Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, MAY 9, 2011

12:00 NOON

DANVILLE REGIONAL AIRPORT
EASTERN CONFERENCE ROOM
424 AIRPORT DRIVE, DANVILLE, VIRGINIA

COUNTY OF PITTSYLVANIA MEMBERS

COY E. HARVILLE, VICE CHAIRMAN
HENRY A. "HANK" DAVIS, JR.
FRED M. INGRAM, ALTERNATE

CITY OF DANVILLE MEMBERS

SHERMAN M. SAUNDERS, CHAIRMAN
T. DAVID LUTHER
FRED O. SHANKS, III, ALTERNATE

STAFF

JOSEPH C. KING, CITY MANAGER, DANVILLE
WILLIAM D. SLEEPER, PITTSYLVANIA COUNTY ADMINISTRATOR
CLEMENT & WHEATLEY, ATTORNEY FOR AUTHORITY
SUSAN M. DEMASI, AUTHORITY SECRETARY
BARBARA A. DAMERON, AUTHORITY TREASURER

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

1. **MEETING CALLED TO ORDER**

2. **ROLL CALL**

3. **PUBLIC COMMENT PERIOD**

   Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. (Please note that the public comment period is not a question-and-answer session between the public and the Authority.)

4. **APPROVAL OF MINUTES FOR THE APRIL 11, 2011 MEETING**

5. **NEW BUSINESS**

   A. Consideration of Resolution No. 2011-05-09-5A, approving the acceptance of a bid proposal from Haymes Brothers, Inc., a Virginia corporation, dated April 13, 2011, for the construction of graded pads and sewer line at Lot 3 (a portion of GPINs 2347-38-9745, 2347-46-0892 and 2347-35-9903) and Lot 9 (a portion of GPINs 2347-28-9012 and 2347-46-0892) in the Authority's Cane Creek site, at a total price of $1,225,050.

   B. Consideration of Resolution No. 2011-05-09-5B, approving a one-year lease to The Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Mega Park site (a portion of GPINs 1366-78-4718 and 1367-70-4519), owned by the Authority, commonly known as 4380 Berry Hill Road; and the lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of $800.

   C. Consideration of Resolution No. 2011-05-09-5C, authorizing the Authority support staff to develop a proposal for the initial development of a public river access on certain property owned by the Authority (a portion of GPIN 1356-75-8216), generally located along the Dan River, east from the Virginia Department of Transportation Bridge located on State Bridge Road, which access would promote the safety, health, welfare, and convenience of the citizens of Pittsylvania County and the City of Danville.

   D. Financial Report as of April 30, 2011.

6. **CLOSED MEETING**

   A. As permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950, as amended, for consultation with and briefing by legal counsel pertaining to actual litigation regarding Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors (Case No. CL10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.

B. As permitted by Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended, for discussion or consideration of the sale to Harmony United Methodist Church of that certain real property (a portion of GPIN 1356-75-8216), located in the Authority's Mega Park site, fronting on Oak Hill Road, and containing 10.44 acres, more or less, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

C. Confirmation of Motion and Vote to Reconvene in Open Meeting.

D. Motion to Certify Closed Meeting.

7. ACTION ON MATTERS CONSIDERED IN CLOSED MEETING

Consideration of Resolution No. 2011-05-09-7, to approve the sale to Harmony United Methodist Church of that certain real property (a portion of GPIN 1356-75-8216), located in the Authority's Mega Park site, fronting on Oak Hill Road, and containing 10.44 acres, more or less.

8. COMMUNICATIONS FROM:

Henry A. "Hank" Davis, Jr.
Coy E. Harville
Fred M. Ingram
T. David Luther
Sherman M. Saunders
Fred O. Shanks, III
Staff

9. ADJOURN

AGENDA
ITEM NUMBER 4

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes
April 11, 2011

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:13 p.m. on the above date in the Conference Room located at the Danville Regional Airport, 424 Airport Drive. Present were City of Danville Members Chairman Sherman Saunders, David Luther and alternate Fred Shanks and Pittsylvania County Members Vice-Chairman Coy Harville and Henry A. "Hank" Davis, Jr. Pittsylvania County alternate Fred Ingram was absent.

City/County staff members attending were: City Manager Joe King, Pittsylvania County Administrator Dan Sleeper, Assistant County Administrator for Planning & Development Gregory Sides, Pittsylvania County Economic Director Ken Bowman, Danville Economic Development Director Jeremy Stratton, Danville Finance Director Barbara Dameron, Danville Senior Accountant Patricia Knutti, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Also present were Dewberry and Davis Project Manager Shawn Harden.

Citizen in attendance was Karen Maute.

Mr. Saunders called the Meeting to order.

PUBLIC COMMENT PERIOD

Karen Maute questioned the RIFA Board regarding the change in Member Locality Agreement. Mr. Sleeper responded to Ms. Maute's question. Ms. Maute also questioned the Board regarding the re-zoning of the Mega Park and asked if Mr. Davis and Mr. Harville will have to recuse themselves if/when there is a vote for re-zoning. RIFA attorney Michael Guanzon responded to Ms. Maute's question.

APPROVAL OF MARCH 14, 2011 MINUTES

Upon **Motion** by Mr. Luther and **second** by Mr. Harville, Minutes of the March 14, 2011 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

OLD BUSINESS

CONSIDERATION OF RESOLUTION NO. 2011-04-11-5A

Mr. Luther **moved** to approve Resolution No. 2011-04-11-5A (first proposed as Resolution No. 2011-03-14-5) adopting revisions to the Authority's Amended and Restated Bylaws (adopted August 13, 2007, and last revised on February 14, 2011), as shown on the attached redlined draft. The proposed revisions authorize each member Locality, through its City Manager, County Administrator or respective designee, to incur, on behalf of the Authority, up to an aggregate amount of $10,000.00 in reasonable expenses, related to, or arising out of, (i) developing the

Authority's projects for a particular business prospect or (ii) marketing to a particular business prospect. Prior to incurring any such expense, the Member Locality shall consult with the other Member Locality on the identification of any such business prospect. Such expenses shall be reported to the Board at its next regular business meeting for consideration and ratification.

The Motion was **seconded** by Mr. Harville.

Mr. Harville noted that such expenses will be reported back to the Board at its next regular meeting as stated in the Resolution.

Mr. Davis questioned a sentence in the Resolution regarding the localities consulting with each other and asked how that would take place. RIFA attorney Michael Guanzon noted the consultation would be between the City Manager and County Administrator.

The Motion was carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

NEW BUSINESS

UPDATE ON PROJECTS OF THE AUTHORITY

Shawn R. Harden, PE, Manager of Civil/Economic Development, Dewberry, updated RIFA members regarding three different projects: Mega Park, Cyber Park and Cane Creek Centre. Mr. Harden noted the Phase I project in the Mega Park, has been completed with the wetlands delineation and ecological surveys. Mr. Harden further noted that they are working on the Phase II area and has been told by the archeologist that he will have completed his investigation of the remaining area. With respect to the Cyber Park, at the Sentec Building, they are trying to achieve a LEED Gold designation on this building. The building was designed with use of green products including recycled content and a green roof. Completion date is projected for December, 2011. At Cane Creek Centre, they are in the process of receiving bids on the two graded pads, lots 9 and 3 for which they received the EDA Grants.

CONSIDERATION OF RESOLUTION NO. 2011-04-11-6B

Mr. Harville **moved** to approve Resolution No. 2011-04-11-6B to approve an 8 month lease to Patten Seed Company, a Georgia corporation, for that certain real property (GPIN 1356-75-8216) of the Authority, containing approximately 30 acres and fronting on Stateline Bridge Road, upon which Patten Seed Company shall plant and harvest sod and/or soybeans at a total rental fee of $3,000.00.

The Motion was **seconded** by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

CONSIDERATION OF RESOLUTION 2011-04-11-6C

Mr. Davis **moved** to approve Resolution 2011-04-11-6C, authorizing and directing the Chairman or Vice Chairman of the Authority to request rezoning of any and all parcels of land constituting the Authority's Berry Hill Regional Mega Park site to the Heavy Industrial District (M-2) classification and to execute all necessary documents pertaining thereto; and authorizing proffers up to $10,000 in the aggregate in connection therewith.

The Motion was **seconded** by Mr. Luther.

Mr. Shanks noted a church in this area had asked about acquiring some additional property around the church.

After discussion by Board members, the Motion was **withdrawn,** however after further discussion, Mr. Davis **renewed** his Motion to approve Resolution 2011-04-11-6C and Mr. Luther **renewed** his second of the Motion.

The Motion was passed by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

MONTHLY FINANCIAL REPORT

Barbara Dameron, Treasurer to the Authority gave the monthly financial report as of March 31, 2011. Ms. Dameron noted there were very few transactions this month. Sheet B showed expenditures for the month were $10,146.00 and comprised of legal fees and fees for the subservicing and exploration at Cane Creek Centre.

Mr. Harville **moved** to accept the financial report as presented. The Motion was **seconded** by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes
April 11, 2011

CLOSED MEETING

At 12:37 p.m. Mr. Harville **moved** that the meeting be recessed and the Authority immediately convene in Closed Meeting as permitted by Section 2.2-3711(A)(7) of the Code of Virginia, 1950 as amended, for consultation with and briefing by legal counsel pertaining to actual litigation regarding Nancy Barbour Smith, et al. v. Pittsylvania County Board of Supervisors (Case No. CL10000088-00), where such consultation or briefing in open meeting would adversely affect the litigating posture of the Authority.

The Motion was **seconded** by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

Upon unanimous vote at 12:45 p.m., the Authority returned to open meeting and Mr. Harville **moved** adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Luther and carried by the following vote:

VOTE: 4-0
AYE: Davis, Harville, Luther, and Saunders (4)
NAY: None (0).

COMMUNICATIONS

Mr. Harville made an inquiry to the Board regarding negotiating with the Hunting Club and bringing this matter back to the Board in May. There were no objections from the Board.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes
April 11, 2011

Mr. Harville noted that he had been approached by a gentleman regarding a farm and leasing the property for the hay. Mr. King noted that the County Attorney or the RIFA attorney would need to provide some clarification on inquiries such as this. Mr. Guanzon will look into it.

The RIFA board discussed the scope of Public Comment Period on the monthly agenda.

County Administrator Dan Sleeper noted that at the May meeting he would update the Board on the Lake House.

No further communications were heard.

The Meeting adjourned at 12:56 p.m.

_____
Chairman

_____
Clerk to the Authority

AGENDA
ITEM NUMBER 5.A

Resolution No. 2011-05-09-5A

A RESOLUTION TO APPROVE THE ACCEPTANCE OF A BID PROPOSAL FROM HAYMES BROTHERS, INC., A VIRGINIA CORPORATION, DATED APRIL 13, 2011, FOR THE CONSTRUCTION OF GRADED PADS AND SEWER LINE AT LOTS 3 AND 9 (PARTS OF GPINS 2347-38-9745, 2347-46-0892 AND 2347-35-9903) IN THE AUTHORITY'S CANE CREEK SITE, AT A TOTAL PRICE OF $1,225,050.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority issued and noticed an invitation to bid for the construction of graded pads and sewer line at Lots 3 and 9 (parts of GPINS 2347-38-9745, 2347-46-0892 and 2347-35-9903) in the Authority's Cane Creek site; and

WHEREAS, Haymes Brothers, Inc., a Virginia corporation ("**Haymes**"), submitted a bid proposal for such work at a cost of One Million Two Hundred Twenty Five Thousand Fifty and 00/100 Dollars ($1,225,050.00), attached hereto as Exhibit A and incorporated herein by this reference (the "**Proposal**"); and

WHEREAS, upon public opening and announcement of all bids, the Authority evaluated the bids and determined that Haymes was the lowest responsive and responsible bidder and that acceptance of the Proposal is reasonable, necessary and proper for the development and marketing of the Cane Creek site to business prospects; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, for the Authority to accept the Proposal and enter into a written contract with Haymes, in substantially the form of Exhibit B attached hereto and incorporated herein by this reference (the "**Contract**").

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the acceptance of the Proposal, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver the Contract and any such other documents in connection with the acceptance of the Proposal, with such amendments, deletions or additions thereto, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of the Contract or such other related documents and any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Contract or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Contract and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on May 9, 2011, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 9th day of May 2011.

_____

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Exhibit A
[Proposal]

BID PROPOSAL

Proposal of HAYMES BROTHERS, INC. (hereinafter called "BIDDER"), organized and existing under the laws of the State of VIRGINIA doing business as HAYMES BROTHERS, INC. * to Danville-Pittsylvania Regional Industrial Facilities Authority (hereinafter called "OWNER").

In compliance with your Advertisement for Bids, BIDDER hereby proposes to perform all WORK for the construction of the **Cane Creek Graded Pads & Sewer Line** in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below.

By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication or agreement as to any matter relating to this BID with any other BIDDER or with any competitor.

BIDDER hereby agrees to commence WORK under this contract on or before a date to be specified in the NOTICE TO PROCEED and to fully complete the **PROJECT within 150 consecutive calendar days thereafter. Furthermore, BIDDER agrees to substantially complete all work on Lot #9 within 90 consecutive calendar days after the date specified in the NOTICE TO PROCEED.** BIDDER further agrees to pay as liquidated damages, the sum of $250 for each consecutive calendar day thereafter as provided in Article 12 of the General Conditions and Paragraph SC4 of the Supplementary Conditions.

Bidder Acknowledges the receipt of the following addenda

No. 1 Dated: APRIL 5, 2011

No. 2 Dated: APRIL 6, 2011

No. 3 Dated: APRIL 8, 2011

DANVILLE, VIRGINIA
BID PROPOSAL: Cane Creek Graded Pads & Sewer Line

Part A

Contractor shall perform all work associated with the construction of Lot #3 as shown on the plans and called for in the specifications (excluding undercut) for the Lump Sum Bid Price:

$ 350,000.00 THREE HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS

Part B

Contractor shall perform all work associated with the construction of Lot #9 as shown on the plans and called for in the specifications (excluding undercut) for the Lump Sum Bid Price:

$ 665,000.00 SIX HUNDRED SIXTY FIVE THOUSAND DOLLARS AND ZERO CENTS.

Part C

Contractor shall perform all work associated with the construction of the proposed sanitary sewer line as shown on the plans and called for in the specifications (excluding undercut) for the Lump Sum Bid Price:

$ 135,000.00 ONE HUNDRED THIRTY FIVE THOUSAND DOLLARS AND ZERO CENTS.

Part D

Included in part D is a lump sum for unsuitable material (removal & replacement) based on an estimated quantity. The contractor shall provide the unit price and extended total that is included in Part D as follows:

Estimated Quantity – 10,000 CY @ $ 7.50 per CY = $ 75,000.00

Part E

Included in part E is a lump sum for rock (removal & replacement with suitable backfill) based on an estimated quantity. The contractor shall provide the unit price and extended total that is included in Part E as follows:

Estimated Quantity – 5,000 CY @ $ .01 per CY = $ 50.00

The Total Bid Price (Part A + Part B + Part C + Part D + Part E) is (in words):
ONE MILLION TWO HUNDRED TWENTY FIVE THOUSAND FIFTY dollars and

ZERO cents ($ 1,225,050.00).

The above lump sum and unit prices shall include labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for. Bidder understands that the owner reserves the right to reject any or all bids and to waive any informality in the bidding.

The Bidder agrees that this bid shall be good any may not be withdrawn for a period of 60 calendar days after the scheduled closing time for receiving bids.

Unless canceled or rejected the responsive BID from the lowest responsible BIDDER shall be accepted as submitted.

Respectfully submitted:

Date: APRIL 13, 2011

Bidder: HAYMES BROTHERS, INC.

By: [signature]

Title: PRESIDENT

Address: 440 HAWKINS ROAD

CHATHAM, VA 24531

(SEAL - if bid is by corporation)

Telephone Number: (434) 432-8282

Attest: [signature]
VICE PRESIDENT.

Virginia Contractors'
License No 2701010500A

CORPORATION

_____

_____

* Insert "a corporation," "a partnership," or "an individual" as applicable.

BIDDER agrees to perform all work described in the CONTRACT DOCUMENTS for the above lump sum and unit prices.

Exhibit B
[Contract]

THIS AGREEMENT, made this _____day of _____, 2011, by and between Danville-Pittsylvania Regional Industrial Facilities Authority hereinafter called "OWNER" and _____doing business as (an individual) or (a partnership) or (a corporation) hereinafter called "CONTRACTOR."

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the construction of the **Site Work for Cane Creek Graded Pads & Sewer Line**

2. The CONTRACTOR will furnish all of the materials, supplies, tools, equipment, labor, and other services necessary for the construction and completion of the PROJECT described herein.

3. The CONTRACTOR will commence the work required by the CONTRACT DOCUMENTS within **15 calendar days** after the date of the NOTICE TO PROCEED and **will complete the same within 150 consecutive calendar days** unless the period for completion is extended otherwise in accordance with the provisions of the CONTRACT DOCUMENTS. **In addition, the CONTRACTOR shall substantially complete all portions of the work at Lot #9 within 90 days of the NOTICE TO PROCEED.**

4. The CONTRACTOR agrees to perform all of the WORK described in the CONTRACT DOCUMENTS and comply with the terms therein for the sum of _____ as shown in the BID SCHEDULE.

5. The term "CONTRACT DOCUMENTS" means and includes the following:

   a. Bidding and Contract Documents as listed in the Table of Contents thereof.

   b. Drawings as prepared by **Dewberry & Davis, Inc.** numbered T1.01 through C5.04, and dated March 09, 2011.

   c. Technical Specifications as prepared or issued by **Dewberry & Davis, Inc.** dated October, 2010 as listed in the Table of Contents thereof.

   d. Addenda:

   No. _____, dated _____, 2011

   No. _____, dated _____, 2011

   No. _____, dated _____, 2011

   No. _____, dated _____, 2011

6. The OWNER will pay to the CONTRACTOR in the manner and at such times as set forth in the General Conditions such amounts as required by the CONTRACT DOCUMENTS. Retainage shall be per Section 01370-1.1.3 of this specification.

7. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed or caused to be executed by their duly authorized officials, this Agreement in 3 copies each of which will be deemed an original on the date first above written.

OWNER:

_____

(SEAL)

BY:_____

NAME: _____
(please type)

TITLE:_____

ATTEST:

_____

NAME: _____
(please type)

TITLE:_____

CONTRACTOR:

_____

BY: _____

NAME: _____
(please type)

(SEAL)

ADDRESS: _____

_____

_____

ATTEST:

_____

NAME: _____
(please type)

TITLE: _____

AGENDA
ITEM NUMBER 5.B

Resolution No. 2011-05-09-5B

A RESOLUTION TO APPROVE A ONE-YEAR LEASE TO THE OSBORNE COMPANY OF NORTH CAROLINA, INC., A NORTH CAROLINA CORPORATION, OF APPROXIMATELY 100 ACRES OF PASTURELAND IN THE AUTHORITY'S MEGA PARK SITE (A PORTION OF GPINS 1366-78-4718 AND 1367-70-4519), OWNED BY THE AUTHORITY, COMMONLY KNOWN AS 4380 BERRY HILL ROAD; AND THE LEASE SHALL BE FOR THE USE OF HARVESTING GRASS HAY AND INCIDENTAL USES ACCEPTABLE TO THE AUTHORITY, AT A TOTAL RENTAL FEE OF $800.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, The Osborne Company of North Carolina, Inc., a North Carolina corporation ("**Osborne**"), desires to enter into a lease from the Authority of one hundred (100) acres, more or less, of pasture land in the Authority's Mega Park site (a portion of GPINS 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia (the "**Property**"), for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of Eight Hundred Dollars ($800); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to enter into a lease to Osborne of the Property, for the use of harvesting grass hay and incidental uses acceptable to the authority, at a total rental fee of Eight Hundred Dollars ($800); and

WHEREAS, the terms of such proposed lease are set forth in Schedule A, attached hereto and incorporated herein by this reference (the "**Lease**").

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Lease as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Lease on behalf of the Authority, such execution of the Lease by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Lease, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Lease and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on May 9, 2011, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 9th day of May 2011.

_____

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

SCHEDULE A

THIS LEASE AGREEMENT (**"Lease"**) made as of the 9th day of May 2011, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (**"Landlord"**); and **THE OSBORNE COMPANY OF NORTH CAROLINA, INC.**, a North Carolina corporation (**"Tenant"**);

W I T N E S S E T H :

That for and in consideration of the mutual promises and covenants contained in this Lease, the parties agree as follows:

Section 1 - Property Description. Landlord leases to the Tenant, and Tenant rents from Landlord, one hundred (100) acres, more or less, of pasture land in the Authority's Mega Park site (a portion of GPINS 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia (the **"Property"**).

Section 2 - Term. This Lease shall be for a term beginning on May 15, 2011, and ending on May 15, 2012 (the **"Term"**), unless sooner terminated as provided for herein.

Section 3 - Rental Payment. Tenant agrees to pay to Landlord a base rent ("Base Rent") for the Property in the amount of Eight Hundred 00/100 Dollars ($800.00), due and payable by Tenant to Landlord on the date this Lease is executed by Tenant.

Section 4 - Assignment. Tenant may not assign or sublet the Property for any reason without Landlord's prior written consent. No assignment or sublease shall affect the obligation of Tenant to perform all of Tenant's obligations under this Lease, unless Landlord executes a written document releasing Tenant from such obligations.

Section 5 - Insurance; Personal Property. It shall be the sole responsibility of Tenant to protect and, if Tenant desires, to insure Tenant's personal property located on the Property. Landlord shall have no liability for any damage to any persons or personal property located in the Property. The parties understand and agree that Tenant shall maintain, during the Term, commercial liability insurance on the Property with a minimum limit of $1,000,000.00 per occurrence, naming Landlord as an additional insured, and that Tenant will provide Landlord with evidence of such insurance as requested by Landlord.

Section 6 - Alterations; Surrender of Property. Tenant agrees that Tenant shall seed or cover the Property throughout the Term. Tenant shall, at the termination of this Lease, surrender the Property in at least as good condition as the Property was in at the beginning of this Lease. Tenant agrees that, at the termination of this Lease, the Property shall be stabilized by perennial vegetation in accordance with the guidelines specified in Std.&Spec. 3.32 of the Virginia Erosion and Sediment Control Handbook. In addition, stabilization of the Property must also comply with Minimum Standard – 3 of the Virginia Erosion and Sediment Control Regulations, which states that "A permanent vegetative cover shall be established on denuded areas not otherwise permanently stabilized. Permanent vegetation shall not be considered established until a ground cover is achieved that is uniform, mature enough to survive and will inhibit erosion." The parties understand and agree that the determination of stabilization, or the need for additional stabilization measures, shall be made by Landlord or its designated agent.

Section 7 - Maintenance; Taxes. Tenant shall be solely responsible for the maintenance of the Property during the Term. Landlord shall pay any and all real estate taxes assessed against the Property, and Tenant shall pay any and all personal property taxes or other assessments assessed against the Property.

Section 8 - Use of Property by Tenant. No structure shall be erected on the Property. The Property shall be used by Tenant solely for planting and harvesting grass hay and for no other purpose without the prior written approval of Landlord, which approval may be withheld in the sole discretion of Landlord. However, in no event shall the Property be used for any purpose or in any manner which constitutes a violation of any federal, state, or county law or regulation, including without limitation, all provisions of any zoning ordinances and regulations applicable to the Property.

Section 9 - Waiver of Liability. Landlord shall not be responsible for any damage to Tenant or their invitees, or for any other occupant of the Property, resulting from any cause whatsoever unless caused by willful misconduct of Landlord. Tenant promises and agrees to insure, protect, and save harmless Landlord from any liabilities, costs, or expenses, including without limitation reasonable attorney's fees, incurred by reason of personal injuries (including without limitation death at any time resulting therefrom) to any person or damage to any property on or about the Property during the Term, or arising from Tenant's occupancy or use of the Property.

Section 10 - Destruction of Premises and Risk of Loss. If the Property be demolished or materially damaged by fire or otherwise, then this Lease shall automatically terminate as of the date of the destruction or damage, and Tenant shall be entitled to a pro rata refund of Base Rent that had not accrued. Landlord is under no duty to make repairs under this clause. Tenant shall have the sole and exclusive responsibility for any insurance for Tenant's personal property.

Section 11 - Default of Tenant. Upon (i) the breach of any covenant of this Lease (other than payment of Base Rent pursuant to Section 3 of this Lease) which is not cured within fifteen (15) days after notice of such breach is sent to Tenant, (ii) the use of the Property for any illegal purpose, or (iii) Tenant's failure to pay rent within five (5) days of written notice from Landlord that the rent is due and unpaid, Landlord shall have the right, at Landlord's sole option, (a) to declare all Base Rent immediately due and payable, and (b) to immediately terminate this Lease without further notice to Tenant. The exercise by Landlord of the rights granted pursuant to this paragraph shall not deprive the Landlord of any other remedy against Tenant for possession or for damages. The failure of either party to insist on the strict observance by the other party of any covenant contained in this Lease shall in no way be construed as a waiver of a future breach of the same or other covenants.

Section 12 - Condemnation. If the Property is condemned by public authority by the exercise of eminent domain or otherwise, or if the Property is sold to or is otherwise acquired by any public authority, thereupon vesting title in such public authority, this Lease shall thereupon immediately terminate, Landlord shall not be liable for any inconvenience or damage to Tenant, and Tenant shall be entitled to a pro rata refund of Base Rent that had not accrued. Any and all awards for such condemnation shall be the sole and exclusive property of Landlord.

Section 13 - Condition of Property. Tenant represents and warrants that Tenant has inspected the Property and that the Property is suitable for Tenant's purposes; therefore Tenant hereby accepts the Property in its present "AS IS", "WHERE IS" and "WITH ALL FAULTS" condition.

Section 14 - Holding Over. It is hereby agreed that, in the event that Tenant holds over after the termination of the Term, Tenant shall be a tenant at sufferance and may be removed at any time by Landlord.

Section 15 - Notice. Any notice required or contemplated to be given to a party by the other party shall be in writing and shall be given by hand delivery, certified or registered United

States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to Landlord:
Danville-Pittsylvania Regional Industrial Facility Authority
Attention: Chairman
427 Patton Street, Room 428
Danville, VA 24541

If to Tenant:
The Osborne Company of North Carolina, Inc.
Attn.: Peter F. Osborne
P.O. Box 1107
515 S. Kennedy Ave. (27288)
Eden, NC 27289-1107

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate.

Section 16 - Successors in Interest. All rights and liabilities set forth in this Lease or otherwise imposed upon any party shall extend to the heirs, executors, administrators, successors, and, so far as same are assignable by the terms of this Lease, to the assigns of such party (whether voluntary by act of the parties or involuntary by operation of law).

Section 17 - Construction. Feminine or neuter pronouns are to be substituted for those of the masculine form, and the plural is to be substituted for the singular number, in any place or places herein which the context may require such substitution. This Lease shall be construed under the laws of the Commonwealth of Virginia.

Section 18 - Final Agreement. This Lease represents the final understanding between the parties; no representations shall be binding upon Landlord unless stated in this Lease; no agent of Landlord has authority to change or modify any of the terms hereof except by writing endorsed on or attached to this Lease; Tenant has inspected and examined the Property and agrees to accept the same; and Landlord makes no warranties whatsoever regarding the fitness, operation, and continued usefulness of the premises for any purpose.

Section 19 - Quiet Enjoyment. Landlord agrees that so long as Tenant is not in default under this Lease, Tenant may quietly hold and enjoy the Property during the Term.

Section 20 - Attorneys' Fees and Costs. In the event that a party to this Lease defaults in the performance of any of the terms or obligations imposed upon such party by this Lease or the transactions contemplated hereby, the non-defaulting party may institute legal proceeding to enforce the provisions of this Lease. In such instance, in addition to any other remedy, the non-prevailing party shall be responsible for the reasonable attorneys' fees and costs incurred by the prevailing party in pursuing such action. The parties retain all rights at law and in equity to enforce the provisions of this agreement in accordance with applicable law.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this **LEASE AGREEMENT**:

LANDLORD:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

By:_____
Title:_____

TENANT:

THE OSBORNE COMPANY OF NORTH CAROLINA, INC., a North Carolina corporation

By:_____
Title:_____

AGENDA
ITEM NUMBER 5.C

(Sent to Pittsylvania County from the City of Eden Departments of Economic Development and Parks and Recreation, and the Dan River Basin Association)

Plan for Initial Development of Public Access located east of Stateline Bridge Road

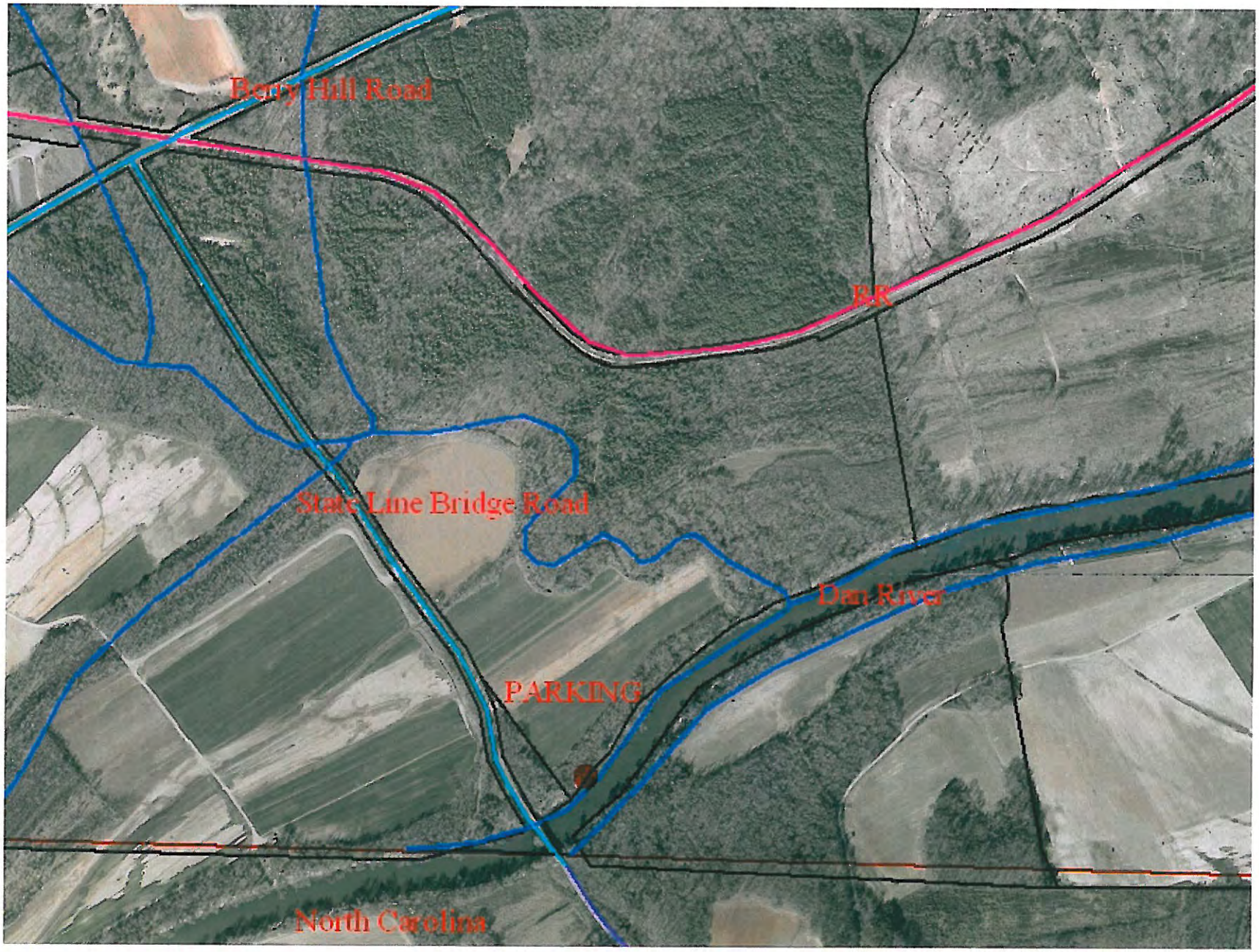
This proposal is for the initial development of a public river access located on the Dan River just east (downstream) from the VA DOT bridge located on Stateline Bridge Road. The proposed developed site would be located on property owned by RIFA, although access to the proposed site will involve agreement from adjacent property owners.

The primary purpose of the access is to provide public access to the 21 mile stretch of the Dan River that flows between Eden, NC and Danville, Va. Currently there is no public access to the river between the Eden's public access located just east of Highway 700 at the Eden City limits and Danville's public access just upriver from the Schoolfield dam (Abreu-Grogran Park). Currently the time to travel via canoe or kayak between the existing public accesses is approximately 9-11 hours of paddling. The proposed access would be 7 miles from the Eden access and 14 miles from the Danville access, creating more feasible recreational use of this entire stretch of the river. This location would also provide additional access for search and rescue teams from Pittsylvania County, Va or Rockingham County, NC in the event of the need to assist any citizens that may have an emergency on the river.

By developing the opportunity to paddle more sections of the rivers, the access would create the possibility of more recreational boaters coming to the our area for overnight stays and use of the river for family outings and vacations, whether it be for canoeing, kayaking or fishing.

The initial development would include the grading for a gravel road and gravel parking lot in an area that is currently an open agriculture field. There is a proposed walking trail of approximately 40 yards in length from the proposed parking area through the existing buffer to the location of the proposed "river access". Initially, the river access could be used "as is" which is down a 8-12 foot steep bank. After an approval of the initial development, it would be more desirable to plan and develop a step access down the bank in a manner similar to those currently installed in Eden and throughout Rockingham County, NC or Henry County, Va.

Proposed oversight and maintenance of the access area could be a coordinated activity by all of the involved parties. The oversight and maintenance agreement would need to be finalized before development of the access, assuming the property owner agrees to enter into an agreement to allow public use and access.


Berry Hill Road
R.R.
State Line Bridge Road
Dan River
PARKING
North Carolina

Resolution No. 2011-05-09-5C

A RESOLUTION AUTHORIZING THE AUTHORITY'S SUPPORT STAFF AND OTHERS TO DEVELOP A PROPOSAL FOR THE INITIAL DEVELOPMENT OF A PUBLIC RIVER ACCESS ON CERTAIN PROPERTY OWNED BY THE AUTHORITY (A PORTION OF GPIN 1356-75-8216), GENERALLY LOCATED ALONG THE DAN RIVER, EAST FROM THE VIRGINIA DEPARTMENT OF TRANSPORTATION BRIDGE LOCATED ON STATE BRIDGE ROAD, WHICH ACCESS WOULD PROMOTE THE SAFETY, HEALTH, WELFARE, AND CONVENIENCE OF THE CITIZENS OF PITTSYLVANIA COUNTY AND THE CITY OF DANVILLE.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the **"Authority"**) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, a public river access on certain property owned by the Authority (a portion of GPIN 1356-75-8216), generally located along the Dan River, East from the Virginia Department of Transportation Bridge located on State Bridge Road, would promote the safety, health, welfare, and convenience of the citizens of Pittsylvania County and the City of Danville, Virginia; and

WHEREAS, the Authority's desires that the Authority's support staff develop a proposal for the initial development of such public river access (the **"Proposal"**).

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby authorizes and directs its support staff and other agents and representatives working on behalf of the Authority to develop the Proposal for presentation before the Board of Directors of the Authority.

2. This Resolution shall take effect immediately upon its adoption.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK.]

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on May 9, 2011, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 9th day of May 2011.

_____

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

AGENDA
ITEM NUMBER 5.D

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

A. $7.3 Million Bonds

B. General Expenditures for FY 2011

C. Mega Park

D. Cane Creek Centre – Lots 3 & 9

E. Yorktowne Reimbursement

F. Rent, Interest, and Other Income Realized

G. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

$7.3 million Bonds for Cane Creek Centre - Issued in August 2005

As of April 30, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$ 7,300,000.00				
Issuance cost	(155,401.33)				
Bank fees	(98.25)				
Interest earned to date	486,031.46				
Cane Creek Parkway		$ 3,804,576.00	$ 3,724,241.16	$ 80,334.84	
Swedwood Drive [2]		69,414.00	69,414.00	-	
Cane Creek Centre entrance [3]		72,335.00	53,878.70	-	
Financial Advisory Services		7,600.00	7,600.00	-	
Dewberry contracts [1]		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant [4, 5]		71,881.00	7,274.50	64,606.50	
Yorktowne Sound Buffer		-	-	-	
Land			2,560,921.67	-	
Demolition services			33,761.62	-	
Legal fees			48,179.23	-	
Other expenditures			9,689.70	-	
Total	$ 7,630,531.88	$ 4,095,388.50	$ 6,584,543.08	$ 144,941.34	**$ 901,047.46**

notes:

[1] *Dewberry Contracts consist of wetland, engineering, surveying and site preparation*

[2] *Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive*

[3] *Project completed under budget*

[*] *In September 2008 the outstanding principal balance of $6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.*

[4] *These contracts were originally to be paid by the $1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.*

[5] *The budget amount decreased $71,279.61 from the September 30, 2010 reports. This amount represented the remaining budget amount carried from the $1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract*

Road Summary-Cane Creek Parkway:	
English Contract-Construction	$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	**$ 5,271,916.00**

Funding Summary - Cane Creek Parkway	
VDOT	$ 1,467,340.00
Bonds	3,804,576.00
	$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2011

As of April 30, 2011

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City	$ 20,000.00				
County	20,000.00				
Carryforward from FY10	79,533.66				
Transfer in from rental income realized [3]	50,000.00				
Transfer in from Research Facility-Build Out budget [1]	37.16				
Contingency					
Bank Fees		$ -	$ 4,071.25	$ -	$ -
Surveying of lots		-	1,700.00	-	-
Subsurface exploration at Cane Creek Centre		-	2,889.00	-	-
Dewberry - subdivide Cane Creek Centre		-	10,250.00	-	-
Total Contingency Budget		21,400.00	18,910.25	-	2,489.75
Legal [2]		110,570.82	88,560.65	-	22,010.17
Accounting		18,000 00	18,000.00	-	-
Postage & Shipping		100.00	-	-	100 00
Meals		2,500.00	1,889.90	-	610 10
Utilities		10,000.00	7,514.65	-	2,485.35
Insurance		7,000.00	119.00	-	6,881.00
Total	$ 169,570.82	$ 169,570.82	$ 134,994.45	$ -	**$ 34,576.37**

[1] This was the remaining balance on the Research Facility - Build Out project upon completion. This is a portion of the interest earned while the funds from the Danville Regional Foundation were invested in a money market account. Per the Danville Regional Foundation, this belongs to RIFA. The RIFA Board approved to transfer this to the General Expenditures budget at its October 12, 2010 meeting.

[2] The Board approved at its December 13, 2010 meeting to increase the legal budget using $14,570.82 of available funding and transferring $6,000 from the Contingency budget.

[3] The RIFA Board approved at its March 14, 2011 meeting to transfer $50,000 from rental income realized to the General Expenditures budget to cover legal and contingency items. The entire $50,000 has been budgeted for legal at this time.

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park

As of April 30, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Land					
Klutz property		$ 8,394,553.50	$ 8,394,553.50	$ -	
Canter property [2]		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis[3]		990,850.00	937,035.79	53,814.21	
Consulting Services - McCallum Sweeney		115,000.00	80,343.52	34,656.48	
Total	$ 14,388,399.83	$ 14,231,524.83	$ 14,143,054.14	$ 88,470.69	$ 156,875.00

[1] *This figure does not include the interest the City is losing from the uninvested funds.*

[2] *Settlement fees have been charged to general expenditures until a funding source is available*

[3] *This contract was originally for $814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. $740,000 will be covered by the FY09 Tobacco Allocation and $250,850 will be covered by the FY10 Tobacco Allocation.*

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of April 30, 2011

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
EDA Grant Investment	$ 2,275,030.00				
Tobacco Commission FY10 Reserve Fund Allocation	426,568.00				
Local Match - RIFA [1]	142,190.00				
Expenditures					
Dewberry & Davis		$ 111,600.00	$ 3,060.00	$ 108,540.00	
Advertisements for bids		-	1,538.20	-	
Total	$ 2,843,788.00	$ 111,600.00	$ 4,598.20	$ 108,540.00	**$ 2,730,649.80**

[1] *Bond funds are available to cover this local match.*

Danville-Pittsylvania Regional Industrial Facility Authority

Yorktowne Reimbursement

As of April 30, 2011

Yorktowne Reimbursement*	$ 181,339.68

*Since Yorktowne did not meet the job requirements set forth in its initial Performance Agreement executed in 2005, it is repaying incentive money to RIFA to account for the jobs not created. In accordance with the amended Performance Agreement, we received one payment from Yorktowne in the amount of $45,334.92 in November 2009. We received another payment of $136,004.76 in November 2010. No further payments are due unless Yorktowne fails to meet the new targets in the amended performance agreement. The RIFA Board approved at the March 14, 2011 meeting to retain these funds for use within RIFA. These funds are available for the RIFA Board to allocate to budgets as needed.

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized
As of April 30, 2011

		Funding		Expenditures		Unexpended / Unencumbered
Funding						
Rent Received						
Hawkins Research Building Rent Received from IALR [1, 4]	$	374,767.27				
Cedar Lane Rent Received		10,800.00				
Gilbert Building Rent Received from Securitas		10,100.00				
Klutz Farm Rent Received		6,500.00				
Oak Hill Hunting Club Rent Received		4,000.00				
Sod Farm Rent Received		6,500.00				
Browning & Associates Rent Received		1,000.00				
Hughes Property Rent Received		400.00				
	$	414,067.27				
Interest Received [2]	$	22,865.47				
Expenditures						
Disbursement to IALR for SEnTeC project [1]			$	278,812.00		
Transfer to General Expenditures budget [3]				50,000.00		
Total	$	436,932.74	$	328,812.00	$	108,120.74

[1] A portion of the rent received from the IALR for the Hawkins Research Building was Board-restricted for the SEnTeC project. RIFA disbursed $278,812.00 to the IALR to fully satisfy this commitment made by the Board at the June 11, 2008 meeting.

[2] Please note that this is only interest received on RIFA's general money market account.

[3] The RIFA Board approved to transfer $50,000 from rental income realized to the General Expenditures budget at its March 14, 2011 meeting.

[4] Please note that these rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets [1, 2]
*April 30, 2011**

		Unaudited FY 2011
Assets		
Current assets		
Cash - checking	$	500,962
Cash - money market		489,457
Total current assets		990,419
Noncurrent assets		
Restricted cash - project fund		1,045,989
Restricted cash - debt service fund		652,451
Capital assets not being depreciated		24,193,225
Capital assets being depreciated, net		28,161,909
Construction in progress		1,023,794
Unamortized bond issue costs		116,551
Total noncurrent assets		55,193,919
Total assets		56,184,338
Liabilities		
Current liabilities		
Due to City of Danville		10,457,372
Bonds payable - current portion		285,000
Security deposit		1,000
Total current liabilities		10,743,372
Noncurrent liabilities		
Bonds payable - less current portion		5,895,000
Total noncurrent liabilities		5,895,000
Total liabilities		16,638,372
Net Assets		
Invested in capital assets - net of related debt		38,439,996
Unrestricted		1,105,970
Total net assets	$	39,545,966

[1] Please note that this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

[2] Please note that this balance sheet does not include general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note that these statements are for the period ended April 30, 2011 as of April 29, 2011, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Assets
*April 30, 2011**

	Unaudited FY 2011
Operating revenues	
Rental income	381,467
Reimbursement of incentive grants	180,000
Other grants	75,000
Total operating revenues	636,467
Operating expenses [4]	
Mega Park expenses [3]	115,658
Cane Creek Centre expenses [3,5]	80,815
Cyber Park expenses [3]	23,165
Economic development - Cyberpark	934,531
Economic development - Cane Creek Centre	622,126
Professional fees	39,805
Insurance	6,065
Other operating expenses	10,067
Total operating expenses	1,832,232
Operating loss	(1,195,765)
Non-operating revenues (expenses)	
Interest income	2,931
Interest expense	(15,465)
Total non-operating expenses, net	(12,534)
Net loss before capital contributions	(1,208,299)
Capital contributions	
Contribution - City of Danville	193,058
Contribution - Pittsylvania County	193,058
Total capital contributions	386,116
Change in net assets	(822,183)
Net assets at July 1,	40,368,149
Net assets at April 30,	$ 39,545,966

[3] A portion or all of these expenses may be capitalized at fiscal year-end.

[4] Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

[5] Please note that this line item includes $51,564 for fees related to the $7.3M bonds for Cane Creek.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*April 30, 2011**

		Unaudited FY 2011
Operating activities		
Receipts from grant reimbursement requests	$	329,814
Receipts from incentive repayment		136,005
Receipts from leases		386,768
Payments to suppliers for goods and services		(645,410)
Net cash provided by operating activities		207,177
Capital and related financing activities		
Capital contributions		566,116
Interest paid on bonds		(17,588)
Principal repayments on bonds		(275,000)
Net cash provided by capital and related financing activities		273,528
Investing activities		
Interest received		2,931
Net cash provided by investing activities		2,931
Net increase in cash and cash equivalents		483,636
Cash and cash equivalents - beginning of year (including restricted cash)		2,205,223
Cash and cash equivalents - through April 30, 2011 (including restricted cash)	$	2,688,859
Reconciliation of operating loss before capital contributions to net cash provided by operating activities:		
Operating loss	$	(1,195,765)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Non-cash economic incentive expenses		1,202,845
Non-cash economic incentive reimbursements		(180,000)
Changes in assets and liabilities:		
Change in prepaids		10,470
Change in due from other governments		254,814
Change in other receivables		140,305
Change in accounts payable		(26,492)
Change in security deposit		1,000
Net cash provided by operating activities	$	207,177

Components of cash and cash equivalents at April 30, 2011:		
American National - Checking	$	500,962
American National - General money market		489,457
Wachovia - $7.3M Bonds CCC Debt service fund		652,451
Wachovia - $7.3M Bonds CCC Project fund		1,045,989
	$	2,688,859

AGENDA
ITEM NUMBER 7

Resolution No. 2011-05-09-7

A RESOLUTION TO APPROVE THE SALE TO HARMONY UNITED METHODIST CHURCH OF THAT CERTAIN REAL PROPERTY (A PORTION OF GPIN 1356-75-8216), LOCATED IN THE AUTHORITY'S MEGA PARK SITE, FRONTING ON OAK HILL ROAD, AND CONTAINING 10.44 ACRES, MORE OR LESS, AT A PRICE OF $_____ PER ACRE.

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the **"Authority"**) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, Harmony United Methodist Church (**"Harmony"**) is the owner of that certain real property (GPIN 1356-79-2587), containing approximately five (5) acres and fronting on Oak Hill Road, in Pittsylvania County, Virginia, as shown on Exhibit A attached hereto and incorporated herein (the **"Harmony Property"**); and

WHEREAS, the Authority is the owner of that certain real property (a portion of GPIN 1356-75-8216), located in the Authority's Mega Park Site, fronting on Oak Hill Road, in Pittsylvania County, Virginia, and containing ten and 44/100 (10.44) acres, more or less, as shown on Exhibit A, (the **"Authority Property"**), and immediately adjacent to the Harmony Property

WHEREAS, Harmony desires to purchase the Authority Property at a price of _____ Dollars ($_____) per acre, to provide a buffer between the Harmony Property and the Authority's Cane Creek Site, and the Authority has determined that the sale of the Authority Property at such price, to provide such a buffer, is in the best interests of the Authority and the citizens of Pittsylvania County, Virginia and the City of Danville, Virginia.

WHEREAS, the terms of such proposed purchase and sale contract are set forth in Schedule B, attached hereto and incorporated herein by this reference (the **"Contract"**).

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Contract as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Contract on behalf of the Authority, such execution of the Contract by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver such other documents in connection with the closing of the sale of the Authority Property to Harmony pursuant to the Contract, as may be approved by the Chairman or the Vice Chairman, such

execution by the Chairman or the Vice Chairman to conclusively establish his approval of such other documents.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Contract or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the sale of the Authority Property to Harmony and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a meeting duly called and held on May 9, 2011, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 9th day of May 2011.

_____

Susan M. DeMasi
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Exhibit A

[Authority Property]

Exhibit B

THIS CONTRACT OF SALE (this **"Contract"**) is made as of May ___, 2011, between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (**"Seller"**); and **HARMONY UNITED METHODIST CHURCH**, and unincorporated church (**"Purchaser"**).

AGREEMENT

In consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
The Property

Section 1.1. Agreement to Sell and Purchase the Property. Subject to the terms and conditions of this Contract, Seller agrees to sell, assign and transfer, or cause to be sold, assigned and transferred, to Purchaser and Purchaser agrees to purchase, acquire, and accept from Seller, the following property:

> That certain parcel or tract of land located in Pittsylvania County, Virginia, containing approximately 10.44 acres, more or less, fronting Oak Hill Road, and being a part of GPIN# 1366-75-8216, as shown on **Exhibit A**, attached hereto and incorporated herein by this reference, together with all easements, rights-of-way and appurtenances thereto belonging (the **"Property"**);

ARTICLE II
The Deposit

Section 2.1. Delivery of the Deposit. On the date this Contract is executed and delivered by Purchaser (the **"Execution Date"**), Purchaser shall deposit with Seller, the sum of _____ and 00/100 Dollars ($_____.00) (the **"Deposit"**). The Deposit shall become the property of Seller upon delivery, and shall only be returnable to Purchaser pursuant to Section 6.2.

Section 2.2. Application of the Deposit. The Deposit shall be applied to the Purchase Price (as hereafter defined) at the Closing (as hereafter defined) or otherwise disbursed in accordance with the terms hereof.

ARTICLE III
Purchase Price

Section 3.1. Payment of Purchase Price. The purchase price of the Property (the **"Purchase Price"**) will be _____ Dollars ($_____), which is based on an estimated total area of 10.44 acres. Purchaser shall, within thirty (30) days of the date of this Contract, cause an accurate survey and subdivision plat of Property to be made at Purchaser's expense, by a licensed surveyor or civil engineer, and be delivered to Seller. Such survey shall be in recordable form and shall have been approved for recordation by all necessary government action, including without limitation zoning approval. The accurate acreage of Property shall be determined by that survey. If the survey shows the actual area to be more or less than the present estimated acreage, the Purchase Price will be corrected accordingly, at the rate of _____ Dollars ($_____) per acre. The Purchase Price is subject to prorations and adjustments as set forth herein, payable to Seller at the closing of the transactions contemplated hereunder (the **"Closing"**).

ARTICLE IV
Conditions to the Parties' Obligations

Section 4.1. In General. If any one or more of the conditions to a party's obligations listed in this Article IV are not satisfied within the period of time specified, such party may (i) waive such condition and proceed to the Closing, subject to any other conditions which may be required to be satisfied thereafter, (ii) terminate this Contract by written notice to the other party, or (iii) if the condition relates to the failure of the other party to perform its obligations hereunder, pursue its legal rights and remedies available on account of such nonperformance. If a party terminates this Contract, neither party thereafter shall have any further liability hereunder. Unless the parties otherwise agree in writing, the satisfaction or waiver of a condition to a party's obligations shall not affect the liability of the other party with respect to any of its representations or warranties relating to the same subject matter.

Section 4.2. Conditions to Purchaser's Obligations. The following conditions to Purchaser's obligations are to be satisfied as of the Closing:

(a) Seller's Representations and Warranties. All of the representations and warranties of Seller set forth in this Contract shall be true and correct in all material respects as of the Closing.

(b) Closing Documents. All of the documents required under Section 7.2(a) to be executed and/or delivered by Seller shall have been so executed and delivered.

(c) Good Title. Seller shall at Closing convey the Property to Purchaser by recordable general or special warranty deed, in the same manner as Seller received title to the Property (the **"Deed"**), conveying good and marketable title of record to the Property, in fee simple, free and clear of all liens, encumbrances and other exceptions except for (i) any lien for real estate taxes not yet due and payable; (ii) any utility or other easement of record; (iii) utility

easements which do not materially adversely affect the fair market value of the Property or the intended use of the Property by the Purchaser; and (iv) any other exceptions approved in writing by Purchaser.

(d) Performance by Seller. Seller shall have performed in all material respects all of its other obligations required to have been performed hereunder on or before the Closing.

Section 4.3. Conditions to Seller's Obligations. The following conditions to Seller's obligations are to be satisfied on or before the Closing:

(a) Purchaser's Representations and Warranties. All of the representations and warranties of Purchaser hereunder shall be true and correct in all material respects as of the Closing.

(b) Authority of Purchaser. Purchaser shall have delivered evidence reasonably satisfactory to Seller of Purchaser's authority to purchase the Property and consent of Purchaser's governing body or bodies to the purchase of the Property.

(c) Survey. Pursuant to Section 3.1 above, within thirty (30) days of the date of this Contract, Purchaser shall have caused an accurate survey and subdivision plat of Property to be made at Purchaser's expense, by a licensed surveyor or civil engineer, and be delivered to Seller.

(d) Closing Documents. All of the documents required under Section 7.2(b) below to be executed and/or delivered by Purchaser shall have been so executed and delivered.

(e) Performance by Purchaser. Purchaser shall have performed in all material respects all of its obligations required to have been performed hereunder on or before the Closing.

ARTICLE V
Representations and Warranties

Section 5.1. Representations and Warranties of Seller. Seller represents and warrants to Purchaser as follows:

(a) Seller's Authority. Seller is a political subdivision of the Commonwealth of Virginia, duly organized, validly existing, and in good standing under the laws of Virginia and has the power and authority to execute and deliver this Contract and to consummate the transactions contemplated hereunder.

(b) Real Estate Agent. Seller has not employed or otherwise dealt with any real estate agent, salesman, or broker in connection with the transactions contemplated hereunder.

Section 5.2. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller as follows:

(a) Purchaser's Authority. Purchaser has the power and authority to execute and deliver this Contract and to consummate the transactions contemplated hereunder.

(b) Real Estate Agent. Purchaser has not employed or otherwise dealt with any real estate agent, salesman, or broker in connection with the transactions contemplated hereunder and shall indemnify and hold Seller harmless from any claim(s) for a commission as a result of a breach of the foregoing warranty.

ARTICLE VI
Special Provisions

Section 6.1. Default by Purchaser. In the event the Closing does not take place on account of a default by Purchaser in the performance of its obligations under this Contract, Seller shall be entitled to retain the Deposit (which shall be applied by the Seller to any damages sustained by the Seller as a result of such breach) and to pursue all legal and equitable remedies available to them.

Section 6.2. Default by Seller. If Seller is unable to convey title to the Property as set forth in Section 4.2(c) above, if there has occurred a breach of any of Seller's representations, warranties, and covenants, or if any of the conditions to Purchaser's performance specified herein have not been satisfied, Purchaser may, at Purchaser's option, terminate this Contract by written notice forwarded to Seller prior to the Closing or delivered to Seller at the Closing. If Purchaser elects to terminate this Contract pursuant to this Section, then the Deposit shall be promptly refunded to Purchaser. IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ON ACCOUNT OF ANY MATTER RELATING TO OR ARISING OUT OF THIS CONTRACT, OR ANY ACTION OR INACTION, EVEN IF SELLER, TO THE EXTENT APPLICABLE, IS ADVISED OF THOSE DAMAGES OR THE POSSIBILITY OF THOSE DAMAGES. DAMAGES HEREBY WAIVED AND EXCLUDED INCLUDE WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFIT.

Section 6.3. Assignment of Contract. Purchaser may assign its interest under this Contract.

Section 6.4. Condition of Property, etc. Except as expressly set forth in this Contract, Seller has not made any representations or warranties as to the condition of the Property, the current or anticipated income or expenses of the Property, the status of title to the Property, the compliance of the Property with applicable building codes or applicable zoning, environmental or other laws, ordinances or regulations, or any other matter whatsoever. Purchaser acknowledges that it has made its own determination as to such matters and as to the suitability of the Property generally. Accordingly, Purchaser shall purchase the Property "AS IS", "WHERE IS" and "WITH ALL FAULTS".

Section 6.5. Access to Property. At all times reasonably approved by Seller prior to Closing, Purchaser, its agents, employees, representatives and contractors, at Purchaser's sole

cost and expense, shall have the right after the execution of this Contract to enter upon the Property to perform such tests, inspections and examinations of the Property as Purchaser deems advisable (the **"Investigations"**), including matters or survey, flood plain of the Property, the availability of utilities, zoning and building code and other applicable governmental regulation compliance in connection with the Property and the use thereof. For such purposes, Purchaser, its agents, employees, representatives and contractors, may enter upon the Property and do all things necessary in connection therewith, provided they do not materially damage the Property and provided the Property is restored to the condition that existed prior to such Investigations. Purchaser shall indemnify, defend, and hold Seller harmless from and against all cost, loss, damage and expense, including reasonable attorneys' fees, arising out of Purchaser's, its agents', employees', representatives', or contractors' activities upon the Property pursuant to this Section.

ARTICLE VII
Closing

Section 7.1. Date and Place of Closing. The Closing shall take place on or before that date that is sixty (60) days after the date of this Contract, time being of the essence unless waived by Seller, at the offices of Clement & Wheatley, 549 Main Street, Danville, Virginia, or at such other date and location as the parties may mutually agree.

Section 7.2. (a) Deliveries by Seller. Seller shall execute as appropriate and deliver the following to Purchaser:

(i) the Deed;

(ii) A certificate to the effect that it is not a foreign entity subject to the withholding requirements of the Foreign Investment in Real Property Tax Act; and

(iii) Such other documents as may be reasonably necessary or required by any title company providing insurance to or on behalf of Purchaser, or to consummate the transactions contemplated in this Contract.

(b) Deliveries by Purchaser. At the Closing, Purchaser shall deliver:

(i) The Purchase Price by cashier's or certified check or other immediately available funds;

(ii) Evidence reasonably satisfactory to the Seller of Purchaser's authority to consummate this transaction; and

(iii) Such other documents as may be reasonably necessary to consummate the transactions contemplated in this Contract.

Section 7.3. Proration. Rents, real estate taxes and assessments, and such other matters as are customarily apportioned in transactions similar to the transaction contemplated by this Contract shall be prorated between Seller and Purchaser on a per diem basis as of the Closing.

Section 7.4. Closing Costs. Purchaser shall pay all closing costs, including without limitation, attorney's fees, the cost of preparation of the Deed and any other documents, state and local recording taxes and clerk's and transfer fees (including grantor's tax), any title insurance costs, and the costs of Investigations. Real estate taxes, if any, for the then current year shall be prorated at the Closing effective as of the Closing. Purchaser shall pay, when assessed, whether at or after Closing, any rollback taxes assessed.

Section 7.5. Risk of Loss. Purchaser does not assume the risk of loss or damage to the Property by fire or other casualty before Closing. In the event any portion of the Property is damaged by fire or casualty after the date this Contract is fully executed and prior to the Closing, Purchaser may, at its sole option, terminate this Contract, in which case the Deposit and interest earned thereon shall be returned to Purchaser and no party shall have any further liability or obligation to any other party hereunder.

ARTICLE VIII
Miscellaneous

Section 8.1. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

Section 8.2. Notices. All notices, demands, requests and other communications required or permitted hereunder shall be in writing and shall be delivered in person or shall be sent by express courier or by registered or certified mail, return receipt requested, postage prepaid, to the persons and at the addresses set forth below or to such other persons or addresses as the party entitled to notice shall have specified by at least ten (10) days' prior written notice given to the other party herein.

(i) To Seller: Danville-Pittsylvania Regional Industrial
Facility Authority
Attention: Chairman
427 Patton Street, Room 428
Danville, VA 24541

(ii) To Purchaser: Harmony United Methodist Church
3965 Oak Hill Road
Danville, VA 24541

All such notices, demands, requests and other communications shall be deemed to have been given upon the earlier of (i) delivery at the appropriate address specified above, whether in person, by express courier or by mail, or (ii) three (3) business days after the postmark date of mailing. Rejection or other refusal to accept or the inability to deliver because of a changed address of which no notice was given shall not invalidate the effectiveness of any notice, demand, request, or other communication.

Section 8.4. Consents and Approvals. All consents and approvals required or permitted by this Contract shall be signed by the party from whom the consent or approval is sought and, unless otherwise provided herein, may be withheld by such party in its sole discretion.

Section 8.5. Amendments. This Contract may only be amended, supplemented or terminated in writing, signed by the parties hereto.

Section 8.6. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 8.7. Governing Law. This Contract shall be governed by the laws of the Commonwealth of Virginia. If any ambiguity or question of intent or interpretation arises, this Contract shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Contract.

Section 8.8. Further Assurances. After the Closing, each party to this Contract shall, upon the request of the other party, execute and deliver such other documents and take such further action as may be necessary or proper to carry out the purposes of this Contract.

Section 8.9. Interpretation. For purposes of construing this Contract, unless the context otherwise indicates, words in the singular number shall include words in the plural number, and vice versa, and words in one gender shall be deemed to include words in the other genders. The titles to articles and headings for Sections in this Contract are for convenience only and neither limit nor amplify the provisions of this Contract.

Section 8.10. Entire Agreement. This Contract contains the entire agreement and understanding of the parties with respect to the transactions contemplated hereby; and this Contract supersedes all prior understandings and agreements of the parties with respect to the subject matter hereof.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures:

SELLER: **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia

By: _____

Title: _____

PURCHASER: **HARMONY UNITED METHODIST CHURCH,** an unincorporated church

By: _____

Title: _____