

BYLAWS
OF THE ECONOMIC DEVELOPMENT AUTHORITY
OF
THE CITY OF PETERSBURG, VIRGINIA

ARTICLE ONE

NAME, PURPOSE AND ORGANIZATION

Section 1.1. Name. The Authority shall be known as the "Economic Development Authority of the City of Petersburg, Virginia." The Authority may use the short title of "Petersburg Economic Development Authority."

Section 1.2 Statutory Authority. The Authority has been created under the provisions of the Industrial Development and Revenue Bond Act found in Title 15.2, Chapter 49 of the Code of Virginia, 1950, as amended, (the "Act"), to promote economic and industrial development within the City of Petersburg.

Section 1.3 Mission Statement. The mission of the Authority is to promote industry, increase the tax base and develop trade by the exercise of such powers as permitted by the Act for the benefit of the individuals of the Commonwealth, either through the exercise of their commerce or through the promotion of their safety, health, welfare, convenience or prosperity.

Section 1.4 Powers. The Authority shall have all the powers granted to authorities under the provisions of Title 15.2, Chapter 49 of the Code of Virginia, 1950, as amended, except as limited by the ordinances creating the Authority.

Section 1.5 Offices. The office of the Authority shall be located at such place in the City of Petersburg, as the Board of Directors shall prescribe.

Section 1.6 Fiscal Year. The Authority shall operate on the basis of a fiscal year beginning July 1 and ending June 30 of each year.

ARTICLE TWO

BOARD OF DIRECTORS

Section 2.1 General Powers. All powers of the authority are vested in the Board of Directors composed of seven directors.

Section 2.2 Qualifications. Every director, at the time of appointment and thereafter, shall meet the requirements of the Act. No director shall be an officer or employee of the City of Petersburg.

Section 2.3 Tenure. Seven directors shall be appointed by the Council of the City of Petersburg for terms of four years, except appointments to fill vacancies shall be for the unexpired terms. If at the end of any term of office of any director a successor thereto has not been appointed, then the director whose term of office has expired shall continue to hold office until his successor is appointed and qualified.

Section 2.4 Resignation of Director. Any director may resign his or her office at any time. Such resignation shall be made in writing, shall be submitted to the secretary of the Authority, and shall take effect at such time as specified in the instrument of resignation; provided, however, that the resignation of a director shall in no case be effective prior to the next regular or special meeting of the Board of Directors. Acceptance of the resignation shall not be required to make it effective. The secretary upon receipt of a resignation shall forward a copy to the Clerk of the City Council of Petersburg.

Section 2.5. Removal of Directors. A director may be removed from office for neglect of duty, misuse of office, incompetence in the performance of duties and upon conviction of certain crimes pursuant to judicial proceedings instituted by a majority of the members of the appointing authority pursuant to the Code of Virginia provisions dealing with removal of public officers from office. A director may be removed from office by the local governing body without limitation in the event that the board member is absent from any three consecutive meetings of the authority, or is absent from any four meetings of the authority within any 12-month period. In either such event, a successor shall be appointed by the governing body for the unexpired portion of the term of the member who has been removed.

Section 2.6 Vacancies. A vacancy on the Board of Directors shall occur upon the death, resignation or removal of any director; upon forfeiture of office by reason of commission of certain crimes or being determined mentally incompetent in a judicial proceeding pursuant to Article 7 of Chapter 2 of Title 24.2 of the Code of Virginia; or when a Director ceases to qualify pursuant to the Act. Appointments to fill vacancies shall be for the unexpired terms.

Section 2.7 Oath of Office. Each Director, before entering upon his duties, shall take the oath prescribed by law and administer it in accordance with law before the Clerk of the Circuit Court of the City of Petersburg.

Section 2.8 Compensation. Directors shall receive no salary. Directors shall be reimbursed for the necessary travel and other expenses incurred in the performance of their duties.

Section 2.9 Conflicts of Interest. The provisions of the Virginia State and Local Government Conflict of Interest Act (Va. Code Section 2.2-3100, et. seq.) are applicable to the Directors of the Authority. This Act includes prohibitions upon officers of government agencies from accepting money or other benefits acquired by virtue of this office, from having a personal interest in a contract with the Authority, and from participating in transactions in which officers may have a personal interest.

ARTICLE THREE

MEETINGS OF DIRECTORS

Section 3.1 Annual Organizational Meeting and Regular Meetings. The Board of Directors shall hold an Annual Organizational Meeting on the First Thursday in July of each year, at such place and at such time as shall be stated in the notice of the meeting or in the Waiver of Notice thereof for the purpose of electing officers for the coming year and for such other business as may properly come before such meeting. If for any reason an Annual Organizational Meeting is not held or if the election of officers shall not be held at any such Annual Organizational Meeting or any adjournment thereof, the Chairman or Vice Chairman shall cause the election to be held at the next scheduled meeting of the Authority or a special meeting of the Board of Directors as soon thereafter as a special meeting may be held, and any business transacted or elections held at such meetings shall be as valid as if transacted at the scheduled annual organizational meeting.

Section 3.2 Other Regular Meetings. Other regular meetings of the Board of Directors, if any, may be held at such time and place as shall from time to time or determined by resolution of the Board of Directors.

Section 3.3 Special Meetings. Special Meetings of the Board of Directors may be called at any time by the Chairman, or, if the Chairman is absent or unable or refuses to act, by the Vice Chairman or by any two members of the Board. Whenever any two Directors, not including the Chairman or Vice Chairman, request a Special Meeting, they shall provide the Secretary with a written statement of business to be conducted for the purpose of providing adequate notice.

Section 3.4 Notice of Meetings. The Secretary at the direction of the Chairman or Vice Chairman or any two members calling a special meeting, or such individual as may have been designated by the Board to provide notices of meeting, not more than thirty days before the date of the meeting and not fewer than five days before the Annual Organizational Meeting or any Regular Meeting or two days before a Special Meeting, shall provide each Director with a written notice specifying the person or persons calling the meeting, if applicable; the date and hour of the meeting; the place of the meeting, except that if no place is designated then the meeting shall be held at the principal office of the authority; and the purpose of purposes of the meeting. No business except of that so specified shall be transacted at any special meeting except by unanimous consent of all the Directors of the Authority.

All notices shall be given (i) by actual notice in person given the requisite number of days in advance of the date set for the meeting or (ii) by notice by first class mail, telegram, cablegram, or courier service deposited in the United States mail, with postage thereon prepaid, or delivered to the telegraph company or courier no less than one day prior to the commencement of the requisite notice period. Notice of any particular

meeting may be given to some of the Directors in one manner and other Directors in a different manner.

Section 3.5 Waiver of Notice. Whenever any notice is required to be given to any Director of any meeting under these By-Laws, a waiver thereof in writing signed by all of the Directors, before or after the time stated therein, shall be equivalent to the giving of such notice.

The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 3.6 Transaction of Public Business Only at Meetings. Every act or decision; done or made by the Board of Directors shall be done or made at a meeting duly called and held as provided in these By-Laws, and no public business shall be transacted other than by a vote taken at a meeting conducted in accordance with the provisions of the Virginia Freedom of Information Act. However, the foregoing shall not be construed to prohibit an individual's separately contacting the membership or any part thereof for the purpose of ascertaining a member's position with respect to the transaction of public business. The Board of Directors may conduct closed or executive meetings in accordance with the Virginia Freedom of Information Act and any other lawful authority for the purpose of discussing subjects exempted from the requirement of public meetings, including but not limited to discussion or consideration of the condition, acquisition or use of real property for public purposes, discussions concerning a prospective business or

industry or expansion of existing business or industry where no previous announcement has been made, and discussion of the strategy with respect to negotiation of agreements.

Section 3.7 Quorum and Manner of Acting. Four members of the Board of Directors shall constitute a quorum for the purpose of conducting its business and exercising its powers, and the acts of majority of the directors present at a meeting at which a quorum is present shall constitute the act of the Board of Directors, except that no facilities owned by the Authority shall be leased or disposed of in any manner without a majority vote of the members of the Board of Directors. No vacancy in the membership of the Board shall impair the right of the quorum to exercise all powers and perform all of the duties of the Board.

Section 3.8 Conduct of Proceedings and Order of Business. The Chairman shall preside at Board Meetings. Unless otherwise provided, procedure at meetings of the Board of Directors shall follow Robert's Rules of Order. The order of business at any meeting of the Board of Directors, as far as consistent with the purpose of the meeting, shall be as established in the Agenda for the meeting.

Section 3.9 Approval of Minutes. All minutes of meetings of the Board of Directors shall be signed by the Secretary and by the presiding officer of the particular meeting.

ARTICLE FOUR

COMMITTEES

Section 4.1 Executive Committee. The Board of Directors, in its discretion, by resolution adopted by a majority of the Board, may establish an executive committee of the Board, appoint the members thereof, and specify its authority and responsibility. Such

Committee shall be composed of the officers of the Authority, who shall serve at the pleasure of the Board. The Executive Committee shall have such powers and shall perform such duties as the Board may delegate to it in writing from time to time, including the immediate oversight and management of the business affairs of the Authority, except that the Executive Committee shall have no power to adopt, amend, or repeal the by-laws of the Authority or authority to lease or dispose of any facilities owned by the Authority.

Section 4.2 Other Committees. Other Committees not having and exercising the authority of the Board of Directors in the management of the Authority may be designated by resolution adopted by majority of Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Board of Directors, and the Chairman of the Authority shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in the judgment of the appointing authority the best interests of the Authority would be served by such removal.

ARTICLE FIVE

OFFICERS AND DUTIES

Section 5.1 Officers Directors shall elect from their membership a Chairman, a Vice Chairman, and from their membership or not, as they desire, a Secretary and a Treasurer, or a Secretary-Treasurer, and such other officers as may be elected in accordance with the provisions

of this Article. The Board of Directors may elect or appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have the authority and to perform the duties prescribed, from time to time, by the Board of Directors.

Section 5.2 Election and Term of Office The officers of the Authority shall be elected annually at the regular annual meeting of the Board of Directors for terms of one year commencing on the day following the election and continuing until successors are elected. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as is convenient. New offices may be created and filled at any meeting with the Board of Directors. Each officer shall hold office until his or her successor has been duly elected and qualifies.

Section 5.3 Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Authority would be served thereby, but such removal shall be without prejudice to the rights of the officer so removed in any special contract of employment.

Section 5.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.5 Duties of the Chairman. The Chairman shall have such powers and duties as are usually incident to said office and perform such other duties as may be Required by law, by these By-laws, or as may be authorized by the Board of Directors. Duties shall include the following specific duties: presiding at meetings of the Board of Directors; preparing the agenda for any and all meetings and making copies of the agenda

available to the Secretary for the purpose of providing adequate notice of meetings; calling special meetings; calling special elections; signing, with the Vice Chairman, Secretary and Treasurer, or any other proper officer of the Authority hereunto authorized by the Board of Directors, any documents or instruments which the Board of Directors has authorized to be executed, except in the cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by the By-laws to some other officer of the Board of Directors or shall be required by law to be otherwise signed or executed.

Section 5.6 Duties of Vice Chairman. The Vice Chairman, in the absence of the Chairman or in the event of his or her inability or refusal to act, shall perform the duties of the Chairman, and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice Chairman shall perform such other duties as from time-to-time may be assigned by the Chairman or by the Board of Directors.

Section 5.7 Duties of Secretary. The Secretary shall be responsible for the preparation of the minutes of meetings of the Board of Directors (and of the Executive Committee), to be kept in a record book and made available for public inspection at all times; have custody of all important records of the Authority; have custody of the seal of the Authority and see that the seal is affixed to all documents or instruments, the execution of which on behalf of the Authority under seal is duly authorized by the Board of Directors; sign with the Chairman or Vice Chairman any documents or instruments which the Board of Directors has authorized to be executed; see that all notices are duly given as required by law, these By-laws or by the Board of Directors; call meetings of the Board of Directors to order in the absence of the Chairman or Vice Chairman and

thereupon conduct an election for a temporary presiding officer for that meeting; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors. In the absence of the Secretary, the Chairman shall appoint a Director to be responsible for the preparation of detailed minutes of the meeting. As custodian of the records of the Authority and as the individual required by these By-laws to provide notice of meetings, the Secretary shall have responsibility under the provisions of the Virginia Freedom of Information Act to respond on behalf of the Authority to any request for documents and to provide notices of meetings to any individuals requesting and entitled to such notice.

Section 5.8 Treasurer. The Treasurer shall be responsible for the keeping of suitable records of all financial transactions of the Authority; have charge and custody of all funds and be responsible for their investment and deposit in the name of the Authority when authorized by the Board of Directors; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Directors. The Treasurer shall be named under the Public Officials Bond of the City of Petersburg or give bond, as required, and in such sum as may from time to time be fixed by resolution of the Board of Directors with corporate surety authorized to act as such in the State of Virginia, with the premium on such bond to be paid as an expense of the Authority. The records of financial transactions shall be included in the annual audit of the City of Petersburg. In the event that the Authority records are not included in the annual audit of the City of Petersburg, the Treasurer specifically shall cause an audit to be performed according to the specifications of the Auditor of Public Accounts covering the financial transactions for each fiscal year within three months after

the end of such fiscal year and to cause the same to be filed with the auditor of public accounts as required by law. The Treasurer shall furnish a copy of such audit to the Secretary to be made available for public inspection.

ARTICLE SIX

STAFF AND EMPLOYEES

Section 6.1 Employees and Agents. The Board of Directors may employ and compensate such employees and agents, including attorneys, as it deems necessary in carrying on the business of the Authority.

Section 6.2 Executive Director. The Board of Directors may appoint an Executive Director and fix the conditions of employment and tenure. The duties of the appointee shall be those prescribed by the Board of Directors.

Section 6.3 City Staff. Manager of the Office of Economic Development for the City of Petersburg shall be ex-officio staff of the Authority and shall report directly to the Chairman. The Authority may delegate administrative duties to the supporting staffs, including specifically use of the Treasurer of the City of Petersburg as fiscal agent of the Authority, and may use administrative personnel in the City of Petersburg Office of Economic Development and the City Attorney of the City of Petersburg for administrative and legal support.

ARTICLE SEVEN

CONTRACTS, CHECKS, DEPOSITS, AND FINANCIAL AFFAIRS

Section 7.1 Contracts. The Board of Directors may authorize any officer or officers or agent or agents of the Authority, in addition to the officers so authorized by these By-laws, to enter into contracts or execute and deliver any instruments in the name

of and on behalf of the Authority, and such authority may be general or may be confined to specific instances. All deeds conveying real estate shall be executed in the name of the Authority by the Chairman or Vice Chairman and the seal of the Authority shall be affixed thereto and attested by the Secretary.

Section 7.2 Checks, Drafts or Orders. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority shall be signed by such officers or agents of the Authority and in such manner as shall from time to time be determined by resolution of the Directors. Such instrument shall be signed by two directors authorized by resolution of the Authority.

Section 7.3 Deposits. All funds in the Authority shall be deposited from time to time to the credit of the Authority in such banks, trust companies, or other depositories as the Board of Directors may so direct. The Board of Directors may elect to use the Treasurer of the City as fiscal agent of the Authority.

Section 7.4 Gifts. The Board of Directors may accept, by resolution on behalf of the Authority, any contribution, gift, bequest, or devise for any purpose of the Authority.

Section 7.5 Budgets and Operating Expenses. Each year, on or before the 15th of July, the Board of Directors shall prepare an annual Budget for approval, modification or rejection.

Section 7.6 Methods of Procurement. The Authority shall comply with all provisions of the Virginia Public Procurement Act in respect to the procurement of goods and services or Authority Facilities, not exempt by the Act. To that end, the Authority may, by resolution, may authorize use of the services of the procurement officer of the City of Petersburg.

ARTICLE EIGHT

REPORTS AND AUDITS

Section 8.1 Annual Audit Each year the Authority shall be audited by an independent auditing service, within a period of sixty days (60) after the close of the fiscal year or thereafter as is reasonably expedient.

Section 8.2 Annual Reports Within sixty (60) days of the close of each fiscal year, the Board of Directors shall submit to the City Council financial reports showing expenditures and revenues and a statement showing the financial condition of the Authority at the end of the preceding fiscal year, a written opinion of the success of the Authority approved by its Board of Directors, a list of tenants, purchasers or other persons occupying or using any of its facilities, and recommendations regarding future industrial and commercial projects.

Section 8.3 Records of Proceedings and Finances. The Board of Directors shall keep detailed minutes of its proceedings, including committees, which shall be open to public inspection at all times. It shall keep suitable records of its financial transactions, which shall be open for inspection by representatives of the City Council.

ARTICLE NINE

DISSOLUTION and DISPOSAL of PROPERTY

The Authority may be dissolved upon certification by the members of the Board of Directors that the purposes for which the Authority were formed have substantially

complied with and that all obligations incurred by the Authority have been fully paid. Upon such certification by the Board of Directors, the City Council may elect to dissolve the Authority, and the Authority shall be dissolved pursuant to the provisions of the Code of Virginia and title to all funds and properties owned by the Authority at the time of such dissolution shall vest in the City of Petersburg.

ARTICLE TEN

AMENDMENT TO BY-LAWS

These By-laws may be altered, amended or repealed, and new By-laws may be adopted, by a majority of the Directors present and constituting a quorum at any regular meeting or at special meeting of the Board of Directors, provided that at least five days' written notice is given of the intention to alter, amend, repeal and adopt new By-laws at the meeting.