Danville-Pittsylvania Regional Industrial Facility Authority

CITY OF DANVILLE, VIRGINIA
COUNTY OF PITTSYLVANIA, VIRGINIA

AGENDA

MONDAY, MAY 14, 2012

12:00 NOON

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

COUNTY OF PITTSYLVANIA MEMBERS

COY E. HARVILLE, CHAIRMAN
JAMES H. SNEAD
JESSIE L. BARKSDALE, ALTERNATE

CITY OF DANVILLE MEMBERS

SHERMAN M. SAUNDERS, VICE 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 10, 2012 MEETING

5. APPROVAL OF MINUTES FOR THE MAY 3, 2012 SPECIAL MEETING

6. NEW BUSINESS

A. Consideration of Resolution No. 2012-05-14-6A, approving a one-year renewal of the hunting lease with Guilford Whitetail Management, a North Carolina corporation, as tenant, of approximately 1,073.94 acres at the Authority's Mega Park Site (GPINs 1366-54-5996, 1367-42-8434, and 1377-01-1754 and a portion of GPIN 1356-75-8216), commonly known as the Kluttz Farm, for the uses of hunting, fishing and related outdoor recreational activities, at a total rental fee of $4,500. [Resolution and Lease Renewal attached.]

B. Consideration of Resolution No. 2012-05-14-6B, approving Change Order No. 4, dated April 17, 2012, to the agreement dated May 9, 2011, with Haymes Brothers, Inc., a Virginia corporation, for the installation of rip rap in ditches on Lot 9 in the Authority's Cane Creek Site. [Resolution and Change Order attached.]

C. Consideration of Resolution No. 2012-05-14-6C, approving a lease to Mark L. Osborne, for that certain tract of land commonly known as Lot 8, containing approximately 34.4 acres, being a part of GPIN 1356-98-0985 (a part of that property commonly known as the Kluttz Farm), located in the Authority's Mega Park in Pittsylvania County, Virginia, at a total annual rental fee of $1,032.00, for the planting and harvesting of soy and sod. [Resolution and Lease Agreement attached.]

D. Financial Report as of April 30, 2012 – Barbara A. Dameron, CPA, Authority Treasurer

7. CLOSED SESSION

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities on or about the Authority's Cane Creek Centre. [During such closed meeting, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed meeting shall be considered attorney-client privileged.]

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

C. Motion to Certify Closed Meeting.

8. COMMUNICATIONS FROM:

Jessie L. Barksdale
Coy E. Harville
T. David Luther
Sherman M. Saunders
Fred O. Shanks, III
James H. Snead
Staff

9. ADJOURN

AGENDA
ITEM NUMBER 4

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
April 10, 2012

The Regular Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 12:16 p.m. on the above date in the Danville Regional Airport, Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members T. David Luther and Vice Chairman Sherman M. Saunders; alternate Fred O. Shanks was absent. Pittsylvania County Members present were Chairman Coy E. Harville, James Snead and Alternate Jessie L. Barksdale.

City/County staff members attending were: City Manager Joe King, Danville Finance Director/Authority Treasurer Barbara Dameron, Assistant County Administrator for Planning & Development Gregory Sides, City of Danville Marketing and Research Manager Corrie Teague, City of Danville Senior Accountant Patricia Conner, Clement and Wheatley Attorney Michael Guanzon, and Secretary to the Authority Susan DeMasi.

Dewberry & Davis Project Manager Shawn Harden was also present.

Chairman Harville called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MARCH 12, 2012 MINUTES

Upon **Motion** by Mr. Luther and **second** by Mr. Snead, Minutes of the March 12, 2012 Meeting were approved, as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION – RESOLUTION NO. 2012-04-10-5A – APPROVE A ONE-YEAR RENEWAL OF LEASE TO THE OSBORNE COMPANY OF NORTH CAROLINA, INC., IN THE AUTHORITY'S MEGA PARK

Mr. Snead **moved** adoption of *Resolution 2012-04-10-5A, to approve a one-year renewal of the 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.*

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

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

5B. CONSIDERATION - RESOLUTION NO. 2012-04-10-5B – APPROVING AN AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS OF THE AUTHORITY'S CANE CREEK CENTRE

Marketing and Research Manager Corrie Teague noted that the amendment would allow retail and commercial use for the front lots at Cane Creek.

Mr. Saunders **moved** adoption of *Resolution No. 2012-04-10-5B, to approve an Amendment to that certain Declaration of Protective Covenants of the Authority's Cane Creek Centre, dated July 12, 2000, and recorded in the Clerk's Office of the Circuit Court of the County of Pittsylvania, Virginia, as Instrument No. 05-06158, in Deed Book 1505, at page 237, and recorded in the Clerk's Office of the Circuit Court of the City of Danville, Virginia, as Instrument No. 05-4233, at page 189, as such restrictions pertain to (i) that certain area designated as Lot 12, fronting on Cane Creek Parkway and South Boston Road (U.S. Highway No. 58), and (ii) that certain portion of the area designated as Lot 6 that is located only in the City of Danville, Virginia, and fronting on Cane Creek Parkway and South Boston Road (U.S. Highway No. 58); being a portion of that certain parcel of land known as GPIN 2347-03-7443, in the County of Pittsylvania, Virginia, and all of those certain parcels of land known as PINs 78380 and 77193, in the City of Danville, Virginia.*

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

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

5C. FINANCIAL REPORT AS OF MARCH 31, 2012 – BARBARA DAMERON, CPA, AUTHORITY TREASURER

Ms. Dameron noted there was limited activity with very few transactions last month. Under general expenses, the Authority spent $4,867, of that $4,051 was for legal fees not related to the litigation, except for about $114. The Authority realized $20,172 in rental income and $55.00 income for reimbursement of expenses for a FOIA request.

Mr. Snead **moved** adoption of the Financial Report as of March 31, 2012. The Motion was **seconded** by Mr. Luther and carried by the following vote:

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

6A. CLOSED SESSION

At 12:20 p.m., Mr. Luther moved that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting as permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended, for discussion concerning the

expansion of an existing industry where no previous announcement has been made of the industry's interest in expanding its facilities in Pittsylvania County, Virginia.

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

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

Mr. Harville noted that upon **Motion** by Mr. Luther and **second** by Mr. Snead, and by unanimous vote at 1:00 p.m., the Authority returned to open meeting.

Mr. Luther **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 meeting 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. Snead and carried by the following vote:

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

COMMUNICATIONS

There were no communications from Board Members or staff.

Authority Secretary noted that she had been informed by the City Manager's Executive Secretary that Mr. Shank's sister-in-law had passed away. Mr. Harville asked that his family be remembered.

Upon **Motion** by Mr. Luther and **second** by Mr. Snead, and unanimous vote, the Meeting was adjourned.

MEETING ADJOURNED AT 1:02 P.M.

_____
Chairman

_____
Secretary to the Authority

DRAFT

AGENDA
ITEM NUMBER 5

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
May 3, 2012 – Special Meeting

A Special Meeting of the Danville Pittsylvania Regional Industrial Facility Authority convened at 2:00 p.m. on the above date in the Danville Regional Airport, Conference Room, 424 Airport Drive, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, T. David Luther and alternate Fred O. Shanks. Pittsylvania County Members present were Chairman Coy E. Harville and James Snead; Alternate Jessie L. Barksdale was absent.

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

Tim Manning of Virdia was also present.

Chairman Harville called the Meeting to order.

PUBLIC COMMENT PERIOD

No one desired to be heard.

4. NEW BUSINESS

4A. CONSIDERATION – RESOLUTION NO. 2012-05-03-SPECIAL-4A – APPROVE AMENDMENT TO DECLARATION OF RESTRICTIVE COVENANTS TO THE CYBER PARK

Mr. Snead **moved** adoption of *Resolution 2012-05-03-Special-4A to approve an Amendment to that Certain Declaration of Restrictive Covenants for the Cyber Park, dated September 20, 2004, and recorded in the Clerk's Office of the Circuit Court of the City of Danville, Virginia, as Instrument No. 05-1671, at page 107, a copy of which is attached hereto as "Exhibit A".*

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

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

4B. CONSIDERATION - RESOLUTION NO. 2012-05-03-SPECIAL-4B AUTHORIZE VIRDIA TO INSTALL A WALL SIGN ON THE SENTEC BUILDING

Mr. Luther **moved** adoption of *Resolution No. 2012-05-03-Special-4B to authorize Virdia to install a proposed wall sign of 35" x 115" on the SENTEC Building in the Cyber Park.*

Mr. Manning from Virdia and Kenny Gillie, Director of Planning from the City of Danville were present to answer any questions.

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

Mr. Snead questioned the second sign. Mr. Gillie stated that the "red" sign was a directory sign. He noted that Virdia was going to put up a sign on all three buildings as well as directory signs at each of the entrances as well.

The Motion was carried by the following vote:

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

Upon **Motion** by Mr. Snead and **second** by Mr. Luther and unanimous vote, the Meeting was adjourned.

MEETING ADJOURNED AT 2:05 P.M.

_____
Chairman

_____
Secretary to the Authority

DRAFT

AGENDA
ITEM NUMBER 6A

Resolution No. 2012-05-14-6A

A RESOLUTION TO APPROVE A ONE-YEAR RENEWAL OF THE HUNTING LEASE WITH GUILFORD WHITETAIL MANAGEMENT, A NORTH CAROLINA CORPORATION, AS TENANT, OF APPROXIMATELY 1,073.94 ACRES AT THE AUTHORITY'S MEGA PARK SITE (GPINs 1366-54-5996, 1367-42-8434, 1377-01-1754 AND A PORTION OF 1356-75-8216), COMMONLY KNOWN AS THE KLUTTZ FARM, FOR THE USES OF HUNTING, FISHING AND RELATED OUTDOOR RECREATIONAL ACTIVITIES, AT A TOTAL RENTAL FEE OF $4,500.

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, Guilford Whitetail Management, a North Carolina corporation (**"GWM"**), entered into that certain Hunting Lease Renewal Agreement with the Authority dated as of May 17, 2011 (the **"Current Lease"**), for that certain real property located in Pittsylvania County, Virginia, containing an aggregate of 1,073.94 acres, more or less, commonly known as the Kluttz Farm (GPIN 1366-54-5996, containing 563.92 acres, more or less; GPIN 1367-42-8434, containing 133.81 acres, more or less; GPIN 1377-01-1754, containing 176.21 acres; and a portion of GPIN 1356-75-8216, containing approximately 200 acres located north of Oak Hill Road), off State Road 863 (the **"Property"**), for the use of hunting, fishing and related outdoor recreational activities, at a total rental fee of Four Thousand Five Hundred Dollars ($4,500); and

WHEREAS, GWM desires to renew the lease, which otherwise expires May 16, 2012, for an additional one (1) year term on the same terms and conditions as the Current Lease; 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 renew the Current Lease for an additional one (1) year term on the same terms and conditions as the Current Lease; and

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

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Lease Renewal as set forth in Exhibit A and 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 Renewal on behalf of the Authority, such execution of the Lease Renewal 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 Renewal, 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 Renewal and the matters contemplated therein.

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

Resolution No. 2012-05-14-6A

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 14, 2012, 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 14th day of May 2012.

_____

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

(SEAL)

Resolution No. 2012-05-14-6A

Exhibit A

THIS LEASE RENEWAL (this **"Lease Renewal"**), made as of the _____ day of _____ 2012, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (**"Landlord"**); and **GUILFORD WHITETAIL MANAGEMENT**, a North Carolina corporation (**"Tenant"**);

W I T N E S S E T H :

WHEREAS, Landlord and Tenant entered into that certain Hunting Lease Renewal Agreement dated as of May 17, 2011 (the **"Lease"**), for that certain real property located in Pittsylvania County, Virginia, containing an aggregate of 1,073.94 acres, more or less, commonly known as the Kluttz Farm (GPIN 1366-54-5996, containing 563.92 acres, more or less; GPIN 1367-42-8434, containing 133.81 acres, more or less; GPIN 1377-01-1754, containing 176.21 acres; and a portion of GPIN 1356-75-8216, containing approximately 200 acres located north of Oak Hill Road), off State Road 863 (the **"Property"**), for the use of hunting, fishing and related outdoor recreational activities, at a total rental fee of Four Thousand Five Hundred Dollars ($4,500); and

WHEREAS, Landlord and Tenant desire to renew the Lease for an additional one (1) year term as set forth herein.

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

1. The **"Renewal Term"** shall be for a term of one (1) year beginning on May 17, 2012, and ending on May 16, 2013. The Term (as defined in the Lease) shall include the initial Term and the Renewal Term.

2. Tenant agrees to pay to Landlord as additional rent (**"Additional Rent"**) for the Renewal Term the amount of Four Thousand Five Hundred and 00/100 Dollars ($4,500.00), payable in advance. The **"Rent"** (as defined in the Lease) shall include the Rent for the initial Term and the Additional Rent.

3. All other terms and conditions of the Lease not specifically changed herein shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

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

LANDLORD:

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

By: _____

Printed Name: _____

Title: _____

TENANT:

GUILFORD WHITETAIL MANAGEMENT, a North Carolina corporation

By: _____

Printed Name: _____

Title: _____

AGENDA
ITEM NUMBER 6B

Resolution No. 2012-05-14-6B

A RESOLUTION TO APPROVE CHANGE ORDER NO. 4, DATED APRIL 17, 2012, TO THE AGREEMENT DATED MAY 9, 2011, WITH HAYMES BROTHERS, INC., A VIRGINIA CORPORATION, FOR THE INSTALLATION OF RIP RAP IN DITCHES ON LOT 9 IN THE AUTHORITY'S CANE CREEK SITE

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 entered into that certain Agreement with Haymes Brothers, Inc., a Virginia corporation (**"Haymes"**), dated May 9, 2011, for the construction of graded pads and sewer line at Lots 3 and 9 in the Authority's Cane Creek site at a cost of One Million Two Hundred Twenty Five Thousand Fifty and 00/100 Dollars ($1,225,050.00) (the **"Original Contract"**); and

WHEREAS, Haymes has submitted Change Order No. 4 for the Original Contract for the installation of Rip Rap in the ditches on Lot 9 at a cost of Thirty Eight Thousand Fifty and 00/100 Dollars ($38,050.00) (the **"Change Order Amount"**), attached hereto as **Exhibit A** and incorporated herein by this reference (the **"Change Order"**); and

WHEREAS, the Authority has determined that the Change Order 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 Change Order and enter into a written contract with Haymes, in substantially the form of the Change Order.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the acceptance of the Change Order, 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 Change Order and any such other documents in connection with the acceptance of the Change Order, with such amendments, deletions or additions thereto, so long as the price for the Change Order does not exceed five percent (5%) of the Change Order Amount, 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 Change Order 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 Change Order 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 Change Order and the matters contemplated therein.

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

Resolution No. 2012-05-14-6B

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 14, 2012, 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 14th day of May 2012.

_____

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

(SEAL)

Exhibit A

Change Order

No. 04

Date of Issuance: 4/17/2012 Effective Date: 5/14/2012

Project: Cane Creek Graded Pads	Owner: DPRIFA	Owner's Contract No.:01-01-08873
Contract: Cane Creek Graded Pads & Sewer Line		Date of Contract: May 9, 2011
Contractor: Haymes Brothers, Inc.		Engineer's Project No.: 50042387

The Contract Documents are modified as follows upon execution of this Change Order:

Description:
Change Order to install Rip Rap in Ditches on Lot 9

Attachments (list documents supporting change):
Contractors Request for Change Order

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price: $ 1,225,050.00	Original Contract Times: ☐ Working days ☒ Calendar days Substantial completion (days or date): 120 days Ready for final payment (days or date): 150 days
[Increase] [from previously approved Change Orders No. 0 to No. 3: $263,416.71	**Increase** from previously approved Change Orders No. 0 to No. 3: Substantial completion (days): 15 days Ready for final payment (days): 15 days
Contract Price prior to this Change Order: $ 1,488,466.71	Contract Times prior to this Change Order: Substantial completion (days or date): 135 days Ready for final payment (days or date): 165 days
[Increase] of this Change Order: $ 38,050.00	**Increase** of this Change Order: Substantial completion (days or date): 10 days Ready for final payment (days or date): 10 days
Contract Price incorporating this Change Order: $ 1,526,516.71	Contract Times with all approved Change Orders: Substantial completion (days or date): 145 days Ready for final payment (days or date): 175 days

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: [signature]	By:	By:
Engineer (Authorized Signature)	Owner (Authorized Signature)	Contractor (Authorized Signature)
Date: 4-17-12	Date:	Date:

Haymes Brothers, Inc.
General Contractors
440 Hawkins Road Chatham, Virginia 24531 Phone (434) 432- 8282 Fax (434) 432-2029

Dewberry & Davis, Inc.
Mr. Shawn Harden
551 Piney Forest Road
Danville, VA 24540
(434) 549-8508

April 17, 2012

Re: Cane Creek – Rip Rap Ditch Lines: 9-4 & 9-11

Mr. Harden;

As requested in your e-mail to Ricky Moorefield dated March 9, 2012, and in accordance with our conversation at your office on Monday March 12th, Haymes Brothers, Inc. is pleased to provide the following price to place Rip Rap in the above referenced ditch lines, as shown on plan sheet C2.02 and detail sheet C5.02, dated 3/9/11.

Our Lump Sum price to perform this scope of work will be **$38,050.00** and is broken down per ditch as follows:

- Ditch Line 9-4: $19,700.00
- Ditch Line 9-11: $18,350.00

Our proposal **Includes:**

- Mobilization
- Excavation of 1,240 LF +/- existing ditch to allow for placement of fabric and rip rap
- Placement of 1,650 SY +/- of Woven Geotextile Fabric
- Placement of 830 Tons +/- of Rip Rap
- Seeding of areas disturbed during this scope of work

Our Proposal **Excludes:**

- Export of Material

Our Proposal is contingent upon Haynes Brothers, Inc. performing all of the work provided herein and upon current fuel prices. This quote will be honored for 30 Days.

Pricing contingent upon (1) mobilization, additional mobilizations will be an additional $2,500.00

We appreciate the opportunity to provide this proposal to you and should you have question or require additional information pertaining to this proposal, please feel free to contact me.

With best regards,

Timothy D. Worley
Project Manager / Estimator
Haymes Brothers, Inc.

Cc: file

AGENDA
ITEM NUMBER 6C

Resolution No. 2012-05-14-6C

A RESOLUTION TO APPROVE A ONE-YEAR LEASE TO MARK L. OSBORNE, FOR THAT CERTAIN TRACT OF LAND COMMONLY KNOWN AS LOT 8, CONTAINING APPROXIMATELY 34.4 ACRES, BEING A PART OF GPIN 1356-98-0985 (A PART OF THAT PROPERTY COMMONLY KNOWN AS THE KLUTTZ FARM), LOCATED IN THE AUTHORITY'S MEGA PARK IN PITTSYLVANIA COUNTY, VIRGINIA, AT A TOTAL ANNUAL RENTAL FEE OF $1,032.00, FOR THE PLANTING AND HARVESTING OF SOY AND SOD.

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, Mark L. Osborne (**"Osborne"**), desires to enter into a lease agreement for that certain tract of land commonly known as Lot 8, containing approximately 34.4 acres, being a part of GPIN 1356-98-0985 (a part of that property commonly known as the Kluttz Farm), located in the Authority's Mega Park in Pittsylvania County, Virginia (the **"Property"**), at a total rental fee of $1,032.00, for the planting and harvesting of soy and sod;

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 for the Authority to enter into a lease of the Property with Osborne, under the terms set forth in **Exhibit 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 set forth in **Exhibit A** and 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.

Resolution No. 2012-05-14-6C

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 14, 2012, 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 14th day of May 2012.

_____

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

(SEAL)

Resolution No. 2012-05-14-6C

Exhibit A
(Lease Agreement)

THIS LEASE AGREEMENT (this **"Lease"**) made as of the 14th day of May 2012 by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (hereafter referred to as **"Landlord"**); and **MARK L. OSBORNE** (hereafter referred to as **"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 Tenant, and Tenant rents from Landlord, that certain tract of land commonly known as Lot 8, containing approximately thirty four and 4/10 (34.4) acres, being a part of GPIN 1356-98-0985 (a part of that property commonly known as the Kluttz Farm), located in Landlord's Mega Park in Pittsylvania County, Virginia, and more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (the **"Property"**).

Section 2 - Term. This Lease shall be for a term beginning on May 14, 2012, and ending on May 13, 2013 (the **"Term"**), unless sooner terminated as provided for herein.

Section 3 - Rental Payment. Tenant agrees to pay to Landlord annual base rent (**"Base Rent"**) for the Property in the amount of One Thousand Thirty Two and 00/100 Dollars ($1,032.00), due and payable by Tenant to Landlord on the first day of each year of the Term.

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, liability insurance on the Property with a minimum limit of $1,000,000.00, 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, reasonable wear and tear excepted. 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 permanent structure shall be erected on the Property. The Property shall be used by Tenant solely for planting and harvesting soy and sod 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.

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 indemnify, protect, and save harmless Landlord from any liabilities, costs, or expenses 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. 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 thirty (30) 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 section 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, and Landlord shall not be liable for any inconvenience or damage to Tenant. 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 all equipment located thereon and that such is suitable for Tenant's purposes; therefore, Tenant hereby accepts the Property in its present "AS IS" 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:
Mark L. Osborne
314 Wilson Road
Danville, VA 24541

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: _____

Printed Name: _____

Title: _____

TENANT:

_____

MARK L. OSBORNE

AGENDA
ITEM NUMBER 6D

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

A. $7.3 Million Bonds - Cane Creek Centre

B. General Expenditures for FY 2012

C. Mega Park – Funding Other than Bond Funds

D. $11.25 Million Bonds – Mega Park

E. Cane Creek Centre – Lots 3 & 9

F. Yorktowne Reimbursement

G. Rent, Interest, and Other Income Realized

H. 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, 2012

	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	486,494.03				
Cane Creek Parkway [3]		$ 3,804,576.00	$ 3,724,241.16	$ -	
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	11,924.62	59,956.38	
Yorktowne Sound Buffer		-	-	-	
Land		-	2,560,921.67	-	
Demolition services		-	33,761.62	-	
Legal fees		-	48,954.23	-	
CCC - Lots 3 & 9 project - RIFA Local Share [6]		142,190.00	80,122.49	-	
Other expenditures			10,649.70	-	
Total	$ 7,630,994.45	$ 4,237,578.50	$ 6,671,050.69	$ 59,956.38	$ 899,987.38

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 2006 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.*

[6] *This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.*

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

A

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2012

As of April 30, 2012

	Funding	Budget	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
City Contribution	$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY11	-				
Contingency					
Bank Fees		$ 4,100.00	$ 4,321.25	$ -	$ -
Arbitrage Rebate Calculation Fees		2,000.00	2,000.00	-	-
Moody's Investor Service		-	1,100.00	-	-
Cyber Park Parcel Appraisal		-	1,800.00	-	-
Employee Reimbursement		-	44.24	-	-
News & Advance ads for RIFA RFPs		-	144.40	-	-
Miscellaneous contingency items		15,000.00	667.66	-	-
Total Contingency Budget		21,100.00	10,077.55	-	12,940.35
Legal		90,250.00	47,358.63	-	61,336.87
Accounting		18,750.00	18,750.00	-	-
Postage & Shipping		100.00	47.45	-	82.33
Meals		2,800.00	2,303.06	-	1,409.60
Utilities		10,000.00	1,335.55	-	8,912.31
Insurance		7,000.00	-	-	7,000.00
Total	$ 150,000.00	$ 150,000.00	$ 79,872.24	$ -	$ 70,127.76

Danville-Pittsylvania Regional Industrial Facility Authority

Mega Park - Funding Other than Bond Funds

As of April 30, 2012

	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, 4]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,728.00				
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	965,754.29	25,095.71	
Consulting Services - McCallum Sweeney		115,000.00	92,130.18	22,869.82	
Total	$ 14,388,399.83	$ 14,231,524.83	$ 14,183,559.30	$ 47,965.53	$ 156,875.00

[1] *This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled $144,150.41.*

[2] *Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.*

[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.*

[4] *RIFA paid the City back for all advances on 1/3/2012.*

C

Danville-Pittsylvania Regional Industrial Facility Authority

$11.25 million Bonds for Berry Hill Mega Park project - Issued December 1, 2011

As of April 30, 2012

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$ 11,250,000.00				
Issuance cost	(323,455.70)				
Underwriter's Discount	(225,000.00)				
Original Issue Discount	(21,325.15)				
Interest earned to date	882.88				
Initial Land Purchases [1]		-	10,345,376.83	-	
Interest owed to City on fronts for land purchases		-	144,150.41	-	
Legal fees		-	148,396.67	-	
Dewberry & Davis		-	14,785.00	-	
Other expenditures		-	17,335.53	-	
Total	$ 10,681,102.03	$ -	$ 10,670,044.44	$ -	$ 11,057.59

[1] The City of Danville fronted the funds for $10,340,983.83 of these land purchases. RIFA reimbursed the City of Danville this amount plus the interest owed, which totaled $144,150.41, on 1/3/2012 using the bond funds drawn down.

Danville-Pittsylvania Regional Industrial Facility Authority

Cane Creek Centre - Lots 3 & 9

As of April 30, 2012

	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					
Haymes Brothers, Inc.		$ 1,488,466.71	$ 1,488,466.71	$ -	
Dewberry & Davis		111,600.00	111,600.00	-	
Advertisements for bids		-	2,383.00	-	
Total	$ 2,843,788.00	$ 1,600,066.71	$ 1,602,449.71	$ -	$ 1,241,338.29

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

Danville-Pittsylvania Regional Industrial Facility Authority

Yorktowne Reimbursement

As of April 30, 2012

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, 2012

Funding		**Funding**	**Expenditures**	**Unexpended / Unencumbered**
Rental Properties				
Lessee	*Property*	*Rent Received*		
Cyberpark				
Institute for Advanced Learning and Research (IALR) [1, 4]	Hawkins Research Building at 230 Slayton Ave.	$ 566,906.10		
Securitas	Gilbert Building at 1260 South Boston Rd.	13,400.00		
Cane Creek Centre				
Stephen R. & Susan G. Wilson	Hughes House at 390 Cedar Lane	2,800.00		
Douglas C. Agner	Hughes House at 390 Cedar Lane	6,000.00		
Richard A. Parker	Hughes House at 390 Cedar Lane	2,400.00		
Axxor N.A. LLC [6]	Apartments at 390 Cedar Lane	3,250.00		
Berry Hill Mega Park				
Guilford Whitetail Management	Kluttz Farm off State Rd. 863	11,000.00		
Oak Hill Hunt Club	Hairston Farm off State Rd. 863	8,000.00		
Patten Seed Company	30 acre tract on Stateline Bridge Rd.	6,500.00		
Browning & Associates, Ltd. [5]	4380 Berry Hill Road House	8,750.00		
Mountain View Farms of Virginia, L.C.	30 acre tract on Stateline Bridge Rd.	3,000.00		
Osborne Company of North Carolina, Inc.	4380 Berry Hill Road Pastureland	1,600.00		
Total Rent		$ 635,806.10		
Interest Received [2]		$ 23,303.03		
Miscellaneous Income		$ 55.37		
Expenditures				
Disbursement to IALR for SEnTeC project [1]			$ 278,812.00	
Transfer to General Expenditures budget [3]			50,000.00	
Total		$ 658,964.50	$ 328,812.00	$ 330,152.50

[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*

[5] *Please note that Browning & Associates has paid a $1,000 security deposit per the lease agreement that is not included in rental income above.*

[6] *Please note that Axxor N.A. LLC has paid a $500 security deposit per the lease agreement that is not included in rental income above.*

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Assets [1, 2]
*April 30, 2012**

		Unaudited FY 2012
Assets		
Current assets		
Cash - checking	$	489,957
Cash - money market		389,894
Prepaid asset		104
Total current assets		879,955
Noncurrent assets		
Restricted cash - project fund CCC bonds		1,046,451
Restricted cash - debt service fund CCC bonds		823,437
Restricted cash - project fund Berry Hill bonds		19,506
Restricted cash - debt service fund Berry Hill bonds		-
Restricted cash - debt service reserve fund Berry Hill bonds		2,000,049
Capital assets not being depreciated		24,962,931
Capital assets being depreciated, net		27,244,055
Construction in progress		1,930,750
Unamortized bond issuance costs		678,562
Total noncurrent assets		58,705,741
Total assets		59,585,696
Liabilities		
Current liabilities		
Bonds payable - current portion		5,825,000
Unearned income		2,265
Security deposit		1,500
Total current liabilities		5,828,765
Noncurrent liabilities		
Bonds payable - less current portion		11,320,000
Total noncurrent liabilities		11,320,000
Total liabilities		17,148,765
Net Assets		
Invested in capital assets - net of related debt		41,560,741
Unrestricted		876,190
Total net assets	$	42,436,931

[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 all 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, 2012 as of May 2, 2012, 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, 2012**

	Unaudited FY 2012
Operating revenues	
Economic Development Administration grants	723,418
Virginia Tobacco Commission grants	54,554
Rental income	181,743
Other grants	-
Total operating revenues	959,715
Operating expenses [4]	
Mega Park expenses [3]	18,650
Cane Creek Centre expenses [3,5]	1,389,318
Cyber Park expenses [3]	4,350
Professional fees	55,759
Insurance	5,729
Other operating expenses	3,937
Total operating expenses	1,477,743
Operating loss	(518,028)
Non-operating revenues (expenses)	
Interest income	1,307
Interest expense	(107,445)
Total non-operating expenses, net	(106,138)
Net loss before capital contributions	(624,166)
Capital contributions	
Contribution - City of Danville	1,383,362
Contribution - Pittsylvania County	1,383,362
Total capital contributions	2,766,724
Change in net assets	2,142,558
Net assets at July 1,	40,294,373
Net assets at April 30,	$ 42,436,931

[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 $49,680 for fees related to the $7.3M bonds for Cane Creek.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*April 30, 2012**

		Unaudited FY 2012
Operating activities		
Receipts from grant reimbursement requests	$	1,060,413
Receipts from leases		181,311
Payments to suppliers for goods and services		(1,747,235)
Net cash used in operating activities		(505,511)
Capital and related financing activities		
Capital contributions		2,766,724
Interest paid on bonds		(102,351)
Proceeds from bond issuance		11,003,675
Bond issuance costs		(323,456)
Repayment to City for cash advances and interest on advances		(10,485,134)
Principal repayments on bonds		(285,000)
Net cash provided by capital and related financing activities		2,574,458
Investing activities		
Interest received		1,307
Net cash provided by investing activities		1,307
Net increase in cash and cash equivalents		2,070,254
Cash and cash equivalents - beginning of year (including restricted cash)		2,699,040
Cash and cash equivalents - through April 30, 2012 (including restricted cash)	$	4,769,294
Reconciliation of operating loss before capital contributions to net cash used in operating activities:		
Operating loss	$	(518,028)
Changes in assets and liabilities:		
Change in prepaids		10,009
Change in due from other governments		282,441
Change in other receivables		3,500
Change in accounts payable		(279,498)
Change in unearned income		(4,435)
Change in security deposit		500
Net cash used in operating activities	$	(505,511)

Components of cash and cash equivalents at April 30, 2012:		
American National - Checking	$	489,957
American National - General money market		389,894
Wachovia - $7.3M Bonds CCC Debt service fund		823,437
Wachovia - $7.3M Bonds CCC Project fund		1,046,451
US Bank - $11.25M Bonds Berry Hill Debt service fund		-
US Bank - $11.25M Bonds Berry Hill Debt service reserve fund		2,000,049
US Bank - $11.25M Bonds Berry Hill Project fund		19,506
	$	4,769,294