

**Town of Amherst
Industrial Development Authority
July 7, 2014**

A regular meeting of the Town of Amherst Industrial Development Authority was called to order by Chairman Jim Meade on July 7, 2014 at 5:15 PM in the Council Chambers of the Town Hall. It was noted that a quorum was present as follows:

P Jacob Bailey	P Richard Wydner
P Gary Jennings	P Jim Meade
P Lewis Addison	P Vernon Wood
P C. Manly Rucker, III	

The following individuals were also present

- Mayor J. Paul Kilgore, Jr.
- Town Councilors Kenneth Bumgarner, Michael Mozingo, Rachel Thompson and Kenneth Watts
- Town Manager Jack Hobbs, in his capacity as Secretary to the Authority
- Region 2000 CEP Megan Lucas
- Chip Sisk from Hollingsworth Companies
- Lee Cobb, Victoria Hanson, Steven Browning from the Amherst County Economic Development office
- Edgar Kinnier from Amherst County EDA
- Chris Gentry from GCRE Development, LLC
- Scot Evans, Sandy Bryant and Leigh Farmer from Horizon Behavioral Health, and
- Bill Downer representing Ambriar Shopping Center.

On a motion by Mr. Rucker, which was seconded by Mr. Wydner and carried 7-0, the minutes of the March 4, 2014 meeting were approved. Messrs. Addison, Bailey, Jennings, Meade, Rucker, Wood and Wydner voted in favor of the motion.

Horizon Project

After the Secretary gave a report on the project, Chris Gentry from GCRE Development, LLC came forward to present a proposal to purchase property at the northwestern corner of the Brockman Park Drive and W. Commerce Street known as Lot 9b at Brockman Park. Mr. Gentry proposes to construct a 11,250 SF building on the property which would be occupied by an expanded Horizon Behavioral Health operation.

Representatives from Horizon came forward to explain their organization's service programs.

After some discussion, on a motion by Mr. Jennings, which was seconded by Mr. Wood and carried 7-0, the IDA agreed to recommend that the Town Council accept GCRE Development's proposal to purchase Lot 9b. Messrs. Addison, Bailey, Jennings, Meade, Rucker, Wood and Wydner voted in

favor of the motion. A copy of the proposed contract is attached to these minutes.

Hotel Feasibility Study

A draft hotel feasibility study was discussed. By consensus, the IDA members agreed that the IDA and Town should not become too involved in the further development of this project as it will involve significant private investment on private property.

Centra Amherst Ambulatory Care Center

The Town Manager reported that Centra Health has advertised the required public hearing on tax-exempt bonds that would finance facilities in and near Lynchburg, including one in the Town of Amherst, through the Lynchburg IDA. The proposed Centra Amherst Ambulatory Care Center would be built in the next 2-3 years at 139 Ambriar Plaza. The new \$9 million, 17,500 sq. ft. facility will feature radiology and lab services, and expanded hours of coverage and urgent care services are anticipated. It is understood that the financing proposed requires local action by the Town Council and it was suggested that the Town would prefer to receive bond fees for the financing of projects inside the Town to be directed to the Town IDA for its economic development purposes.

Lewis Addison declared that he has a conflict of interest between his role as an Authority member and as an employee of Centra Health. He explained the particulars of the proposed financing and that Centra would ask for the Town Council to approve the financing by resolution at its August meeting. Mr. Addison left the room.

After some discussion, on a motion by Mr. Bailey, which was seconded by Mr. Rucker and carried 6-0, the IDA agreed to recommend that the Town Council approve a resolution supporting to the financing transaction. Messrs. Bailey, Jennings, Meade, Rucker, Wood and Wydner voted in favor of the motion; Mr. Addison was absent during the vote. A copy of the proposed resolution is attached to these minutes.

Mr. Addison rejoined the meeting.

Mr. Cobb introduced new Region 2000 CEO Megan Lucas, new Amherst County EDA employee Victoria Hanson and Amherst County EDA intern Steven Browning to the Authority members.

Mr. Sisk from the Hollingsworth Companies gave a report on his company's efforts to promote Brockman Park.

The Town Manager reported that activities at Brockman Park include the Hollingsworth effort, the Horizon project, and maintenance items such as cutting grass and replacing deteriorated real estate signs.

There being no more business, the meeting adjourned at 6:27 PM after a motion by Mr. Bailey, which was seconded by Mr. Jennings and carried

7-0. Messrs. Addison, Bailey, Jennings, Meade, Rucker, Wood and Wydner voted in favor of the motion.

James Meade, Chairman

ATTEST: _____
Secretary

REAL ESTATE CONTRACT OF PURCHASE

This CONTRACT OF PURCHASE made on **July 1, 2014** among, **TOWN OF AMHERST** (herein called "Seller") and **GCRE DEVELOPMENT, LLC, or assigns** (herein called "Purchaser"), provides that Purchaser agrees to buy and Seller agrees to sell the following described real estate and all improvements thereon, located in the Town of Amherst, Virginia (all herein called "the property"):

A portion of that certain parcel of land located on the corner of Brockman Park Drive and West Commerce Street, Amherst, VA, consisting of +/- 2.16ac, to be subdivided from Seller's larger tract identified as Amherst County Tax Parcel #96-5-9 and an additional 0.65ac identified as Amherst County Tax Parcel #96-5-C. The property being conveyed is shown outlined in red on the attached tax map.

1. The purchase price of the property shall be **One Hundred Thousand and 00/100 Dollars (\$100,000.00)** and the purchase price shall be paid as follows:

Cash to Seller at Closing

2. Purchaser agrees to make a deposit of **One Thousand Dollars (\$1,000.00)** (the "Deposit") with Seller, upon execution of this contract, and such deposit shall be applied to the purchase price or settlement costs, or returned to Purchaser if the title to the property is not marketable or the contingencies in Section 12 of this Contract cannot be satisfied.

3. Seller agrees to convey the property to Purchaser by general warranty deed with the usual English covenants of title and free and clear from all encumbrances, tenancies, liens (for taxes or otherwise), except as may be otherwise provided above, but subject to applicable easements and restrictive covenants of record not adversely affecting the use of the property. Seller further agrees to pay the expenses of preparing the deed and of the recordation tax applicable to grantors and agrees to deliver possession of the property to Purchaser on settlement date hereinafter set forth. Purchaser shall be responsible for the costs associated with and the preparation of the subdivision plat for the property.

4. Settlement shall be made at a mutually agreeable location on or before **November 24, 2014**.

5. All taxes, interest, rent, escrow deposits, etc., if any, shall be prorated as of the date of settlement.

6. All risk of loss or damage to the property by fire, windstorm, casualty, or other cause is assumed by Seller until settlement. In the event of

substantial loss or damage to the property before settlement, Purchaser shall have the option of either (i) terminating this Contract of Purchase and recovering any deposit made, or (ii) affirming this Contract of Purchase, in which event Seller shall assign to Purchaser all of Seller's rights under any policy or policies of insurance applicable to the property.

7. Purchaser represents that an inspection satisfactory to Purchaser has been made of the property, and Purchaser agrees to accept the property in its present condition except as may be otherwise provided in the description of the property above.

8. This Contract of Purchase constitutes the entire agreement among the parties and may not be modified or changed except by written instrument executed by all of the parties.

9. This Contract of Purchase shall be construed, interpreted, and applied according to the law of Virginia, and it shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties.

10. Brokerage Fees: No brokerage fees shall be payable as a result of this transaction.

11. Agency Disclosure: The parties confirm that in connection with the transaction contemplated by this contract that Gentry Commercial Real Estate, Inc. has acted as Purchaser's Agent representing Purchaser. It is further acknowledged by all parties that Christopher R. Gentry is the managing member of the entity executing this contract as Purchaser, and is a licensed Virginia real estate salesperson acting on his own behalf. The parties further acknowledge that J. Paul Kilgore, Jr. is a licensed real estate broker in the Commonwealth of Virginia, but represents neither party in this transaction, but is acting solely in his capacity as Mayor of the Town of Amherst.

12. This Contract of Purchase is contingent upon the following special provisions:

Purchaser shall have a due diligence period extending through November 03, 2014, to obtain the necessary financing and all necessary permits and approvals to construct a +/- 11,250sf office building on the Property ("Inspection Period"). In the event Purchaser is unable to obtain the necessary financing or obtain the necessary permits and approvals, prior to the end of the Inspection Period, Purchaser may declare this contract null and void by providing the Seller with notice, in writing, of Purchaser's intent. In this event, Purchaser's deposit shall be returned to Purchaser and all parties shall be relieved of further liabilities and obligations under this contract.

Purchaser shall cause the aforementioned office building to be built on the property immediately after closing and shall provide Seller appropriate assurances of Purchaser's intent to do so prior to closing. Such assurances shall be in the form of complete site and building plans that have been approved by appropriate local government agencies, including the approval of site and building plans by the Town of Amherst Industrial Development Authority acting as the Brockman Park Association. Purchaser shall have one year from closing to obtain a building permit or the property shall revert to Town ownership at a net refund of \$20,000.

Purchaser agrees to accept deed language or other appropriate guarantees to the effect that in the event the property is ever declared exempt from real estate taxes for any reason the then-current owner shall pay equivalent monies to Amherst County and Town of Amherst as if the property is subject to local real estate taxes.

Purchaser agrees to accept ownership of the adjacent Tax Parcel #96-5-C at closing as an integral part of this transaction.

It is understood that standard pre-construction fees, including building permit, water and sewer availability fees, contractor business license and others, have not been waived and therefore shall be assessed to the Purchaser or his agents for this project prior to construction.

WITNESS the following duly authorized signatures and seals:

TOWN OF AMHERST, VIRGINIA

By: _____ Date: _____

Its: _____

GCRE DEVELOPMENT, LLC

Purchaser

By: _____ Date: _____

Its: _____

EXHIBIT A



ADDENDUM TO REAL ESTATE CONTRACT OF PURCHASE

THIS ADDENDUM TO THAT CERTAIN REAL ESTATE CONTRACT OF PURCHASE (this "Addendum") is entered into as of the date of that Real Estate Contract of Purchase (hereinafter collectively, the "Agreement") is executed by and between **TOWN OF AMHERST, VIRGINIA** ("Seller"), and **GCRE DEVELOPMENT, LLC**, a Virginia limited liability company, or its assigns as permitted herein at Purchaser's sole discretion ("Purchaser") as related to the sale and purchase of Seller's property located on the corner of Brockman Park Drive and West Commerce Street, Amherst, VA, consisting of +/- 2.16ac, to be subdivided from Seller's larger tract identified as Amherst County Tax Parcel #96-5-9 and an additional 0.65ac identified as Amherst County Tax Parcel #96-5-C ("Property"). This Addendum is to be attached to said Agreement and made a part thereof. Capitalized terms in this Addendum shall have the same meaning as described in the Agreement to which it is attached, except to the extent that such terms are modified herein.

WITNESSETH:

NOW, THEREFORE, in consideration of the foregoing premises and the mutual agreements and covenants herein contained, and intending to be legally bound hereby, the parties covenant and agree as follows:

1. Seller shall credit Purchaser, at Closing, a credit towards the purchase price in the amount of Seventy-Five Thousand and 00/100 Dollars (\$75,000.00). The balance of the Purchase Price (\$24,000.00) shall be paid in cash, to Seller, at Closing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, under seal, as of the Execution Date hereof.

SELLER: TOWN OF AMHERST

By: _____

Its: _____

Date: _____

PURCHASER: GCRE DEVELOPMENT, LLC

By: _____

Its: _____

Date: _____

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF AMHERST, VIRGINIA**

WHEREAS, the Economic Development Authority of the City of Lynchburg, Virginia (the "Authority") has received an application from Centra Health, Inc. a not-for-profit Virginia nonstock corporation ("Centra"), and Centra Medical Group, LLC, a limited liability company and an affiliate of Centra ("CMG" and, together with Centra, the "Borrowers"), requesting the Authority to issue one or more series of Hospital Revenue Bonds in an aggregate principal amount not to exceed \$100,000,000 (the "Bonds") to finance costs of certain acquisitions, additions and improvements to the Borrowers' health care facilities, including the acquisition, construction and equipping of a 17,500 square foot primary care and specialty care clinic, located at 139 Ambriar Plaza, in the Town of Amherst, Virginia, to be owned by Centra and operated by CMG;

WHEREAS, Section 15.2-4905 of the Code of Virginia of 1950, as amended (the "Virginia Code"), states that an industrial development authority may not finance facilities in another jurisdiction that has created its own industrial development authority "unless the governing body of such county, city or town in which the facilities are located or are proposed to be located, concurs with the inducement resolution adopted by the Authority, and shows such concurrence in a duly adopted resolution;"

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") requires that the governmental unit having jurisdiction over the area in which any facility financed with the proceeds of the Bonds is located approve the issuance of such Bonds;

WHEREAS, Section 147(f) of the Code requires that any such approval by the applicable governmental unit be given after a public hearing following reasonable public notice, which hearing may be held by the public authority issuing the Bonds;

WHEREAS, on [July 17, 2014], in accordance with the requirements of Section 147(f) of the Code and Section 15.2-4906 of the Act, the Authority held a public hearing and adopted a resolution approving the issuance of the Bonds (the "Authority Resolution");

WHEREAS, the Borrowers have requested the Town Council of the Town of Amherst, Virginia (the "Town Council"), to approve the issuance of the Bonds to comply with Section 147(f) of the Code and to concur in the Authority Resolution to comply with Section 15.2-4905 of the Act; and

WHEREAS, a copy of the Authority Resolution, a record of the public hearing and a fiscal impact statement with respect to the issuance of the Bonds have been filed with the Town Council.

THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF AMHERST, VIRGINIA:

1. The Town Council hereby approves the issuance of the Bonds by the Authority for the benefit of the Borrowers, as required by Section 147(f) of the Code and concurs with the Authority Resolution to the extent required by Section 15.2-4905 of the Act.

2. The Town Council hereby approves the issuance of the Bonds by the Authority for the benefit of the Borrowers, as required by Section 147(f) of the Internal Revenue Code and Section 15.2-4906 of the Virginia Code, and concurs with the Resolution adopted by the Authority for the benefit of the Borrowers to the extent required by Section 15.2-4905 of the Virginia Code to permit the Authority to loan the proceeds of the Bonds to the Borrowers to finance the portion of the Project to be located in the Town.

3. The approval of the issuance of the Bonds does not constitute an endorsement of the Bonds or the creditworthiness of the Borrowers. As required by Section 15.2-4909 of the Virginia Code, the Bonds shall provide that the Town of Amherst, Virginia, will have no obligation to pay the Bonds or the interest thereon or other costs incident thereto.

4. All acts and doings of the officers of the Town and members of the Town Council that are in conformity with the purposes and intent of this resolution shall be, and the same hereby are, in all respects approved and confirmed.

5. This resolution shall take effect immediately upon its adoption.