

Norton Industrial Development Authority

Created: 1962 Acts of Assembly, c. 632.

§ 1. There is hereby created within the city of Norton a political subdivision of the Commonwealth with such public and corporate powers as are granted in this act to be known as the Norton Industrial Development Authority, hereinafter called the Authority. (1962, c. 632)

§ 2. As used in this act the word "city" means the city of Norton and the governing body thereof as requisite. (1962, c. 632)

§ 3. The Authority shall be governed by a commission composed of nine commissioners, appointed by the council of the city. All powers and duties of the Authority shall be exercised and performed by the commission. (1962, c. 632)

§ 4. The nine commissioners shall be appointed initially for terms of one, two, three and four years, two being appointed for one, two and three-year terms, and three for four-year terms; subsequent appointments shall be for terms of four years, except appointments to fill vacancies which shall be for the unexpired terms. Each commissioner shall before entering on his duties take and subscribe the oath prescribed by § 49-1 of the Code of Virginia. (1962, c. 632)

§ 5. The commissioners shall elect from their membership a chairman and vice-chairman, and from their membership or not, as they desire, a secretary and a treasurer or secretary-treasurer. The commission shall meet at least monthly and at such other times as may be required. The commissioners shall receive no salary but shall be reimbursed for necessary traveling and other expenses incurred in the performance of their duties. The commission shall keep detailed minutes of its proceedings, which shall be open to public inspection at all times. It shall keep suitable records of all its financial transactions and shall arrange to have the same audited annually. Copies of each such audit shall be furnished to the council of the city and shall be open to public inspection. (1962, c. 632)

§ 6. The Authority shall have the following powers:

(a) To contract and be contracted with; to sue and to be sued; and to adopt and use a corporate seal, and to alter the same at pleasure;

(b) To acquire, hold and dispose of personal property necessary for its purposes;

(c) To acquire by purchase or lease, real property, or rights, easements or estates therein necessary for its purposes; and to sell, lease and dispose of the same, or any portion thereof or interest therein;

(d) To construct for sale or lease, on such terms and conditions as it may deem proper, warehouses, factories or manufacturing facilities of any kind and description and approaches to and appurtenances thereof.

(e) To employ a director and such other agents and employees as may be necessary, to serve at the pleasure of the commission, and to fix their compensation and prescribe their duties.

(f) To do all other acts and things which may be reasonably necessary and convenient to carry out its purposes and powers. (1962, c. 632)

§ 7. The Authority may foster and stimulate the development of industry in the area within its jurisdiction. To this end, the Authority may appoint an Industrial Advisory Committee to advise it, consisting of such number of persons as it may deem advisable; such persons shall not receive any compensation for their services, but may be reimbursed their necessary traveling and other expenses incurred while on business of the Authority. The Authority may accept, and expend for the purposes stated above, money from any public or private source, and may accept, maintain, operate and use, or sell or lease any property conveyed to it for such purposes. (1962, c. 632)

§ 8. In selling, disposing of or leasing for a period of more than one year any of the facilities owned by the Authority, bids therefor shall be first advertised for by publication in one or more newspapers of general circulation published in the city for at least five consecutive days. The Authority shall have the right to reject any and all bids. (1962, c. 632)

§ 9. The council of the city is authorized and empowered to transfer to the Authority the operation and maintenance of such suitable facilities as are now or may be hereafter owned by the city, on such terms and conditions which it may prescribe; but this section shall not be construed as authorizing the Authority to maintain and operate such facilities unless and until the operation thereof has been transferred by the council. (1962, c. 632)

§ 10. The city is authorized and empowered to make appropriations and to provide funds for the operation of the Authority. (1962, c. 632)

§ 11. The Authority shall have the power to issue bonds from time to time in its discretion, for any of its purposes, including the payment or retirement of bonds previously issued by it. The Authority may issue such types of bonds as it may determine, including (without limiting the generality of the foregoing) bonds payable, both as to principal and interest: (a) from its revenues generally; (b) exclusively from the income and revenues of a particular "facility"; which term shall mean a particular building or structure or particular building or structures including all equipment, appurtenances and accessories necessary or appropriate for the operation of such facility; or (c) exclusively from the income and revenues of certain designated facilities whether or not they are financed in whole or in part from the proceeds of such bonds. Any such bonds may be additionally secured by a pledge of any grant or contributions from the federal government, Commonwealth of Virginia or any political subdivision which is a part of the Authority, or a pledge of any income or revenues of the Authority, or a mortgage of any particular facility or facilities or other property of the Authority. (1962, c. 632)

§ 12. Neither the commissioners of the Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of the Authority (and such bonds and obligations shall so state on their face) shall not be a debt of the Commonwealth or any political subdivision thereof and neither the Commonwealth nor any political subdivision thereof other than the Authority shall be liable thereon, nor, shall such bonds or obligations be payable out of any funds or properties other than those of the Authority. The bonds shall not constitute an indebtedness within the meaning of any debt limitation or restriction. Bonds of the Authority are declared to be issued for an essential public and governmental purpose. (1962, c. 632)

§ 13. Bonds of the Authority shall be authorized by resolution adopted by the commission and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding six per centum per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution or its trust indenture or mortgage may provide. The bonds may be sold at public or private sale. (1962, c. 632)

§ 14. In case any of the commissioners or officers of the Authority whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such commissioners or officers had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this act shall be fully negotiable within the meaning and for all the purposes of Chapter 10 of Title 6 of the Code of Virginia. (1962, c. 632)

§ 15. In order to secure the payment of such bonds the Authority shall have power by provision or provisions included in any resolution authorizing such bonds or in any indenture made to secure their payment:

(a) To pledge all or any part of its gross or net rents, fees or revenues to which its right then exists or may thereafter come into existence.

(b) To mortgage all or any part of its real or personal property, then owned or thereafter acquired.

(c) To covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property, to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any facility or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it.

(d) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds; to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption and to provide the terms and conditions thereof.

(e) To covenant as to the rents and fees to be charged in the operation of a facility or facilities, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds.

(f) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(g) To covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys.

(h) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(i) To vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenant securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by the Authority, to take possession and use, operate and manage any facility or part thereof, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the Authority with said trustee; to provide for the powers and duties of a trustee or trustees or the holders of bonds or any proportion of them who may enforce any covenant or rights securing or relating to the bonds.

(j) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or in the absolute discretion of said Authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein. (1962, c. 632)

§ 16. An obligee of the Authority shall have the right in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee:

(a) By mandamus, suit, action or proceeding at law or in equity to compel the Authority and the commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of the Authority with or for the benefit of such obligee, and to require the carrying out of any or all such covenants and agreements of the Authority and the fulfillment of all duties imposed upon the Authority by this chapter.

(b) By suit, action or proceedings in equity, to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of the Authority. (1962, c. 632)

§ 17. The Authority shall fix and revise from time to time the rents, fees and other charges to be paid by persons for the use of the various facilities of the Authority and for any other service furnished or provided by the Authority. Such rents, fees and charges shall be fixed so as to provide at least sufficient funds to pay the cost of maintaining, repairing and operating such facilities and the principal and interest of any bonds issued by the Authority or other debts contracted as the same shall become due and payable. A reserve may be accumulated and maintained out of the revenues of such Authority for extraordinary repairs and expenses and for such other purposes as may, be provided in any resolution authorizing a bond issue or in any trust indenture securing such bonds. Subject to such provisions and restrictions as may be set forth in the resolution or in the trust indenture authorizing or securing any of the bonds or other obligations issued

hereunder, the Authority shall have exclusive control of the revenues derived from any facility or facilities operated and controlled by it and the right to use such revenues in the exercise of its powers and duties set forth in this section. No individual, firm, association or corporation shall receive any profit or dividend from the revenues, earnings or other funds or assets of such authority other than for debts contracted, for services rendered, for materials and supplies furnished and for other value actually received by the Authority. (1962, c. 632)

§ 18. In addition to the other powers conferred by this act, the Authority shall have the power to borrow money and to accept contributions, grants and other financial assistance from the federal government and agencies or instrumentalities thereof for or in aid of the construction and equipment of its facilities or the retirement or refunding of its bonds. To these ends the Authority shall have the power to comply with such conditions and to execute such mortgages, trust indentures and agreements as may be necessary, convenient or desirable. (1962, c. 632)

§ 19. Nothing contained in this act shall be deemed to authorize the Authority to occupy or use any land, streets, buildings, structures or other property of any kind, owned or used by any political subdivision within its jurisdiction, or any public improvement or facility maintained by such political subdivision for the use of its inhabitants, without first obtaining the consent of the governing body thereof. (1962, c. 632)

§ 19-a. The commissioners of the Authority shall not issue any bonds under the provisions of § 11 unless they find, and enter upon the records of the Authority, that financing from private sources for a facility, as defined in § 11, is not available. (1962, c. 632)

§ 19-b. Provided, further, that the Commissioners of the Authority shall not issue any bonds for the construction of factories or manufacturing facilities under the provisions of § 11 hereof, after July 1, 1966, unless the Governor of Virginia shall determine that Norton is still a distressed area. (1962, c. 632)

§ 20. The powers granted and the duties imposed in this act shall be construed to be independent and severable. (1962, c. 632)