Bland County
Lacy (Nick) Asbury

Craig County
Jay Polen

Giles County
Chris McKlarney

Montgomery County
Craig Meadows

Pulaski County
Andy McCready

Roanoke County
Jill Loope

City of Radford
Tim Cox

City of Roanoke
Brian Townsend

Town of Dublin
Doug Irvin

Town of Pearisburg
Kenneth F. Vittum

Town of Pulaski
Joseph K. Goodman

Executive Committee:
Basil Edwards, Chair
City of Radford
Chris McKlarney, Vice-Chair
Giles County
Shawn Utt, Secretary-Treasurer
Pulaski County
Jay Polen
Craig County
Brian Hamilton
Montgomery County

PLEASE NOTE THE MEETING LOCATION IS THE ROCKWOOD MANNOR, 5189 ROCKWOOD ROAD, DUBLIN, VA 24084. SEE: http://www.rockwood-manor.com/

New River Valley Commerce Park Participation Committee

6580 Valley Center Drive, Suite 124
Radford, VA 24141

TO: **NRV Commerce Park Participation Committee**
FROM: **Joe Morgan**
SUBJECT: **Wednesday, November 14, Noon, Meeting Draft Agenda**

A meeting of the New River Valley Commerce Park Participation Committee will be held on **Wednesday, November 14**, at **Noon. .** The meeting will be held at ***Rockwood Manor, 5189 Rockwood Road, Dublin, VA 24084 (540) 674-1328 –*** http://www.rockwood-manor.com/ . Rockwood Manor is located on Route 100 just north of the New River Community College main campus. Lunch will be provided. *Please mark your calendar and contact us on your plans for attendance.*

1. **Roll Call and Approval of Agenda**
2. **Public Comment**
3. **Approval of the August 15 Participation Committee Minutes**
4. **Administrative Staff Report**
   a) **Financial Advisor Recommendation on Debt Refunding and New Site Development Financing**
   b) **Quarter 1 Fiscal Year 2012-13 Financial Report**
   c) **Status of VA1st Loan for Site Preparation**
   d) **FY14 Budget Request Approach**
   e) **Strategic Plan and Building Collaborative Communities Grant Marketing Program Assessment**
      i. **Web Page Development**
      ii. **Postcard Marketing Campaign**
      iii. **Target Industry Contact**
      iv. **Grant Closeout**
   f) **Site Analysis Funding**
   g) **Engineering Services Procurement**
   h) **Update on Surplus Property Disposition**
   i) **Restrictive Covenants Review Update**
   j) **Agricultural / Hunting and Residential Lease Renewals**
5. **Old Business**
6. **New Business**
   a) **NRV Economic Development Alliance Marketing Report**
   b) **Other**
7. **Closed Session pursuant to 1950 Code of Virginia, Section 2.2-3712, (3) Property Disposition & (5) Prospective Business**
8. **Other Business**
9. **Adjournment – Immediately Followed by VA1st Authority Special Meeting for any Required Action Related to the Commerce Park**

Next scheduled regular Commerce Park & VA1st special called meetings: Wed., April 10, 2013 – Tentative dates for called special meetings: monthly on the second Wednesday. Next VA1st Annual Meeting, Wednesday, August 14, 2013

TO: NRV Commerce Park Participation Committee
FROM: Joe Morgan
SUBJECT: Wednesday, November 14, Noon, Meeting Staff Report

Information and *recommendations* on the agenda items are:

1. **Roll Call and Approval of Agenda -** We will rely on each member government to designate its representative(s) for determining the quorum of six of the eleven members. Votes will be recorded by member shares.
2. **Public Comment** – No opportunity for comment has been requested to date.
3. **Approval of the August 15 Participation Committee minutes** ***(previously sent)***
4. **Administrative Staff Report**

   a) Financial Advisor Recommendation on Debt Refunding and New Site Development Financing – Courtney Rogers of Davenport & Company, LLC, will attend to explain their recommendation. The Davenport recommendation and related material are ***attached on pages 6 - 14***.

   For refunding the current $5 million debt to remove deed of trust restrictions, a slight decrease in current annual debt service may be possible at a greater long term cost. For new financing of $2.5 million for site improvement incentives, an additional annual expense of about $175,000 is estimated. The average estimated debt for the 11 Commerce Park member governments would be almost $700,000 per member. The average annual estimated new debt service payments are almost $15,000 per member. It is likely that new business taxes would offset a major portion of the new debt service. For example, an investment of $30 million with an average property tax rate of $0.60 per $100 assessed value could offset the new annual debt service of $175,000.Options for meeting the changed debt service include increasing the per share annual cost for the original Commerce Park owners and issuing new shares for those members wishing to make the additional investment:

   Raising Current Per Share Cost - New revenues to cover the increased debt expense could be raised by increasing the annual contribution for the original 150,000 shares by up to $1.50, from the current $2.75 to $4.25. As noted above, extending the loan term longer might keep the annual debt service expense for the existing debt at the current level of about $350,000 and new taxes might offset much of the new debt for site improvement incentives.

   Issuing Additional Shares - If 110,000 new shares were issued to support the new site improvement debt, $23 per share debt is estimated and per share increased annual cost is estimated at $1.59.

   Attached on pages 15 - 16 are some "what if" calculations on the per share and per member impact of meeting the refunded and new debt expense.

   Asking the preferences of member governments is the next step recommended, along with authorizing Davenport to complete a plan of finance by early 2013.

   Member governments can be asked their preferences for:

   - *participating in moral obligation for the financing;*
   - *refunding at increased short term cost, but lower long term cost or at level payments within current budget, but at a higher long term cost; and*
   - *paying for site improvement incentives by an increase in the existing per share investment or issuing new shares.*

b) Quarter 1 Fiscal Year 2012-13 Financial Report – ***Previously sent*** for information.

c) Status of VA1st Loan for Site Preparation – Implementation of the loan is deferred pending debt financing.

d) FY14 Budget Request Approach – *For purposes of the regional budget request solicited by Montgomery County by January, it is recommended the request acknowledge the proposed debt refunding and new debt issuance for site improvement. A request of $1.50 maximum for each of the 150,000 original Commerce Park shares can be described as the amount to cover both refunding and new debt from the more cost effective approach. It is also recommended the continuation of website maintenance and targeted marketing research & mailings be borne by the overall Authority budget, since the benefits of such efforts extend to all VA1st members. Further reduction of administrative expense will also be evaluated.*

e) Strategic Plan and Building Collaborative Communities (BCC) Grant Marketing Program Assessment – The strategic plan study completed in November 2011 suggests annual assessment of the new marketing program, as well as continued infrastructure and site development planning.

i. **Web Page Development –** Changes and additions to the web page content are underway this winter. The latest web page use quarterly summary is ***attached on pages 17 - 19***. The web page appears to be used as much as an on-line resource for staff and members, as it is used by potential new businesses. *Continuation of the website as an activity and expense of the entire VA1st Authority is planned.*

ii. **Postcard Marketing Campaign –** Three mailings were sent to over 600 prospective businesses and economic development leaders. The first three themes were:

- 1,000+ Acre Site in Virginia with 1 Million Gallons of Water
- 1,000+ Acre Site in Virginia Halfway Between NYC & ATL
- 1,000+ Acre Site in Virginia Surrounded by 12,133 College Graduates in 2011

Five additional mailings are planned through winter of 2014. Themes for the next five postcards need to be selected. *It is recommended the themes continue to be coordinated with the NRV Economic Development Alliance Prospect Committee.* Potential themes are: 1,000+ Acre Site in Virginia - :

- Ready for Distribution and Advanced Manufacturing
- Largest Right-Now Site West of I-95
- Most University Students Choose the New River Valley
- Be the First
- Where Leasing Is a Bargain
- Why Buy? Use Our Site Free
- Thalhimer / Cushman Wakefield Represents Worldwide
- Sized Up by Virginia Tech's Best Engineers
- Join ???, Our 1st Business

iii. **Target Industry Contact –** The 538 individual industries identified were well distributed among the target industry categories. Also, the geographic location of targets was widespread in the US and Canada. A summary of the second round of

250 industries identified is ***attached on pages 19 - 22***. The first round of 250 industries had similar characteristics and included 139 industries with a high potential for a new expansion location. A summary of the major industry types and headquarters locations by state is also ***attached on pages 23 - 24***. From the list of 538 industries identified, with supplement from in-house research to expand the pool to 600 industries, 310 Ltd. identified six industries with confirmed plans to expand and arranged conference calls by the NRV Alliance with the six industries. Most of the six identified businesses desired existing or lease-to-suit buildings and were better regional preliminary targets than good fits for the Commerce Park. *Therefore, the continuation of the targeting for an additional year, as required by the BCC Grant, is recommended for funding from the overall VA1st budget. . If the Alliance Prospect Team recommends changes to the targeting approach, those changes should be implemented as practical.*

iv. Grant Closeout – *Approval is requested of the grant close out and final report as **attached on pages 25 - 27.***

f) Site Analysis Funding – To date $32,300 of $101,950 authorized has been spent on site analysis as shown in the ***attachment on page 28***.

g) Engineering Services Procurement – *Authorization is requested to procure general engineering services on an as needed basis.* The following services are recommended:

1. One Foot Interval Contour Mapping
2. Wetlands / Impoundment Identification and Wetlands Mitigation Planning
3. Stormwater Management Planning
4. Temporary Site Access Road Extension Layout
5. View-shed Clearing
6. Rental Farm Acreage Reallocation Between Pasture and Crops to Complement Likely Future Development, View-shed Improvement and Temporary Road Access
7. Entrance Appearance Enhancement by Optimum Landscaping, Laboratory Street Spur Road Abandonment and Neighboring Commercial / Industrial Uses Outdoor Storage Improvement
8. Site Security
9. Graded Commerce Park Main Access Road Extension Erosion Control
10. Comprehensive Site Database Compilation and Posting on Appropriate Websites
11. Update of Commerce Park Maps and Graphics to Reflect Current Status
12. Rail Right of Way Planning
13. Electric Transmission Right of Way Planning

Many of these services exceed the capabilities of administrative and Planning District staff capabilities and require consulting engineering and related professional services. A procurement approach, recently used by Pulaski County Engineer Jared Linkous, allows interested qualified firms to be identified in formal solicitation of proposals. When specific work is desired, informal proposals from the qualified firms can be assigned based on cost and availability.

h) **Update on Surplus Property Disposition** - No additional action is required now. The current status is unchanged from that reported in the August 15 minutes.

i) **Restrictive Covenants Review Update –** Review was assigned to the NRV Alliance Prospect Committee. Details have been obtained of similar covenants used by Progress Park in Wythe County. The Prospect Committee members are being asked to refer other know covenants for review.

j) **Farm /Hunting and Residential Lease Renewals –** The double wide rental dwelling lease by Katrina Gardner and Wally Melton has been renewed for 2013 for $7,322.40. *Renewal of the farm leases are recommended for a five-year rolling term, to allow farmers to better plan for land improvements.* The five year term would extend every year, with annual renewals for an additional year. So, if the lease is terminated other than for non-performance, a five year notice would be given. Current provisions should be retained to increase rental amounts annually based on inflation changes determined by the consumer price index. The 30 day notice of termination of a portion of the leased farmland due to new industry location would be retained. *Also recommended is granting of hunting rights and sub-lease for the Hillside Farms lease, as is the case with the Dalton and Guthrie Farms leases.* After some of the above listed engineering tasks are completed, it may be appropriate to re-allocate land in the leases from the Dalton & Guthrie farms to the Hillside farms, in case access roads, storm-water planning, or wetlands mitigation are better served by rental for crops versus livestock grazing.

5. **Old Business**
6. **New Business**
   a) **NRV Economic Development Alliance Marketing Report**
   b) **Other**
7. **Closed Session pursuant to 1950 Code of Virginia, Section 2.2-3712, (3) Property Disposition & (5) Prospective Business**
8. **Other Business**
9. **Adjournment – Immediately Followed by VA1st Authority Special Meeting for any Required Action Related to the Commerce Park**

Next scheduled regular Commerce Park & VA1st special called meetings: Wed., April 10, 2013 – Tentative dates for called special meetings: monthly on the second Wednesday. Next VA1st Annual Meeting, Wednesday, August 14, 2013

DAVENPORT
& COMPANY LLC
EST. 1863 • MEMBER: NYSE • FINRA • SIPC

MEMORANDUM

To: New River Valley Commerce Park Participation Committee

From: Courtney Rogers, Davenport & Company LLC

Joseph Mason, Davenport & Company LLC

Date: November 14, 2012

RE: Virginia's First Regional Industrial Facility Authority – New River Valley Commerce Park Refinancing and New Money Options

CC: Joseph Morgan, Virginia's First Regional Industrial Facility Authority

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Overview

Virginia's First Regional Industrial Facility Authority (the "Authority") has engaged Davenport & Company LLC ("Davenport") to prepare and execute a Plan of Finance for the New River Commerce Park subgroup (the "Project") to include a refinancing of existing loans in order to eliminate certain onerous business provisions, as well as, to possibly provide for new money funding of roughly $2.5 million. Specifically, Davenport will be developing a plan that will refinance the Authority's outstanding $5 million taxable bonds originally financed through the Rural Development program and a local bank.

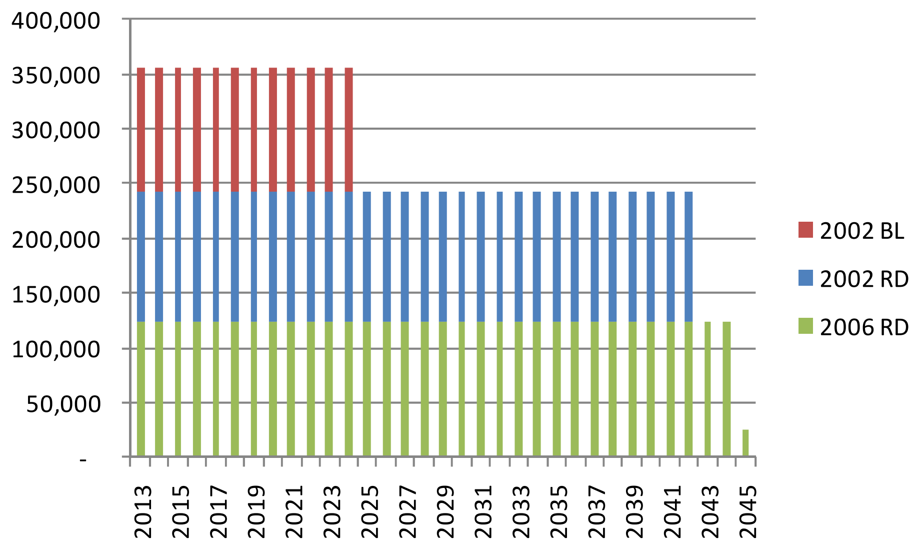
The Deed of Trusts governing these loans contains a provision by which the Authority would be obligated to pay an amount equal to fair market value of any property it wishes to be released from the lien, with such sum to be paid toward reducing the outstanding loans. This "balloon payment" would be required in order to sell or give away any property for potential economic development purposes. The primary purpose of the refunding is to allow the Authority the flexibility to be able to release property without having to simultaneously reduce any loans outstanding. Due to the nature of the private use, all proposed bond issues, including both new money and refinancing, are expected, subject to the opinion of bond counsel, to be sold as taxable bonds.

Existing Loans

In 2002 and 2005 fixed rate debt was issued through Rural Development for the Project in the amount of $2,083,500 at a rate of 4.75% and $2,300,000 at a rate of 4.375%, respectively, with each issued over 40 years. In addition a 2002 Bank credit line in the amount of $2 million was established as variable rate bonds with a cap of 5%. In 2004 this credit line was converted into a 20-year variable rate bond with a minimum rate of 5%. As of June 30, 2012 there is roughly $5 million outstanding broken out as shown in the next table:

Loan	Original	Outstanding	Rate	Final Maturity
Rural Development 2002	$2,083,500	$1,889,795	4.750%	3/18/2042
Rural Development 2005	$2,300,000	$2,134,478	4.375%	3/2/2045
Bank Loan 2002/2004	$1,376,831	$1,005,904	5.000%	2/1/2024
Total	$5,760,331	$5,030,177		

The combined current debt service is shown below:



The annual debt service requirements (Bank Loan interest estimated at 5%) over the next five years are shown below:

Fiscal Year	2002 RD	2002 BL	2006 RD	Total
2013	$119,448	$113,799	$123,096	$356,343
2014	119,448	113,799	123,096	356,343
2015	119,448	113,799	123,096	356,343
2016	119,448	113,799	123,096	356,343
2017	119,448	113,799	123,096	356,343

Potential Financings Options

1) Rural Development Refinancing
2) Bank Financing
3) Virginia Resources Authority (VRA) pool Financing
4) Public Sale

Rural Development Refinancing

It is our understanding that Rural Development's underwriting standards required that if any parcel of land was sold that the outstanding loan be reduced by the fair market value of the land that was sold. We have checked with Rural Development and this standard has not changed. **Therefore using Rural Development would not be an option for refinancing.** Should the Authority move forward with the new money only, Rural Development may be an alternative, but with the same land restrictions as on the existing loans.

Bank Financing

Based upon feedback from select regional banking firms who actively participate in the municipal lending market, the Authority will run into the same situation it now faces. That is, in order for a transaction to pass its underwriting standards the banks will require some real estate collateral. The Authority would not be allowed to sell this collateral unless it had some sort of equivalent or more valuable collateral to swap. This collateral does not have to be the actual project being contemplated. Therefore, if another asset of equivalent value were available, that asset could be substituted as collateral. The biggest hurdle here is that, to our knowledge, the Authority does not own other assets that could be used as collateral for this project.

VRA pool Financing

Davenport has held preliminary discussions with the Virginia Resources Authority about a potential financing for the Authority. VRA has traditionally allowed the use of a moral obligation (promise to pay, subject to annual appropriation) as additional credit support for weaker credits in its pool. However, the moral obligation represents only a backstop and does not replace the need for a lien on revenues, such as would be the case for a utility system, or collateral, such as improved land or the facilities being financed. In light of the fact that the primary collateral the Authority has to offer is the unimproved land, the VRA option appears untenable. VRA has indicated a willingness to consider an application from the Authority, but indicated that it would view the debt as basically unsecured, meaning the financing would be unlikely to get their credit approval. VRA has been tightening its credit standards in recent years under some pressure from the rating agencies to preserve the overall credit quality of the pool in order to maintain its high AAA/AA+ credit ratings.

Public Sale

The Authority does have the ability, subject to the willingness of one or more project participants to commit their moral obligation to the project, to issue bonds in the public markets. Such a taxable bond issue would get priced at somewhat higher interest rates than would normally be received by project participants if they were to sell their own general obligation or lease revenue bonds in the market. The reason for this is the likelihood that the Authority's bonds would receive a lower credit rating due to the presumed risk of receiving timely payments from multiple local governments for a project the rating agencies deem to be non-essential. The resulting higher interest cost to be borne by individual project participants are somewhat mitigated by the ability to finance over a long (30 year) term and the fact that the debt service is split among all of the participants, thereby spreading out the burden.

The public sale would be a rated transaction, likely by Standard & Poor's (S&P) alone, as that agency has the most clearly articulated criteria for bonds backed by a moral obligation pledge. Moody's and Fitch also rate bonds backed by a moral obligation, but they take a "bottom up" approach to the rating, focusing on the economic fundamentals of the project. In this case, since we are talking about raw land for development, the project fundamentals are probably not going to produce an immediately sufficient revenue stream to get Moody's or Fitch comfortable.

Simply stated, in S&P's view, if there is a fully funded debt service reserve fund in place and no history of late budget adoption, projects of this type are likely to receive a rating of one full rating category (three notches) below the general obligation rating of the moral obligor. For example, if one of the County participants were willing to place its moral obligation behind the Authority bonds and said County had a general obligation rating of 'AA', the Authority bonds would likely be rated 'A'. If there were two or more participants, S&P would rate the bonds one full category below the lowest rated general obligation rating of the participating moral obligors. It is therefore critical that we have one or more relatively highly rated project participants willing to pass a moral obligation support agreement for the Authority's bonds. Nothing precludes the participants from having their own memorandum of understanding spelling out the rights and responsibilities of all the participants to pay to the Authority their share of costs, including any compensatory payments for the risk borne by the moral obligors, but some subset of the group would have to be the "face" of the transaction. If all participants wanted to pledge a moral obligation, each would have to have a least a shadow rating from S&P, which would be costly and time consuming.

Davenport successfully implemented this strategy for the Danville-Pittsylvania County RIFA ("DPRIFA") in the fall of 2011. The DPRIFA sought to issue bonds in order to reimburse participants for land acquisition costs related to the development of an industrial park. Like the Authority, DPRIFA issued taxable bonds to maximize its flexibility to strike agreements with developers. Working with DPRIFA, Davenport first attempted to undertake this financing in the fall of 2008 just before the financial crisis. Having received no interest from banks, who were and remain under significant strain, we approached VRA. As highlighted above, VRA worked in good faith with us, but was ultimately unable to reach credit approval. Finally, we approached S&P, who reviewed the GO ratings of the City of Danville and Pittsylvania County, as well as the financing documents. S&P came back with a rating of 'BBB+', one full category below the ratings of the obligors ('A+'). Prior to receiving a public rating, we pursued a private shadow rating from S&P, just to be certain that the agency would apply its criteria as they are published, which they did. The ultimate pricing ranged from 225 to nearly 300 basis points over the Tax-Exempt AAA index.

Davenport Recommendation

Assuming the Authority does not need to move quickly our recommendation would be to first approach VRA on a more formal basis and get their feedback. They are planning to price their fall pool the week of November 12th with a closing December 6th. We know they will busy during that period. However, we could approach them in December so that we would have a good idea where the Authority's Project stood prior to their spring application deadline that we would expect to be early February.

However, should the Authority need, or desire, to move more quickly, or if the VRA approach falls through, Davenport would recommend the Public Sale approach. First we need have a discussion as to which locality(ies) would be willing to provide the Moral Obligation pledge. Second, we need to have Bond Counsel draft documents so that we can begin the process of procuring a bond rating from S&P. This would also be a good time to select an underwriter. Once the basic financing documents are agreed upon by the financing team certain resolutions will need to be approved by certain governing bodies as determined by Bond Counsel. Once the approvals and bond rating are in hand, we can then move to pre-sale due diligence, and then to pricing the bonds and closing.

Projected Refinancing and New Money

We have run our debt service estimates based upon a worst case financing scenario, a Public Bond Sale. These scenarios assume a taxable interest rate of 200 basis points (2%) above the current AAA MMD plus an additional 50 basis points to be conservative considering we are near all time lows for interest rates and the ultimate pricing may be several months away. We conservatively assumed an underwriter's discount of 2% and costs of issuance of $175,000. These fees are higher than a standard General Obligation or Lease Revenue Bond due to the additional risks and nature of this type of transaction. We ran two different scenarios. The first is a matched maturity savings structure where the new payments are higher in the years 2014-2024 just like the existing debt service. The second structure has the refinancing debt service structured as level payments out to 2045.

The table below shows the existing total debt service versus the refinancing.

Refinancing Debt as 'Matched Maturity' Structure

Fiscal Year	Existing Debt Service	Refinancing Debt Service	Difference	Fiscal Year	Existing Debt Service	Refinancing Debt Service	Difference
2013	$82,284	$0	$82,284	2030	$242,544	$272,800	($30,256)
2014	356,343	408,483	(52,140)	2031	242,544	275,975	(33,431)
2015	356,343	404,850	(48,507)	2032	242,544	273,625	(31,081)
2016	356,343	403,475	(47,132)	2033	242,544	276,013	(33,469)
2017	356,343	406,888	(50,545)	2034	242,544	272,875	(30,331)
2018	356,343	404,875	(48,532)	2035	242,544	274,475	(31,931)
2019	356,343	402,650	(46,307)	2036	242,544	275,550	(33,006)
2020	356,343	405,213	(48,870)	2037	242,544	276,100	(33,556)
2021	356,343	407,350	(51,007)	2038	242,544	276,125	(33,581)
2022	356,343	404,063	(47,720)	2039	242,544	275,625	(33,081)
2023	356,343	405,563	(49,220)	2040	242,544	274,600	(32,056)
2024	356,343	404,538	(48,195)	2041	242,544	273,050	(30,506)
2025	242,544	277,988	(35,444)	2042	242,544	275,975	(33,431)
2026	242,544	277,475	(34,931)	2043	123,096	138,113	(15,017)
2027	242,544	276,700	(34,156)	2044	123,096	141,813	(18,717)
2028	242,544	275,663	(33,119)	2045	25,544	99,988	(74,443)
2029	242,544	274,363	(31,819)				
				Total	**$8,639,584**	**$9,792,833**	**($1,153,249)**

As seen in the table above, there is a cash flow cost starting in the second year to accomplish the Authority's goal of more flexibility with respect to the ability to release parcels of land without being forced to pay down the loan. There are some savings in FY13 due to the estimated timing of the bond sale. This amount will vary depending upon the actual settlement date of the issuance. The annual cost is roughly $50,000 for the first eleven full years and then if falls to roughly $30,000 in year twelve and thereafter. However, this cash flow cost can be delayed by structuring the refinancing debt as level payments as shown in the next table.

Refinancing Debt as 'Level Payments' Structure

Fiscal Year	Existing Debt Service	Refinancing Debt Service	Difference	Fiscal Year	Existing Debt Service	Refinancing Debt Service	Difference
2013	$82,284	$0	$82,284	2030	$242,544	341,888	($99,344)
2014	356,343	356,633	(290)	2031	242,544	344,013	(101,469)
2015	356,343	342,475	13,868	2032	242,544	345,613	(103,069)
2016	356,343	344,288	12,055	2033	242,544	341,688	(99,144)
2017	356,343	345,888	10,455	2034	242,544	342,500	(99,956)
2018	356,343	342,275	14,068	2035	242,544	342,788	(100,244)
2019	356,343	343,663	12,680	2036	242,544	342,550	(100,006)
2020	356,343	344,838	11,505	2037	242,544	341,788	(99,244)
2021	356,343	345,800	10,543	2038	242,544	345,500	(102,956)
2022	356,343	341,550	14,793	2039	242,544	343,425	(100,881)
2023	356,343	342,300	14,043	2040	242,544	345,825	(103,281)
2024	356,343	341,788	14,555	2041	242,544	342,438	(99,894)
2025	242,544	341,013	(98,469)	2042	242,544	343,525	(100,981)
2026	242,544	344,975	(102,431)	2043	123,096	343,825	(220,729)
2027	242,544	343,413	(100,869)	2044	123,096	343,338	(220,242)
2028	242,544	341,588	(99,044)	2045	25,544	342,063	(316,518)
2029	242,544	344,500	(101,956)				
				Total	**$8,639,584**	**$10,999,746**	**($2,360,162)**

In this structure the refinancing debt payments are actually lower in most of the first eleven full years than the existing debt. Starting in 2025 the refinancing debt payments are higher than existing payments by approximately $100,000 per year until the last three years.

We also were asked to look at potentially $2.5 million of new money. The next two tables show the two refinancing debt service cases with the new money of $2.5 million over thirty years added in.

Refinancing Debt as 'Matched Maturity' Structure + New Money

Fiscal Year	Base Case Refinancing Debt Service	New Money Debt Service	Total	Fiscal Year	Base Case Refinancing Debt Service	New Refinancing Debt Service	Total
2013	$0	$0	$0	2030	$272,800	$173,725	$446,525
2014	408,483	173,717	582,200	2031	275,975	174,263	450,238
2015	404,850	170,288	575,138	2032	273,625	174,538	448,163
2016	403,475	173,588	577,063	2033	276,013	174,550	450,563
2017	406,888	171,675	578,563	2034	272,875	174,300	447,175
2018	404,875	169,763	574,638	2035	274,475	173,788	448,263
2019	402,650	172,850	575,500	2036	275,550	173,013	448,563
2020	405,213	170,725	575,938	2037	276,100	171,975	448,075
2021	407,350	173,600	580,950	2038	276,125	170,675	446,800
2022	404,063	171,263	575,325	2039	275,625	174,113	449,738
2023	405,563	173,925	579,488	2040	274,600	172,025	446,625
2024	404,538	170,775	575,313	2041	273,050	174,675	447,725
2025	277,988	172,625	450,613	2042	275,975	171,800	447,775
2026	277,475	174,213	451,688	2043	138,113	173,663	311,775
2027	276,700	170,538	447,238	2044	141,813	-	141,813
2028	275,663	171,863	447,525	2045	99,988	-	99,988
2029	274,363	172,925	447,288				-
				Total	**$9,792,833**	**$5,181,429**	**$14,974,263**

Refinancing Debt as 'Level Payments' Structure + New Money

Fiscal Year	Base Case Refinancing Debt Service	New Money Debt Service	Total	Fiscal Year	Base Case Refinancing Debt Service	New Refinancing Debt Service	Total
2013	$0	$0	$0	2030	$272,800	$173,725	$446,525
2014	408,483	173,717	582,200	2031	275,975	174,263	450,238
2015	404,850	170,288	575,138	2032	273,625	174,538	448,163
2016	403,475	173,588	577,063	2033	276,013	174,550	450,563
2017	406,888	171,675	578,563	2034	272,875	174,300	447,175
2018	404,875	169,763	574,638	2035	274,475	173,788	448,263
2019	402,650	172,850	575,500	2036	275,550	173,013	448,563
2020	405,213	170,725	575,938	2037	276,100	171,975	448,075
2021	407,350	173,600	580,950	2038	276,125	170,675	446,800
2022	404,063	171,263	575,325	2039	275,625	174,113	449,738
2023	405,563	173,925	579,488	2040	274,600	172,025	446,625
2024	404,538	170,775	575,313	2041	273,050	174,675	447,725
2025	277,988	172,625	450,613	2042	275,975	171,800	447,775
2026	277,475	174,213	451,688	2043	138,113	173,663	311,775
2027	276,700	170,538	447,238	2044	141,813	-	141,813
2028	275,663	171,863	447,525	2045	99,988	-	99,988
2029	274,363	172,925	447,288			-	-
				Total	**$9,792,833**	**$5,181,429**	**$14,974,263**

Funds on Hand used to Downsize the Issuance

We understand that there are some funds on hand that can be used to downsize the refunding and/or new money transaction. These funds include:

- $200,000 from CPPC W&S Reserve (if members agree to use excess cash flow to replace);
- $250,000 from CPPC RD Reserve (if members agree to pledge reserves in lieu); and,
- $300,000 from VA First excess Funds; as a possible long term loan.

We have assumed that roughly $380,000 would be need as a Debt Service Reserve Fund for the refunding and roughly $175,000 would be needed for a new money transaction. This would leave approximately $195,000 of funds that could be used to further reduce the size of the loan and ultimately lower the cash flow needed for debt service in the future. Should the Authority wish to consider using this to downsize the issue Davenport can update the cash flows to show the debt service reduction.

Alternative Scenarios

There are alternatives to a refinancing of the existing debt. The Authority could continue with the existing debt and restrictions. It could move forward with the financing of the $2.5 million site improvement project. With the expectations of $150,000 of new annual tax revenue to offset the debt service it will be pretty close to paying for itself for as long as the tax revenues are available. In lieu of selling property to a new industry it could lease the site to this industry with an option to purchase. If the option to purchase is exercised the Authority could then finance the fair market value to be paid back to the current lenders should there not be enough funds available on hand.

Conclusion

Davenport believes the Authority can accomplish its goal of having the flexibility to release all or a portion of the property in the park without having to come out of pocket for the market value. We have reviewed several financing options but feel that there is only one very viable alternative that may work. We would propose to approach VRA to see if there was a security structure that they could get comfortable with. Based upon recent conversations we are not sure this can be done. However, we know that we can complete this financing as a stand-alone public issue transaction with the help of one or more rated committee participants acting as the ‘deep pocket’. The 12 year track record of the committee participants all making their annual payments should give comfort to whichever participant(s) steps forward.

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06.01.2012 DJG/CR

New River Valley Commerce Park Debt Refunding and New Debt Financing "What If" Calculations for Initial Years - Possible Per Share Impact

			Shares		Per Share
Total Refunded and New Site Improvement Debt	$	7,500,000	110,000.00	$	68.18
	$	7,500,000	150,000.00	$	50.00
Existing Debt - Approximate Annual Payment Change Near Term					
With Current Front Loaded Repayment:					
Refunded Debt Service for 110,000 new shares	$	50,000	110,000.00	$	0.45
Refunded Service Debt for 150,000 existing shares	$	50,000	150,000.00	$	0.33
With 30 Year Level Payments:					
Refunded Debt Service for 110,000 new shares	$	(12,000)	110,000.00	$	(0.11)
Refunded Service Debt for 150,000 existing shares	$	(12,000)	150,000.00	$	(0.08)
New Debt - Approximate Annual Payment Change Near Term					
New Site Development Debt Service for 110,000 new shares	$	175,000	110,000.00	$	1.59
New Site Development Debt Service for 150,000 existing shares	$	175,000	150,000.00	$	1.17
Existing & New Debt - Approximate Annual Payment Change Near Term					
With Current Front Loaded Repayment:					
Total Debt Service for 110,000 new shares	$	225,000	110,000.00	$	2.05
Total Debt Service for 150,000 existing shares	$	225,000	150,000.00	$	1.50
With 30 Year Level Payments:					
Total Debt Service for 110,000 new shares	$	163,000	110,000.00	$	1.48
Total Debt Service for 150,000 existing shares	$	163,000	150,000.00	$	1.09
Debt Service Reduction from New Taxes - 110,000 shares	$	(175,000)	110,000.00	$	(1.59)
Debt Service Reduction from New Taxes - 150,000 shares	$	(175,000)	150,000.00	$	(1.17)

	Taxable Value		Average Rate per $100	Annual Levy	
New Assessed Value Needed to Offset Site Development Debt Payments	$	29,166,667	0.60	$	175,000

New River Valley Commerce Park Debt Refunding and New Debt Financing
"What If" Calculations for Initial Years - Possible Per Member Impact

MEMBER	% 150,000 Original Shares	Share of New Debt	Share of New Debt Service	Current Annual Cost	Change Level Pay Old Debt & New Debt	Estimated New Industry Taxes with $30 Million Investment	Net New Annual Investment Level Pay Refunded Debt	Change from Current
Bland County	1.43%	$ 35,759	$ 2,503	$ 5,900	$ 8,232	$ (2,503)	$ 5,729	$ (172)
Craig County	1.42%	$ 35,417	$ 2,479	$ 5,844	$ 8,153	$ (2,479)	$ 5,674	$ (170)
Giles County	13.54%	$ 338,493	$ 23,695	$ 55,851	$ 77,921	$ (23,695)	$ 54,227	$ (1,625)
Montgomery County	13.54%	$ 338,493	$ 23,695	$ 55,851	$ 77,921	$ (23,695)	$ 54,227	$ (1,625)
Pulaski County	43.68%	$ 1,091,947	$ 76,436	$ 180,171	$ 251,366	$ (76,436)	$ 174,930	$ (5,241)
Roanoke County	7.09%	$ 177,305	$ 12,411	$ 29,255	$ 40,816	$ (12,411)	$ 28,404	$ (851)
City of Radford	5.64%	$ 140,957	$ 9,867	$ 23,258	$ 32,448	$ (9,867)	$ 22,581	$ (677)
City of Roanoke	6.67%	$ 166,667	$ 11,667	$ 27,500	$ 38,367	$ (11,667)	$ 26,700	$ (800)
Town of Dublin	0.72%	$ 17,987	$ 1,259	$ 2,968	$ 4,141	$ (1,259)	$ 2,881	$ (86)
Town of Pearisburg	1.43%	$ 35,759	$ 2,503	$ 5,900	$ 8,232	$ (2,503)	$ 5,729	$ (172)
Town of Pulaski	4.85%	$ 121,217	$ 8,485	$ 20,001	$ 27,904	$ (8,485)	$ 19,419	$ (582)
TOTALS	100.00%	$ 2,500,000	$ 175,000	$ 412,500	$ 575,500	$ (175,000)	$ 400,500	$ (12,000)
Average per 11 CP members		$ 227,273	$ 15,909	$ 37,500	$ 52,318	$ (15,909)	$ 36,409	$ (1,091)
Average per CP original 150,000 shares		$ 16.67	$ 1.17	$ 2.75	$ 3.84	$ (1.17)	$ 2.67	$ (0.08)
Average per CP new 110,000 shares		$ 22.73	$ 1.59			$ (1.59)		

Website Analytics Summary: June – August 2012

www.nrvcommercepark.com

For the months of June through August you had a total of 47 unique visitors, most of whom came in July (28). While this number may seem low, there are some encouraging findings regarding these visitors to be found in the analytics reports. First , it is important to note that www.nrvcommercepark.com is a website with very specific content targeted to a very specific audience – it was never intended nor will it ever draw huge numbers of visitors to its site. That's ok – we're more interested in finding the right visitors.

Your visitors spent an average of 5min 47sec on the site. In the online realm, that's a pretty substantial amount of time. They visited an average of 6.56 pages – again, a high number relative to other business websites. Your bounce rate consistently remained around 30%. Bounce rate measures the percentage of people who come to your site and leave immediately because they came on accident (by typing in a domain name incorrectly) or they arrive at the site and realize it's not what they're looking for or they don't see the info they want right away and then leave. 30% is considered a low bounce rate and in August the bounce rate was as low as 25%. This means people are coming to your site intentionally and staying.

An average of 55% of your visitors are returning (not first-time visitors). Most visitors come to your site directly, meaning they typed the domain name into their web browser as opposed to using a search engine. This tells us that whatever marketing you're doing to drive traffic to the site (i.e., postcards) is working. The second most common way people found you was through Google, which is not uncommon, followed by referrals through nrvpdc.org. When using Google, it seems most people used some variation of the phrase "New River Valley Commerce Park". This means you have good brand recognition among the people visiting the site – apparently they've heard of the location from somewhere – direct mail, trade show, etc. It doesn't seem like you're getting much traffic on search engines from generic search phrases, i.e., "Economic Development Sites in Southwest Virginia" or "New Business Sites in Virginia", etc.

When on the site, after the home page, the most viewed page was */the-property*, followed by */doing-business-in-the-region,* and */the-property/photo-gallery*. Once on */the-property* page, visitors then go to */doing-business-in-the-region*, */the-property/photo-gallery*, or */the-property/quick-facts*, respectively. It seems that people are just trying to get a general overview of the property. Not too many are drilling down into the details/specifics provided on the site.

Side note: Are you getting any calls/emails from your website visitors? If possible, make sure that the info they're looking for and asking about is prominent on the site. If they're interested in something specific, other people will be too.

All of your visitors are from the U.S. – you have no international traffic. During the past three months most visitors have been from Virginia, which is to be expected, followed by Georgia (5), New York (4), D.C. (2), North Carolina (2), California (1), Colorado (1), Maryland (1).

Your visitors from Virginia, 60% of whom are repeat visitors, primarily come from the Richmond area, including Glen Allen (30 visits). Norfolk is the next highest with 18 visits. The rest of your Virginia visitors are from Southwest Virginia including Roanoke, Radford, Christiansburg, Blacksburg and Wytheville.

In Georgia your bounce rate for the 5 visitors was 80% - 100% from the 4 visitors in Atlanta. However, the one visit you received from Roswell, GA stayed 32 minutes and viewed 19 pages. You may try reviewing your mailing list to see if you have any contacts from Roswell and following up with them via phone.

All 4 visits from New York were from Getzville and only lasted an average of 12 seconds so there may not be too much interest here. From D.C. you had two website visits that lasted an average of 8min 25 sec. From the two visits in North Carolina the visitor from Raleigh left immediately and the visitor from Pittsboro left after 1min 8sec.

Recommendations:

You still have a very young site. There are many ways available to increase site traffic.

1. You may consider advertising on Google through Google Adwords. This may help you gain some exposure to people on the internet searching for site locations using generic search terms like "Business Development in Southwest Virginia" or "Locate a New Business in Virginia", etc. The pros of Google AdWords include setting your own budget and only being charged when a person clicks on your text ad.
2. If you haven't already, be sure your property and website are listed on every site selection and economic development site possible. Links back to www.nrvcommercepark.com help drive traffic to your site and increase your standing on search engine results.
3. If you're not already, make sure your site is linked on all of your partners' websites, if possible. It should be linked to Bland County's website, Craig County's website, Giles County's website, etc. as a text link, or better yet, a button linked back to the site. This would most logically appear under the "Companies" or "Business" sections of each locality's website.
4. Make sure the website is on marketing materials for other locations. Or create your own brochure that can be placed in partner Chambers of Commerce and Economic Development offices. These can also be used by partner organizations and localities to take to trade shows to have available alongside their own materials.
5. Continuing with your direct mail program will help introduce and reinforce www.nrvcommercpark.com to new contacts. You may want to consider increasing your mailing list to increase exposure.

WHITTAKER
ASSOCIATES

Virginia's First Regional Industrial Facility Authority
About the Lists (2nd Round)

Whittaker Associates has created eight separate targeted marketing lists based on four recommendations made by the Authority and the remaining four on analysis of recent projects in a seven county surrounding region. A total of 250 companies were identified across these eight clusters and are currently available in WALTER, our online lead tracking database. Here is how the lists were separated:

- List 1 - Surgical Medical Instruments
- List 2 - Thin-film Plastics
- List 3 - Fabricated Structural Metal
- List 4 - Machinery Manufacturing
- List 5 - Nanotech / Biotech
- List 6 - Advanced Plastics & Rubber
- List 7 - Defense & Aerospace
- List 8 - Information Services for Defense Industry

These 250 companies were compiled by reviewing over 800 companies that met our initial broad profile. The broad profile was drafted after discussions during our alignment call and reviewing industry analyses. Each of the 800 companies was then reviewed thoroughly by our research analysts to ascertain their likelihood of expansion or relocation. This was done by analyzing the company's growth trends (sales or employment growth) and recent changes within the company (reviewing press releases to find any key internal or external events about the company). Therefore, these 250 companies were carefully chosen and are the most likely to be interested in your industrial park.

Below is an overview of the overall list.

Key Numbers

In terms of company size, the overall list has a higher share of companies between 500 to 5,000 employees which we believe are better suited for expansion in the region given the clusters selected. The chart below shows the distribution of the companies by employment size in the overall list.

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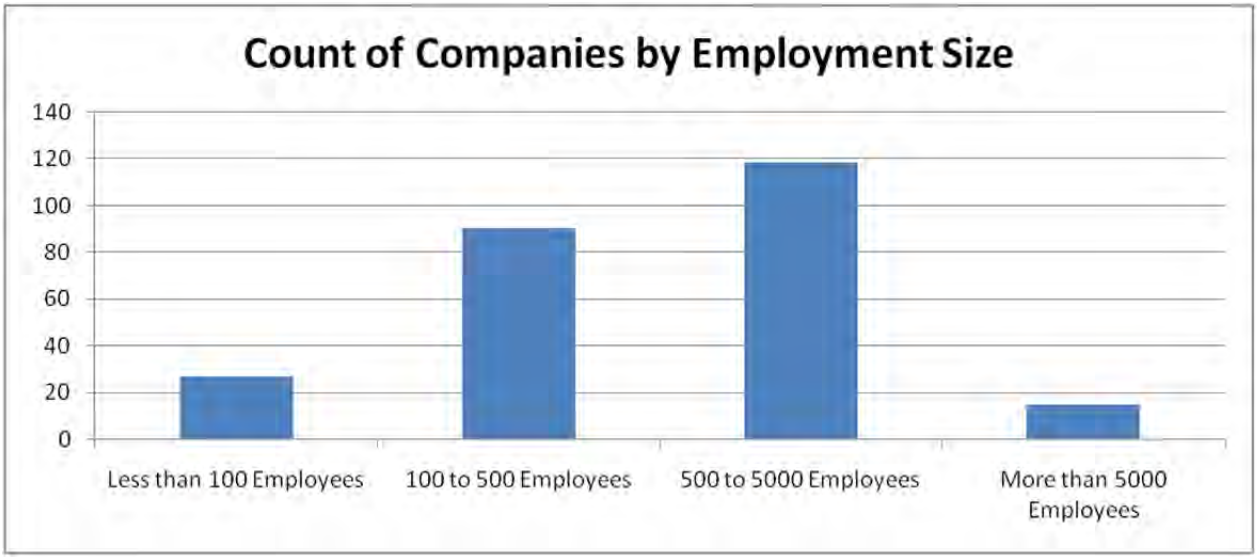
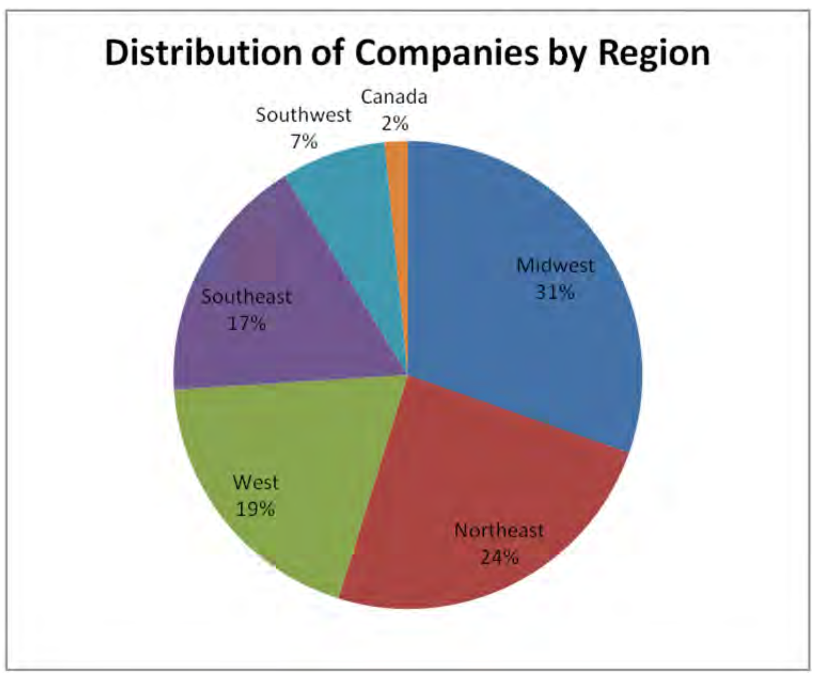


Figure 1: Distribution of Companies in the Overall List

Companies with between 500 to 5,000 employees have the highest concentration in the list with 118 companies, or 47 percent of the list, followed by companies with between 100 to 500 employees with 90 companies, or 36 percent of the list. Though we were looking for companies with at least 50 employees in our initial broad profile, some smaller companies – especially in the IT services and nanotechnology industry clusters – were included as they appeared to either be growing fast or had events to justify selection.

The chart to the right shows how the companies are distributed across the five major regions in the United States and Canada in the overall list. Companies located in the Midwest and the Northeast comprise more than 50 percent of the overall list

In terms of distribution by states, California with 37 companies has the highest concentration of targeted companies in the overall list. Ohio (22), Illinois (17), and Texas (16) are some of the other states that have a higher concentration of target companies.



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Broadly speaking, the companies in the list can be classified as Manufacturing, Services, Wholesale Trade, and Others. The manufacturing sector has the bulk of the share of companies in the overall list. The chart below shows the breakdown of the overall list of companies among these four categories.

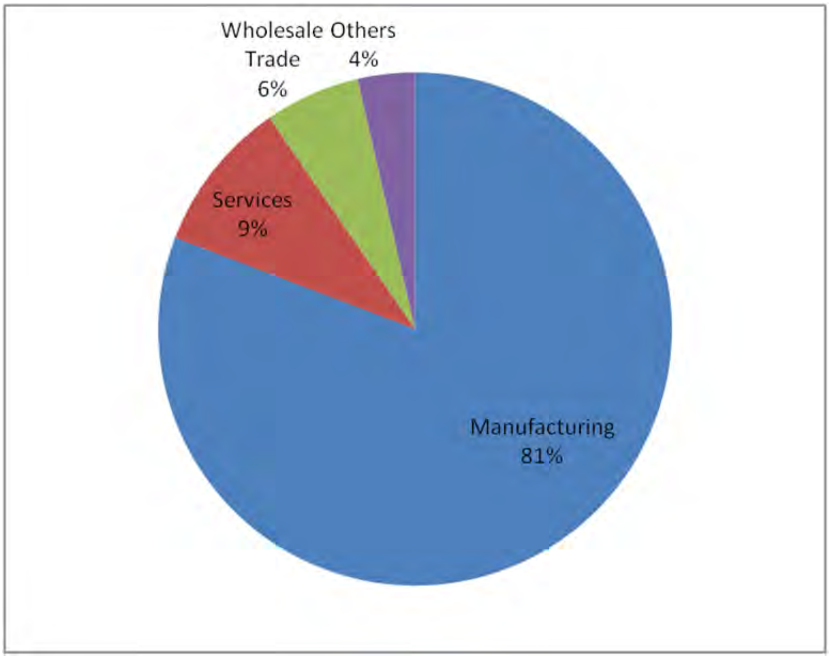

Figure 3: Distributioin of Companies by Broad Industrial Sectors in the Overall List

In terms of detailed industrial sectors, the Machinery Manufacturing sector (NAICS 333) has the highest share of the companies in the list followed by Plastics and Rubber Products Manufacturing (NAICS 326) and Chemical Manufacturing (NAICS 325). Below is the top 10 sectors represented in the overall list.

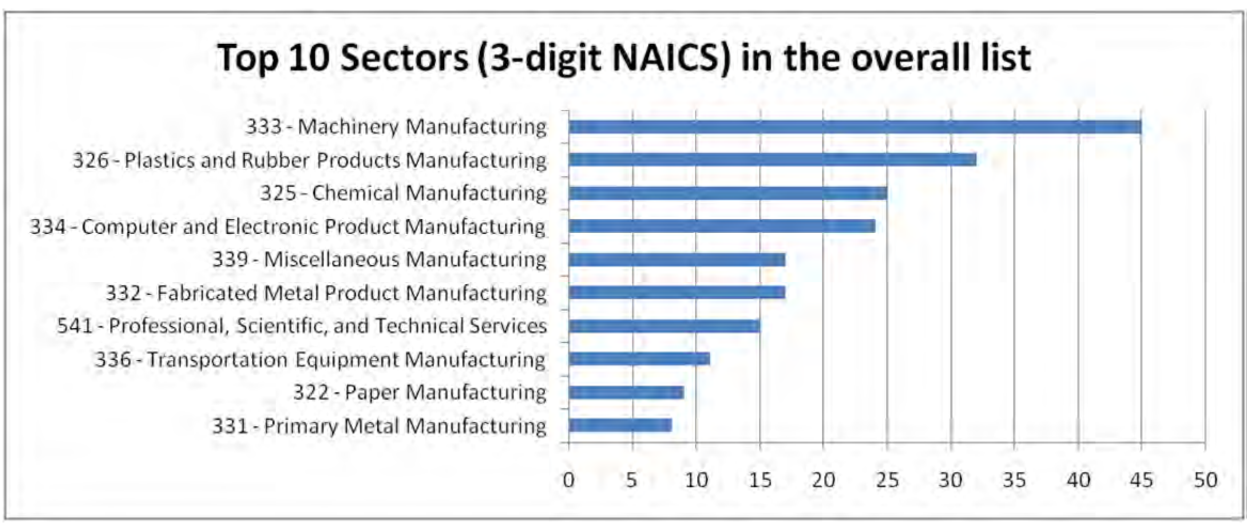

Figure 4: Top Sectors in the Overall List

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Other Key Numbers:

- 156 companies, or 62.5 percent of the list, are privately owned
- 232 companies, or 93 percent of the list, have at least one email address listed for its executives
- 210 companies, or 84 percent of the list, have at least one event (news article) attached to its WALTER profile
- 109 companies, or 44 percent of the list, have either an employment change or sales change recorded from the previous financial year (in some cases the sales/employment change numbers are the average growth for the previous four years)

How to use the list

Our research is only one of the steps of the process required during the business retention process. We highly encourage your staff to study each company's profile in detail before making any contact with the company. Gaining knowledge about a company before making contact can dramatically improve your results. Here are a few ways your sales team can learn more about a company:

- Each company's profile in WALTER, our lead tracking system, includes a short overview about the company. The overview paragraph will contain details about the company's product, history, and other pertinent information.
- Each company's profile also contains a hyperlinked connection to its website. Spending some time reviewing the company's website will help your sales team turn a "cold call" into a "warm call."
- When available, we have also added recent articles about any significant events related to the company. These articles will help your sales team come up with talking points during a sales pitch.

NOTE: Many targeted marketing efforts can fail if leads are not followed-up with in a timely manner. These companies were chosen because each of them has fit the profile we constructed during our research process. The longer a lead is allowed to stay unused, the less likely it is to result in a transaction.

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2012 NRV Commerce Park Targeted Industry Research Summary by Location and Type

Target Industries Distribution by States			Target Industries Distribution by NAICS Code	
AR	1		One Industry per NAICS	89
BC	1		Two Industries per NAICS	54
ID	1	3332	Industrial Machinery Manufacturing	3
MB	1	325414	Biological Product (except Diagnostic) Manufacturing	3
ND	1	331221	Rolled Steel Shape Manufacturing	3
NE	1	333611	Turbine and Turbine Generator Set Units Manufacturing	3
NM	1	333924	Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufactu	3
NV	1	333996	Fluid Power Pump and Motor Manufacturing	3
RI	1	334519	Other Measuring and Controlling Device Manufacturing	3
VT	1	335921	Fiber Optic Cable Manufacturing	3
DC	2	424610	Plastics Materials and Basic Forms and Shapes Merchant Wholesal	3
DE	2	322221	Coated and Laminated Packaging Paper Manufacturing	4
KS	2	322222	Coated and Laminated Paper Manufacturing	4
MS	2	333512	Machine Tool (Metal Cutting Types) Manufacturing	4
MT	2	334516	Analytical Laboratory Instrument Manufacturing	4
QC	2	336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing	4
SD	2	238120	Structural Steel and Precast Concrete Contractors	5
OK	3	325211	Plastics Material and Resin Manufacturing	6
AZ	4	334510	Electromedical and Electrotherapeutic Apparatus Manufacturing	6
CO	4	541330	Engineering Services	6
IA	4	326112	Plastics Packaging Film and Sheet (including Laminated) Manufactu	7
LA	4	333922	Conveyor and Conveying Equipment Manufacturing	7
NH	4	334510	Electromedical and Electrotherapeutic Apparatus Manufacturing	7
KY	5	326199	All Other Plastics Product Manufacturing	8
WA	5	332721	Precision Turned Product Manufacturing	8
MD	6	511210	Software Publishers	8
OR	7	339113	Surgical Appliance and Supplies Manufacturing	9
TN	7	326111	Plastics Bag and Pouch Manufacturing	11
SC	8	311920	Coffee and Tea Manufacturing	16
VA	8	332722	Bolt, Nut, Screw, Rivet, and Washer Manufacturing	17

2012 NRV Commerce Park Targeted Industry Research Summary by Location and Type

Target Industries Distribution by States

CT	9
IN	9
MO	9
UT	9
AL	10
GA	10
MN	13
NC	13
FL	14
NJ	18
WI	20
MA	27
MI	28
NY	28
PA	30
TX	37
IL	38
OH	51
CA	72
Total	538

Target Industries Distribution by NAICS Code

423510	Metal Service Centers and Other Metal Merchant Wholesalers	29
423450	Medical, Dental, and Hospital Equipment and Supplies Merchant W	30
326113	Unlaminated Plastics Film and Sheet (except Packaging) Manufactu	37
339112	Surgical and Medical Instrument Manufacturing	42
423830	Industrial Machinery and Equipment Merchant Wholesalers	44
332312	Fabricated Structural Metal Manufacturing	45
	Total	538

Building Collaborative Communities Program
Monthly Work Plan Progress Report

Virginia's First Regional Industrial Facility Authority	**Final Report**	September to November 2012
Grantee		Month

Please provide an update on progress on your project's work plan deliverables.

The Strategic Plan has been completed.

Review of the Strategic Plan was completed in-house along with the overall marketing plan assessment in November 2012 by both the NRV Economic Development Alliance Prospect Team and the Commerce Park Participation Committee.

The Marketing Strategy is completed. Implementation is underway:

- New City of Blacksburg was selected to design and implement a Commerce Park Marketing Website. The initial website was launched in May at www.nrvcommercepark.com , with content editing and user training completed in July. Search Engine Optimization was conducted in August. Addition of key word search phrases for "industrial park" and "logistics park" were approved. Website content will be updated on an ongoing basis. The first overall review is scheduled for the winter of 2012-13.
- Dean Whittaker Associates of Holland Michigan were selected for Target Industry Identification. The initial listing of 288 targeted industries was received in early May. An additional 250 more targets were received in June. The 538 individual industries identified were well distributed among the target industry categories. Also, the geographic location of targets was widespread in the US and Canada. From this combined 538 target pool, as well as others up to an additional 100, 310Ltd. of Richmond arranged site location meetings or conference calls with a goal of six target industries. Initial planning for the 310Ltc. Research began during June. A kick-off conference call and research began in July. Five calls were conducted in September and October. The remaining call is expected in November.
- The O'Connor Group of Roanoke was selected to design and mail the first installments of the quarterly Post Card Marketing Campaign. The first round of cards was mailed May 30. The second round of postcards was mailed in August. The third round was mailed in October.

In what areas did you meet or exceed your expectations?

The support and responsiveness of both VEDP and VDHCD staff has been exceptional.

Our regional stakeholders have been pro-active in taking time to confer with the marketing plan strategy.

What things were significant obstacles?

Coordination across an 11 member government region is challenging, but the efforts of interested stakeholders have been up to the challenge. Capturing the breadth of the region, noting both the urban, higher education and spacious rural geographic components in a concise, coherent marketing theme is also a challenge. Postcard mailer costs were overestimated. Targeting industry research and qualification was underestimated. Fortunately the estimate gaps were offsetting, leaving the overall project within cost estimates. The marketing program launch does not resolve the substantial infrastructure improvements funding desired, particularly electric transmission & rail extension and site grading.

What areas do you need technical assistance?

We appreciate the assistance led by John Loftus and Rob McClintock of VEDP, with detail industry targeting assistance from Brian Kroll. We have also been guided well by Chris Thompson and Doug Jackson of VDHCD. We still want to upgrade our website graphics.

Building Collaborative Communities - Virginia's First Authority Grant Budget

Tasks (Activities) & Timing Based on Actual & Anticipated Expenses

Purpose	Activity	Status	Procurement	Payment	Amount	Timing
Strategic Planning						
	Leak-Goforth-Bruce Study	Completed November 2011	Completed June 2011	Paid	$34,500	**Done**
	Norfolk Southern Rail Feasibility Update	Completed November 2011	Donated	In-kind - Completed	$10,000	**Done**
	Sanford / Holshouser Review	Review performed in-house in November	Completed June 2011	VA1st Mgmt.	$0	**Nov**
	Strategic Planning Subtotal				$44,500	
Marketing Strategy						
Webpage Development	Website Design Planning to Proceed with Implementation Details to be Determined	Web-site on schedule for mid-May start up and mid-summer completion	NewCity of Blacksburg selected in March	Progress Payments	$24,240	**Mar-Aug**
	Webpage Development Subtotal				$24,240	
Marketing Plan						
	Post Card Mailer Content Selection	To be confirmed April 11	In-house	VA1st Mgmt.	$3,000	**Done**
	Marketing Target Confirmation	Completed with VEDP	Completed-March	VA1st Mgmt.	$1,000	**Done**
	Industry/Distribution Target Research	Initial list to be completed May 1	Whittaker Assoc. selected in March	Lump Sum	$7,500	**Done**
	Marketing Plan Subtotal				$11,500	
Administration						
	VA1st Contract Management	ongoing	Contract Renewed July 2011 & Aug 2012	VA1st Mgmt.	$1,500	**Jan - Nov**
	NRV PDC / VA1st Memorandum of Understanding	ongoing	Contract Renewed July 2011 & Aug 2012	VA1st Mgmt.	$3,000	**Jan - Nov**
	Administration Subtotal				$4,500	
Marketing Commitment	First Year 3 Quarterly Design & Mailings @ $7,000	Scheduled to begin mid-May	O'Connor Group selected	Lump Sum	$6,570	**Mar - Oct**
	Quarterly Mailing Phone Follow Up	Conducted May to November	Whittaker & 310 Ltd. selected	Lump Sum	$16,000	**May - Nov**
	First Year Annual Review	completed	In-house	VA1st Mgmt.	$1,000	**Oct - Nov**
	First Year Marketing Commitment Sub-Total				$23,570	
		Subtotal First Year	1/20/12 - 11/20/12		$108,310	

Marketing Commitment	Industry/Distribution Target Research Update	Whittaker Assoc. recommended with lead generation also by 310 Ltd.	By April	Lump Sum	$7,500	**Mar - Oct '13**
	Second Year 5 Quarterly Design & Mailings @ $7,000	O'Connor recommended	By December	Lump Sum	$6,522	**Jan '13 - Jan '14**
	Second Year Quarterly Mailing Phone Follow Up	310 Ltd. recommended	By December or In-house	Progress Payments	$11,000	**Feb '13 - Feb '14**
	Second Year Annual Review	Not Started		VA1st Mgmt.	$1,000	**April '14**
	Second Year Marketing Commitment Sub-Total				$26,022	
	Marketing Commitment Subtotal				$49,592	
Webpage Maintenance	Ongoing	NewCity engaged	start May 2012	Progress Payments	$13,020	**Nov 2012 to April 2014**
	Tracking of website viewers	O'Connor engaged	start May 2012	Quarterly @ $500	$4,000	
	Webpage Maintenance Subtotal				$17,020	
		Subtotal Second Year	11/20/12 - 4/30/14		$43,042	
	Total All Costs				**$151,352**	

Resources

Source	Type	Amount
VDHCD	BCC Grant	$30,000
Norfolk Southern	In-kind - completed	$10,000
VA1st	Spent to Date	$68,310
VA1st	To be spent	$43,042
	Total	**$151,352**
	Less First Year Grant Period Expenses	$108,310
	Post Grant Expense Commitment	$43,042
	Norfolk Southern In-kind	$10,000
	Completed Strategic Planning	$34,500
	VA 1st New Cash Commitment	$33,810
	Total Grant Period Local Match	$78,310
	To Be Spent During Grant Period	$68,310
	To Be Spent Post Grant Period	$43,042
	VA 1st New Cash Commitment	$111,352

Date	Contract With		Terms	Amount	Total Paid FY12	Total Paid or billed FY 13	Total Paid or Billed to Date	Total Yet to be Spent FY 13	Total Estimated Testing Expense
	Commerce Park Site Analysis - Civil Engineering								
3/23/12	Anderson & Associates		Lump Sum	$ 5,000					
			hourly estimate	$ 5,000					
4/17/12	Amendment 1		hourly estimate	$ 10,000					
6/12/12	Amendment 2		hourly estimate	$ 10,000					
	Amendment 3 ??	1 ft contours ??	Lump Sum	$ 30,000					
	Total A&A			$ 60,000	$ 12,327	$ 7,673	$ 20,000	$ 35,000	$ 55,000
4/11/12	Schnabel Subcontract	Rock Evaluation	Lump Sum	$ 12,300	$ 3,321	$ 8,979	$ 12,300	$ -	$ 12,300
4/10/12	Schnabel Subcontract	Fill Evaluation	Lump Sum	$ 14,650		$ -	$ -	$ 14,650	$ 14,650
	Total Schnabel			$ 26,950	$ 3,321	$ 8,979	$ 12,300	$ 14,650	$ 26,950
July	*Well Drilling & Analysis Estimate*		A&A Estimate	$ 20,000	$ -	$ -	$ -	$ 20,000	$ 20,000
	Total Analytical Expense			**$ 106,950**	**$ 15,648**	**$ 16,652**	**$ 32,300**	**$ 69,650**	**$ 101,950**
	Less covered by Pulaski County			$ 5,000					
	Adjusted Total			$ 101,950					