Morris stated that he felt the Seneca Commerce Park is an important economic development property. General discussion of the Seneca Commerce Park followed.

After general discussion of the before mentioned matters, no other business was presented for consideration. By motion of Mr. Morris, seconded by Mr. Rosser, the meeting adjourned at 8:27 pm. The next meeting will be held on Monday, July 24, 2006.

---

Vance Driskill, Chairman

---

George Rosser, Secretary-Treasurer