

Danville-Pittsylvania Regional Industrial Facility Authority
Minutes
November 22, 2010

A Special Called Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12 o'clock Noon on the above date at the Dan River Business Development Center located at 300 Ringgold Industrial Parkway. Present were City of Danville Members Chairman Sherman Saunders and David Luther and Pittsylvania County Members Vice Chairman Coy Harville and Hank Davis (4). Alternates Fred Ingram and Fred Shanks were absent (2).

City/County staff members attending were: Danville City Manager Joe King, Pittsylvania County Administrator Dan Sleeper, Pittsylvania County Assistant Administrator for Planning Greg Sides, Danville Economic Development Director Jeremy Stratton, Pittsylvania County Economic Development Director Ken Bowman, Danville Economic Development Consultant Linwood Wright, Clement and Wheatley Attorneys Michael Guanzon and Secretary to the Authority Annette Crane.

Also present were Green Energy Corporation Vice President Bob Bennett and citizens Anne Cockrell and Karen Maute.

Chairman Saunders called the Meeting to order.

PUBLIC COMMENT PERIOD

Karen Maute distributed a list of questions and concerns relating to the Performance Grant Agreement as follows:

- “November 12 article by Tara Bozick reports that Green Energy and its partners would like to building the facility. She further reports that Roanoke based Brian Wishneff and Associates would own the facility and lease it to Green Energy. Please clarify which entity is to be held liable (responsible) if there is a default on the part of Green Energy since GE is being deeded the land and Wishneff will apparently own the facility?
- It is unclear if the funding is going to Green Energy or Wishneff and Associates.
- Should Wishneff and Associates be listed on the Performance Agreement?
- Who are Green Energy’s partners and should they be named on the Performance Agreement?
- There is a need to better define the work “Company” in the Performance Agreement. Is it Green Energy, Wishneff Group, Green Energy and partners?
- If the Company fails to satisfy all of the terms if the Agreement is Green Energy, Green Energy and Wishneff, Green Energy and Partners, Green Energy, Wishneff and Partners responsible for repayment of grants, funds and incentive payments?
- What assurances do we have that Green Energy and/or Wishneff will be in a position to repay if the “Company” is unable to satisfy the terms of the Agreement.
- How many roofs have been manufactured and installed by Green Energy?
- Will Green Energy manufacture parts or import parts from China and be an assembly plant?

I wish Green Energy the best and hope they bring long-term employment for our region. It is difficult to track the monies, taxpayer and otherwise, in assembling an incentive package. It is as if there has been an economy established in tax credit investments, chasing the tax credit, rather than a emphasis on true economic development. It is imperative we use these funds wisely. I trust you will do so.”

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Anne Cockrell expressed appreciate to the Authority Board for placing a hearing of the citizens on the board's agendas.

Chairman Saunders thanked both Ms. Maute and Ms. Cockrell for their input.

Chairman Saunders stated the purpose of the Called Meeting was to consider a Resolution approving a certain proposed performance grant agreement with Danville, Pittsylvania County and United States Green Energy Corporation (USGE) and the cancellation of a certain performance agreement with USGE, the City and the County which the Authority approved on September 13, 2010, but had not been fully executed by other parties and other matters related thereto.

**APPROVE EXECUTION OF NEW PERFORMANCE AGREEMENT & CANCEL
SEPTEMBER 10, 2010 PERFORMANCE AGREEMENT-GREEN ENERGY CORPORATION**

Mr. Harville **moved** approval of a Resolution approving a certain proposed Performance Grant Agreement with the City of Danville, Virginia, the Council of Pittsylvania, Virginia and the United State Green Energy Corporation (USGE), which includes, among other things, the conveyance by the Authority to USGE of new lot 1 located at the Cane Creek Centre, in Pittsylvania County, Virginia, containing 59.118 acres, being a portion of the Authority's 142.79+- acre tract, GPIN 2347-38-9745, as part of an incentive package to be offered by the City and the County, in exchange for USGE locating and constructing its manufacturing facility at the Cane Creek Centre, making new total taxable capital investments of at least \$30,000,000, and creating 372 new full-time jobs with benefits during the performance period and creating 372 new full-time jobs with benefits during the performance period and the cancellation of a certain performance Grant Agreement with USGE, the City and the County which the Authority approved on September 13, 2010, but which had not been fully executed by the other parties and other matters related or incident thereto.

Mr. Luther seconded the Motion.

Mr. Harville wondered why the 67,000 square foot shell building in the East Ringgold Industrial Park, located in the County, was not being utilized by Green Energy. Mr. Stratton responded that the site was surrounded by a buffer and it would be almost impossible to subdivide that tract.

Mr. Luther asked exactly who the Authority was dealing with – Green Energy or Wishneff and Associates and who would be held liable in case of a default. Attorney Michael Guanzon responded the party listed in the document is United States Green Energy Corporation. Mr. Luther stated he would like the City and County staff to make it clear who RIFA was dealing with. Mr. Stratton advised that Green Energy Corporation was responsible for everything.

Mr. King recalled that during the last RIFA meeting, the Board gave no indication of wanting to do anything but formalize the agreement, lay the land correctly and show easements for a road and railroad access. He said that was essentially how the Board left the matter following the meeting on November 10. The plan now is envisioned as a building and land for deployment of solar collectors. Mr. King said he did not think the client's vision was to make intense use of every acre of this property, but it is a piece of property they can start from scratch on to fund a building that meets their specific needs, spend money for site preparation, and provide the jobs and investment that is being

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proposed. Green Energy is just like any other prospect -- Economic Development and staff are attempting to accommodate the needs of the company.

Mr. Stratton stated other companies had rejected the site because of the expense of grading. He said Green Energy was willing to fund the \$2,000,000 necessary for grading the site. Ken Bowman said Green Energy needed to be accommodated because land was one of the area's greatest incentives for companies such as Green Energy to locate here.

Mr. Harville had questioned the decision by Green Energy to locate at Cane Creek Centre. He felt the entire tract of land would not be fully utilized by Green Energy and wondered if it could be divided and the remainder offered for sale to another company. Mr. Sleeper responded it would be difficult to divide the tract sufficiently to meet an additional industry's needs because of the creek located on the property.

The Resolution was adopted by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther and Saunders (4)
NAY: None (0).

COMMUNICATIONS

There were no communications from Authority members and staff.

The Meeting adjourned at 12:37 P.M.

Chairman

Secretary to the Authority