

BOND PURCHASE AGREEMENT

Between: **Industrial Development Authority of the County of Stafford and the City of Staunton, Virginia (the "Purchaser")**

**c/o Virginia Local Government Finance Corporation
919 East Main Street, Suite 1100**

Richmond, VA 23219

Attention: Deputy Director

And: **Town of Christiansburg, Virginia (the "Issuer")**

100 E. Main St.

Christiansburg, VA 24073

Attention: Barry D. Helms, Town Manager

Telephone: (540) 382-6128

Dated: **July 1, 2013**

This Bond Purchase Agreement (the "Agreement") is entered into as of July 1, 2013, between the Town of Christiansburg, Virginia (the "Issuer") and the Industrial Development Authority of the County of Stafford and the City of Staunton, Virginia (the "Purchaser"). For and in consideration of the premises hereinafter contained, Issuer hereby agrees to issue and sell to Purchaser, and Purchaser agrees to purchase and accept, the Bond, as defined below, on the terms set forth herein. Pursuant to this Agreement and an Assignment Agreement dated July ___, 2013 (the "Assignment Agreement"), by and between the Purchaser and PNC Bank, National Association (the "Bank"), assigning all right, title and interest of the Purchaser in this Agreement and the Bond (as defined below) to the Bank, the Bank has determined to fund the Loan (as defined below), for the benefit of the Locality, to finance or refinance all or a portion of the costs of the Project (as defined below), and to pay related costs and expenses.

ARTICLE I. DEFINITIONS

As used in this Agreement, the following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Bond Purchase Agreement executed by Issuer and Purchaser, including all exhibits, schedules and attachments attached hereto, and any amendments hereof.

"Authorizing Statute" means the Public Finance Act of 1991, Chapter 26, Title 15.2 of the Code of Virginia of 1950, as amended and such other applicable authority under the Code of Virginia of 1950, as amended.

"Bank" means PNC Bank, National Association and its successors and assigns.

"Bond" means the bond issued by the Issuer, as identified in the Resolution, in the form substantially as attached hereto as Attachment 1.

"Bond Counsel" means Spotts Fain PC.

"Code" is defined in Section 3.1(f).

"Event of Default" is defined in Section 6.1.

"Issue Date" is July ___, 2013.

"Issuer" means the entity identified as such in the second paragraph of this Agreement, and its permitted successors and assigns.

“Loan” means the lending by the Purchaser of the proceeds of the Bond to the Issuer, for repayment under the terms and conditions of this Bond Purchase Agreement.

“Paying Agent” means Issuer’s duly qualified and serving Treasurer.

“Project” means the refunding of the Town’s General Obligation Public Improvement Bond, Series 2004 (the “Bond”) and the financing of certain infrastructure improvements, including completion of renovations and improved access to the police department building and to replace the gymnasium and track floor at the Christiansburg Recreation Center, together with related administrative and financing costs.

“Purchaser” means the entity identified as such in the first paragraph of this Agreement, and its successors and assigns.

“Rating Agency” means any of Moody’s Investors Service, Standard & Poor’s, a division of The McGraw-Hill Companies, and Fitch Ratings.

“Resolution” means the resolution of the Town Council of the Issuer authorizing the execution and delivery of this Agreement and the issuance of the Bond.

“State” means the Commonwealth of Virginia.

ARTICLE II. PURCHASE OF BOND

Section 2.1 Purchase and Form of Bond. On the terms, and subject to the conditions set forth in this Agreement, Purchaser hereby agrees to purchase the Bond from the Issuer and to assign the Bond to the Bank, all on the Issue Date, at a price of 100 percent of the par amount thereof. The principal amount of the Bond shall be \$_____. The form of the Bond is attached hereto as Attachment 1. The Bond is issued pursuant to the Authorizing Statute.

Section 2.2 Interest; Installments. The Bond shall bear interest at the rate of _____% per annum, calculated on a 30/360-day basis, inclusive of a loan servicing fee. Issuer will repay the Bond in semiannual installments, comprised of interest only payments on each February 1 and principal and interest payments on each August 1, beginning February 1, 2014, and ending August 1, 20__. Payments shall be made consistent with Schedule I affixed to the Bond. The interest rate on the Bond shall adjust and the Issuer shall owe the Purchaser the additional amount in the event of prepayment as set forth in Section 2.4.

Section 2.3 Application. Any payments by Issuer to Purchaser shall be applied first to pay accrued interest, and second to pay principal.

Section 2.4 Issuer’s Option to Prepay; Bank’s Repurchase Rights.

- (a) The Issuer shall have the right to prepay any amount hereunder in whole or in part, at par without penalty, on any interest payment date occurring on or after August 1, 2022 from time to time.
- (b) The Bank shall have the right to have the Bond repurchased by the Issuer at a price equal to par, together with accrued but unpaid interest, but only on each tenth anniversary of the Issuer Date of the Bond and not otherwise, provided that the Bank shall give the Issuer not less than 180 days’ notice that it will exercise its repurchase right on the applicable anniversary date.

ARTICLE III. COVENANTS AND CONDITIONS

Section 3.1 Covenants of the Issuer. As of the Issue Date, Issuer represents, covenants and warrants for the benefit of Purchaser as follows:

- (a) Issuer is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority to issue the Bond, and to enter into this Agreement and the transactions contemplated thereby and hereby and to perform all of its obligations thereunder and

hereunder.

- (b) Issuer will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a public body corporate and politic. To the extent Issuer should merge with another entity under the laws of the State, Issuer agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Issuer's rights and shall assume Issuer's obligations on the Bond and under this Agreement. Notwithstanding the foregoing, Bank shall have the right, under its rights under the Assignment Agreement and pursuant to this Agreement, to require Issuer to prepay in whole the principal of the Bond, and to pay all accrued interest thereon, on the date of any such merger.
- (c) Issuer has been duly authorized to issue the Bond and to execute and deliver this Agreement by proper action by its governing body, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Bond and this Agreement, and Issuer has complied with such public bidding requirements as may be applicable to the Bond, this Agreement and the Project. On the Issue Date, Issuer shall cause to be delivered an opinion of Bond Counsel in the form as may be approved by Purchaser and requested by Bank.
- (d) Issuer will provide Bank with current financial statements and budgets and such other financial information of Issuer as Bank may request, in such form and times and containing such information as may be requested by Bank.
- (e) Issuer will expend the proceeds of the Bond on costs and expenses of the Project for which the Issuer may expend Bond proceeds under the Authorizing Statute and the Code.
- (f) Issuer will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 148 thereof, and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest on the Bond. Issuer covenants and agrees that it will use the proceeds of the Bond as soon as practicable and with all reasonable dispatch for the purpose for which the Bond has been issued, and that no part of the proceeds of the Bond shall be invested in any securities, obligations or other investments except for the temporary period pending such use nor used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Bond, would have caused the Bond or related Bonds of the Project to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Bond. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to comply with the tax compliance certificate delivered at the Issue Date and the provisions of Section 141 through 150 of the Code, as applicable.
- (g) The Issuer designates the Bond as a "qualified tax-exempt obligation" for the purpose of Section 265(b)(3) of the Code. The Issuer represents and covenants as follows:
 - i. The Issuer will in no event designate more than \$10,000,000 of obligations as qualified tax-exempt obligations in calendar year 2013, including the Bond, for the purpose of such Section 265(b)(3);
 - ii. The Issuer, all its "subordinate entities," within the meaning of such Section 265(b)(3), and all entities which issue tax-exempt obligations on behalf of the Issuer and its subordinate entities have not authorized, in the aggregate, more than \$10,000,000 of tax- exempt obligations to be issued in calendar year 2013 (not including "private activity bonds," within the meaning of Section 141 of the Code, other than "qualified 501(c)(3) bonds," within the meaning of Section 145 of the Code), including the Bond;
 - iii. Barring circumstances unforeseen as of the date of delivery of the Bond, the Issuer will not issue tax-exempt obligations itself or approve the issuance of tax-exempt obligations of any of such other entities if the issuance of such tax-exempt obligations would, when aggregated with all other tax-exempt obligations theretofore issued by the Issuer and such other entities in calendar year 2013, result in the Issuer and such other entities having issued a total of more than \$10,000,000 of

tax-exempt obligations in calendar year 2013 (not including private activity bonds other than qualified 501(c)(3) bonds), including the Bond; and

iv. The Issuer has no reason to believe that the Issuer and such other entities will issue tax-exempt obligations in calendar year 2013 in an aggregate amount that will exceed such \$10,000,000 limit;

provided, however, that if the Issuer receives an opinion of nationally recognized bond counsel that compliance with any covenant set forth in (i) or (iii) above is not required for the Bond to be a qualified tax-exempt obligation, the Issuer need not comply with such covenant.

(h) The issuance of the Bond and the execution, delivery and performance of this Agreement and compliance with the provisions thereof by Issuer does not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Issuer is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Issuer or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Issuer or to which it is subject.

(i) Issuer shall pay an increased interest rate on the Bond (which increases shall be cumulative) in the event of a downgrade of the Issuer's general obligation debt from time to time by any Rating Agency as indicated below:

<u>Rating</u>	<u>Additional Interest</u>
A3/A-/A-	20 bps
Baa1/BBB+/BBB+	25 bps
Baa2/BBB/BBB	30 bps
Baa3/BBB-/BBB-	35 bps

provided that the foregoing interest rate increase shall not apply if the downgrade to the Issuer's Bond is solely the result of such Rating Agency's recalibration of municipal ratings generally or a downgrade of the credit rating of the Federal government. For avoidance of doubt, the lowest rating of any Rating Agency then applicable shall apply for purposes of this test.

Section 3.2 **Conditions.** Purchaser's obligation to purchase the Bond on the Issue Date is subject to satisfaction of the following conditions:

(a) Purchaser shall have received a certified copy of the duly authorized Resolution;

(b) Purchaser shall have received an original of this Agreement and the Bond, duly executed by Issuer in accordance with the Resolution;

(c) Purchaser shall have received an opinion of Bond Counsel, in form and substance satisfactory to Purchaser's counsel, to the effect that:

i. the Resolution, this Agreement, and the Bond are valid and legally binding obligations of Issuer, enforceable against Issuer in accordance with their terms, except to the extent that enforceability may be limited by or rendered ineffective by (A) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally; (B) the application of equitable principles and the exercise of judicial discretion in appropriate cases; (C) common law and statutes affecting the enforceability of contractual obligations generally; and (D) principles of public policy concerning, affecting or limiting the enforcement of rights or remedies against governmental entities such as Issuer.

(d) Purchaser shall have received the certificate of a duly authorized representative of Issuer to the effect that:

i. there is no action, suit, proceeding, or investigation at law or in equity before or by any court or government, city or body pending or, to the best of the knowledge of Issuer, threatened against Issuer to restrain or enjoin the adoption of the Resolution or the execution and delivery of this

Agreement or the issuance of the Bond, or the collection and application of funds as contemplated by this Agreement and the Bond, which in the reasonable judgment of Issuer, would have a material and adverse effect on the ability of Issuer to pay amounts due under the Bond, and

- ii. the adoption of the Resolution and the execution and delivery of this Agreement and the Bond do not and will not conflict in any material respect with or constitute on the part of Issuer a breach of or default under any law, charter provision, court decree, administrative regulation, resolution, ordinance, or other agreement or instrument to which Issuer is a party or by which it is bound.

(e) Purchaser shall have received such additional legal opinions, certificates, proceedings, instruments, or other documents as Purchaser or Bond Counsel may reasonably request to evidence compliance by Issuer with the legal requirements for adoption of the Resolution, execution and delivery of this Agreement, issuance of the Bond, acquisition and construction of the Project and the due performance or satisfaction by Issuer of all agreements then to be performed and all conditions then to be satisfied by Issuer.

(f) Purchaser and Issuer shall have satisfied all of Bank's required conditions precedent to closing of its financing of the purchase of the Bond.

ARTICLE IV. PAYMENT AND SECURITY

Section 4.1 Payment of Bond. Issuer shall promptly pay the principal of, and interest and premium, if any, on the Bond, exclusively from legally available funds, in lawful money of the United States of America, in such amounts and on such dates as described in this Agreement and the Bond. Issuer and Purchaser acknowledge and agree that Paying Agent shall serve as Registrar of the Bond and that Issuer shall direct the Paying Agent to make payments directly to Bank as assignee of Purchaser. Paying Agent shall credit the account of Issuer for payments made on its books and records and shall make same available for Issuer or Purchaser, or its successors or assigns, upon the reasonable request thereof. Issuer shall pay a charge on any delinquent payments in an amount sufficient to cover all additional costs and expenses incurred by Bank due to such delinquent payment. In addition, Issuer shall pay a late charge of five cents per dollar or the highest amount permitted by applicable law, whichever is lower, on all delinquent payments of principal of and interest and premium, if any, on the Bond, from the date such amounts were due until paid at the Default Rate as described in Section 6.2.

Section 4.2 Tax Collection. Until full payment and performance of all obligations of Issuer under the Bond and this Agreement, the Issuer will take all action necessary to ensure that a sufficient portion of its tax and other revenues collected during the current year are set aside or otherwise made available for payment of the Bond in accordance with its terms. Issuer certifies that the principal amount of the Bond does not exceed the anticipated taxes and revenues of Issuer for the current year.

Section 4.3 Full Faith and Credit. The full faith and credit of Issuer is irrevocably pledged for the payment of the principal of and premium, if any, and interest on the Bond and all other payment obligations under this Agreement. Unless other funds are lawfully available and appropriated for timely payment of the Bond and all other payment obligations under this Agreement, Issuer shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in Issuer sufficient to pay when due the principal of and premium, if any, and interest on the Bond and all other payment obligations under this Agreement.

Section 4.4 Obligations Absolute. To the extent permitted by law, the obligations of Issuer to make the payments required under the Bond and this Agreement and to perform and observe the other agreements on its part contained in the Bond and this Agreement shall be absolute and unconditional and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever while any portion of the Bond remains unpaid regardless of any contingency, act of God, event or cause whatsoever. Issuer shall pay absolutely net the amounts required to be paid hereunder, regardless of any rights of set-off, recoupment, abatement or counterclaim that Issuer might otherwise have against Purchaser, Bank, their respective successors or assigns or any other party or parties.

Section 4.5 Agreement to Survive. The provisions of this Agreement will survive the issuance of the Bond and the payment of the purchase price therefor. This Agreement will terminate upon the payment in full of all

amounts due under the Bond and this Agreement, provided that any prepayment is undertaken in accordance with Section 4.4 of this Agreement and further provided that Section 5.3 of this Agreement will survive its termination.

ARTICLE V. ASSIGNMENT; RISK OF LOSS

Section 5.1 Assignment by Purchaser. The Issuer expressly acknowledges that, pursuant to the Assignment Agreement, all right, title and interest of the Purchaser in and to this Agreement and the Bond, have been assigned to the Bank as security for the amounts due hereunder. The Issuer hereby approves and consents to such assignment. This Agreement and the Bond, including (without limitation) the right to receive payments required to be made by the Issuer hereunder and to compel or otherwise enforce performance by the Issuer of its other obligations hereunder, may be further transferred, assigned and reassigned in whole or in part to one or more assignees or subassignees by the Bank at any time subsequent to their execution without the necessity of obtaining the consent of, but after giving notice to, the Issuer. Issuer agrees to execute all documents, including notices of assignment that may be reasonably requested by Purchaser, Bank or any further assignee to evidence any such assignment or reassignment, including without limitation the issuance of a new Bond of like tenor registered in the name of the assignee upon surrender of the old Bond. If any Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to Issuer, and Issuer shall execute and deliver a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen, upon receipt of a written indemnity from Bank reasonably satisfactory to Issuer.

Section 5.2 Assignment by Issuer. NONE OF ISSUER'S OBLIGATIONS UNDER THE BOND OR THIS AGREEMENT MAY BE ASSIGNED BY ISSUER FOR ANY REASON, WITHOUT THE PRIOR WRITTEN CONSENT OF PURCHASER AND BANK.

Section 5.3 Risk of Loss Covenants. Issuer shall not be required to indemnify or hold Purchaser harmless against liabilities arising from this Agreement. However, as between Purchaser and Issuer, and to the extent permitted by law, Issuer shall bear the risk of loss for, shall pay directly, and shall defend against any and all claims, liabilities, proceedings, actions, expenses, damages or losses arising under or related to the Bond or this Agreement, including, but not limited to, the loss of federal tax exemption of the interest on the Bond, except that Issuer shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses, damages or losses that arise directly from the gross negligence or willful misconduct of the Purchaser.

ARTICLE VI. DEFAULT

Section 6.1 Events of Default Defined. Any of the following shall constitute an "Event of Default" under this Agreement:

- (a) Failure by Issuer to make any payment of principal of, or interest or premium on, the Bond, or other payment required to be paid under this Agreement, at the time specified therein;
- (b) Failure by Issuer to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Bond or this Agreement;
- (c) Any statement, representation or warranty made by Issuer in this Agreement or the Bond shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Issuer shall default on any of its indebtedness issued on a parity basis with the Bond, which indebtedness remains uncured after any applicable cure period permitted by such indebtedness;
- (e) Issuer shall receive a credit rating on its general obligation debt from any Rating Agency, which rating is below investment grade as that term is then defined by such Rating Agency.
- (f) Issuer shall be the subject of a final, non-appealable judgment in an amount in excess of \$1,000,000, which judgment shall remain unsatisfied or unstayed after 60 days from the date thereof.
- (g) Issuer shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Issuer, or of all or a substantial part of the assets of Issuer, (ii) be unable, fail or admit in writing its

inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Issuer in any bankruptcy, reorganization or insolvency proceeding; or

(h) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Issuer or of all or a substantial part of the assets of Issuer, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

Section 6.2 Remedies on Default. If an Event of Default shall have occurred, Purchaser (or Bank, as Purchaser's assignee) may proceed against Issuer and its agents, officers and employees to protect and enforce the rights of Purchaser under the Bond and this Agreement by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained in the Bond or in this Agreement, or in an award of execution of any power herein granted for the enforcement of any proper, legal or equitable remedy as Purchaser (or Bank, as Purchaser's assignee) may deem most effectual to protect and to enforce its rights under the Bond or this Agreement, or to enjoin any act or thing which may be unlawful or in violation of any right of Purchaser under the Bond or this Agreement, or to require Issuer to act as if it were the trustee of an express trust, or any combination of such remedies. While any Event of Default exists, the unpaid principal amount of the Bond shall bear interest at the rate of 3 percent (3%) per annum in excess of the Base Rate, or the maximum rate permitted by applicable law, whichever is less (the "Default Rate"). "Base Rate" for the purposes hereof shall mean the greatest of (i) the Bank's then prevailing "prime rate" plus one percent (1%); (ii) the Federal Funds Rate plus two percent (2%); and seven percent (7%).

Section 6.3 No Remedy Exclusive. No remedy conferred upon or reserved to Purchaser in this Agreement or the Bond is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or the Bond now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Purchaser to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 6.4 Costs and Attorney Fees. Upon the occurrence of an Event of Default by Issuer in the performance of any term of this Agreement or the Bond, Issuer agrees to pay to Purchaser and Bank or reimburse Purchaser and Bank for, in addition to all other amounts due hereunder, all of Purchaser's and Bank's respective costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Issuer, and shall bear interest at the Default Rate. In the event suit or action is instituted to enforce any of the terms of this Agreement or the Bond, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

ARTICLE VII. MISCELLANEOUS

Section 7.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee at its address as it appears on the registration books maintained by Issuer.

Section 7.2 Further Assurances. Issuer agrees to execute such other and further documents and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Purchaser, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement.

Section 7.3 **Binding Effect.** This Agreement and the Bond shall inure to the benefit of and shall be binding upon Purchaser and Issuer and their respective successors and permitted assigns.

Section 7.4 **Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7.5 **Waiver of Jury Trials.** ISSUER AND PURCHASER HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE BOND OR THIS AGREEMENT OR THE ACTIONS OF PURCHASER OR ISSUER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF.

Section 7.6 **Amendments, Changes and Modifications.** This Agreement may only be amended in writing by Purchaser and Issuer, with the prior written consent of Bank, and then only upon the payment of an amendment administration fee equal to \$2,500, plus reasonable expenses of counsel.

Section 7.7 **Execution in Counterparts.** This Agreement hereunder may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.8 **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 7.9 **Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Purchaser and Issuer have caused the Bond Purchase Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

Purchaser: Industrial Development Authority of the County of Stafford and the City of Staunton, Virginia
By:
Name: Robert W. Lauterberg
Title: Secretary-Treasurer

Address for Notice:
c/o Virginia Local Government Finance Corporation
919 East Main Street, Suite 1100
Richmond, VA 23219
Phone: (804) 648-0635
Attention: Deputy Director

Issuer: Town of Christiansburg, Virginia
By:
Name: Barry D. Helms
Title: Town Manager

Attest:
By:
Name: Michele Stipes
Title: Town Clerk

Address for Notice:
100 E. Main St.
Christiansburg, VA 24073
Telephone:(540) 382-6128
Attention: Town Manager

ATTACHMENT 1

Form of Bond

[See Transcript Tab __]

**CERTIFICATE OF RESOLUTIONS
TREASURY MANAGEMENT SERVICES**

TO: StellarOne ("Bank")

Name and Address of Client:

TOWN OF CHRISTIANSBURG _____
100 E MAIN ST _____
CHRISTIANSBURG VA 24073 _____

Federal Tax I.D. Number: 54-6001215 _____
Date of Meeting of Governing Body: _____

Type of Organization:

Corporation
 Partnership
 Limited Liability Company
 Sole Proprietorship
 Unincorporated Religious Society
 Unincorporated Association
 Other: _____

Governing Body:

Board of Directors
Partners
Members and/or Managers
Owner
Board of Trustees, Deacons or Elders
Board of Directors or _____

WHEREAS, Organization has designated Bank as a depository of this Organization and one or more deposit accounts have been opened by Organization with Bank; and,

WHEREAS, Bank has offered to and Organization wishes to use certain treasury management services and products; and,

WHEREAS, Organization may have designated that two or more signatures are required to withdraw funds from certain accounts through which the treasury management services and products shall be offered;

WHEREAS, notwithstanding any other resolution or agreement requiring two or more signatures to withdraw funds from certain accounts through which the Bank's treasury management services and products shall be offered, the Organization desires to designate any one of the Authorized Customer Representative(s) set forth below to execute operating, treasury management, funds transfer, safe deposit box, and other agreements relating to deposit accounts with the Bank (including also, without limitation, wire transfer, internet banking, ACH origination, and remote capture), and to otherwise initiate transactions or instructions using security procedures applicable to any Bank treasury management service used by Organization; and

WHEREAS, regardless of the identity of the initiator, Organization further desires to authorize the initiation of transactions or instructions using security procedures applicable to any Bank treasury management service used by Organization.

NOW THEREFORE,

I hereby certify that the following resolutions were unanimously adopted, approved, and confirmed by the Organization at a meeting of the Governing Body held on the date set forth above, which was duly 3/2010

noticed and attended by a quorum of such persons, or conducted pursuant to a waiver of notice and unanimous consent to action in lieu thereof:

RESOLVED, that, notwithstanding any other resolution or agreement requiring two or more signatures to withdraw or transfer funds from certain Organization accounts, any one of the following is/are hereby designated as "Authorized Customer Representative(s)" and are authorized and vested with full authority to act for and on behalf of Organization:

Name	Title	Specimen Signature
<u>Valerie Tweedie</u>	<u>Director of Finance/Treasurer</u>	_____
<u>Barry D. Helms</u>	<u>Town Manager</u>	_____
<u>Randall S. Wingfield</u>	<u>Assistant Town Manager</u>	_____

RESOLVED, that in addition to the foregoing individuals, any person who is named as an agent for the Organization in a resolution adopted with respect to its deposit account(s), who has authority under such resolution to endorse checks and orders for the payment of money or otherwise withdrawal or transfer funds on deposit with Bank (either alone or in conjunction with other persons), shall also be designated as an Authorized Customer Representative for purposes of the resolutions set forth herein.

RESOLVED, (a) that this Organization may from time to time enter into operating, treasury management, funds transfer, safe deposit box, and other agreements relating to deposit accounts with the Bank (including also, without limitation, wire transfer, internet banking, ACH origination, and remote capture), (b) that any one of the Authorized Customer Representatives is hereby authorized to execute, amend, supplement, and deliver to the Bank any of such agreements on behalf of this Organization upon such terms and conditions as that person may deem appropriate, (c) that any one of the Authorized Customer Representatives is hereby authorized to appoint and delegate, from time to time, persons who may act on behalf of this Organization pursuant to such agreements irrespective of whether any such person is an agent for the Organization in a resolution adopted with respect to its deposit account(s), and (d) that any one of the Authorized Customer Representatives and any person whom they may delegate or appoint pursuant to such agreements may further initiate transactions or instructions using security procedures applicable to any Bank treasury management service used by Organization;

RESOLVED, that regardless of the identity of the initiator, the initiation of a transaction or instructions using security procedures applicable to any Bank treasury management service used by Organization constitutes sufficient authorization for Bank to execute such transaction or instruction notwithstanding any particular designation by Organization of authorized persons or signature requirements identified on any signature card or other documents relating to Organization's deposit account maintained with Bank, and that the submission of transactions and instructions using the security procedures shall be considered the same as an authorized written signature of an authorized signatory(ies) of Organization in authorizing Bank to execute each such transaction or instruction;

RESOLVED, that Organization shall be bound by any and all transactions initiated through the use of security procedures designated for any applicable treasury management product or service, whether authorized or unauthorized, and by any and all transactions and activity otherwise initiated by Organization;

RESOLVED, that any and all acts authorized pursuant to these resolutions and performed prior to the passage of these resolutions are hereby ratified and approved;

RESOLVED, that any officer of the Organization or any member of the Governing Body is authorized to certify these resolutions and to provide written notice to the Bank in the event these resolutions are hereafter modified or rescinded;

RESOLVED, that with the exception of the resolution(s) of the Organization which authorize the opening of the Organization's deposit account(s) with Bank and designate the agents who are authorized to

endorse checks and orders for the payment of money or otherwise withdrawal or transfer funds in such accounts, these resolutions shall supersede all resolutions of like tenor previously furnished to the Bank

RESOLVED, that these resolutions will continue in full force and effect and shall remain irrevocable as far as the Bank is concerned until the Bank is notified in writing of their modification or rescission and has received and acknowledged same, which shall have prospective effect only.

I further certify that I am a person authorized to make the certifications herein and that the foregoing is a complete and correct copy of the resolutions duly adopted by the Organization and affirmatively appearing in the permanent records of the Organization.

I further certify that there is no provision within the articles or incorporation, the by-laws, the articles of organization, the operating agreement, the partnership agreement, or other governing document of the Organization, whichever of the foregoing instruments is applicable, that either restricts the passing of the foregoing resolutions or prevents me from executing this certification, and that these acts were and are duly approved and authorized in conformity with the governing documents and applicable law.

I further certify that the foregoing resolutions (i) have not been modified, amended or rescinded, (ii) are in full force and effect, and (iii) are binding upon the Organization.

I further certify that the Organization is duly organized, validly existing and in good standing under the laws governing its creation and existence, and is duly registered in all states in which it does business.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Organization on the date first set forth above.

(Seal)

Signature

Richard Ballengee
Printed Name

Mayor
Title

Date

ATTEST:

Clerk of the Town of Christiansburg, Virginia

CERTIFICATE

The undersigned Clerk of the Town Council of the Town of Christiansburg, Virginia (the "Council"), hereby certifies that:

1. Upon notice duly given, a meeting of the Council was duly called and held on July 16, 2013 (the "Meeting").

2. Attached hereto is a true, correct and complete copy of a resolution (the "Resolution") of the Council entitled "Resolution of the Town Council of the Town of Christiansburg, Virginia, Authorizing the Issuance and Sale of its General Obligation Public Improvement and Refunding Bond, Series 2013, and Approving the Execution and Delivery of Certain Documents Prepared in Connection Therewith," as recorded in full in the minutes of the Meeting and duly adopted by a majority of the members of the Council present and voting during the Meeting.

3. A summary of the members of the Council present or absent at the Meeting, and the recorded vote with respect to the Resolution, is set forth below:

Member Name	Present	Absent	Yes	No	Abstaining
Richard G. Ballengee, Mayor	_____	_____	_____	_____	_____
D. Michael Barber	_____	_____	_____	_____	_____
Cord Hall	_____	_____	_____	_____	_____
Steve Huppert	_____	_____	_____	_____	_____
Henry Showalter	_____	_____	_____	_____	_____
Bradford J. "Brad" Stipes	_____	_____	_____	_____	_____
James W. "Jim" Vanhoozier	_____	_____	_____	_____	_____

4. The Resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect on the date hereof.

WITNESS my signature and the seal of the Town of Christiansburg, Virginia, dated July 16, 2013.

Clerk, Town of Christiansburg, Virginia

(SEAL)

Prepared by Howard P. Estes, Jr.
Estes & Associates
105 E. Cary St.
Richmond, VA 23219

**RESOLUTION
OF THE
TOWN COUNCIL
OF THE TOWN OF CHRISTIANSBURG, VIRGINIA,
AUTHORIZING THE ISSUANCE AND SALE OF ITS GENERAL
OBLIGATION PUBLIC IMPROVEMENT AND REFUNDING BOND,
SERIES 2013 AND APPROVING THE EXECUTION AND DELIVERY OF
CERTAIN DOCUMENTS PREPARED IN CONNECTION THEREWITH**

July 16, 2013

WHEREAS, the Town Council of the Town of Christiansburg, Virginia (the "Town") has determined that it is necessary and advisable to borrow money and issue its general obligation bond to refund and finance the Series 2004 Bond and finance certain infrastructure improvements, including completion of renovations and improved access to the police department building and to replace the gymnasium and track floor at the Christiansburg Recreation Center, together with related administrative and financing costs (collectively, "the Project");

WHEREAS, the Town has previously submitted an application to the Virginia Municipal League/Virginia Association of Counties' (VML/VACo) Finance Program for financing through the Industrial Development Authority of the County of Stafford and the City of Staunton, Virginia (the "Authority"), in order to obtain funds for the Project;

WHEREAS, the Town has previously received a proposal from the Virginia Local Government Finance Corporation, a Virginia nonstock, nonprofit corporation, as the Program Administrator, for the Authority to purchase the bond, and the Authority has indicated its willingness to purchase such bond in accordance with the terms of a Bond Purchase Agreement to be dated as of July 1, 2013 between the Authority and the Town (the "Agreement"), the form of which has been presented to this meeting;

WHEREAS, the Program Administrator has procured bids from financial institutions to fund the Project, and PNC Bank, National Association (the "Bank") has indicated that it will fund the Project on behalf of the Authority and the Town;

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED by the Town Council of the Town of Christiansburg, Virginia:

1. Authorization, Issuance, Use and Sale of the Bond. Pursuant to the Constitution and laws of the Commonwealth of Virginia, including the Public Finance Act of 1991, Chapter 26, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), and without regard to any

requirements or restrictions contained in any charter or special act of the Town, the Town Council hereby authorizes the issuance and sale of its general obligation bond in the maximum principal amount of \$10,000,000 to the Authority to provide funds for the Project and to pay related costs, including costs incurred in issuing the Bond (as hereafter defined).

2. Approval of Plan of Finance. The Town Council hereby accepts the proposal of the Authority to purchase the Town's General Obligation Public Improvement and Refunding Bond, Series 2013 (the "Bond"). The Mayor and the Town Manager, either of whom may act, are authorized to arrange for the issuance of the Bond. The Bond shall be issued on the terms set forth in this Resolution and on such additional terms, not inconsistent with this Resolution, as the Mayor or the Town Manager may approve, such approval to be evidenced conclusively by the execution and delivery of the Bond.

3. Authorization of Bond Purchase Agreement. The forms of the Agreement and the Bond (collectively, the "Loan Documents"), each of which has been submitted to this meeting, are hereby approved. The Mayor and the Town Manager are each authorized to execute the Loan Documents in substantially such forms, with such completions, omissions, insertions and changes (including of dates) not inconsistent with this Resolution as may be approved by the Mayor and the Town Manager, whose approval shall be evidenced conclusively by the execution and delivery thereof. The issuance and sale of the Bond to the Authority shall be upon the terms and conditions of the Agreement. The proceeds of the Bond shall be applied in the manner set forth in the Agreement and related documents. All capitalized terms used but not defined herein shall have the same meaning as set forth in the Agreement.

4. Acknowledgement and Approval of Assignment. The Town understands that the Authority, in order to secure funds for the financing of the Project, will, at closing, assign all of its right, title, and interest in the Bond to the Bank. The Town acknowledges and agrees to the assignment of its Bond to the Bank and further directs the Mayor and the Town Manager, either of whom may act and after consultation with bond counsel, to execute such documents or certificates necessary or convenient to ensure the assignment of the Bond to the Bank.

5. Bond Details. The Bond shall be issued as a single, registered bond, shall be designated "General Obligation Public Improvement and Refunding Bond" in such series designations as appropriate, shall be numbered R-1, and shall be in substantially the form of Exhibit A to this Resolution, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing such Bond. The Town Council authorizes the issuance and sale of the Bond on such terms as shall be satisfactory to the Mayor or the Town Manager; provided however, that the Bond (a) shall be in a principal amount not to exceed \$10,000,000, (b) shall mature no later than 22 years after the date of issuance and (c) shall bear interest on the outstanding principal balance thereof at an **initial** annual rate of interest not to exceed three percent (3%). Subject to the preceding terms, the Town Council further authorizes either the Mayor or the Town Manager to (1) determine the final principal amount of the Bond and (2) to establish the maturity date and principal amortization schedule (including the principal installment dates and amounts, if any) for the Bond in such manner as the Mayor or the Town Manager shall determine to be in the best interest of the Town. The Mayor or the Town Manager's approval of the final terms, purchase price, interest rate, any make whole provisions

on prepayment, maturity date and amortization schedule of the Bond shall be evidenced by the execution and delivery of the Bond, and no further action shall be necessary on the part of the Town so long as such provisions are within the limits prescribed in this Resolution. The principal of and premium, if any, and interest on the Bond shall be payable in lawful money of the United States of America.

6. Payment and Redemption Provisions. The principal of and premium, if any, and interest on the Bond shall be payable as set forth in the Bond and the Agreement. The Town may, at its option, redeem, prepay or refund the Bond upon the terms set forth in the Agreement.

7. Preparation of Printed Bond; Mutilated or Destroyed Bond. Upon the reasonable request of the registered owner and upon presentation of the Bond at the office of the Registrar (as hereinafter defined), the Town shall arrange to have prepared, executed and delivered in exchange as soon as practicable the Bond in printed form in an aggregate principal amount equal to the unpaid principal of the Bond. The Bond may be executed by manual or facsimile signature of the Mayor, with the Town's seal affixed thereto and attested by the Town Clerk; provided, however, that, if both such signatures are facsimiles, no Bond shall be valid until it has been authenticated by the manual signature of the Registrar and the date of authentication noted thereon. The typewritten Bond surrendered in any such exchange shall be canceled. If the Bond has been mutilated, lost or destroyed, the Town shall execute and deliver a new Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Bond or in lieu of and in substitution for such lost or destroyed Bond; provided, however, that the Town shall so execute and deliver only if the registered owner has paid the reasonable expenses and charges of the Town in connection therewith and, in the case of a lost or destroyed Bond, (a) has filed with the Town evidence satisfactory to the Town that such Bond was lost or destroyed and (b) has furnished to the Town satisfactory indemnity.

8. Pledge of Full Faith and Credit. The Bond shall be a general obligation of the Town for which the full faith and credit of the Town is hereby irrevocably pledged for the payment of principal of and interest and premium, if any, on the Bond. Unless other funds are lawfully available and appropriated for timely payment of the Bond, the Town Council shall levy and collect an ad valorem tax, over and above all other taxes authorized or limited by law, on all locally taxable property in the Town sufficient to pay when due the principal of and interest on the Bond and all other payment obligations under the Agreement.

9. Appointment of Registrar and Paying Agent; Transfer. The Treasurer is appointed as Registrar and Paying Agent for the Bond. This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Registrar. Such transfer shall be made in the registration books kept by the Registrar upon presentation and surrender hereof and the Town shall execute, and the Registrar shall authenticate, if necessary, and deliver in exchange, a new Bond having an equal aggregate principal amount, of the same form and maturity, bearing interest at the same rate, and registered in such name as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Town Manager may designate a successor Registrar and/or Paying Agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of this Bond. Upon registration of transfer of this Bond, the Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Registrar and/or the Paying Agent.

10. Tax Provisions. The Town covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bond to be an “arbitrage bond” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the “Code”), or otherwise cause interest on the Bond to be includable in the gross income of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the Town shall comply with any provision of law that may require the Town at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, unless the Town receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bond from being included in the gross income for federal income tax purposes of the registered owners thereof under existing law. The Town shall pay any such required rebate from legally available funds.

10. Other Actions. All other actions of Town officials in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bond are hereby ratified, approved and confirmed. The Town officials are hereby authorized and directed to execute and deliver all certificates and other instruments considered necessary or desirable in connection with the issuance, sale and delivery of the Bond pursuant to this Resolution and the Agreement.

11. Constitutional Authority and Severability. The Bond shall be issued under the provisions of Article VII, Section 10(a) of the Constitution of Virginia (other than Subsection (2) thereof). The principal of and interest on the Bond shall be payable from ad valorem taxes to be levied without limitation as to rate or amount on all property in the Town subject to taxation, to the extent other funds of the Town are not lawfully available and appropriated for such purpose. If any court of competent jurisdiction shall hold any provision of this Resolution to be invalid and unenforceable, such holding shall not invalidate any other provision hereof.

12. Effective Date; Applicable Law. This Resolution shall take effect immediately. The Town Council elects to issue the Bond pursuant to the provisions of the Act.

Form of Bond

*Interest on this bond is intended by the issuer hereof to be exempt from gross income
for federal income tax purposes.*

REGISTERED

R-1

DATED DATE

July ___, 2013

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

TOWN OF CHRISTIANSBURG, VIRGINIA

\$ _____

**GENERAL OBLIGATION PUBLIC IMPROVEMENT AND REFUNDING BOND
SERIES 2013**

THE TOWN OF CHRISTIANSBURG, VIRGINIA (the "Locality"), for value received, acknowledges itself indebted and promises to pay to the **INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF STAFFORD AND THE CITY OF STAUNTON, VIRGINIA** (the "Authority"), and its registered assigns or legal representative, the principal amount of:

_____ **DOLLARS (\$ _____)**

on or before _____, together with interest on the outstanding principal amount of this Bond. Principal of and interest on this Bond shall be payable in semi-annual installments in the amounts and on the dates set forth in Schedule I attached hereto.

If any installment of principal of and interest on this Bond is not paid to the registered owner of this Bond on its due date, the Locality shall pay to the registered owner a late payment charge in an amount equal to five percent (5%) of the overdue installment. Principal and other sums hereunder are payable in lawful money of the United States.

Subject to the provisions of the Bond Purchase Agreement dated as of July 1, 2013 (the "Agreement"), between the Authority and the Locality, so long as this Bond is held by the Authority or its registered assigns or legal representative, interest is payable by check or draft mailed to the registered owner of this Bond at the address that appears on the registration books kept by the Locality's Treasurer, who has been appointed registrar and paying agent, or any successor bank or trust company (the "Registrar"). Principal of and premium, if any, and interest on this Bond shall be payable in lawful money of the United States of America. In case any payment date on this Bond shall not be a Business Day (as defined below), then payment of principal, premium, if any, and interest need not be made on such date, but may be made on the next succeeding Business Day, and, if made on such next succeeding Business Day, no additional interest shall accrue for the period after such payment date. "Business Day" means any Monday, Tuesday, Wednesday, Thursday or Friday on which commercial banking institutions generally are open for business in New York and Virginia. If an Event of Default has occurred and is continuing under the Agreement, the unpaid principal amount of this Bond shall

bear interest at the Default Rate, as defined in the Agreement. The interest rate on this Bond shall also adjust and the Locality shall owe the Authority the additional amount in the event of prepayment as further described in the Agreement.

This Bond has been authorized by a resolution adopted by the Town Council of the Locality on July 16, 2013 (the "Bond Resolution"), and is issued pursuant to the Constitution and the Public Finance Act of 1991 of the Commonwealth of Virginia, and the Agreement. Proceeds of this Bond will be used to provide funds to (a) finance the Project as defined in the Agreement, and (b) pay the issuance and financing costs incurred in issuing this Bond.

The full faith and credit of the Locality are hereby irrevocably pledged for the payment of principal of and interest and premium, if any, on this Bond and the performance of the Locality's obligations under the Agreement. Unless other funds are lawfully available and appropriated for timely payment of this Bond, the Town Council of the Locality shall levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the Locality sufficient to pay when due the principal of and interest and premium, if any, on this Bond.

Notwithstanding anything in this Bond to the contrary, in addition to the payments of the principal provided for by this Bond, the Locality shall also pay such additional amounts, if any, which may be necessary to provide for payment in full of all amounts due under the Agreement.

This Bond may be redeemed at the option of the Locality upon the terms and conditions set forth in the Agreement. Capitalized terms used herein and not defined shall have the meaning as set forth in the Agreement.

Transfer of this Bond may be registered upon the registration books of the Registrar. Prior to due presentment for registration of transfer of this Bond, the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal hereof and the exercise of all other rights and powers of the owner.

The Bond is designated by the Town as a qualified tax-exempt obligation under Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). Qualified tax-exempt obligations are commonly referred to as "bank qualified bonds." The Town covenants and agrees that it will comply with the exception to the provisions of Section 265 of the Code in order that the interest on the Bond will be bank qualified for tax exemption.

All acts, conditions and things required by the Constitution and laws of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed, and this Bond, together with all other indebtedness of the Locality, is within every debt and other limitation prescribed by the Constitution and laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the Locality has caused this Bond to be signed by the Mayor of the Locality and the seal of the Locality to be affixed hereto and attested by the Clerk of the Locality, and this Bond to be dated the date first above written.

(SEAL)

Mayor, Town of Christiansburg, Virginia

ATTEST:

Clerk of the Town of Christiansburg, Virginia

SCHEDULE I

**TOWN OF CHRISTIANSBURG, VIRGINIA
GENERAL OBLIGATION AND REFUNDING BOND
SERIES 2013**

Rate of Interest: _____ %

Date	Payment	Interest	Principal	Balance	Prepayment Amount

[to be completed at closing]



COMMONWEALTH of VIRGINIA

DEPARTMENT OF MILITARY AFFAIRS

*Adjutant General's Office
Building 316, Fort Pickett*

DANIEL E. LONG, JR.
THE ADJUTANT
GENERAL.

BLACKSTONE, VIRGINIA
23824-6316

July 1, 2013

Facilities Engineering
and Management

Barry Helms
Town Manager
100 East Main Street
Christiansburg, VA 24073

Dear Mr. Helms:

As you may be aware, our usage of the Christiansburg facility has increased significantly. Realignment of units has resulted in relocation and consolidation of some assets. As the number of personnel increases, we find that we do not have adequate parking for the service members or for the military equipment assigned to the units.

In order to alleviate this problem, we will need to construct a new parking lot. We have space available on our existing site; however, some of the developable property is currently being used as a recreational area. This severely limits our possibilities for expansion. Having the area open to the public also causes concern for the Commonwealth of Virginia in terms of liability for injuries or damages to third parties. While we have no desire to interfere with community activities, we do need to develop courses of action for expansion and also resolve the issue of potential liability to the State.

During your meeting with CPT Provost on May 16, 2013, you mentioned that some additional property, adjacent to the Readiness Center, might be available. If so, we would like to propose a land exchange. The attached graphic illustrates a possible solution to both our parking expansion and encroachment problems:

The area designated as Parcel "B" currently belongs to the Commonwealth of Virginia for use by the Virginia Army National Guard. This area is being used by the Town for recreational purposes. We would propose returning this to you. In exchange, we would ask the Town to transfer the area shown as Parcel "A" to the Virginia Guard. Our intention would be to construct a large parking lot using this area along with existing property southwest of the Readiness Center. The lot would not be fenced in and could provide additional parking to residents

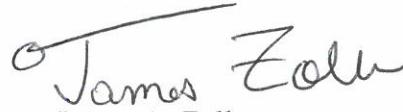
depending on our troop load. We would also need access to the lot via an existing entrance near the Fire Department.

Although the two lots are not equal in size, I think we will be able to construct a parking area that will accommodate our needs. This will also leave the existing recreational area in tact. I believe it would provide an easily workable solution for the Virginia Guard and would directly benefit the town.

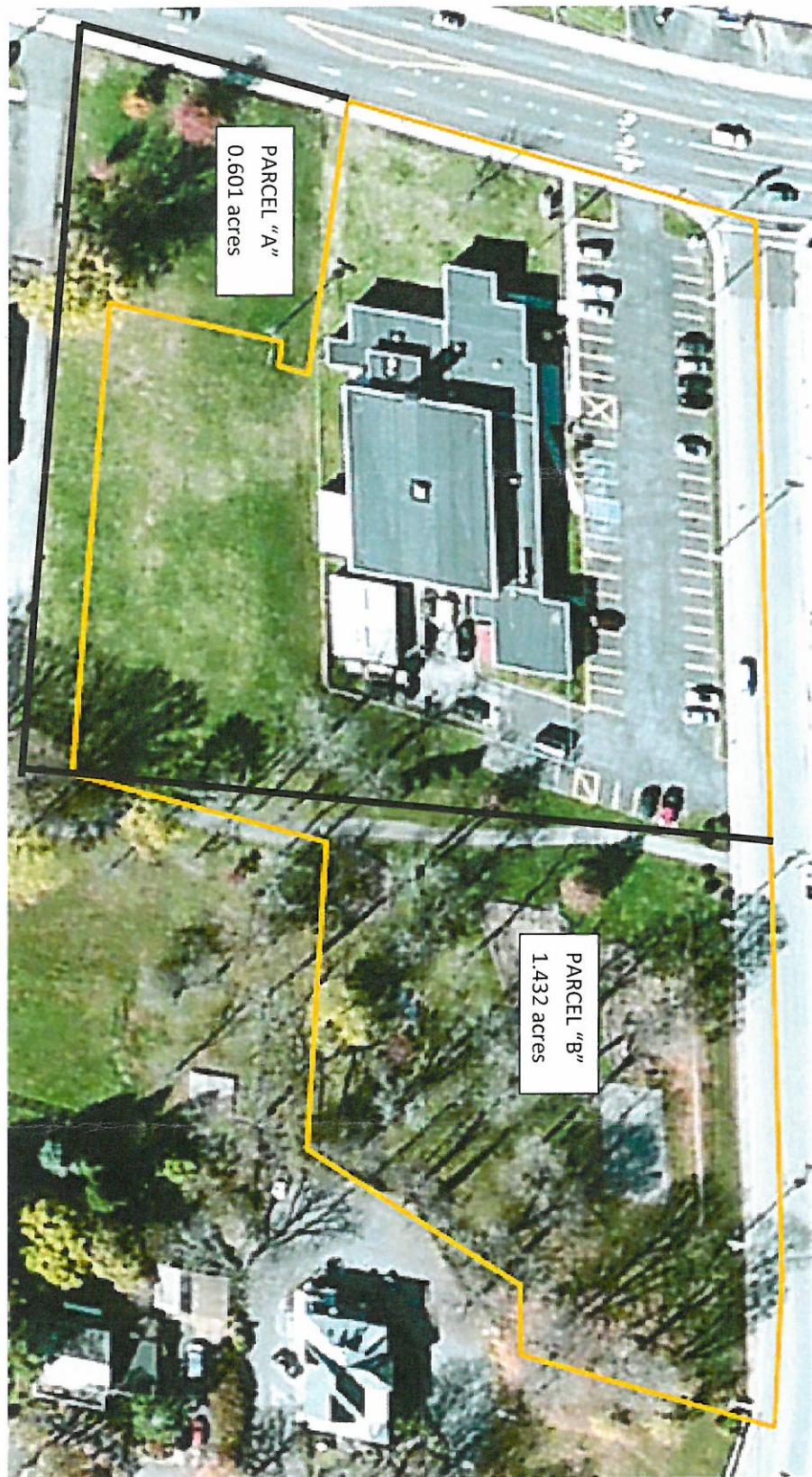
I would like for you to present this proposal to your Town Council or other Town officials as appropriate. However, the Virginia Army National Guard is not the final approval for any real estate transactions concerning State property. All State property is controlled by the Virginia Department of General Services (DGS). If you agree, we can recommend this proposal to DGS.

Point of contact with the Virginia Army National Guard is Ms. Sandra Ragan, telephone (434) 292-8258, fax (434) 298-6400, e-mail sandra.ragan@us.army.mil or mail to: Department of Military Affairs, ATTN: NGVA-FMO-PP, Building 316, Fort Pickett, Blackstone, VA 23824.

Sincerely,



James A. Zollar
Lieutenant Colonel, VaARNG
Assistant Chief of Staff
Facilities Engineering and
Management



Christiansburg Planning Commission
Minutes of July 8, 2013

Present: Matthew J. Beasley
Ann H. Carter
Harry Collins
M.H. Dorsett, AICP
David Franusich
Steve Huppert
Craig Moore, Chairperson
Ashley Parsons
Joe Powers, Vice-Chairperson
Jennifer D. Sowers
Nichole Hair, Secretary ^{Non-Voting}

Absent: Jonathan Hedrick

Staff/Visitors: Kali Casper, staff
Missy Martin, staff
Cindy Disney, Montgomery County Planning Commission
Mr. and Mrs. Casper
Bob Poff
Christina O'Connor

Chairperson Moore called the meeting to order at 7:02 p.m. in the Christiansburg Town Hall at 100 E. Main Street, Christiansburg, Virginia to discuss the following items:

Public Comment.

Chairperson Moore opened the floor for public comment. No public comments were made. Chairperson Moore closed the floor for public comment.

Approval of meeting minutes for June 24, 2013.

Chairperson Moore introduced the discussion. Commissioner Dorsett made a motion to approve the Planning Commission meeting minutes. Commissioner Carter seconded the motion which passed 8-0, with Commissioner Huppert and Chairperson Moore abstaining.

Planning Commission Public Hearing on the Christiansburg Comprehensive Plan.

Chairperson Moore asked the staff to make comments before opening the floor to public comments. Ms. Casper advised the Commissioners the Comprehensive Plan draft has been advertised, posted online with copies at the library and in the Town Hall. Ms. Casper stated no public comments have been received at this time. Ms. Casper added some changes will be made to the plan and all versions will be updated before the Town Council Public Hearing. Commissioner Huppert asked when the Comprehensive Plan will be viewed by Town Council. Ms. Casper replied August 6th.

Chairperson Moore asked if public would like to address the Planning Commission on the Public Hearing for the Comprehensive Plan. No comments were made. Chairperson Moore moved to close the Public Hearing.

Commissioner Dorsett comments on Ms. Casper's work on the Comprehensive Plan stating how large of a task it is to write the plan and Ms. Casper did an excellent job and should be compensated. Chairperson Moore added he would like to thank the subcommittee for working on pieces of the Comprehensive Plan to bring it all together. Commissioner Collins also commented on the outstanding job Ms. Casper did with the Comprehensive Plan and added the Town should give Ms. Casper a bonus. Commissioner Huppert added he will advise Council how well Ms. Casper completed the task of writing the Comprehensive Plan.

Chairperson Moore clarified the Comprehensive Plan will go to Town Council for Public Hearing on August 6, 2013. Ms. Casper replied yes and she will have revisions for the next Planning Commission meeting. Commissioner Dorsett added the importance of the Planning Commission to attend the Public Hearing for Town Council. Ms. Hair replied the staff would like the Comprehensive Plan Subcommittee to attend. Chairperson Moore asked if the expectation at the next Planning Commission meeting is to make a recommendation to Town Council. Ms. Hair replied yes and all revisions to the Plan will be made before the next Planning Commission meeting.

Ms. Casper discussed the list of changes to the Comprehensive Plan such as grammar, a detailed table of contents, a list of maps and tables added, the addition of fire and rescue buildings to the service maps, moving the historic maps to the back, updates to the transportation chapter, and the addition of a basic glossary. Ms. Casper added comments are welcomed and to please send comments as soon as possible.

Work Session-Parking Regulations

Chairperson Moore opened the discussion. Commissioner Dorsett made a motion to go into work session. Commissioner Beasley seconded the motion which passed 10-0.

Commissioner Dorsett made a motion to close the work session. Commissioner Carter seconded the motion which passed 10-0. No action was taken.

Other Business

Chairperson Moore stated as the Comprehensive Plan moves into the approval status, staff would like the subcommittee to meet at 4:00 pm to help staff on timing with evening meetings. Chairperson Moore asked if this will be a burden for any of the Commissioners serving on the Comprehensive Plan Subcommittee. No Commissioners replied it would be a burden to change the meeting time.

Chairperson Moore asked for any other business. Ms. Hair responded nothing at this time for the full Commission. Ms. Hair added the Development Subcommittee meeting would be changed to July 22 at 6 pm. Commissioner Dorsett added the Planning Commission may need to look at having combined meetings with the Comprehensive Plan and Development Subcommittees, to start discussing how to align the Zoning Ordinance with the Comprehensive Plan. Chairperson Moore stated he will work with Ms. Hair on coming up with meeting times.

Commissioner Huppert commented about the joinder study which now includes Montgomery County as part of the Water Authority with Virginia Tech, Blacksburg and Christiansburg. Commissioner Huppert discussed how Montgomery County had a chance to become a member of the Water Authority over 20 + years ago and the County did not want to join at that time. Commissioner Huppert stated Montgomery County has tried to become a member of the Water Authority for approximately 10 years now and Town Council has been working on a decision to add Montgomery County for over 8 months. Commissioner Huppert added the Town Council did vote to approve for Montgomery County to be added to the Water Authority by a vote of 5 to 1.

Commissioner Collins asked what is involved with the Montgomery County joining the Water Authority. Commissioner Huppert replied the County would have to pay \$1.3 million to join but originally Montgomery County was asked to pay approximately \$4.3 million but the County could not pay that amount. Commissioner Collins asked where the money goes from Montgomery County to join the Water Authority. Commissioner Huppert replied to the Water Authority.

Commissioner Powers added in the Comprehensive Plan Ms. Casper has a table on population projections from the state of Virginia. Ms. Casper replies yes the state contracted it to the Weldon Cooper Center. Commissioner Powers added the survey shows Montgomery County will have approximately a 30,000 population increase from 2010 to 2040 with 1/3 of the population increase to move into Christiansburg. Commissioner Powers asked Ms. Hair what the population was in 2010 for Christiansburg. Ms. Hair replied 21,000.

Chairperson Moore asked for any other business. Commissioner Collins added Commissioner Powers, Commissioner Dorsett and himself discussed possible ideas they would like Town Council to hear. Commissioner Huppert replied the Town Council will be having a work session in August. Ms. Hair replied the meeting is for discussion of handling site development, site plan review and subdivision review with staff.

Other Business (continued)

Commissioner Huppert replied he thought it may be a good time for the Planning Commission to present their ideas to Town Council. Commissioner Huppert asked if Ms. Hair could bring up to Mr. Helms the interest by Planning Commissioners to speak to Town Council. Ms. Hair responded it depends on what the Planning Commissioners would like to discuss. Chairperson Moore asked for further clarification on what the Commissioners would like to discuss with Town Council.

Commissioner Collins commented the Town of Christiansburg needs another elementary school and the logical growth is out Route 114. Commissioner Collins stated the Commissioners would like to ask Town Council to consider a trade with Montgomery County from a portion of the 60 plus acres recently purchased by the Town in exchange for the property of the old Christiansburg Middle School. Commissioner Huppert replied the County is stretched to the max on school funding right now and added Christiansburg High School received \$400,000 to upgrade portions of the school. Commissioner Huppert stated he did not see the County building additional schools for 15 to 20 years and his opinion is he would not be surprised if one of the schools would be closed next year.

Commissioner Dorsett stated Christiansburg is underbuilt for elementary schools and with the projected growth patterns, younger families are moving to Christiansburg with school children aged between K-5 grades. Commissioner Dorsett added Route 114 needs a larger elementary school located in the area because Belview Elementary School is not equipped for the number of children in the area.

Chairperson Moore clarified the Planning Commission would like to make a recommendation to Town Council to consider as the Town is developing the property located on Route 114 holding approximately 15 acres for a possible trade with Montgomery County. Commissioner Dorsett stated a recommendation to add the request to the Master Plan would be a start. Commissioner Dorsett added the Town would be in a better position to advise Montgomery County where to build a new school then Montgomery County picking a site. Commissioner Collins added the County does not have enough money at this time to purchase land but look at what the Town could do with the old middle school if the County agreed on a land exchange.

Commissioner Huppert commented he has heard the old middle school would need approximately \$30 million in improvements for a long term school facility. Chairperson Moore clarified with the Commissioners their intent was to not use the old middle school site for a school but for the Town of Christiansburg to take over the property for future development. Commissioner Dorsett replied the exchange would put prime downtown property back into the Town of Christiansburg's hand so the Town can decide what will be developed on this site. Commissioner Dorsett added numerous uses can be utilized on the property such as nonprofit organizations, a farmers market, park, event center and additional downtown parking.

Other Business (continued)

Commissioner Huppert stated the Commissioners do have great ideas but the Town does not make money on the Recreation Center, the Aquatic Center, and the Town is losing money on the cemetery so if the land is developed it would need to bring a profit to the Town so no taxes would have to be raised but if the development would draw in revenue then it would be excellent.

Commissioner Dorsett stated a very large parcel of land located in downtown Christiansburg, whether used for park land or redeveloped for economic uses, is better if the Town controls the development then the schools controlling it.

Commissioner Powers added the development could be put out for request for proposals to see if private developers would be interested in a mixed use development. Chairperson Moore added once the Blacksburg Middle School vacates the property, the property will stay vacated and unused becoming a piece of land not generating any taxes for Christiansburg.

Commissioner Huppert discussed the issue at Falling Branch with the park and ride and the site needing to be relocated which is a priority right now. Commissioner Huppert added the Town has to address priorities with limited amount of funding. Commissioner Huppert added he does not want to discourage the Planning Commission from addressing Town Council and feels it is a part of their job to make that type of recommendation to get Council thinking. Chairperson Moore commented the Town does have some things that do not generate taxes and revenue but having nice amenities will bring citizens into the Town, which will then generate revenue. Chairperson Moore added he has heard numerous positive comments concerning the Town Recreation Center. Commissioner Dorsett commented she has heard the same regarding the Aquatic Center and if the amenities are improving the quality of life with residents then it will be a long term payoff.

Commissioner Huppert added the Dixie World Series will be starting and bringing in revenue to the Town. Chairperson Moore asked Ms. Hair if the joint subcommittees could possibly draft something to bring up this issue. Ms. Hair replied the Town staff has a meeting every Thursday and she would bring it up to Mr. Helms at that time.

There being no more business Chairperson Moore adjourned the meeting at 7:52 p.m.

Craig Moore, Chairperson

Nichole Hair, Secretary Non-Voting



COMMONWEALTH of VIRGINIA

Department of Historic Resources

Douglas W. Domenech
Secretary of Natural Resources

2801 Kensington Avenue, Richmond, Virginia 23221

Kathleen S. Kilpatrick
Director

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July 5, 2013

Re: Christiansburg Downtown Historic District, Town of Christiansburg, Montgomery County

Dear Property Owner:

Congratulations! I am pleased to inform you officially that the **Christiansburg Downtown Historic District** has been entered into the National Register of Historic Places. The property was listed by the United States Department of the Interior, National Park Service, on May 28, 2013.

I am sure this news is gratifying to you, and the Virginia Department of Historic Resources shares in your pleasure.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen S. Kilpatrick".

Kathleen S. Kilpatrick
Director and State Historic Preservation Officer

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10 Courthouse Ave.
Petersburg, VA 23803
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2801 Kensington Avenue
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Western Region Office
962 Kime Lane
Salem, VA 24153
Tel: (540) 387-5396
Fax: (540) 387-5446

Northern Region Office
5357 Main Street
P.O. Box 519
Stephens City, VA 22655
Tel: (540) 868-7030
Fax: (540) 868-7033

RESOLUTION

Irrevocable Election Not to Participate in Virginia Local Disability Program

WHEREAS, by enacting Chapter 11.1 of Title 51.1 of the *Code of Virginia*, the Virginia General Assembly has established the Virginia Local Disability Program (“VLDP”) for the payment of short-term and long-term disability benefits for certain participants in the hybrid retirement program described in Virginia Code § 51.1-169; and

WHEREAS, for purposes of VLDP administration, an employer with VLDP-eligible employees may make an irrevocable election on or before September 1, 2013, requesting that its eligible employees not participate in VLDP as of the VLDP effective date of January 1, 2014, because it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees that meets or exceeds the coverage set out in Chapter 11.1 of Title 51.1 of the *Code of Virginia*, with the exception of long term care coverage, by January 1, 2014; and

WHEREAS, it is the intent of The Town of Christiansburg,
55327, to make this irrevocable election to request that its eligible employees not participate in VLDP;

NOW, THEREFORE, IT IS HEREBY RESOLVED that
The Town of Christiansburg irrevocably elects not to participate in VLDP because it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees; and it is further

RESOLVED that, as an integral part of making this irrevocable election,
The Town of Christiansburg certifies that it has or will establish, and continue to maintain, comparable employer-paid disability coverage for such employees.

Adopted in Montgomery County, Virginia this _____ day of _____, 2013.

Authorized Signature

Title