

By-Laws of the Industrial Development Authority
of the Town of Richlands, Virginia

**Article I
Formation**

Established

The Town Council of the Town of Richlands, Virginia, having determined that an Industrial Development Authority will be beneficial for the town, created the Industrial Development Authority of the Town of Richlands, Virginia by ordinance adopted on November 8, 2005 in conformity with Section 15.2-4900 et seq., Code of Virginia, 1950, as amended.

Name

The name of the authority shall be the “Industrial Development Authority of the Town of Richlands, Virginia.”

Initial Selection of Directors

Seven directors have been appointed by the Town Council of the Town of Richlands for terms of one, two, three and four years; two being appointed for one-year term; two being appointed for two-year terms; two being appointed for three-year terms and one being appointed for a four-year term. Subsequent appointments shall be for terms of four years, except for appointments to fill vacancies which shall be for the unexpired terms.

Qualifications

Any person qualified to vote in the Town of Richlands at the time of appointment and who thereafter continues to reside in the Town of Richlands, Virginia shall be eligible to serve on the Board of Directors for the Industrial Development Authority.

Organization

The 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, who shall continue to hold such office until their respective successors are elected. The officers shall hold their office for the term of one year and until their successor has been elected or chosen and assumed office.

Meetings

All meetings shall be open to the public, and any citizen may have access to the minutes and records thereof at a reasonable time; however, by majority vote the Board members, the Board may convene a closed session to consider matters of appropriate subject as provided by the Code of Virginia.

Records

The Board shall keep detailed minutes of its proceedings, which shall be open to public inspection at all times. It shall keep suitable records of its financial transactions

and, unless exempted by §30-140 of the Code of Virginia, Authority shall arrange to have the records audited annually.

Management of Funds

The Town of Richlands shall handle all deposits and disbursements for the Authority keeping funds in a separate account from the Town of Richlands. The IDA will manage the accounts and authorize disbursements of funds up to \$1,500.00. For all disbursements over \$1,500.00, a recommendation shall be made to Town Council for consideration and approval before funds are released. The Town Council shall have the authority to impose conditions and safeguards deemed necessary to protect the Town of Richlands.

Article 2 Composition

Appointing Body

The Authority shall be composed of seven voting directors, appointed by the Town Council of the Town of Richlands. Each director shall, upon appointment or reappointment, before entering upon his/her duties take and subscribe the oath prescribed by §49-1 of the Code of Virginia.

Vacancies

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/her successor is appointed and qualified.

Removal

Members of the Board shall serve their designated term as previously stated; however, any member convicted of a felony shall thereby forfeit their office and, should any member cease to be a resident of such locality, that director's office shall be deemed vacant and a new director may be appointed for the remainder of the term. Any member absent for three (3) or more consecutive meetings without approval from the chairman shall be subject to dismissal.

Compensation

The directors shall receive no salary but may be compensated such amount per regular, special, or committee meeting or per each official representation as may be approved by the appointing Authority, not to exceed \$50 per meeting or official representation, and shall be reimbursed for necessary traveling and other expenses incurred in the performance of their duties.

Article 3 Powers and Duties

The Industrial Development Authority shall have the following powers and duties: The authority to:

- (a) Enter into contracts.

- (b) Purchase, acquire, lease, sell, or convey real property owned by the Authority.
- (c) Issue Bonds; however, all new bond must be approved by a Town Council Resolution after a required public hearing held by the IDA.
- (d) Distribute funds to pay employees, agents, real estate brokers, etc.
- (e) Appoint and create committees to assist as needed.
- (f) Accept contributions, grants and other financial assistance; however, before any debt or financial obligation is authorized, a recommendation must be made to the Richlands Town Council for consideration and approval.

The Board of Directors shall have all the powers enumerated in Title 15.2, Chapter 49 of the Code of Virginia, 1950, as amended, known as the “Industrial Development and Revenue Bond Act”, and wherever a provision of these by-laws shall be in conflict with the provisions of said “Industrial Development Revenue Bond Act”, the provisions of the Act shall prevail.

The Authority shall not operate a facility as a business other than to act as a lessor.

Article 4 Officers

The Chairman, or in his/her absences, the Vice-Chairman, shall preside over all meetings of the Authority. In the absence of both, a temporary presiding officer shall be elected from among the members present.

The Secretary shall keep detailed minutes of all proceedings and shall keep a record of all correspondences and business transactions of the Authority. The Secretary shall send notices of meeting by mail or otherwise required to members of the Authority. The Secretary shall keep a roll of the members and shall perform all other duties usually appertaining to the office of Secretary.

The Treasurer shall be responsible for the keeping of suitable records of financial transactions of the Authority, which such records shall be audited annually and a copy sent to the Town Council and Town Manager of the Town of Richlands. The Treasurer shall perform all duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the Authority. All checks drawn on deposits of the Authority shall bear the signatures of the Treasurer of the Town of Richlands, the Treasurer of the Authority, and the Chairman or Vice-Chairman of the Authority.

All contracts, bond, notes, deeds, conveyances, and formal documents shall be signed on behalf of the Authority by the Chairman or in his/her absence by a Director designated by resolution of the Board of Directors.

Article 5 Meetings

The Authority shall be required to have an annual meeting by all members held in July. The secretary shall be responsible for contacting all members and arranging a suitable date. Monthly meeting shall be held, if deemed necessary, prior to regular meetings of the Richlands Town Council.

Special meetings of the Authority may be called at any time by the Chairman (or in his/her absence by the Vice-Chairman) by written request of a majority of the members of the Board of Directors. Written notice stating the place, date, hour, and purpose of the special meeting shall be given not less than five days, nor more than 20 days before the date of the meeting, either personally delivered or by mail, to each Director. This notice may be waived by the Directors.

Four members of the Board shall be considered a quorum for the purpose of conducting business and exercising the powers granted to the Board of Directors.