

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 2

CONSENT:

REGULAR:

WORK SESSION: **X**

CLOSED SESSION:

(Confidential)

ACTION:

INFORMATION: **X**

ITEM TITLE: **Lynchburg Business Development Centre Report**

RECOMMENDATION: No action required.

SUMMARY: City Council requested a report on the Lynchburg Business Development Centre at the February 23rd meeting following the Office of Economic Development's presentation on TechHire and its new CO.STARTERS program. The Office of Economic Development researched and prepared a report on the Business Development Centre including its history, sources of revenue, and tenants. Previously, the Office of Economic Development prepared a white paper on best practices for business incubation and presented it to the executive director and executive committee of the Business Development Centre board of directors in March of 2015. This white paper is included with the Business Development Centre report.

PRIOR ACTION(S): None

FISCAL IMPACT: None

CONTACT(S): Marjette Upshur, 434-455-4490

ATTACHMENT(S): Business Development Centre Report, Business Incubation Best Practice Playbook

REVIEWED BY: lkp

093K

LYNCHBURG BUSINESS DEVELOPMENT CENTRE

2016 REPORT

BUSINESS DEVELOPMENT CENTRE HISTORY

Lynchburg's Business Development Centre, Inc (BDC) opened as a small business incubator in 1989 with 20,000 square feet of office and manufacturing space. An additional 22,000 square feet was added in 1993. The total project cost is approximately \$1.6 million. With the construction of the building funded by the Economic Development Administration of the U.S. Department of Commerce (75%) and the City of Lynchburg (25%), initial operating funds for the facility were provided by the Virginia's Center for Innovative Technology (\$60,000), the Piedmont Private Industry Council (\$23,000) and the City of Lynchburg (\$30,000). However, the Centre has been self-supporting since its initial funding and operates today on an annual budget of approximately \$250,000.

The initial idea for developing the incubator came as a result of conversations with the U.S. Economic Development Administration following large layoffs in our area; thereby making the City eligible for application under the EDA's Title XI program for sudden and severe economic distress. After an outside consulting firm conducted a feasibility study, it was determined that there was a base of entrepreneurs in the community to support the incubator concept. The feasibility study focused on available commercial real estate and the entrepreneurial base. Today, the facility is owned by the City of Lynchburg and operated by the Business Development Centre, Inc., a non-profit corporation under section 501c3 of the IRS code.

ENTREPRENEURIAL CAPITAL

Several financing programs are available for entrepreneurs through the Lynchburg Business Development Centre.

LYNCHBURG AREA DEVELOPMENT CORPORATION LOAN FUND

Loan Range = \$25,000.00 - \$150,000.00

- Originally capitalized by LADC at \$115,500
- Independently Owned
- 500 or fewer employees
- Eligible projects include building acquisition or construction, purchase equipment or inventory, or working capital
- Businesses located in Region 2000
- Nonrefundable application fee of \$150.00
- Interest rate =Wall Street Journal Prime Rate plus one percent with a floor rate of 5.00%
- Requires a minimum of 10% owner investment capital

LYNCHBURG ECONOMIC DEVELOPMENT AUTHORITY (LEDA) LOAN FUND

Loan Range = \$50,000.00 -250,000.00

- Originally capitalized by LEDA at \$1,000,000
- Independently owed
- 500 or fewer employees
- Eligible projects include building acquisition or construction, purchase equipment or inventory, or working capital
- Businesses located in the City of Lynchburg
- Nonrefundable application fee of \$250.00
- Interest rate =Wall Street Journal Prime Rate plus one percent with a floor rate of 5.00%
- Requires a minimum of 10% owner investment capital.

BUSINESS DEVELOPMENT CENTRE LOAN FUND

Loan Range = \$1,000.00 - \$35,000.00

- Originally capitalized at \$40,000 by the BDC
- Independently owed
- 50 or fewer employees
- Eligible projects include building acquisition or construction, purchase equipment or inventory, or working capital
- Businesses located in Region 2000
- Nonrefundable application fee of \$100.00
- Interest rate =Wall Street Journal Prime Rate plus three percent with a floor rate of 8.00%
- Must complete Basics of Business Training Class

- Requires a minimum of 10% owner investment capital.

REVOLVING LOAN FUND (RLV)

Loan Range = \$5,000.00 - \$125,000.00

- Originally capitalized by the Economic Development Administration and the City of Lynchburg at \$620,000
- Independently owned
- 500 or fewer employees
- Eligible projects include building acquisition or construction, purchase equipment or inventory, or working capital
- Businesses located in the City of Lynchburg
- Nonrefundable application fee of \$250.00
- Interest rate =Wall Street Journal Prime Rate minus one percent with a floor rate of 5.00%
- Requires primary lender investment of 50% of total project cost.
- Requires a minimum of 10% owner investment capital.

VENTURE FOR ENTERPRISING WOMEN (VEW) LOAN PROGRAM

Loan Range = \$1,000.00 - \$35,000.00

- Independently women owed business with 51% majority ownership
- 50 or fewer employees
- Eligible projects include building acquisition or construction, purchase equipment or inventory, or working capital
- Businesses located in Region 2000
- Nonrefundable application fee of \$100.00
- Interest rate =Wall Street Journal Prime Rate plus three percent with a floor rate of 8.00%
- Must complete Basics of Business Training Class
- Requires a minimum of 10% owner investment capital.

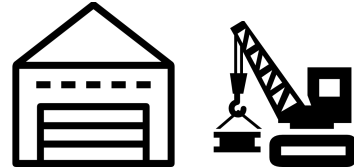
Fund	Total Pool Avail.	Outstanding Loans	Available Funds	% Outstanding	Loan Goal (90%)
BDC	\$175,543.27	\$82,405.61	\$93,137.66	46.9%	\$157,988.94
LADC	\$250,000.00	\$59,094.82	\$190,905.18	23.6%	\$225,000.00
LEDA	\$1,000,000.00	\$727,303.99	\$272,696.01	72.7%	\$900,000.00
RLF	\$660,000.00	\$576,813.58	\$83,186.42	87.4%	\$594,000.00
VEW	\$39,749.47	-	\$39,749.47	0%	\$35,774.52
VEI	\$9,231.10	\$5,256.65	\$3,974.45	56.9%	\$8,307.99
Total	\$2,134,523.84	\$1,450,874.65	\$683,649.19	68%	\$1,921,071.45

PHYSICAL BUILDING

The BDC was constructed in 1989 and was expanded in 1993 for a total of 44,000 square feet of incubator space.

Federal EDA contribution: \$1.2 Million
City of Lynchburg contribution: \$400,000

****Current Assessed Value: \$2,552,300 Million***



MAINTENANCE: 1993 - PRESENT

The City of Lynchburg maintains the BDC building. The following work has been done by Building and Grounds:

2011	AC Unit Replacement	\$9,010
2012	AC Unit Replacement	\$13,900
2013	AC Unit Replacement & Repairs	\$13,335
2014	AC Unit Replacement	\$19,200
2016	Handrail Replacement	\$7,740
2016	Roof Leak Repair	\$640
	Total	\$63,825

RENT

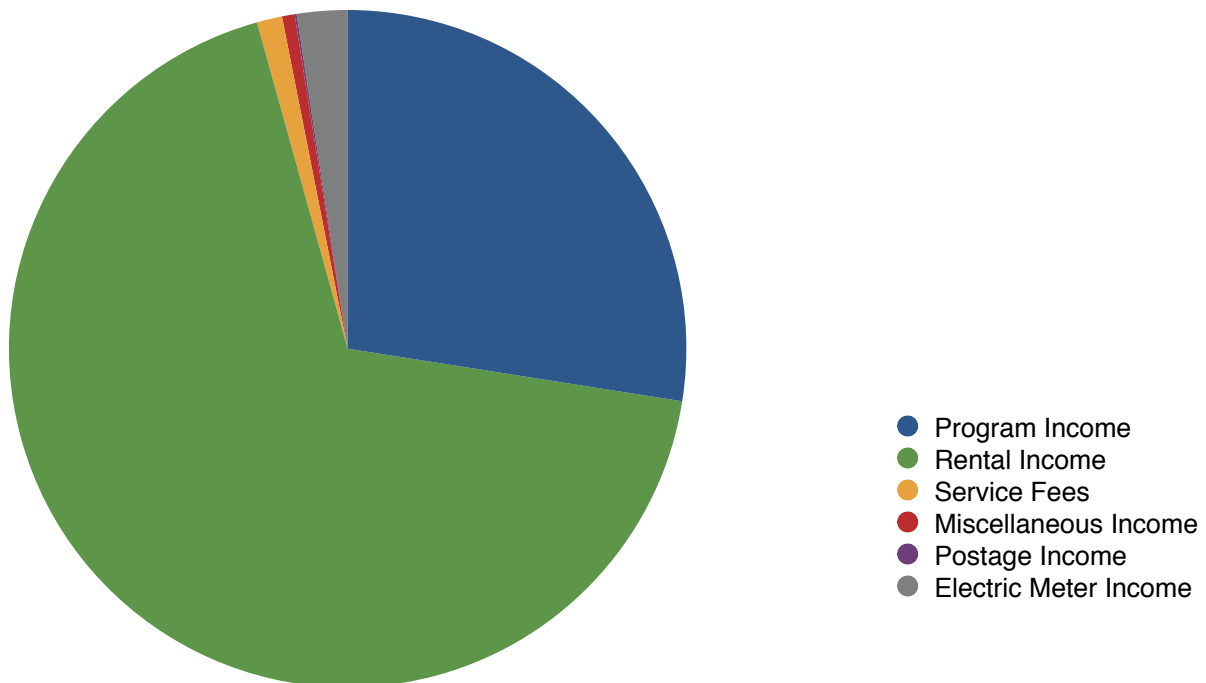
History: In an agreement made April 1, 1993 between the City of Lynchburg and the Lynchburg Regional Small Business Partnership, Inc., (LRSBP) the LRSBP agreed to pay the City of Lynchburg \$1 per year on an automatic renewal one year lease. The agreement states that the LRSBP shall be responsible for all day-to-day maintenance and upkeep of the building and grounds, and major repairs up to \$1,500. For repairs in excess of \$1,500, the City of Lynchburg is responsible. The City of Lynchburg was also responsible to pay electric usage for the building.

Current: The original rent agreement is no longer in force. The electricity expense is now in the BDC annual operating budget (\$45,000 and \$4,500 for water / sewer budgeted in FY2016).

REVENUE

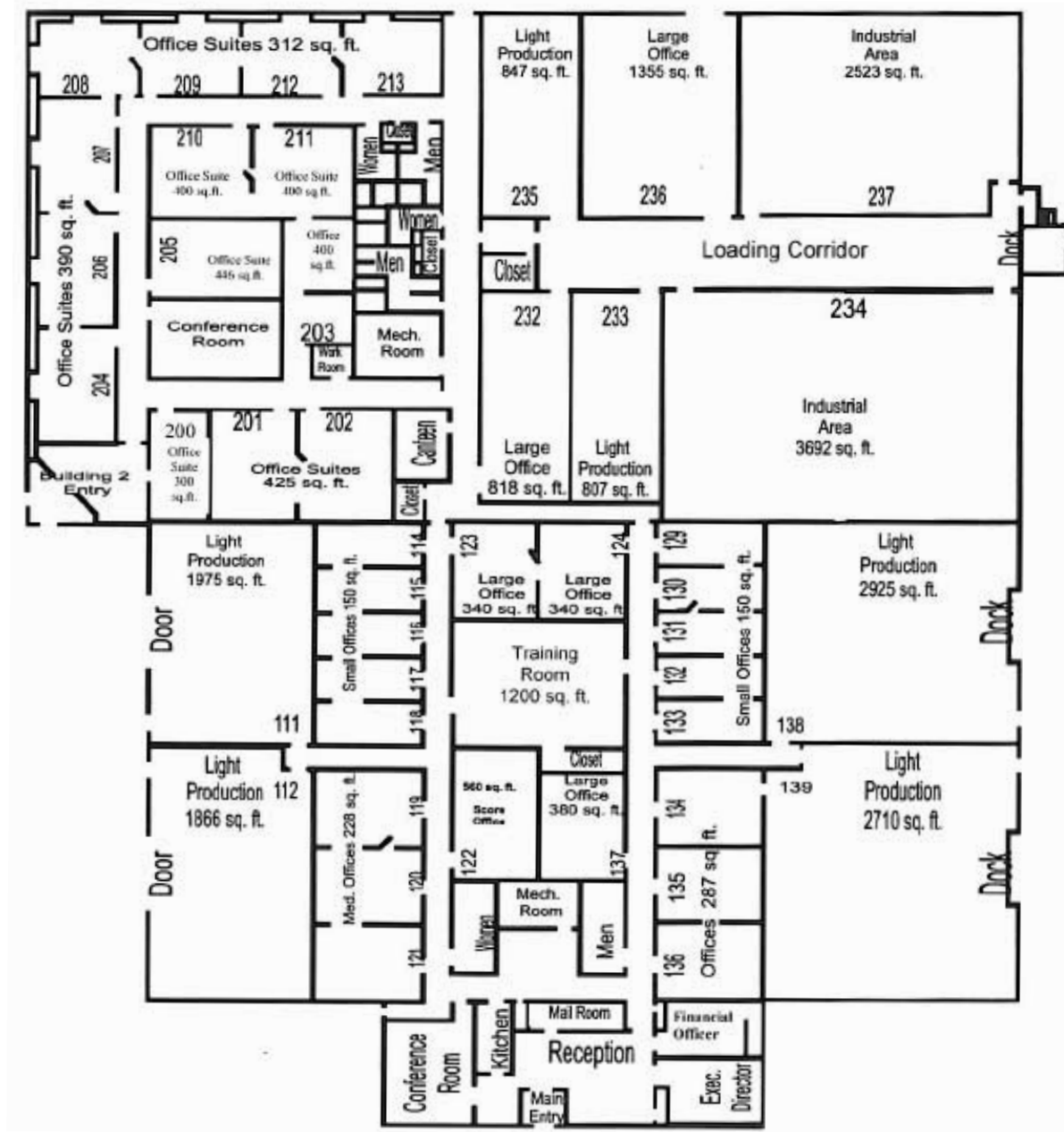
Business Development Centre Sources of Income (FY 2016 Budget)

Program Income	\$68,473	27%
Rental Income	\$169,920	68%
Service Fees	\$3,000	1%
Miscellaneous Income	\$1,500	1%
Postage Income	\$250	0%
Electric Meter Income	\$6,000	2%
	\$249,143	100%



FLOOR PLAN

147 Mill Ridge Road Lynchburg, VA 24502



TENANTS

Service / Product	Time in Incubator	Sq. Feet	Monthly Rent	Rent / Sq. Foot
Manufacturing	5 years	5922	\$2970.00	\$0.50
Electronic Services	1 month	800	\$730.00	\$0.91
Services for At-Risk Youth	3 years	400	\$365.00	\$0.91
Services for mentally challenged	9 years	4825	\$3092.00	\$0.64
Trash Disposal	1 year	150	\$185.00	\$1.23
Freight Transport	3 years	0	\$50.00	N/A
Wireless Comms	8 years	312	\$365.00	\$1.17
Mail Order Retail	12 years	425	\$370.00	\$0.87
Gourmet Popcorn	2 years	818	\$416.00	\$0.51
Certified Mediator	6 years	340	\$315.00	\$0.93
Lawn Care	3 years	0	\$50.00	N/A
Medication Aide Training	3 years	1526	\$1395.00	\$0.91
Warehouse	14 years	1654	\$640.00	\$0.39
Playground Equipment	3 months	150	\$185.00	\$1.23
Gymnastic Training Facility	2 years	6215	\$3162.00	\$0.51
Engineering / Manufacturing	5 years	1355	\$690.00	\$0.51
Real Estate Sales	2 months	312	\$365.00	\$1.17
Online Beauty Supply Sales	1 year	380	\$330.00	\$0.87
Warehouse Wedding Dresses		150	\$185.00	\$1.23
Business Consultations	2 years	560	\$0.00	\$0.00
		26294	\$15,860.00	\$0.60

Building Ownership & Maintenance

The Business Development Centre physical building was constructed in 1989 by a grant from the Federal Economic Development Agency. The building is currently owned and maintained by the City of Lynchburg.

As stipulated by the Federal EDA mortgage agreement with the City of Lynchburg, the building is not to be used for any purpose other than the purpose of the grant during the Expected Useful Life.

"The term 'sell' and its derivatives shall include any conveyance or transfer of any interest in the property, including but not limited to the long term lease with the option to purchase to any party other than the Grantee. Any document which conveys or transfers an interest in, or a right to the use or possession of the property during its Expected Useful Life must contain a covenant which prohibits the use of the said property for any purpose other than the purpose of the Grant, except as otherwise approved by the Assistant Secretary."

The Expected Useful Life of this project is 25 years, beginning March 23, 1993. At present, the Expected Useful Life of this project has expired.

The initial capital investment in the Business Development Centre building by the City of Lynchburg was \$400,000. The current assessed value of the building is \$2,552,300, yielding a return on investment of \$2,152,300, or 538%.

This report was finalized in June 2016.

BUSINESS INCUBATION

LYNCHBURG, VA PLAYBOOK

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PLAYBOOK BRIEF

The objective of this playbook is to provide the City of Lynchburg with the tools to create and maintain a high quality business incubator, based on national best practices, existing models, Lynchburg demographics, and existing community assets and resources.

Business incubation in small cities is critical for building a self-sustaining entrepreneurial community. When incubators operate according to best practice, they can foster job creation and community wealth. The most successful business incubators provide the following services: (1) linkages to educational resources; (2) networking opportunities for clients; (3) general legal services; (4) marketing assistance; and (5) assistance identifying a management team. The three activities by business incubators most related to client success are the delivery of client services, developing networks (internal and external) to clients, and fundraising. The two greatest contributors to the failure of a business incubator are both management practices: clients overstaying their time and the absence of formal exit policies. These deficiencies in management practice can be overcome by implementing the following policies: (1) having exit criteria that require clients to graduate within an agreed-upon time; (2) reviewing incubation program budgets monthly; and (3) evaluating service providers regularly.

Incubators are effective at increasing new business success. The current rate of survival for graduates of incubators ranges from 86% to 90% within different sectors. Incubator and accelerator programs have the ability to obtain a much higher level of success for new businesses through their support and assistance. Incubator graduates tend to stay local. Data has shown that 84% of technology incubator participants stay in their community.

FACILITIES

Incubator developers and managers should take the following facility related best practices into consideration:



1. **Real estate should not drive the project.** In some cases, buildings offered at low cost or free may not suit your prospective clients; don't have enough leasable square footage to provide adequate revenues; have hazardous waste or HVAC problems; are in poor locations; or have insufficient parking, loading and freight elevators.
2. **The building should be configured to meet the needs of prospective clients.** Depending on the focus of the incubator, space may need to be dedicated to manufacturing areas, office space, conference rooms, laboratories, etc.
3. **The building layout should promote networking.** Are there so many entrances and exits that clients don't ever pass through the reception area? Is attractive space for lunches and meetings provided? Do offices and meeting rooms have windows, and are there hallway areas where entrepreneurs can stop to have impromptu meetings?
4. **80% - 90% of the building space should be leasable.** Large hallways and reception areas that can't be rented but still need to be supported will reduce the bottom line rental income for the incubator. A building space should be flexible to maximize the space that is leasable.
5. **Among incubator consultants, 30,000 square feet is commonly consider to be an optimal size for cost efficiencies.** Business incubator sizes ranged from 1,600 square feet to 215,000 square feet. The vast majority of incubators – 61 percent – were less than 40,000 square feet. The best size will depend on the financing, size of community, terms of acquisition, and costs of renovating or constructing a new building.

LOCATION

NEIGHBORHOOD REVITALIZATION + BUSINESS INCUBATION

Neighborhood based business incubators create dynamic places for businesses to grow and develop, while creating vibrant active places that contribute to the economic development and revitalization of urban neighborhoods.

The physical condition and appearance of landmark buildings can have a profound impact on the business climate of an urban commercial corridor. Working with community-based partners, business incubators can locate in targeted real estate development projects to restore blighted buildings and create highly visible commercial properties that inspire economic confidence in the surrounding community.

See: Case Study 1: William Factory, Tacoma, WA



BOARD OF DIRECTORS

Incubation advisory boards should include diverse expertise. These boards can help develop quality business assistance services for the incubation program, embed the program in the broader community, market the incubator, and provide effective program oversight. Advisory boards should have between 8 and 20 individuals and include the following types of professionals:



Graduate Firm



Experienced Entrepreneur



Local Economic Developer



Corporate Executive



Finance Professional



Business Lawyer



University Official



Chamber of Commerce



Marketing Professional



Product Engineer



Local Elected Official



Real Estate Developer

Incubator advisory board composition matters. Having an incubator graduate firm and a technology transfer specialist (brings technology to market) on an incubator's advisory board correlates with many measures of success. Additionally, accounting, intellectual property (patent assistance), and general legal expertise on the incubator board often result in better-performing programs.

MANAGEMENT

Top-performing incubation programs often share common management practices.

Practices most represented among high-achieving programs are having a written mission statement, selecting clients based on cultural fit, selecting clients based on potential for success, reviewing client needs at entry, showcasing clients to the community and potential funders, and having a robust payment plan for rents and service fees. All of these practices are highly correlated with client success. Conversely, incubation programs with lax or no exit policies typically have less-than-optimal performance.

Having a skilled staff with sufficient resources – including time – to effectively deliver key services is paramount. Staff should implement the following management practices:



Collecting outcome data



Providing pre- and post- incubation services



Conducting periodic reviews of the budget, service providers, and other program activities



Showcasing clients and marketing the program



Developing effective entry and exit criteria for the incubator

Resident client-to-staff ratio is strongly correlated to the success of client firms. The activities that the manager focuses also matter; the three activities most correlated to measures of client success are: **the delivery of client services, developing networks internal and external to the incubator, and fundraising.**

PROGRAMS AND SERVICES

Incubator management and stakeholders should review the current array of services provided through the incubation program and assess the effectiveness of those services **periodically**. Services that are statistically significantly related to client firm performance include:

**ENTREPRENEURIAL
TRAINING**



**ACCESS TO
INVESTMENT CAPITAL**

**GATEWAY TO
RELATIONSHIPS WITH
HIGHER ED**



**PRODUCTION ASSISTANCE
(R&D AND PROTOTYPING)**



MENTOR PROGRAMS

** See case study: **Tech Columbus***

FINANCING YOUR INCUBATOR

Business incubators should have multiple funding sources to support the operating budget. NBIA's 2002 State of the Business Incubation Industry report found that more than 70 percent of respondents' business incubation programs were receiving some form of subsidy. However, only 23 percent of respondents believed they would have to close their doors if their subsidy ceased, which indicates that the majority of business incubation programs feel confident about their revenue streams.

"Incubators should strive to find multiple funding sources," says Carol Kraus Lauffer, a principal in consulting firm Business Cluster Development in Menlo Park, California. "It's like a portfolio theory in finance – you wouldn't put all of your investments into a single stock." Jim Robbins, also a principal at BCD and an incubator manager, suggests an incubator should have six to ten revenue streams, which might include rents and service fees, income from contracts, cash operating subsidies or sponsorships, and investment income. The bottom line is: Best practice incubators operate like businesses as much as possible, and the less long-term dependence on financial subsidy, the better."

RENT:

Most incubation programs rely on rental fees as a primary source of revenue, so making educated assumptions about rental income (based on a feasibility study and market research) is vital to programs' financial health. This means determining demand for space, how much space to rent to each client, and what rates to charge. When establishing rental rates, it's important to remember that **below-market rates might help attract clients in the short term but can backfire in the long run.** For example, if a key sponsor or subsidy falls through, the incubator might be forced to raise rates and thereby risk losing clients. With this in mind, an incubation program should position itself as a supportive environment in which to grow a successful business rather than a space offering cheap rent.

Some programs are moving away from a rent model by establishing prices based on the value of the services offered. In some cases, client rates are broken down into rent and services; in others, the program charges a flat service fee that encompasses both space and services. Such an approach establishes the incubator as a program designed to build and grow businesses—not a real estate operation with benefits.

GRADUATING CLIENTS

A business incubation program should establish graduation policies that include specific criteria relative to its mission and its ability to provide continued value to the client. These policies should be included in all leases (or service agreements) and materials supplied to serious applicants, and management must ensure applicants understand and accept them. Further, these policies should be reiterated as frequently as necessary—at quarterly or biannual reviews, for example—to ensure clients don't forget them.

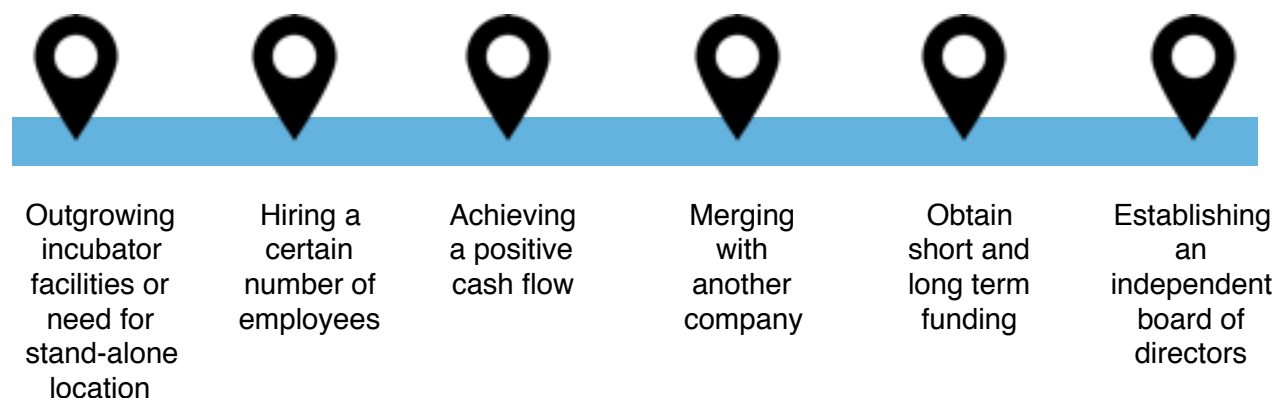


Many incubation programs set time limits on client services. According to NBIA's 2006 State of the Business Incubation Industry report, clients spent an average of thirty-three months in incubation programs. The range, however, was one to seventy-two months, reflecting the variation in time required for different types of businesses to achieve viability. In general, life science and other firms with long research and development cycles will remain in an incubation program much longer than a light manufacturing company that can bring a product to market quickly.



While it's good to move clients out in a timely manner, time limits alone are generally not good graduation criteria. Time limits should be combined with other criteria that better reflect the company's achievement of benchmarks that will contribute to its success and long-term sustainability.

Examples of graduation criteria include:



At the very least, a company should be required to graduate when it has progressed beyond the incubator's capacity to provide sufficient value or the client ceases to utilize the services provided by the incubator.

RECOMMENDATIONS FOR POLICY MAKERS

ADAPTED FROM THE U.S. DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ASSOCIATION

- **Incubation programs that receive public funding should be required to implement industry best practices.** Additionally, stakeholders should ensure that the incubators have the money they need to provide the entrepreneurial support services demonstrated to catalyze client success. To keep costs down, incubation programs can leverage existing institutional resources, such as Small Business Development Centers or higher education institutions, for the delivery of critical services. For example, an incubator could partner with a business school in the region to bring in graduate students to help with market research for clients or require that firms attend specific training sessions offered by the local SBDC.
- **Funding agencies should require publicly funded incubation programs to collect outcome data to monitor the impact of public investments.** Some recommended measures include jobs created by incubator clients and graduates, client and graduate revenues, annual number of graduates, survival rate of graduate firms, and retention of graduates in the incubator's host region. Tracking these figures over time can ensure that the incubator is accomplishing its goals of helping to build successful firms that create jobs, spark economic growth, etc.
- **External, independent evaluators should conduct periodic assessments of business incubation programs receiving public support.** Outcome evaluations need to control for the age of the program and the client base that is served.
- **Programs receiving public support should be required to submit annual reports to their public funding source,** so funders can monitor progress toward funding goals. These reports should include periodic independent audits of program budgets. By reviewing this data annually, public agencies could continually evaluate public investments in business incubators, ensure that funded programs are implementing best practices known to contribute to program and client success, and identify new industry trends that could affect program performance.
- **Once incubation programs that receive public support are collecting adequate data and implementing industry best practices, other complementary policies should be considered.** Such complementary policies may include providing seed funding for clients, creating appropriate graduate space, offering tax credits for client firms, conducting competitions for top incubation programs and incubator clients (by type), supporting the development of a business service provider network, and encouraging higher education institutions to support business incubation programs.

- **Most high-achieving incubators are not-for-profit models.** Incubation programs focused on earning profits are not strongly correlated to client success. Instead, the most important goals of top- performing incubation programs are creating jobs and fostering the entrepreneurial climate in the community, followed by diversifying the local economy, building or accelerating new industries and businesses, and attracting or retaining businesses to the host region.
- **Public sector support contributes to program success.** On average, nearly 60% of an incubator's budget is accounted for by client rent and service fees. Thus, this research suggests that some level of public sector investment contributes to greater incubator outcomes in terms of job creation, graduation rates, etc.
- **Incubation programs with larger budgets (both revenues and expenditures) typically outperform incubators with budget constraints.** Programs with more financial resources have more capacity to deliver critical client services and are more stable. However, the sources of incubation program revenues and the ways the incubator uses these resources also are important. On the expenditure side, the more programs invest in staffing and program delivery – relative to building maintenance or debt servicing – the higher the probability of improved client outcomes.
- **Collectively, measures of a region's capacity to support entrepreneurship have limited effect on incubation program outcomes.** Compared with incubator quality variables, regional capacity variables have less predictive power. Among the regional capacity measures studied, only the proxies for urbanization, work force skills, availability of locally controlled capital, and higher educational attainment have moderate influence on incubator client outcomes.

CASE STUDIES

WILLIAM FACTORY: TACOMA, WA

The William Factory program in Tacoma, Washington plays a vital role in the community's redevelopment, serving as the headquarters for a neighborhood revitalization effort that is bringing development back to Tacoma's east side. In 2000, the incubator organized the Portland Avenue Business District Association to coordinate community activities and to facilitate neighborhood business development.

The incubator also has helped counteract years of plant closures and urban blight by bringing private commercial development back into the neighborhood. Even before the incubator began its own construction project, the staff directly assisted eight commercial development projects valued at \$8 million.



“From 1997 to 2000, the incubator sought private investors to purchase and improve commercial properties along the Lower Portland Avenue corridor, which is both a nexus for the business district and a passageway to the Port of Tacoma,” Strege says. During that time, the incubator facilitated several new construction projects, including a \$2 million credit union building and a \$3 million telecommunications center, by helping developers with land-use regulations, rezoning, utility connections and advocacy efforts – all in an attempt to spark neighborhood redevelopment.

Incubator staff is committed to developing a program to help local entrepreneurs. Even its entrepreneurial development efforts have a community-outreach component. As part of their leases, all clients sign first-source hiring agreements in which they agree to consider unemployed neighborhood residents for available job openings.

These agreements, Barta says, create beneficial relationships between the businesses' growth and the residents' well-being. "The employment clause helps the incubator companies feel ownership in the east side because their businesses and their employees are here," she says. "They want to increase the quality of life in the neighborhood, even after they graduate." Several incubator graduates continue to operate their businesses in East Tacoma.

The first-source hiring agreements benefit both incubator clients, who receive human resources assistance from local public agencies who administer the program, and neighborhood residents, who might otherwise have few job options – or at least not such attractive employment opportunities. The incubator's clients, which include many specialty trades contractors such as painters, roofers, landscapers, electricians and welders, pay their employees prevailing wages (averaging over \$20 per hour).

TECH-COLUMBUS: *Columbus, Ohio*

Tech Columbus is a business incubator and an early stage investor. Tech Columbus helps start-ups make connections and drive value at the early stage of their process so their portfolio of companies can grow.

- Tech Columbus works with and invest in emerging high-growth startups in the 15-county Central Ohio region. These businesses reflect the region's strengths—advanced materials, energy, life sciences, software/IT, and related technologies.
- Tech Columbus provides comprehensive Acceleration Services based on industry best practices. Their proven methodology reduces risk by matching achievement milestones to capital to speed up startups' growth.
- TechColumbus attracts and is a catalyst for public and private pre-seed to growth stage capital. TechColumbus connects entrepreneurs to the resources they need, including seasoned business mentors, expert service providers, business partners, and potential customers from Ohio and beyond.
- Since inception, TechColumbus has served more than 500 entrepreneurs and companies. TechColumbus has invested \$12.3M in 140 firms which, in turn, has attracted more than \$540M in co-investment. More than 20 percent of TechColumbus companies have achieved commercial success or profitable exits, returning a value of \$2 million to TechColumbus.



- TechColumbus invests these dollars in the next generation of startups, perpetuating the innovation economy. The average salary of these businesses is \$64,000.

TechColumbus provides the following programs:

- **Concept Academy:** At the front end of TechColumbus' intake process, Concept Academy is designed to help entrepreneurs validate their concepts and focus on features that are of greatest interest to end users, before spending time and money building products they later discover customers don't want. The three-day program over a two-week period consists of several working sessions held at TechColumbus. In addition, some homework is involved outside the classroom. Concept Academy is focused on helping entrepreneurs determine:
 - A direction for their business
 - Initial market segments to pursue
 - Product features that are the most likely to satisfy customer needs in those markets
 - A process for collecting direct customer feedback and modifying the company direction and features accordingly
- **Access to Capital:** TechColumbus connects the most promising technology startups engaged with the Venture Acceleration team with the right sources of capital required to meet critical milestones at each stage of growth. This continuum of capital includes concept and seed stage funds, Ohio TechAngel Fund, X Squared Angels, and "side car" investing through a network of angels and other investors.
- **The SpringBox Labs** accelerator, with 62,000 square feet of flexible and innovative office, lab, and manufacturing space, is home to up to 40 technology startups.

THE COMPANY LAB: Chattanooga, TN

The Company Lab exists to support the startup community in Chattanooga and the surrounding region through programs, events and services. Operating under the belief that entrepreneurial thinking is the foundation of Chattanooga's future, CO.LAB has devised a system to foster the startup spirit, which can be used as a model for entrepreneurial communities across the nation.

Programs of the Company Lab:

CO.STARTERS: To date, over 700 individuals have graduated from this program (formerly known as SpringBoard). The program lasts nine weeks, convening one evening a week for three hours. Facilitators are experienced entrepreneurs who are well connected in the business community. Guest speakers share the challenges they faced while starting and

growing their businesses, and business professionals from leading accounting and law firms offer their support to program participants.

Throughout this business model discovery process, participants identify and test business assumptions through customer interactions, develop a functioning business model, learn valuable management and marketing skills, and receive constructive feedback from advisor, peers, and former grads. At the end, participants have the tools, framework, and momentum needed to make their vision a reality.



CO.LAB ACCELERATOR: The CO.LAB Accelerator is a mentor-driven program for high-growth potential startups. The CO.LAB Accelerator prepares startups for the next steps: attracting capital and/or customers to get the startup off the ground.

High growth potential startups are typically not well-suited for traditional capital from banks and other lending institutions. The CO.LAB Accelerator helps entrepreneurs overcome barriers in the transition from an initial concept to a compelling model fundable by other forms of Angel or Venture Capital.

- 100 day program
- Participants receive free housing through University of Tennessee at Chattanooga
- Entrepreneurs must be fully focused on scaling their startup
- For high-growth potential startups
- Determine next steps and prepare to seek funding

APPENDIX 1: EXISTING ENTREPRENEURIAL RESOURCES

Lynchburg Business Development Centre

Lynchburg's Business Development Centre is a 501(c)3 organization, governed by a 16 member board of directors.

The Business Development Centre offers three primary services:

1. The business incubator, a 42,000 square foot facility, houses start-up and emerging businesses, giving them the opportunity to reach a maturity level. The incubator offers a full-range of services and a variety of different types and sizes of space.
2. The Business Development Centre, Inc. provides business owners throughout the Region 2000 area with in-depth counseling, business-related seminars, and a six-week training program, which provides the trainee with information regarding all aspects of small business ownership and business plan development.
3. The Centre provides direct financing to small business owners with a variety of loan programs such as the Lynchburg Economic Development Authority Loan Fund.

Small Business Development Center (SBDC)

The SBDC provides customized counseling and education for small businesses in the region. SBDC users have the opportunity to meet in private with a certified business analyst to discuss specific issues. Users may also attend small-group trainings for in-depth presentations on critical management topics. The Region 2000 Small Business Development Centre serves the City of Lynchburg, and Amherst, Appomattox, Bedford, and Campbell Counties in Virginia. The SBDC is located on the campus of Central Virginia Community College.

The following classes are currently offered by the SBDC:

Business Basics - \$20

Business Basics is an introduction to owning a business. Topics include deciding on a legal entity, basic accounting and tax issues, permitting and licensing, writing a business plan, basics of marketing and market research. The class is 2.5 hours long, so topics are briefly covered. Upon completing the class, students have the opportunity to schedule a one-on-one appointment with one of the professional business counselors in the SBDC office.

Social Media Basics - \$20

Social Media Marketing Basics teaches the theory of social media marketing and lays out the steps required to: Easily create a basic business website, set up and maintain a Google

Places for Business page, establish a business on the review sites Yelp! and TripAdvisor. Upon completing the class, students will have the necessary information to be able to create and manage a basic social media presence.

Social Media Marketing 2.0 - \$20

Social Media Marketing 2.0 prepares businesses to establish a Facebook page, Twitter account, YouTube site, and Pinterest account. This course also introduces businesses to other social media sites and helps business owners make the decision about which formats are best for their individual needs. Professional business counselors walk students through the Do's and Don'ts of Facebook and how to use Twitter to reach the masses.

GREATER LYNCHBURG SCORE

SCORE is a resource partner with the U.S. Small Business Administration. Local chapters provide free mentoring and low-cost workshops in their communities. Both working and retired executives and business owners donate their time and expertise as business counselors. The Greater Lynchburg SCORE is currently co-located with the Business Development Centre.

APPENDIX 2: THE NAVIGRID

The NaviGrid was designed to provide entrepreneurs with a fast and easy tool to navigate Lynchburg's many tools and resources. This tool is available online at www.opportunitylynchburg.com and paper copies are available in the Office of Economic Development, at the Small Business Development Center and the Lynchburg Regional Business Alliance offices.



So, you own a business in Lynchburg.

Here are some great local resources to help your business grow!

		Legal Assistance	Business Plan Development	Sales & Marketing	Grants for Renovation	Financing	Networking	Link to State & Fed Resources	Legislative Advocacy	Real Estate Assistance	Workforce Development	Financial Counseling	Production Space	Office Space	Small Business Loans
Lynch's Landing	www.downtownlynchburg.com 434.485.7250														
Lynchburg Business Development Center	www.lbdc.com 434.582.6100														
Lynchburg Economic Development Authority	www.opportunitylynchburg.com 434.455.4490														
Lynchburg Office of Economic Development	www.opportunitylynchburg.com 434.455.4490														
Lynchburg Regional Business Alliance	www.lynchburgregion.org 434.845.5966														
CO.STARTERS	www.opportunitylynchburg.com 434.455.4490														
Retail Merchants Association	www.lynchburgma.com 434.528.1732														
SCORE - The Greater Lynchburg Chapter	www.lynchburgscore.org 434.582.4560														
Small Business Development Center	www.region2000sbdc.com 434.832.7824														

LYNCHBURG BUSINESS DEVELOPMENT CENTRE

2016 REPORT

BDC HISTORY

- Lynchburg's Business Development Centre, Inc (BDC) opened as a small business incubator in 1989 with 20,000 square feet of office and manufacturing space.
- An additional 22,000 square feet was added in 1993. The total project cost is approximately \$1.6 million.
- With the construction of the building funded by the Economic Development Administration of the U.S. Department of Commerce (75%) and the City of Lynchburg (25%), initial operating funds for the facility were provided by the Virginia's Center for Innovative Technology (\$60,000), the Piedmont Private Industry Council (\$23,000) and the City of Lynchburg (\$30,000).
- The Centre has been self-supporting since its initial funding and operates today on an annual budget of approximately \$250,000.
- The initial idea for developing the incubator came as a result of conversations with the U.S. Economic Development Administration following large layoffs in our area; thereby making the City eligible for application under the EDA's Title XI program for sudden and severe economic distress.
- Today, the facility is owned by the City of Lynchburg and operated by the Business Development Centre, Inc., a non-profit corporation under section 501c3 of the IRS code.

BDC LOAN PROGRAMS

Fund	Total Pool Available	Outstanding Loans	Available Funds	% Outstanding	Loan Goal (90%)
BDC Loan Fund	\$175,543.27	\$82,405.61	\$93,137.66	46.9%	\$157,988.94
Lynchburg Area Development Corporation	\$250,000.00	\$59,094.82	\$190,905.18	23.6%	\$225,000.00
Lynchburg Economic Development Authority	\$1,000,000.00	\$727,303.99	\$272,696.01	72.7%	\$900,000.00
Revolving Loan Fund	\$660,000.00	\$576,813.58	\$83,186.42	87.4%	\$594,000.00
Venture for Enterprising Women	\$39,749.47	-	\$39,749.47	0%	\$35,774.52
Virginia Enterprise Initiative	\$9,231.10	\$5,256.65	\$3,974.45	56.9%	\$8,307.99
Total	\$2,134,523.84	\$1,450,874.65	\$683,649.19	68%	\$1,921,071.45

PHYSICAL BUILDING

The BDC was constructed in 1989 and was expanded in 1993 for a total of 44,000 square feet of incubator space.

- Federal EDA contribution: \$1.2 Million
- City of Lynchburg contribution: \$400,000
- Current Assessed Value: \$2.5 Million

The City of Lynchburg maintains the BDC building. The following work has been completed by Building and Grounds:

2011	AC Unit Replacement	\$9,010
2012	AC Unit Replacement	\$13,900
2013	AC Unit Replacement & Repairs	\$13,335
2014	AC Unit Replacement	\$19,200
2016	Handrail Replacement	\$7,740
2016	Roof Leak Repair	\$640
	Total	\$63,825

RENT

In an agreement made April 1, 1993 between the City of Lynchburg and the Lynchburg Regional Small Business Partnership, Inc., (LRSBP) the LRSBP agreed to pay the City of Lynchburg \$1 per year on an automatic renewal one year lease.

- The agreement states that the LRSBP shall be responsible for all day-to-day maintenance and upkeep of the building and grounds, and major repairs up \$1,500. For repairs in excess of \$1,500, the City of Lynchburg is responsible.
- The City of Lynchburg was also responsible to pay electric usage for the building.

Current: The original rent agreement is no longer in force. The electricity expense is now in the BDC annual operating budget (\$45,000 and \$4,500 for water / sewer budgeted in FY2016).

REVENUE

Business Development Centre Sources of Income (FY 2016 Budget)

Program Income	\$68,473	27%
Rental Income	\$169,920	68%
Service Fees	\$3,000	1%
Miscellaneous Income	\$1,500	1%
Postage Income	\$250	0%
Electric Meter Income	\$6,000	2%
	\$249,143	100%

BDC TENANTS

Service / Product	Time in Incubator	Sq. Feet	Monthly Rent	Rent / Sq. Foot
Manufacturing	5 years	5922	\$2970.00	\$0.50
Electronic Services	1 month	800	\$730.00	\$0.91
Services for At-Risk Youth	3 years	400	\$365.00	\$0.91
Services for mentally challenged	9 years	4825	\$3092.00	\$0.64
Trash Disposal	1 year	150	\$185.00	\$1.23
Freight Transport	3 years	0	\$50.00	N/A
Wireless Comms	8 years	312	\$365.00	\$1.17
Mail Order Retail	12 years	425	\$370.00	\$0.87
Gourmet Popcorn	2 years	818	\$416.00	\$0.51
Certified Mediator	6 years	340	\$315.00	\$0.93
Lawn Care	3 years	0	\$50.00	N/A
Medication Aide Training	3 years	1526	\$1395.00	\$0.91
Warehouse	14 years	1654	\$640.00	\$0.39
Playground Equipment	3 months	150	\$185.00	\$1.23
Gymnastic Training Facility	2 years	6215	\$3162.00	\$0.51
Engineering / Manufacturing	5 years	1355	\$690.00	\$0.51
Real Estate Sales	2 months	312	\$365.00	\$1.17
Online Beauty Supply Sales	1 year	380	\$330.00	\$0.87
Warehouse Wedding Dresses		150	\$185.00	\$1.23
Business Consultations	2 years	560	\$0.00	\$0.00
TOTAL		26294	\$15,860.00	\$0.60

BUILDING OWNERSHIP & MAINTENANCE

- As stipulated by the Federal EDA mortgage agreement with the City of Lynchburg, the building is not to be used for any purpose other than the purpose of the grant during the Expected Useful Life.
- The Expected Useful Life of this project is 25 years, beginning March 23, 1993.
- The initial capital investment in the Business Development Centre building by the City of Lynchburg was \$400,000. The current assessed value of the building is \$2,552,300, yielding a return on investment of \$2,152,300, or 538%.

NATIONAL BEST PRACTICES

BUSINESS INCUBATION

No one incubator practice, policy or service is guaranteed to produce incubation program success.

Top-performing incubation programs often share common management practices.
High performing incubators typically:

- Have a written mission statement
- Select clients based on cultural fit
- Select clients based on potential for success
- Review client needs at entry
- Showcase clients to the community and potential funders
- Have a robust payment plan for rents and service fees

FACILITIES

1. Real estate should not drive the project.
2. The building should be configured to meet the needs of prospective clients. Depending on the focus of the incubator, space may need to be dedicated to manufacturing areas, office space, conference rooms, laboratories, etc.
3. The building layout should promote networking.
4. 80% - 90% of the building space should be leasable.
5. Among incubator consultants, 30,000 square feet is commonly consider to be an optimal size for cost efficiencies. The majority of incubators – 61 percent – were less than 40,000 square feet.

BOARD OF DIRECTORS

Advisory boards should have between 8 and 20 individuals and include the following types of professionals:



Graduate Firm



Experienced
Entrepreneur



Local Economic
Developer



Corporate
Executive



Finance
Professional



Business Lawyer



University Official



Chamber of
Commerce



Marketing
Professional



Product Engineer



Local Elected
Official



Real Estate
Developer

MANAGEMENT

Having a staff with sufficient resources – including time – to effectively deliver key services is critical to the success of an incubator. Staff should implement the following management practices:

- Collecting outcome data
- Providing pre- and post- incubation services
- Conducting periodic reviews of the budget, service providers, and other program activities
- Showcasing clients and marketing the program
- Developing effective entry and exit criteria for the incubator

PROGRAMS & SERVICES

Services that are statistically significantly related to client firm performance include:

Entrepreneurial
Training



access to
investment capital

gateway to
relationships with
higher ed



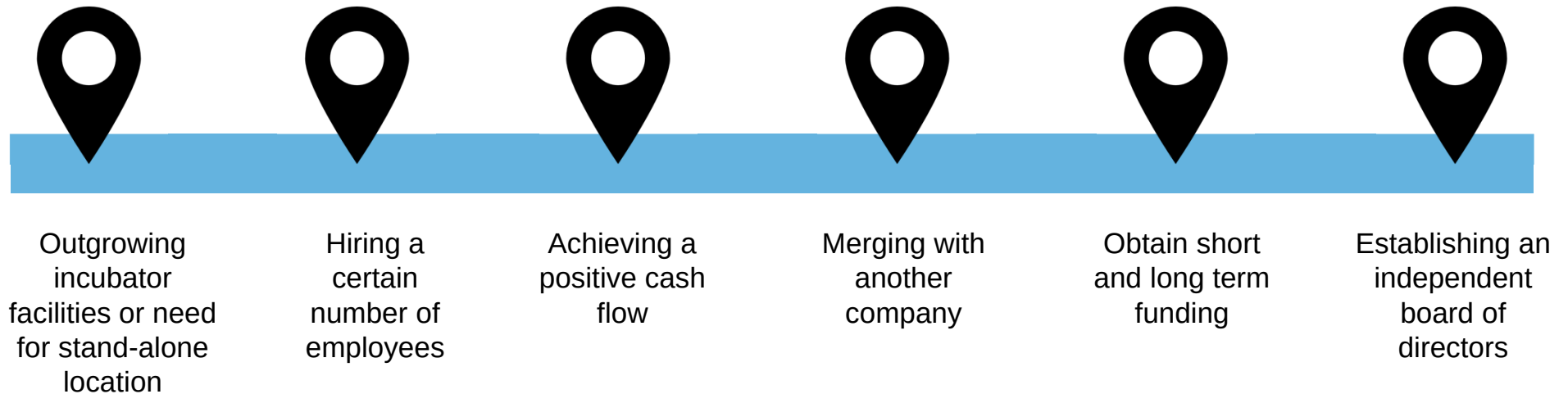
production assistance
(R&D and prototyping)



mentor programs

GRADUATING CLIENTS

A business incubation program should establish graduation policies that include specific criteria relative to its mission and its ability to provide continued value to the client.



BEST PRACTICE

- Incubation programs that receive public funding should be required to implement industry best practices.
- Funding agencies should require publicly funded incubation programs to collect outcome data to monitor the impact of public investments.
- External, independent evaluators should conduct periodic assessments of business incubation programs receiving public support.
- Programs receiving public support should be required to submit annual reports to their public funding source.
- Once incubation programs that receive public support are collecting adequate data and implementing industry best practices, other complementary policies should be considered.
- Most high-achieving incubators are not-for-profit models.
- Public sector support contributes to program success.
- Collectively, measures of a region's capacity to support entrepreneurship have limited effect on incubation program outcomes.

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 14, 2016**

AGENDA ITEM NO.: 7

CONSENT: **X**

REGULAR:

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Sale of City owned property at 305 and 309 Lucado Place**

RECOMMENDATION: Authorize the City Manager to sell the subject property.

SUMMARY: The Lynchburg Regional Business Alliance has offered to purchase City owned property consisting of six hundred forty-nine thousandths (0.649) acres located at 305 and 309 Lucado Place. The property was acquired by the City in December 1966 and is currently vacant with steep terrain.

If Council decides to sell the property, the Lynchburg Regional Business Alliance would construct parking immediately adjacent to Lucado Place (proposed for right-of-way vacation) in order to have dedicated parking available for 301 5th Street. The Lynchburg Regional Business Alliance has offered to purchase the property for the current assessed value of \$3,500.

City Council voted to sell the property at its June 14th meeting. A second, separate Council action is required to authorize the City Manager to sell the property.

PRIOR ACTION(S):

May 17, 2016: The Technical Review Committee [TRC] reviewed the potential sale.

June 14, 2016: City Council unanimously voted to sell the property (7-0, with no abstentions).

FISCAL IMPACT: \$3,500 to General Fund

CONTACT(S):

Rachel Frischeisen, Planner I – 455-3900

Tom Martin, City Planner - 455-3900

Kent White, Director of Community Development – 455-3900

ATTACHMENT(S):

- Resolution
- Offer Letter
- Map

REVIEWED BY: lkp

RESOLUTION:

#R-16-075

A RESOLUTION TO CONVEY THE PROPERTY LOCATED AT 305 AND 309 LUCADO PLACE TO THE LYNCHBURG REGIONAL BUSINESS ALLIANCE.

WHEREAS, the City of Lynchburg owns the property located at 305 Lucado Place (Tax Parcel #02404003) and 309 Lucado Place (Tax Parcel #02404004) consisting of approximately six hundred forty-nine thousandths (0.649) acres;

WHEREAS, the property was transferred to the City of Lynchburg by Gorman L. Burnett on December 7, 1966; and

WHEREAS, the property is vacant and the City has no plans for the property; and

WHEREAS, the Lynchburg Regional Business Alliance is requesting to purchase the property from the City for the sum of \$3,500.

NOW, THEREFORE, BE IT RESOLVED that City Council determines that the City has no need for the land located at 305 Lucado Place (Tax Parcel #02404003) and 309 Lucado Place (Tax Parcel #02404004) and finds the City's continued ownership of the property is no longer necessary or required for the best interests of the City; and

BE IT FURTHER RESOLVED that the City Council hereby vacates any public purpose in the property located at 305 and 309 Lucado Place; approves the conveyance of the property to the Lynchburg Regional Business Alliance for the sum of \$3,500; and authorizes the City Manager to execute a deed and any other documents that may be needed to convey said property to the Lynchburg Regional Business Alliance.

Introduced: June 14, 2016

Adopted: June 28, 2016

Certified:

Clerk of Council

082K



2015 Memorial Avenue | Lynchburg, VA 24501-1709 | PH: (434) 845-5966 | FX: (434) 522-9592
Info@LynchburgRegion.org | www.LynchburgRegion.org | www.YesLynchburgRegion.org

May 23, 2016

City of Lynchburg
Mr. Kim Payne
900 Church Street
Lynchburg, VA 24504

Dear Kim,

The Lynchburg Regional Business Alliance is currently evaluating the possibility of purchasing the James River Conference Center located at 301 5th Street, Lynchburg as the potential new location for our offices. In the April 26, 2016 letter we would like to request two things from the City:

- A. Vacation of right of way. We respectfully request the City of Lynchburg convey the right of way around the building to the Lynchburg Regional Business Alliance. We will be submitting a vacation of right of way request.
- B. Purchase of all or portions of lots 309 & 305. The James River Conference Center doesn't have any land attached to it that could be utilized for parking. Portions of lots 309 & 305 could be utilized for parking. Ideally, we'd like to purchase only those portions of the land that we could utilize for parking rather than purchase entire parcel as we don't need the added liability.

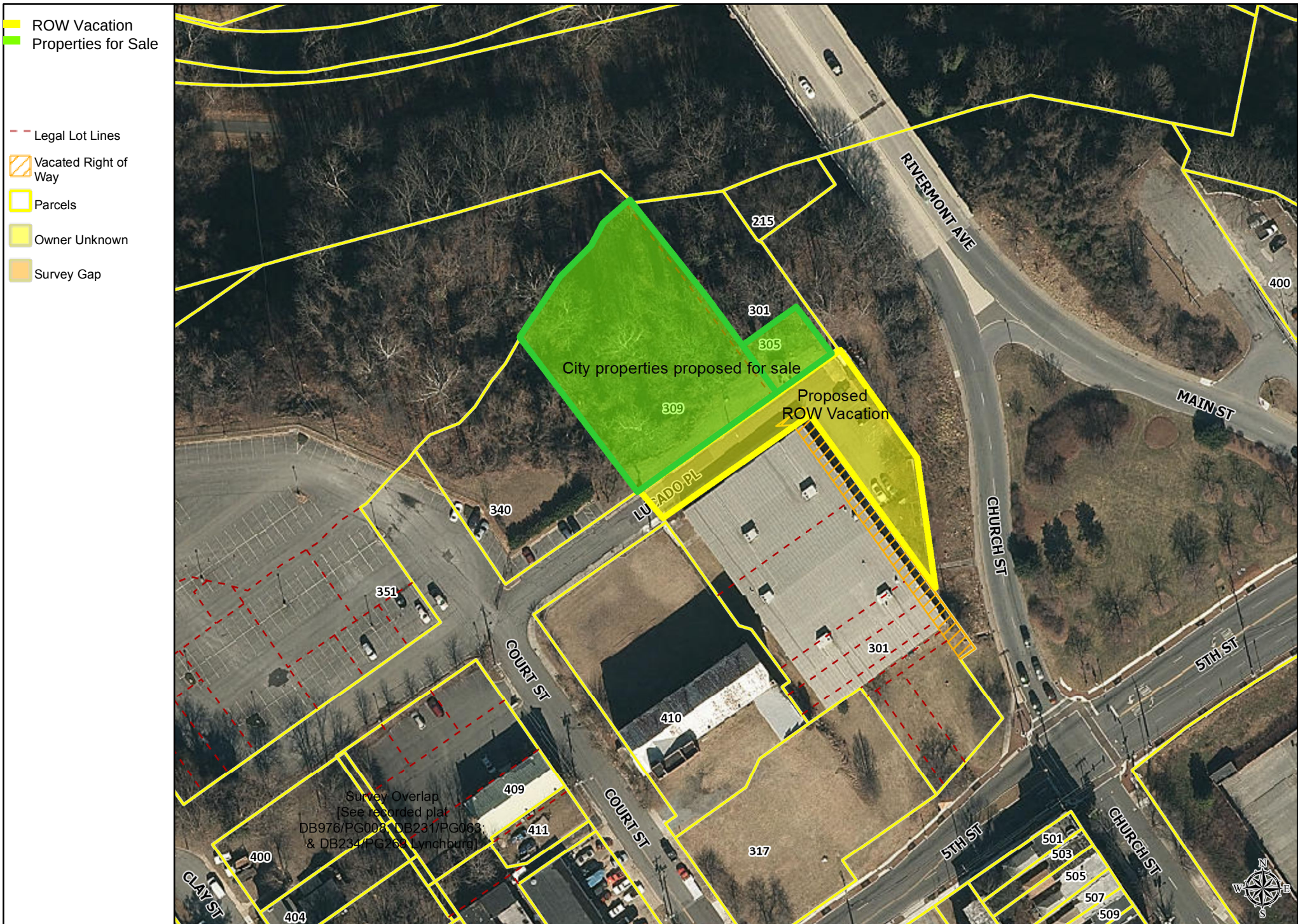
Mr. Martin, City Planner, has informed me that the preference is to sell the parcels in their entirety and request that we make an offer. We are excited at the possibility of locating the regional business organization in the urban hub of more than a quarter million people and creating special place integral to the region's economic future. As we review the opportunity of the new site funding is at the forefront of our thoughts. With that said, parcel #305 valuation is \$600 and parcel #309 valuation \$2,900 total valuation of the two properties is \$3500.00. We are offering to pay the total valuation but sure would like the City to consider half or gifting the property so that we can utilize the funds to make the move.

We are fortunate to have some great partners working with us on this project and we certainly value you, your team and the City of Lynchburg as a vital partner regarding our ability to locate the largest business and economic development entity into downtown Lynchburg. Thank you for your time, please advise me on the best way to proceed.

In Partnership,

Megan A. Lucas, CEcD

Lynchburg Regional Business Alliance, CEO



Proposed Sale of City Properties - 305 & 309 Lucado Place



DISCLAIMER: THIS MAP IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS SUCH. THE INFORMATION DISPLAYED IS A COMPILATION OF RECORDS, INFORMATION, AND DATA OBTAINED FROM VARIOUS SOURCES. THE CITY OF LYNCHBURG IS NOT RESPONSIBLE FOR ITS ACCURACY OR HOW CURRENT IT MAY BE.

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1 inch = 100 feet 1:1,200

PRINTED ON
June 1, 2016

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 9

CONSENT: **X**

REGULAR:

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Appointment of City Manager Bonnie Svrcek to the Region 2000 Services Authority**

RECOMMENDATION: Adopt a resolution appointing Bonnie Svrcek to the Region 2000 Services Authority Board of Directors.

SUMMARY: The term of current City Manager Kimball Payne will expire on June 30, 2018. City Council is being asked to appoint City Manager- elect Bonnie Svrcek as a member of the Region 2000 Services Authority to complete the remainder of the term.

PRIOR ACTION(S): Region 2000 Regional Solid Waste Service Authority was established 2007.

FISCAL IMPACT: None

CONTACT(S): Kimball Payne, 455-3990

ATTACHMENT(S): Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED by the Lynchburg City Council that, effective July 1, 2016, City Manager Bonnie Svrcek is hereby appointed as a member of the board of the Region 2000 Services Authority for a term beginning July 1, 2016 and expiring June 30, 2018, the same being the remaining term of former board member and City Manager L. Kimball Payne, III.

Adopted:

Certified:

Clerk of Council

089K

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 10

CONSENT: X

REGULAR:

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: X

INFORMATION:

ITEM TITLE: **Appointment of City Manager Bonnie Svrcek, and Police Chief Raul M. Diaz to the Blue Ridge Regional Jail Authority Board.**

RECOMMENDATION: Adopt a resolution appointing City Manager Bonnie Svrcek and Police Chief Raul M. Diaz, as her alternate, to the Blue Ridge Regional Jail Authority Board.

SUMMARY: The terms of retiring City Manager Kimball Payne and his alternate, retired Police Chief Parks Snead, on the Blue Ridge Regional Jail Authority Board end June 30, 2016. This appointment is for the new City Manager Bonnie Svrcek and the Police Chief Raul M. Diaz, as her alternate, to the Board.

PRIOR ACTION(S): N/A

FISCAL IMPACT: None

CONTACT(S): Valeria Chambers, Clerk of Council, 455-3990

ATTACHMENT(S): Resolution

REVIEWED BY: lkp

RESOLUTION

WHEREAS, the Blue Ridge Regional Jail Authority Service Agreement dated November 10, 1994, as amended, states that members of the Authority Board shall be elected for three-year terms and

WHEREAS, the governing body of each participating jurisdiction has appointed a member and an alternate whose current terms expire June 30, 2016; and

WHEREAS, the governing body of each jurisdiction has been requested by the Authority to appoint a member and an alternate for a term commencing July 1, 2016, and ending June 30, 2019;

NOW, THEREFORE, BE IT RESOLVED by the Lynchburg City Council that Bonnie Svrcek, City Manager, is hereby appointed as a member of the Blue Ridge Regional Jail Authority and Raul M. Diaz, Police Chief, is appointed as the alternate for such member, each for a term commencing July 1, 2016, and ending June 30, 2019.

Adopted:

Certified:

Clerk of Council

090K

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 11

CONSENT: REGULAR: **X**

WORK SESSION:

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: Appeal of Historic Preservation Commission (HPC) Decision Concerning Property at 1416 Harrison Street

RECOMMENDATION: After a public hearing, uphold the decision of the HPC to deny the Certificate of Appropriateness (COA) request.

SUMMARY: On May 16, 2016, the HPC denied the request of Alessandro Dellai to install a photovoltaic system (solar panels) on the west facing roof of the garage/carriage house at 1416 Harrison Street. The property is located in the Diamond Hill Historic District. The HPC denied the COA request because the proposed solar panels would be visible from Harrison Street and are not consistent with the *Lynchburg Historic Districts Residential Design Guidelines*. The Commission felt that allowing property owners to deviate from the basic guidelines of historic preservation undermines the purpose of a historic district, which is to protect real estate investment and stabilize neighborhoods.

The *Lynchburg Historic Districts Residential Design Guidelines* reference solar panels in two locations:

- Satellite Dishes/Solar Panels/Vents: A. Whenever possible should not be installed in front yards or where visible in side yards. B. Whenever possible, should not be mounted on the primary or readily visible facades of a building. C. That are mounted in yards should be screened by lattice panels, fencing or landscaping (*p. 73*).
- Mechanical Systems such as solar energy panels should be located on rear sections of the roof, behind dormers or gables or other areas not visible from the street (*p. 101*).

The property owner is appealing the HPC decision to deny the COA to City Council as provided in Section 35.2-13.11 of the *Zoning Ordinance*.

PRIOR ACTION(S):

May 16, 2016: The HPC denied the COA request of Alessandro Dellai to install solar panels.

May 27, 2016: Alessandro Dellai appealed the decision of the HPC to deny the COA request to install solar panels.

FISCAL IMPACT: None

CONTACT(S): Tom Martin, City Planner - 455-3900
Kent White, Director of Community Development – 455-3900

ATTACHMENT(S):

- Resolution(s)
- Map
- Property Photographs
- HPC Minutes – May 16, 2016
- Notice of Denial
- Request to Appeal

REVIEWED BY: lkp

A RESOLUTION TO UPHOLD THE DECISION OF THE HISTORIC PRESERVATION COMMISSION

BE IT RESOLVED That the Council of the City of Lynchburg hereby upholds the decision of the Historic Preservation Commission to deny the Certificate of Appropriateness (COA) request of Alessandro Dellai to install a photovoltaic system (solar panels) on the west facing roof of the garage/carriage house located at 1416 Harrison Street.

Adopted:

Certified:

Clerk of Council

087K

A RESOLUTION TO REVERSE THE DECISION OF THE HISTORIC PRESERVATION COMMISSION

BE IT RESOLVED That the Council of the City of Lynchburg hereby reverses the decision of the Historic Preservation Commission to deny the Certificate of Appropriateness (COA) request of Alessandro Dellai to install a photovoltaic system (solar panels) on the west facing roof of the garage/carriage house located at 1416 Harrison Street.

Adopted:

Certified:

Clerk of Council

087K

1416 Harrison Street Diamond Hill Historic District

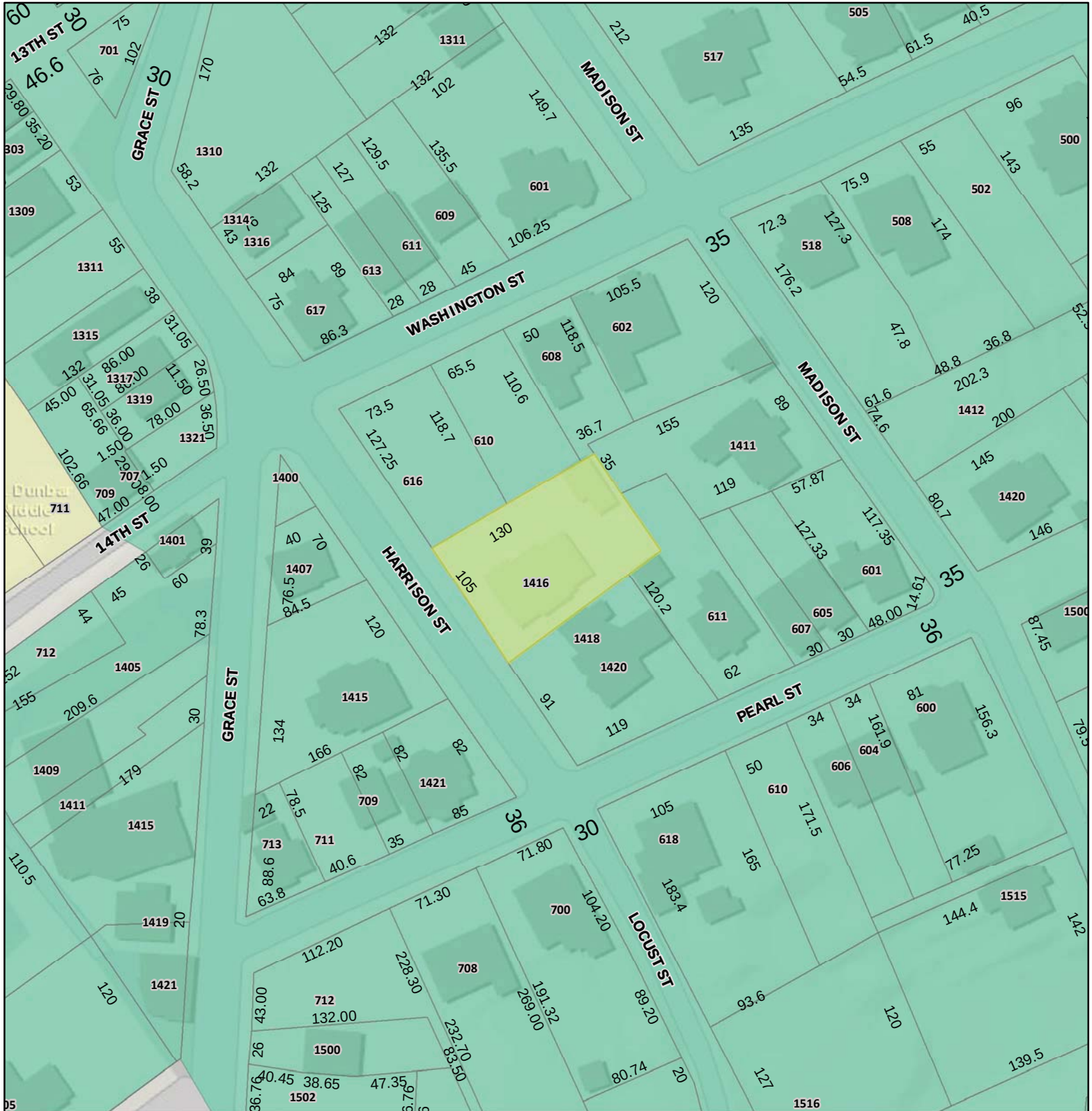
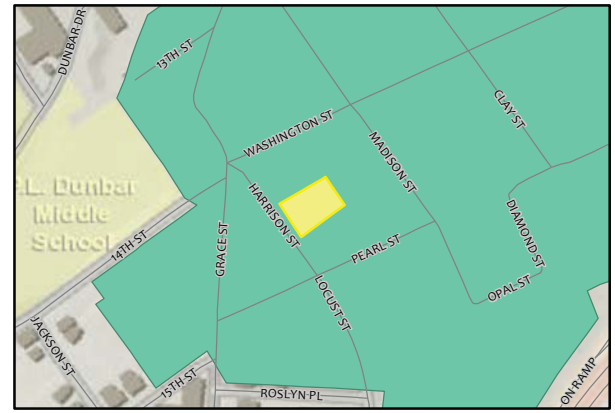


Subject Property



Local Historic District

City Of Lynchburg - Planning Division - 5/12/2016







02/25/2014

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MINUTES OF THE MAY 16, 2016 HISTORIC PLANNING COMMISSION MEETING (MINUTES HAVE NOT BEEN APPROVED):

Request of Alessandro Dellai to install photovoltaic panels on his garage and carriage house at 1416 Harrison Street:

Mr. Dellai explained that the solar panels would be installed on the west facing side of the garage and carriage house. They could have been approved administratively for the east facing side of the house because they would not have been visible from the street. However, the solar panel company stated that they would not be efficient on that side. If Mr. Dellai puts them on the west side of the garage and carriage house, they will be visible from Harrison Street. They had considered installing them on the house but the panels would have to be scattered along the slate roof.

Commissioner McSwain asked for clarification on whether or not the panels on the right (in the diagram) would be visible from the street. Mr. Dellai said they would be visible right now but after the porch on the house is finished, they will not be visible. Commissioner Morris asked what the panels are for and Mr. Dellai indicated they are to generate electricity and are not going to provide heat or water.

Commissioner Morris asked if the company considered placing any panels on the back side of the roof that would be secured on a frame and pitched forward. Mr. Dellai said that was considered but they would have to be lifted up so much that they would still be visible from the street and also from the side.

Chair Bohnert asked if the profile would be visible. Mr. Dellai said they stay down pretty low. There are special brackets that stay flush and the panels cannot go to the edge. They have to be so many feet from the edge of the profile. Chair Bohnert asked how far off the roof would the panels be. Mr. Dellai said the brackets would be two to four inches off the roof. Chair Bohnert commented that the panels also have some depth of a couple of inches.

Commissioner Morris stated that because the panels would be visible from the street, the application is not consistent with the guidelines. The applications committee recommends denial. Commissioner Morris made a recommendation that the application for photovoltaic panels be denied. It was seconded by Commissioner Butterfield.

Commissioner McSwain thought that companies are trying to develop panels that resemble slate but that is probably still two or three years before they will be available. Chair Bohnert asked if there is any alternative. Mr. Dellai said they can be put in the yard but he does not think that would look good. Chair Bohnert asked for clarification that if they are placed on the east side, they will just not get enough sun. The initial cost of installation and the assumed production would not make sense. This is not a big system. It is 3 or 4 kilowatts. He can afford to do it and he is in favor of doing solar. If people that can afford to do it do not do it, then no one will. He understands the guidelines but is in favor of renewable energies and would love to do it.

Commissioner Morris noted that this is what the guidelines state specifically:

Satellite Dishes/Solar Panels/Vents: A. whenever possible, should not be installed in front yards or where visible in side yards. B. whenever possible, should not be mounted on the primary or readily visible facades of a building. C. that are mounted in yards should be screened by lattice panels, fencing or landscaping.

Commissioner Morris noted that they are not being mounted on the primary façade, however, they will be visible from the street. Unfortunately, Mr. Dellai's house is very visible. Chair Bohnert noted that he has a lovely house and property but not for solar panels apparently.

Chair Bohnert asked clarification that he has ruled out placing them in the yard. Mr. Dellai said he does not like that idea and thinks they would look ugly even if screened.

The motion to deny the application passed with the following vote:

AYES:	Bohnert, Butterfield, McSwain, Morris and Peery	5
NOES:		0
ABSTENTIONS:		0
ABSENCES:	Dianich and Roskelley	2



THE CITY OF LYNCHBURG, VIRGINIA

Historic Preservation Commission

Notice of Denial

Record Number: HPC1605-0006

Historic District/Property: DIAMOND HILL

Applicant: ALESSANDRO DELLAI

Date of Application: 05/13/2016

Location: 1416 HARRISON ST

ACTION REQUESTED:

INSTALATION OF PHOTOVOLTAIC SYSTEM ON WEST FACING ROOF OF GARAGE/CARRIAGE HOUSE.

Pursuant to Section 35.2-58 et.seq, of the Code of the City of Lynchburg, the Historic Preservation Commission (HPC) has received an application for review by the HPC of the foregoing requested action which affects the external appearance of a landmark, building, or structure, or part thereof, in a designated historic district. This is to certify that the HPC has considered said application together with the drawings, plans, photographs and specifications, including color samples submitted, and does hereby **Deny** such proposed action. Copies of the following relevant documents are attached hereto:

N/A

The HPC **has** found that the issuance of a Certificate of Appropriateness, and the exercise of the rights and privileges granted thereby, will or is likely to materially and adversely affect the property or the value there of another.

The applicant shall have the right to appeal to and be heard before the City Council, provided that he/she files with the Clerk of the City Council within **fifteen (15) days** after the decision by vote of the HPC, a notice in writing of his/her intention to appeal. REASON FOR DENIAL. SOLAR PANELS WOULD BE VISIBLE FROM STREET.

[Conditions] **N/A**

Tom Martin, AICP, City Planner

Date of Action: May 16, 2016

Copy: Applicant
Zoning Official

Martin, Tom

From: Alessandro Dellai <alexddellai@yahoo.it>
Sent: Friday, May 27, 2016 11:18 AM
To: Chambers, Valeria P
Cc: Martin, Tom
Subject: HPC denial
Attachments: COA DENIAL 1416 Harrison Street Solar P.pdf

Hi Ms. Chambers,

My name is Alex Dellai, homeowner and resident at 1416 Harrison Street. I'd like to appeal my recent denial for COA for installation of solar panels on the roof of my garage at the most recent meeting of the HPC on May 16th 2016. At the instructions of Mr. Tom Martin I'm writing you to have City Council reconsider my application and hear arguments in favor.
Please instruct me as to how to proceed.

Respectfully submitted,
Alex Dellai

Ph: (615) 545-6298

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 12

CONSENT:

REGULAR: **X**

WORK SESSION:

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Amend Section 26-1 of the City's Nuisance Ordinance**

RECOMMENDATION: Adopt the attached ordinance amending Section 26-1 of the City Code to make it clear that Lynchburg does not take enforcement actions against conditions that constitute private nuisances.

SUMMARY: The state code gives localities the authority to adopt ordinances to deal with conditions that constitute public nuisances. Lynchburg's nuisance ordinance comes from the 1959 City Code and the definition of what constitutes a public nuisance has changed since the ordinance was originally adopted. For example, the Virginia Supreme Court and the Virginia Attorney General have advised that a public nuisance is a condition endangers the health or safety of the general public or unreasonably interferes with the use of public property. Conditions that simply offend aesthetics or constitute annoyances do not rise to the level of a public nuisance.

Also, while the state code gives localities the authority to deal with public nuisances, the state code does not give localities the authority to deal with conditions that constitute private nuisances. A private nuisance is an activity which does not impact the general public, but only impacts an individual or a relatively small number of individuals. For example, if an unhealthy tree is located in a property owner's front yard and because of its location could fall and injure someone using a public sidewalk or a public street, the tree is a public nuisance because it poses a threat to the general public and the City can require the tree's removal. However, if the same tree is located in a property owner's rear yard, it only poses a threat to the adjoining property owner, not to the general public, and it is the responsibility of the private property owner to take the appropriate steps to deal with the tree.

A citizen recently complained that the nuisance ordinance is confusing because it does not currently make enough of a distinction between public nuisances and private nuisances, so the proposed amendment is being offered to make the ordinance clearer to citizens.

PRIOR ACTION(S): The City's current nuisance ordinance comes from the 1959 City Code.

FISCAL IMPACT: None

CONTACT(S): Walter C. Erwin, 455-3973

ATTACHMENT(S): An ordinance amending Sections 26-55 and 26-57 of the City Code.

REVIEWED BY: lkp

AN ORDINANCE TO AMEND AND REENACT SECTION 26-1 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION RELATING TO THE CITY'S NUISANCE ORDINANCE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 26-1 of the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted as follows:

Sec. 26-1. Definitions.

The following words whenever used in this chapter shall have the meanings respectively set forth unless a different meaning is clearly required by the context:

Building: Any structure for the support, shelter or enclosure of persons, animals, chattels or property of any kind.

Noise: Any sound which annoys or disturbs a reasonable person of normal sensitivities or which causes or tends to cause an adverse effect on humans, and as defined in Article III of this chapter pertaining to noise control.

Nuisance: The doing of any act or the omission to perform any duty, or the permitting of any condition or thing to exist that endangers life or health, obstructs or interferes with the reasonable or comfortable use of public or private property, ~~tends to depreciate the value of the property of others,~~ or in any way renders other persons insecure in the life or the use of property. Wherever the term nuisance is used in this chapter, it shall be deemed to mean a public nuisance.

Odor: Any smell from whatever source resulting from a quality of something that stimulates the olfactory organ and annoys or disturbs a reasonable person of normal sensitivities.

Person: Person shall include individuals, corporations, partnerships and all other legal entities which may hold title to real or personal property.

Premises: A tract of real property with a building or buildings thereon and shall include its grounds and other appurtenances.

Private nuisance: A private nuisance is an activity which does not impact the general public, but which implicates or interferes with a right or interest that is unique to an individual or a small number of individuals, and unreasonably interferes with the use and enjoyment of another individual's or a small number of individuals' property. Private nuisances are not covered by this chapter, but individuals who are adversely affected by a private nuisance that unreasonably interferes with the use and enjoyment of their property have the right to initiate a civil action to compel the abatement of such private nuisance.

Property: Both real property and personalty.

Public nuisance: A nuisance which is common to the public generally and which injures or has the potential to injure the general public and adversely affects those citizens generally who may be so circumstanced as to come within its influence. A nuisance shall be deemed to be public if

it is committed in such a place and in such a manner that the aggregation of private persons injured thereby is sufficiently great so as to constitute a public annoyance and inconvenience

2. That this ordinance shall become effective upon its adoption.

Adopted:

Certified: _____
Clerk of Council

088K

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 13

CONSENT:

REGULAR: **X**

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Amend Section 36-151 of the City Code, relating to Enterprise Zones**

RECOMMENDATION: Adopt an ordinance amending Section 36-151 of the City Code, relating to Enterprise Zones, to remove outdated language.

SUMMARY: Lynchburg is an active participant in the Virginia Enterprise Zone Program, with two Enterprise Zones identified by the Department of Housing and Community Development (DHCD) as #2 and #46. The zones were established to provide incentives for businesses to locate or expand, stimulating economic development within the designated areas. The program offers state level incentives authorized by the General Assembly, along with local incentives crafted by municipalities to target local economic development needs.

In 2014, during a regular review of the Enterprise Zone program, DHCD found that Lynchburg's local incentive required amendment for compliance with state best practices, and the Office of Economic Development (OED) seized an opportunity to replace the incentive with the Local Enterprise Zone Redevelopment Program. Council amended City Code to reflect this change. Due to the June 10, 2014 action, Section 36 – 151 paragraphs 2 and 3 of the City Code are no longer valid. After consultation with the City Attorney and the Commissioner of Revenue, it was determined that paragraphs 2 and 3 have no bearing on the remaining language in Section 36 – 151 and may be repealed without consequence. The purpose of this amendment is to remove the outdated language.

PRIOR ACTION(S):

In 1984 Section 36-151 was amended to provide for tax credits for two years for businesses that were designated as qualified business firms under the Urban Enterprise Zone Act.

In 1995 Section 36-151 was amended to provide for tax credits for five years for businesses that were designated as qualified business firms under the Urban Enterprise Zone Act.

In 2010 Section 36-151 was amended to remove the references to the Urban Enterprise Zone Act, and the ordinance simply referred to the Enterprise Zone Act.

In 2014 a resolution was passed in support of the incentive amendments, as required by the Department of Housing and Community Development, and repeal paragraphs 2 and 3 of Section 36 -151 of the Code of the City of Lynchburg.

FISCAL IMPACT: None

CONTACT(S): Marjette Upshur, Director of Economic Development, 434-455-4490

ATTACHMENT(S): An ordinance amending Section 36-151 of the City Code.

REVIEWED BY: lkp

AN ORDINANCE TO AMEND AND REENACT SECTION 36-151 OF THE CODE OF THE CITY OF LYNCHBURG, 1981, THE AMENDED SECTION RELATING TO THE TAXATION OF MACHINERY USED IN MANUFACTURING AND MINING BUSINESSES.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That Section 36-151 of the Code of the City of Lynchburg, 1981, be and the same are hereby amended and reenacted as follows:

Sec. 36-151. Same—Machinery used in certain manufacturing and mining businesses

Effective on and after July 1, 1972, for the fiscal year beginning July 1, 1972, and ending June 30, 1973, and also for each and every fiscal year thereafter beginning July first and ending June thirtieth of each such year, unless otherwise changed by council, on each one hundred dollars (\$100.00) of the assessed value of all machinery and tools, except machinery and equipment used by farm wineries as defined by Section 4-2(10A) of the Code of Virginia, used in the manufacturing, mining, processing or reprocessing, radio or television broadcasting, dairy, dry cleaning or laundry business, pursuant to Section 58.1-3507 of the Code of Virginia, 1950, as amended, there shall be a tax of three dollars (\$3.00) for the purpose of establishing and maintaining the public schools of the city and for the purpose of providing the interest and sinking fund on loans negotiated and bonds issued by the city for school purposes, and for general governmental purposes.

~~Any business firm which may be designated as a "qualified business firm" on or after July 1, 1995 pursuant to the provisions of Chapter 22, Title 59.1 of the Code of Virginia, 1950, as amended, (the Enterprise Zone Act), shall be entitled to the following tax credits for the value of net new machinery and tools investment: for the first three (3) tax years for which the firm is assessed this tax, there shall be a one hundred per cent (100%) tax credit, and for the fourth and fifth years a fifty per cent (50%) tax credit. Thereafter the tax shall be at the rate provided for in this section.~~

~~Provided, however, that on and after July 1, 2011, for the fiscal year beginning July 1, 2011, and ending June 30, 2012, and for each fiscal year thereafter a qualified technology business shall be eligible for a five-year reimbursement of machinery and tools taxes for the value of net new machinery and tools investment as follows: during the first (1st) calendar year, a seventy-five percent (75%) reimbursement; for the second (2nd) calendar year a fifty percent (50%) reimbursement; and for the third (3rd), fourth (4th) and fifth (5th) calendar years a twenty-five percent (25%) reimbursement.~~

Every taxpayer owning any of the property mentioned in this section, on January first of any year, shall file a return thereof with the commissioner of the revenue on the form so prescribed. Such return shall be filed on or before February fifteenth of each year.

2. That this ordinance shall become effective upon its adoption.

Adopted:

Certified:

Clerk of Council

091K

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 14

CONSENT: REGULAR: **X**

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Request to Waive Real Property Tax Penalty and Interest for the Krise Building**

RECOMMENDATION: Approve the waiver of penalty and reduce the accrued interest from a rate of 10% to be calculated at 3% related to the delinquent Real Estate taxes on the Krise Building parcels as listed in Attachment A until the property closes with Krise Re-Development, LLC.

SUMMARY: Krise Re-Development, LLC has requested a waiver of the Real Property Tax penalty and interest for the Krise Building at the corner of 9th Street and Main Street. The current owner, Krise Building Associates, LLC, has \$55,451.74 in delinquent property taxes, \$5,611.34 in penalty and \$23,393.70 in interest for a total of \$84,456.78 through June 1, 2016. The total assessed value of the Krise Building is \$1,286,300.

The Real Estate Taxes will need to be paid in full as part of the sale closing. The request is for a waiver of the penalty and interest of \$29,005.04.

In June 2001, City Council adopted a Municipal Property Liens Waiver Policy that states “the City will consider on a case-to-case basis petitions for the waiver of that amount of municipal liens that exceed, the fair market value of real property proposed for purchase by a third party.” Even though the assessed value is more than the taxes and fees owed and is inconsistent with the Municipal Property Liens Waiver Policy, staff was advised by the City Attorney to follow the policy procedure guidelines.

Krise Re-Development, LLC Managing Partner, Cliff Harrison, has submitted the request as outlined in the policy with the intent to utilize a HUD 220 loan and Federal and State Historic Tax Credits to renovate the property.

City staff is not recommending the waiver of penalty and interest due to this property being eligible for the Residential Tax Rehabilitation Program and therefore, no Real Estate Taxes will be collected on the additional value of the building for fifteen (15) years.

At the June 14, 2016 Physical Development Committee meeting the recommendation was made to waive the assessed penalties of \$5,611.34 and to re-calculate the interest rate at 3% per annum instead of the 10% per annum adopted in City Code. The re-calculated interest through June 1, 2016 is \$6,357.51. If approved, the interest write-off would be \$17,036.19. The total waiver, including penalty and interest through June 1, 2016 would be \$22,647.53 if approved.

PRIOR ACTION(S): Municipal Property Lien Policy, June 19, 2001; Physical Development Committee, June 14, 2016

FISCAL IMPACT: Reduction of \$22,647.53 (Real Property Tax penalty and interest) from the Real Estate Tax Receivable.

CONTACT(S): Donna Witt, Director of Financial Services, 455-3968

ATTACHMENT(S): Municipal Property Lien Policy, June 19, 2001; Request letter from Krise Re-Development, LLC; Draft Sale Agreement; Real Estate Bills for Krise Building, LLC., Krise Parcel List with Re-Calculated Interest

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED THAT the penalty is waived and the accrued interest is re-calculated at 3% from a rate of 10% related to the delinquent Real Estate taxes on the Krise Building parcels as listed in Attachment A until the property closes with Krise Re-Development, LLC.

Adopted:

Certified:

Clerk of Council

092K



City of Lynchburg Online Policy System

Policy Document

DOCUMENT INFORMATION

Document Information

Subject: Municipal Property Liens - Waivers	Last Updated: 06/19/2001	Year(s) to next review:
Category: Municipal Operations	Effective Date:	Optional Reviewer(s):
Sub-Category:	Supercedes/Amends:	

I. POLICY

A. Policy Statement:

The City of Lynchburg shall consider petitions for the waiver of that amount of municipal liens that exceed the fair market value of real property proposed for purchase by a third party.

At the discretion of City Council, the City expressly reserves the right to exercise the following options:

- Waive the municipal lien on the subject property for the prospective purchaser, but pursue collection of the amount due for the municipal lien from the owner of the property at the time the municipal lien was imposed.
- Waive the municipal lien on the subject property and not pursue collection of the amount due from the owner of the property at the time the municipal lien was imposed.

B. Applicability:

Petitioners who request a waiver of municipal liens to facilitate the sale of privately-owned real property.

C. Municipal Liens Defined:

Municipal liens include but are not limited to, demolition costs and weed and grass cutting costs. Municipal liens do NOT include delinquent real estate taxes.

II. OBJECTIVE

A. Policy Objective:

The purpose of this policy is to provide a means for citizens and non-profit housing groups to petition for the waiver of municipal liens on privately-owned real property in order to facilitate the sale of such property for a higher and better use and to return it to the active tax records.

General Policy:

The City of Lynchburg shall consider on a case-to-case basis petitions for the waiver of that amount of municipal liens that exceed, the fair market value of real property proposed for purchase by a third party. No payment in exchange for real estate transfer is to be made to the owners of property on which liens have been waived by City Council. If any compensation is made for such property, it shall be paid directly to the City of Lynchburg against the balance owed.

B. Background:

Citizens and non-profit housing groups may occasionally request the waiver of municipal liens on privately owned

real property to facilitate the transfer of such property to a new property owner for a better and higher use. The Code of Virginia provides that a locality may waive municipal liens in order to facilitate the sale of real property, that otherwise might not be salable.

As provided by State law, municipal liens may only be waived to facilitate the sale of property to a new owner. Liens cannot be waived for the benefit of the person(s) that owned the property when the liens were created. Also, municipal liens on property can only be waived as to purchasers who are unrelated by blood or marriage to the owner and who have no business association with the owner or his or her spouse

III. PROCEDURES

Prospective Purchaser Files the Request

The prospective purchaser of lien encumbered real property shall present an executed contract for sale along with a request for a waiver of municipal liens to the Real Property Manager in the Public Works Department. The request shall include the following:

- property location;
- tax map number;
- proposed use;
- amount of delinquent taxes owed (which cannot be waived);
- a listing of municipal liens against such property; and
- a statement that the purchaser is not related by blood or marriage and has no business association with the property owner or his or her spouse.

Responsibilities of Staff and Departments

1. The Real Property Manager shall review the request, determine the fair market value of the property, prepare a summary report and distribute the report to the City Attorney's Office, the Department of Community Planning & Development, and Billings and Collection Division for review and recommendations.
2. The Real Property Manager shall schedule the request for consideration by the Physical Development Committee. The Physical Development Committee shall recommend approval or denial of the request to City Council.
3. The Lynchburg City Council shall consider the request to waive the municipal lien and either grant approval or denial of the waiver.
4. The Real Property Manager shall provide notice of City Council action to the petitioner and affected City offices. Once the purchaser of the property produces a recorded deed of conveyance, the Billings and Collections Divisions shall remove the municipal lien. Any unpaid delinquent taxes become the responsibility of the new owner.

IV. ADMINISTRATION

A. Office of Primary Responsibility:
Department of Public Works/City Attorney's Office

V. ATTACHMENTS

A. Attached Files:
None

KRISE RE-DEVELOPMENT LLC

po box 32
powhatan, va 23139
tel 434-981-6764

City of Lynchburg
Financial Services Dept
Office of the Director
900 Church St
Lynchburg, Va 24504

May 31, 2016

Donna Witt,

Per our phone conversation last week, I would like to make a petition on behalf of the proposed Krise Building Historic renovation. This petition is to request relief from the penalties and interest fees associated with the past real estate tax delinquencies which were compiled under a different ownership group.

My partners and I have been in pursuit of this development for about 4 years now. The economic feasibility of this project is extremely difficult. With that said, we are presently in the Due Diligence process of a HUD 220 program loan. About the only way we can place this product back into the market is directly related to this program's 40 year amortization capability and the use of Fed and State Historic Tax Credits. Every dollar becomes precious as we look to position this building back into the market.

Years ago, the previous owners had registered this building as condominiums which drastically increased the assessment, and therefore the taxes, over the course of time. The condominiums were never built and, therefore, never created any income. All it did was increase the real estate tax burden for no cause. Furthermore, there is no real way that the building could even have been developed without the use of the historic tax credit investment. Under IRS regulations, that tax credit source of capital restricts an owner from selling any part of the real estate for the first 5 years. Needless to say, we will be terminating that condominium registration moving forward.

Before we take ownership of the property, and in our efforts to manage our cash equity position, we would like to respectfully ask that the City approve this request for forgiveness of past penalties and interest and allow us to factor that in to our Settlement Statement for closing.

Thank you for your consideration in this regard,

Cliff Harrison, Managing Partner

**AMENDED AND RESTATED
REAL ESTATE PURCHASE AGREEMENT**

June , 2016 (“*Effective Date*”)

THIS AMENDED AND RESTATED REAL ESTATE PURCHASE AGREEMENT (this “*Agreement*”) is made and entered into by and between **KRISE REDEVELOPMENT, LLC**, (“*Purchaser*”), a Virginia limited liability company, and **KRISE BUILDING ASSOCIATES, LLC**, (“*Seller*”), a Virginia limited liability company, and also with the consent of **S&T REAL ESTATE, LLC**, a Virginia limited liability company with offices in Danville, Virginia (“*S&T*”). Seller and Purchaser are collectively referred to herein as the “*Parties*”, and each a “*Party*”, individually. S&T is the lender whose loans are presently secured by the Property described below and who has agreed to finance Purchaser’s acquisition of the Property from Seller on the terms described below.

RECITALS:

A. On February 6, 2008, S&T loaned **One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00)** to Seller, secured by a first lien deed of trust covering the Condominium Property (and/or covering the real property that Seller subjected to the Krise Conversion Condominium), as hereinafter defined (“*Building Loan*”).

B. In October 2011, S&T purchased from the First National Bank of Altavista a promissory note in the amount of **One Hundred Fifty Six Thousand Dollars (\$156,000.00)** made by Seller, payable to First National Bank of Altavista together with a first lien deed of trust on the Parking Lot and Alley Parcels, as hereinafter defined, which secured such promissory note (“*Parking Lot Note*”).

C. As of the Effective Date, Seller is in default under the Parking Lot Note, and the promissory note evidencing the Building Loan, and the Parties, and all other persons or entities giving their consent hereto, desire to enter into this Agreement to effect the sale by Seller to Purchaser of the Property and S&T’s financing of Purchaser’s acquisition of the Property from Seller hereunder, all on the terms and conditions hereinafter described.

In consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the Parties hereto agree as follows:

1. RESTATEMENT; DEPOSIT; DESCRIPTION OF PROPERTY.

a. Restatement. This Agreement amends and entirely restates that Real Estate Purchase Agreement between Seller and Cliff Harrison, as Purchaser, dated September 28, 2010 (the “*Original Agreement*”) or any other agreements between the Parties and between Purchaser and S&T related to the purchase and sale of the Property. Except as otherwise may be provided herein, Cliff Harrison’s signature is affixed to this Agreement solely for the purpose of assigning any right, title, interest, duty, obligation, or responsibility he may have under the Original Agreement to the Purchaser, and he has no personal liability for any obligation of the Purchaser hereunder or with respect to the transactions to be consummated as provided in this Agreement, except to the extent expressly provided herein with respect to the Limited Guaranty Agreement to be delivered by him and others, if and only if the HUD Loan (as defined below) is closed.

b. Deposit. Pursuant to the terms of the Original Agreement, Purchaser paid to Sherwood S. Day Trust Account, a deposit of **Ten Thousand Dollars (\$10,000.00)** (“*Deposit*”), the receipt of which is

acknowledged by Seller, and which amount has been released to Seller for application to the Preservation Fee (as defined in paragraph 2(i) below) payable to Seller at Settlement.

c. Description of Property. The real property owned by Seller that is the subject of this Agreement is all of the following real estate, together with all improvements thereon and appurtenances thereunto belonging, and together with all of Seller's right, title and interest in and to alleyways or other adjacent property, easements, rights of way, permits and like (collectively, the **"Property"**):

(i) The Krise Conversion Condominium, in its entirety, being all sixteen (16) condominium units and all common elements appurtenant thereto, in The Krise Conversion Condominium, commonly referred to as 203 Ninth Street, Lynchburg, VA 24504, pursuant to and as described in the condominium instruments, including the Declaration of The Krise Conversion Condominium, recorded in the Clerk's Office of the Circuit Court of the City of Lynchburg, Virginia (the **"Clerk's Office"**), as Instrument 050012840, which units are briefly described as follows (collectively, the **"Condominium Property"**):

Unit 1A, 628 square feet	Parcel ID 02447018
Unit 1B, 1,192 square feet	Parcel ID 02447019
Unit 1C, 765 square feet	Parcel ID 02447020
Unit 1D, 3,598 square feet	Parcel ID 02447021
Unit 2A, 2,175 square feet	Parcel ID 02447022
Unit 2B, 2,169 square feet	Parcel ID 02447023
Unit 3A, 2,237 square feet	Parcel ID 02447024
Unit 3B, 1,876 square feet	Parcel ID 02447025
Unit 4A, 2,102 square feet	Parcel ID 02447026
Unit 4B, 1,876 square feet	Parcel ID 02447027
Unit 5A, 2,102 square feet	Parcel ID 02447028
Unit 5B, 1,876 square feet	Parcel ID 02447029
Unit 6A, 2,143 square feet	Parcel ID 02447030
Unit 6B, 1,884 square feet	Parcel ID 02447031
Unit 7A, 2,143 square feet	Parcel ID 02447032
Unit 7B, 1,892 square feet	Parcel ID 02447033

The common elements are designated by the City of Lynchburg, Virginia as Parcel ID 02447012.

The land and all buildings and improvements thereon, and the easements, rights and appurtenances thereunto belonging, submitted to the provisions of the Condominium Act, Chapter 4.2 of Title 55 of the Code of Virginia, 1950, as amended, are shown and described in the said condominium instruments and the land is also shown as Parcel 1, 0.1289 Ac., on the plat recorded in the Clerk's Office in Plat Cabinet 8, slide 4 (the **"Plat"**).

For purposes of this Agreement, the Condominium Property shall also include a non-exclusive easement for ingress and egress in and to the 3.77' Alley described in item (ii) below.

(ii) The adjacent parking lots and alleyways owned by Seller, commonly known as 211 Ninth Street, Lynchburg, VA, designated by the City of Lynchburg, Virginia as Parcel ID 02447013, and shown as Parcels 5 (0.0720 Ac.), 6 (0.0085 Ac.), 7 (0.0858 Ac.), and 8 (0.0679 Ac.) on the Plat and as 3.77' Alley and 5' Private Alley (collectively, the **"Parking Lot and Alley Parcels"**).

Being all of the real estate, improvements thereon and appurtenances thereunto pertaining, described, and labeled as Parcels A, B, C, D, and E, in a deed dated August 12, 2004 from General Business Three, L.C. to Seller, recorded in the Clerk's Office as Instrument 040008579 ("**Source Deed**"), provided that Parcel A (Parcel 1 as shown on the Plat) has been subjected to The Krise Conversion Condominium, as aforesaid.

Seller agrees to sell and convey to Purchaser, and Purchaser agrees to buy from Seller, the Property, upon the terms and conditions herein set forth.

d. Condominium Termination. The Seller, being the sole owner of the Condominium Property, shall, prior to or at Settlement, terminate the condominium pursuant to Virginia Code § 55-79.72:1A by recording, at Purchaser's sole cost, an instrument of termination of condominium in substantially the form attached hereto as **Exhibit A**, which Termination of Condominium instrument will be recorded immediately prior to recordation of the deed for the Property. Although the Condominium Property is presently described as condominium units as set forth in paragraph 1(c), the Condominium Property, post termination of the condominium, will be conveyed by description consistent with the Source Deed and the character of such real property as no longer being subject to the condominium instruments of Krise Conversion Condominium.

2. PURCHASE PRICE. The purchase price of the Property is **One Million Four Hundred Six Thousand Dollars (\$1,406,000.00)**, payable at Settlement as follows ("**Purchase Price**"): one hundred percent (100%) financing from S&T to Purchaser, in an amount and otherwise as set forth in Paragraph 3 below, for application to pay off in full both (i) the Building Loan and (ii) the Parking Lot Note and to release the deeds of trust against the Property securing such Building Loan and Parking Lot Note by certificates of satisfaction executed by S&T and delivered at Settlement;

In addition to the Purchase Price, Purchaser shall pay the following amounts to the settlement agent at Settlement:

- (i) **Twenty-Four Thousand Dollars (\$24,000)**, being the balance of a fee of Thirty-Four Thousand Dollars (\$34,000.00) (the "**Preservation Fee**"), to be paid by settlement agent to Seller, for Seller's services in preserving of the Property over the course of years during which Purchaser pursued its development interest in the Property, and S&T consents to this payment, which is not required to be applied to the Building Loan or Parking Lot Note owed by Seller to S&T. As of the Effective Date, Seller has—with Purchaser's and S&T's permission—collected the Deposit from Sherwood S. Day or his law firm and applied such amount against the Preservation Fee. Accordingly, Purchaser's payment to Seller of the Preservation Fee at Settlement shall be \$24,000, as aforesaid.
- (ii) All delinquent real estate taxes, *exclusive of penalties and interest*, owed on the Property. **PURCHASER'S OBLIGATION TO GO TO CLOSING UNDER THIS AGREEMENT IS CONTINGENT AT PURCHASER'S OPTION ON THE CITY OF LYNCHBURG, VIRGINIA WAIVING PENALTIES AND INTEREST THAT HAVE ACCRUED WITH RESPECT TO UNPAID OR LATE PAID REAL ESTATE TAXES DUE AND PAYABLE WITH RESPECT TO THE PROPERTY ("THE PENALTY & INTEREST AMOUNTS"). PURCHASER AGREES, WITH SELLER'S COOPERATION, TO SEEK CITY COUNCIL'S WAIVER OF THE PENALTY & INTEREST AMOUNTS AT A CITY COUNCIL MEETING TO OCCUR IN JUNE OR JULY, 2016.**
- (iii) Accrued unpaid interest on the Parking Lot Loan, estimated through the Closing Date to be \$.

- (iv) All closing costs related to the transaction contemplated herein, including, but not limited to, clerk's fees, Purchaser's and settlement agent's fees, title search fees, recordation costs or taxes, title insurance premiums (for both owner's and lender's policies of title insurance), and fees of any inspections or studies that remain unpaid as of Settlement.

Seller represents and warrants to Purchaser that there are no condominium dues owing for the Condominium Property.

3. FINANCING. This Agreement is contingent on Purchaser delivering to S&T, at Settlement, a promissory note payable to S&T or order in the principal amount of **One Million Four Hundred Six Thousand Dollars (\$1,406,00.00)** (the "**Principal**") with interest accumulating at five percent (5%) per annum (the "**Note**"), which shall be executed in substantially the form as that attached hereto as **Exhibit B**. The Note shall be secured by a first lien deed of trust against the Property executed at Settlement in substantially the form as that attached hereto as **Exhibit D**, provided, however, that if and only if Purchaser closes the HUD Loan (as defined below) (A) S&T will be obligated to release this deed of trust in return for: (1) a joint and several personal guaranty of Cliff Leslie Harrison, Michael Wayne Martin, Jr., and Gregory S. McCauley, Sr. guaranteeing \$420,000 of the principal balance of the Note remaining after the minimum partial payment described in item (2) plus interest on that principal amount at the interest rate specified in the Note, which agreement shall be in the form of **Exhibit C** (the "**Limited Guaranty Agreement**"), and (2) Purchaser (through the HUD Loan settlement agent) will make a minimum partial payment on the Note to S&T in the amount of \$706,000, out of the HUD Loan proceeds available at closing of the HUD Loan. Accordingly, if the HUD Loan closes, S&T will have no collateral security for the remaining balance of the Note, but S&T will have the Limited Guaranty Agreement. The Limited Guaranty Agreement shall not be deliverable unless and until the HUD Loan closes. The Note will include the following payment provisions (where the term "Maker" refers to Purchaser and the term "Payee" refers to S&T):

"This Note shall be due and payable as follows:

- (a) *Interest Rate.* The outstanding principal balance of this Note shall accrue interest at the rate of five percent (5%) per annum simple interest (the "**Interest Rate**") until paid in full.
- (b) *No Regular Payments until HUD Loan Closing; Interim Payments after HUD Loan Closing Based on Tax Credit Capital Contributions.* Prior to the Maturity Date, no payments will be due and payable on the Note, except that from and after the closing of Maker's HUD financing (the "**HUD Loan**") to develop and renovate the Property (the "**Project**"), Maker agrees to make payments to the extent of Funds Available, first towards accrued unpaid interest at the Interest Rate and then to outstanding principal on this Note. "**Funds Available**" means and is limited to capital contributions received by the Maker from tax credit proceeds contributed by the state historic tax credit investor member of the Maker, or after application of all such funds, if such funds are insufficient to retire the Note, then from distributions payable to the Maker by reason of capital contributions in the nature of tax credit proceeds contributed to

the master tenant of which the federal historic tax credit investor is a member with respect to the Project.

- (c) *Release Fee Upon HUD Loan Closing.* If prior to the Maturity Date Maker closes on the HUD Loan, Maker must pay Payee the Minimum Release Fee and deliver the Limited Guaranty Agreement to Maker, and upon receipt of the foregoing Payee must fully release its deed of trust lien against the Property as collateral security for the Note. As used herein, “**Minimum Release Fee**” means a partial payment against the Note in the amount of (i) \$706,000, representing principal, plus (ii) a sum equal to the accrued unpaid interest to date on the Note at the Interest Rate.
- (d) *Maturity Date.* The “**Maturity Date**” of this Note means the earlier of (i) five (5) years from the date of closing of the HUD Loan or (ii) seven (7) years from the date of this Note. All outstanding principal and accrued unpaid interest and other charges under this Note shall be due and payable in full on the Maturity Date of this Note.

4. TITLE. The Property is sold free of encumbrances and title shall be good of record and marketable, subject, however, to covenants, rights of way, easements, conditions and restrictions of record, if any, which do not interfere with Purchaser’s intended use of the Property, as determined in the Purchaser’s sole discretion, and further subject to the Termination of Condominium to be recorded at Settlement. If Seller is unable to deliver title to the Property as required by this paragraph 4, this Agreement may be terminated at the option of the Purchaser, or Purchaser may request that Seller remedy the defects and go to Settlement once the defects have been remedied if the defects are of such character that they may be promptly remedied by legal action and Seller is able to remedy such defects at its expense, allowing a reasonable time for Seller to remedy such defects.

5. DEED. Seller agrees to execute and deliver at settlement a good and sufficient general warranty deed, in proper form for recordation, conveying the Property to Purchaser, in substantially the form as that attached hereto as **Exhibit E**.

6. ADJUSTMENTS. (A) *Water, Sewer and Electric.* All water, sewer and electric utility costs are to be adjusted to the Settlement Date. (B) *Rent.* Rent shall be prorated as of the Settlement Date with all rent accruing prior to Settlement being delivered by Seller to S&T for application to current or past due real estate taxes, penalties and interest, water, sewer, electric and maintenance relating to the Property. Seller and/or S&T shall deliver lease deposits and rent adjustments, together with any other balance in the operating account, to Purchaser at Settlement. These obligations shall survive Settlement and delivery and recording of the deed.

7. Attorney Fees. Seller, Purchaser and S&T shall each pay its respective attorneys’ fees.

8. SETTLEMENT: FORFEITURE OF DEPOSIT. The date of Settlement (“**Settlement Date**”) shall be on or about June 30, 2016, or if closing hereunder has not occurred by the original Settlement Date Purchaser may go to Closing at a later date to be scheduled within 90 days of the Effective Date provided Purchaser gives Seller at least ten (10) days’ advance notice of the later Settlement Date. If the Purchaser shall fail to go to Settlement within 90 days of the date hereof through no fault of Seller or S&T, the full

Deposit provided for may be forfeited as liquidated damages as Seller's sole remedy, in which event the Purchaser shall be relieved from further liability hereunder. In any case in which Seller is entitled to receive the Deposit hereunder, Seller shall direct Sherwood S. Day to deliver the Deposit to Seller for application to the Preservation Fee.

9. EMINENT DOMAIN. As of the Settlement Date no part of the Property shall have been acquired, or shall be about to be acquired, by any governmental authority or agency in the exercise of its power of eminent domain or by private purchase in lieu thereof, nor shall there be any threat or imminence of any such acquisition or purchase.

10. PLACE OF SETTLEMENT; OWNER'S AFFIDAVIT AND INDEMNITY BY SELLER. Settlement is to be made at the office of Purchaser's attorney at 828 Main Street, 19th FL, Lynchburg, Virginia 24504. Seller represents and warrants to Purchaser that all contractors, sub-contractors, laborers, materialmen or other parties rendering professional services to improve or benefit the Property have been or will be paid in full by Seller prior to Settlement, and Seller shall deliver to Purchaser at Settlement final lien waivers and/or releases of liens from all such parties. Furthermore, Seller agrees to execute and deliver at Settlement such affidavits or indemnities as Purchaser's title insurance company or Purchaser's counsel shall require in order to delete from Purchaser's title insurance policy all standard exceptions for unfiled mechanic's, materialmen's or similar liens except exceptions approved by Purchaser related to the first floor leases.

11. POSSESSION; ESTOPPELS. Seller agrees to give occupancy of the Property at Settlement by delivering the Property subject to any current and in force leases for the existing first floor retail tenants, which Seller shall assign, and Purchaser shall assume, by instrument of assignment and assumption at Settlement. Prior to Settlement, Purchaser shall have received tenant's estoppel certificates from all current tenants of the Property in a form satisfactory to Purchaser in its sole discretion. Purchaser may waive this requirement, at its option, in Purchaser's sole discretion.

12. RISK OF LOSS. Seller assumes the risk of loss or damage to the Property by fire or other casualty until the executed deed of conveyance is delivered to Purchaser or is recorded for him by the law firm or title company making the Settlement. However, in the event of any such damage, loss, or casualty to the Property prior to Settlement, Purchaser shall have the election to close as required hereunder without diminution in the Purchase Price and with the assignment by Seller of all its interest in insurance or other payments for such damage, loss, or casualty to the Property. In the event of a condemnation of any part of the Property prior to Settlement, Purchaser shall have the option in its sole discretion to terminate this Agreement or to proceed to Settlement with any condemnation award paid or credited to Purchaser at Settlement.

13. CONDITION AND OPERATION OF PROPERTY. Property is sold in an "as is" condition. Routine property maintenance shall not be discontinued or deferred by Seller during the term of this Agreement. Seller agrees to furnish Purchaser all documentation related to previous building permits and condominium conversion. Between the date of this Agreement and the Settlement, Seller shall not, without Purchaser's prior written consent, grant a written lease, lease modification or other agreement to any party for any purpose relating to any portion of the Property.

14. GRANTEE. The Property shall be conveyed in accordance with the terms set forth in this Agreement to the name or names as designated by Purchaser prior to Settlement.

15. MORTGAGEE APPROVAL. This Agreement shall not be effective unless and until the first mortgagee on the Property, S&T Real Estate, LLC of Danville, VA, has consented as mortgagee to the terms hereof, by its execution of this Agreement below.

16. NO BROKERAGE FEE DUE. Seller represents that no real estate agent or brokerage firm is entitled to a payment, finder's fee or commission under this Agreement by reason of any actions of Seller, its members or its agents. Seller and its members shall indemnify and hold Purchaser harmless from and against any claim that is contrary to such warranty

17. NOTICES. All notices required or permitted herein shall be in writing and effective as of the date on which such notice is mailed in any United States Post Office, by certified or registered mail, postage prepaid, or hand-delivered, to Seller at PO Box 897, Lynchburg, VA 24505, or Purchaser at PO Box 5837, Charlottesville, VA 22905 (with a copy to Edmunds & Williams, P.C., 828 Main St., 19th Floor, Lynchburg, VA 24504) and Mortgagee at PO Box 3424, Danville, VA 24543 (as shall be applicable) at the addresses designated herein, or to such other addresses as the parties may designate in writing from time to time.

18. MISCELLANEOUS. This Agreement may be signed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same document. Documents delivered by facsimile machine or PDF email attachment shall be considered as originals. It is further disclosed that Robert Bruce Johnson, Member Manager of Krise Building Associates, LLC is a licensed real estate Broker in the Commonwealth of Virginia.

20. QUALIFIED REHABILITATION EXPENSES. Seller represents that it has expended approximately \$210,000 toward qualified rehabilitation expenses (QREs) prior to Settlement against which Purchaser will be entitled to seek federal and state historic tax credits. At Settlement, Seller shall provide Purchaser with sufficient evidence of such expenditures so that Purchaser may secure historic rehabilitation tax credits based on such QREs from the Virginia Department of Historic Resources, and shall take any further actions required or helpful to permit the Purchaser to fully utilize the credits. This obligation of Seller shall survive Settlement and delivery and recording of the deed.

21. BINDING EFFECT; ENTIRE AGREEMENT. Purchaser and Seller mutually agree that this Agreement shall be binding upon them, and their respective heirs, executors, administrators, successors and assigns.

22. NOT A FOREIGN PERSON. Under penalty of law, Seller represents that it is not a "foreign person" as contemplated in Section 1445 of the Internal Revenue Code, as amended. Seller agrees to execute at Settlement an affidavit in the form required by the Internal Revenue Service to exempt Purchaser from any withholding requirements under Section 1445.

[SIGNATURES AND ACKNOWLEDGMENTS ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement, or have caused this Agreement to be executed by a duly authorized representative acting on their behalf:

PURCHASER:

Krise Redevelopment, LLC
a Virginia limited liability company

DATE: _____

By: _____ (SEAL)
Cliff Harrison, Member-Manager

SELLER:

Krise Building Associates, LLC
a Virginia limited liability company

DATE: _____

By: _____ (SEAL)
Robert Bruce Johnson
Member-Manager

DATE: _____

By: _____ (SEAL)
Norris David Blanks (aka Inez Berinson Blanks)
Member-Manager

WITH THE CONSENT OF JOHNSON AND BLANKS:

The undersigned execute this Agreement to consent to the terms thereof.

Robert Bruce Johnson

Norris David Blanks (a/k/a Inez Berinson Blanks)

FURTHER WITH THE CONSENT OF S&T:

The undersigned executes this Agreement on behalf of S&T Real Estate, LLC as its duly authorized representative, to evidence its consent to the terms hereof.

S & T Real Estate, LLC, *a Virginia limited liability company* [SEAL]

By: _____
L. Samuel Saunders, Member-Manager

By: _____
Ronald J. Thompson, Member-Manager

FURTHER WITH THE CONSENT OF CLIFF HARRISON:

Cliff Harrison signs this Agreement to evidence his consent to relinquish any rights of his under the Original Agreement and to substitute Krise Redevelopment, LLC as the Purchaser.

_____(SEAL)
Cliff Harrison

EXHIBIT A

[Append Termination of Condominium]

Exhibit B

[Append Note]

Exhibit C

[Append Guaranty]

Exhibit D

[Append Deed of Trust]

Exhibit E

[Append Deed]



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

PO BOX 897

LYNCHBURG, VA 24505-0897

* = Prior Tax Year

Parcel ID	Property Address		Lot Size	Legal Description					
02447012	203 9TH ST		0.1300	BLK 5					
Tax Rate	Land Assessment	Building and Improvement Assessment		Total Assessment					
1.11	17,300	71,300		88,600					
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2014	Real Estate Tax	1	245.86	0.00	245.86	24.59	0.00	80.13	190.32
* 2014	Real Estate Tax	2	245.86	0.00	245.86	24.59	40.97	0.00	311.42
* 2014	Real Estate Tax	3	245.86	0.00	245.86	24.59	35.85	0.00	306.30
* 2014	Real Estate Tax	4	245.88	0.00	245.88	24.59	30.81	0.00	301.28
2015	Real Estate Tax	1	245.86	0.00	245.86	24.59	16.17	0.00	286.62
2015	Real Estate Tax	2	245.86	0.00	245.86	24.59	11.45	0.00	281.90
2015	Real Estate Tax	3	245.86	0.00	245.86	24.59	6.81	0.00	277.26
2015	Real Estate Tax	4	245.88	0.00	245.88	24.59	2.25	0.00	272.72
Grand Total									2,227.82

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

***** PLEASE DO NOT FOLD, STAPLE, PAPER CLIP OR WRITE ON THIS PORTION *****

See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447012 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	983.46	0.00	98.36	36.68	1,118.50
Past Due			927.92		73.77	107.63	1,109.32
Grand Total							2,227.82

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KRISE BUILDING ASSOCIATES LLC
PO BOX 897
LYNCHBURG, VA 24505-0897



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

REAL ESTATE BILL

Return Service Requested

KRISE BUILDING ASSOCIATES LLC

517 WASHINGTON ST

LYNCHBURG, VA 24504-2619

* = Prior Tax Year

Parcel ID	Property Address		Lot Size	Legal Description					
02447019	207 9TH ST		0.1200	THE KRISE CONVERSION CONDOMINIUM UNIT #1B					
Tax Rate	Land Assessment	Building and Improvement Assessment		Total Assessment					
1.11	15,500	51,500		67,000					
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2013	Real Estate Tax	1	185.92	0.00	185.92	18.59	21.42	0.00	225.93
* 2013	Real Estate Tax	2	185.92	0.00	185.92	18.59	17.70	0.00	222.21
* 2013	Real Estate Tax	3	185.92	0.00	185.92	18.59	14.04	0.00	218.55
* 2013	Real Estate Tax	4	185.94	0.00	185.94	18.59	10.44	0.00	214.97
* 2014	Real Estate Tax	1	185.92	0.00	185.92	18.59	0.00	0.00	204.51
* 2014	Real Estate Tax	2	185.92	0.00	185.92	18.59	30.99	0.00	235.50
* 2014	Real Estate Tax	3	185.92	0.00	185.92	18.59	27.11	0.00	231.62
* 2014	Real Estate Tax	4	185.94	0.00	185.94	18.59	23.30	0.00	227.83
2015	Real Estate Tax	1	185.92	0.00	185.92	18.59	12.23	0.00	216.74
2015	Real Estate Tax	2	185.92	0.00	185.92	18.59	8.66	0.00	213.17
2015	Real Estate Tax	3	185.92	0.00	185.92	18.59	5.15	0.00	209.66
2015	Real Estate Tax	4	185.94	0.00	185.94	18.59	1.70	0.00	206.23
Grand Total									2,626.92

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

***** PLEASE DO NOT FOLD, STAPLE, PAPER CLIP OR WRITE ON THIS PORTION *****

See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447019 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	743.70	0.00	74.36	27.74	845.80
Past Due			1,487.40		148.72	145.00	1,781.12
Grand Total							2,626.92

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KRISE BUILDING ASSOCIATES LLC
517 WASHINGTON ST
LYNCHBURG, VA 24504-2619



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

REAL ESTATE BILL

Return Service Requested

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

517 WASHINGTON ST

LYNCHBURG, VA 24504-2619

*** = Prior Tax Year**

Parcel ID		Property Address				Lot Size	Legal Description			
02447020		205 9TH ST				0.1200	THE KRISE CONVERSION CONDOMINIUM UNIT #1C			
Tax Rate		Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11		15,500		47,800		63,300				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due	
* 2013	Real Estate Tax	1	175.65	0.00	175.65	17.57	20.22	0.00	213.44	
* 2013	Real Estate Tax	2	175.65	0.00	175.65	17.57	16.71	0.00	209.93	
* 2013	Real Estate Tax	3	175.65	0.00	175.65	17.57	13.26	0.00	206.48	
* 2013	Real Estate Tax	4	175.68	0.00	175.68	17.57	9.86	0.00	203.11	
* 2014	Real Estate Tax	1	175.65	0.00	175.65	17.57	0.00	0.00	193.22	
* 2014	Real Estate Tax	2	175.65	0.00	175.65	17.57	29.26	0.00	222.48	
* 2014	Real Estate Tax	3	175.65	0.00	175.65	17.57	25.60	0.00	218.82	
* 2014	Real Estate Tax	4	175.68	0.00	175.68	17.57	22.00	0.00	215.25	
2015	Real Estate Tax	1	175.65	0.00	175.65	17.57	11.55	0.00	204.77	
2015	Real Estate Tax	2	175.65	0.00	175.65	17.57	8.18	0.00	201.40	
2015	Real Estate Tax	3	175.65	0.00	175.65	17.57	4.87	0.00	198.09	
2015	Real Estate Tax	4	175.68	0.00	175.68	17.57	1.61	0.00	194.86	
								Grand Total	2,481.85	

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

***** PLEASE DO NOT FOLD, STAPLE, PAPER CLIP OR WRITE ON THIS PORTION *****

See reverse side for additional payment methods.

Real Estate Bill

Parcel ID:

02447020

Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	702.63	0.00	70.28	26.21	799.12
Past Due			1,405.26		140.56	136.91	1,682.73
Grand Total							2,481.85

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KRISE BUILDING ASSOCIATES LLC

517 WASHINGTON ST

LYNCHBURG, VA 24504-2619



CITY OF LYNCHBURG

PO BOX 9000

LYNCHBURG, VA 24505-9000



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447021	829 MAIN ST		0.0062	THE KRISE CONVERSION CONDOMINIUM UNIT # 1D					
Tax Rate	Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11	15,500		202,700		218,200				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
2015	Real Estate Tax	1	605.50	0.00	605.50	60.55	37.62	87.61	616.06
2015	Real Estate Tax	2	605.50	0.00	605.50	60.55	28.21	0.00	694.26
2015	Real Estate Tax	3	605.50	0.00	605.50	60.55	16.78	0.00	682.83
2015	Real Estate Tax	4	605.52	0.00	605.52	60.55	5.55	0.00	671.62
Grand Total									2,664.77

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

******* PLEASE DO NOT FOLD, STAPLE, PAPER CLIP OR WRITE ON THIS PORTION *******

See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447021 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	2,417.43	0.00	181.65	65.69	2,664.77
Past Due			0.00		0.00	0.00	0.00
Grand Total							2,664.77

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KRISE BUILDING ASSOCIATES LLC
2321 RIVERSIDE DR
DANVILLE, VA 24540-4267



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447024	203 9TH ST 3A		0.0061	THE KRISE CONVERSION CONDOMINIUM UNIT # 3A					
Tax Rate	Land Assessment	Building and Improvement Assessment		Total Assessment					
1.11	15,500	41,600		57,100					
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2008	Real Estate Tax	4	599.55	0.00	599.55	59.96	476.89	577.22	559.18
* 2009	Real Estate Tax	4	599.55	0.00	599.55	59.96	382.26	0.00	1,041.77
* 2010	Real Estate Tax	4	599.55	0.00	599.55	59.96	294.94	0.00	954.45
* 2011	Real Estate Tax	1	149.88	0.00	149.88	14.99	57.37	0.00	222.24
* 2011	Real Estate Tax	2	149.88	0.00	149.88	14.99	53.72	0.00	218.59
* 2011	Real Estate Tax	3	149.88	0.00	149.88	14.99	50.12	0.00	214.99
* 2011	Real Estate Tax	4	149.91	0.00	149.91	14.99	46.60	0.00	211.50
* 2012	Real Estate Tax	1	158.45	0.00	158.45	15.84	38.39	0.00	212.68
* 2012	Real Estate Tax	2	158.45	0.00	158.45	15.84	34.89	0.00	209.18
* 2012	Real Estate Tax	3	158.45	0.00	158.45	15.84	31.45	0.00	205.74
* 2012	Real Estate Tax	4	158.46	0.00	158.46	15.85	28.06	0.00	202.37
* 2013	Real Estate Tax	1	158.45	0.00	158.45	15.84	18.24	0.00	192.53
* 2013	Real Estate Tax	2	158.45	0.00	158.45	15.84	15.07	0.00	189.36
* 2013	Real Estate Tax	3	158.45	0.00	158.45	15.84	11.96	0.00	186.25
* 2013	Real Estate Tax	4	158.46	0.00	158.46	15.85	8.89	0.00	183.20



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

* 2014	Real Estate Tax	1	158.45	0.00	158.45	15.84	0.00	0.00	174.29
* 2014	Real Estate Tax	2	158.45	0.00	158.45	15.84	26.39	0.00	200.68
* 2014	Real Estate Tax	3	158.45	0.00	158.45	15.84	23.09	0.00	197.38
* 2014	Real Estate Tax	4	158.46	0.00	158.46	15.85	19.84	0.00	194.15
2015	Real Estate Tax	1	158.45	0.00	158.45	15.84	10.42	0.00	184.71
2015	Real Estate Tax	2	158.45	0.00	158.45	15.84	7.38	0.00	181.67
2015	Real Estate Tax	3	158.45	0.00	158.45	15.84	4.39	0.00	178.68
2015	Real Estate Tax	4	158.46	0.00	158.46	15.85	1.45	0.00	175.76
Grand Total									6,491.35

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447024 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	633.81	0.00	63.37	23.64	720.82
Past Due			4,259.26		369.99	1,141.28	5,770.53
Grand Total							6,491.35

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THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447025	203 9TH ST 3B		0.0062	THE KRISE CONVERSION CONDOMINIUM UNIT # 3B					
Tax Rate	Land Assessment	Building and Improvement Assessment		Total Assessment					
1.11	15,500	33,500		49,000					
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	543.90	0.00	543.90	54.40	597.79	0.00	1,196.09
* 2007	Real Estate Tax	4	514.50	0.00	514.50	51.44	484.18	0.00	1,050.12
* 2008	Real Estate Tax	4	514.50	0.00	514.50	51.44	409.26	0.00	975.20
* 2009	Real Estate Tax	4	514.50	0.00	514.50	51.44	328.06	0.00	894.00
* 2010	Real Estate Tax	4	514.50	0.00	514.50	51.44	253.18	0.00	819.12
* 2011	Real Estate Tax	1	128.62	0.00	128.62	12.86	49.23	0.00	190.71
* 2011	Real Estate Tax	2	128.62	0.00	128.62	12.86	46.10	0.00	187.58
* 2011	Real Estate Tax	3	128.62	0.00	128.62	12.86	43.01	0.00	184.49
* 2011	Real Estate Tax	4	128.64	0.00	128.64	12.86	39.98	0.00	181.48
* 2012	Real Estate Tax	1	135.97	0.00	135.97	13.60	32.97	0.00	182.54
* 2012	Real Estate Tax	2	135.97	0.00	135.97	13.60	29.96	0.00	179.53
* 2012	Real Estate Tax	3	135.97	0.00	135.97	13.60	27.01	0.00	176.58
* 2012	Real Estate Tax	4	135.99	0.00	135.99	13.60	24.10	0.00	173.69
* 2013	Real Estate Tax	1	135.97	0.00	135.97	13.60	15.67	0.00	165.24
* 2013	Real Estate Tax	2	135.97	0.00	135.97	13.60	12.95	0.00	162.52



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

* 2013	Real Estate Tax	3	135.97	0.00	135.97	13.60	10.28	0.00	159.85
* 2013	Real Estate Tax	4	135.99	0.00	135.99	13.60	7.65	0.00	157.24
* 2014	Real Estate Tax	1	135.97	0.00	135.97	13.60	0.00	0.00	149.57
* 2014	Real Estate Tax	2	135.97	0.00	135.97	13.60	22.67	0.00	172.24
* 2014	Real Estate Tax	3	135.97	0.00	135.97	13.60	19.84	0.00	169.41
* 2014	Real Estate Tax	4	135.99	0.00	135.99	13.60	17.05	0.00	166.64
2015	Real Estate Tax	1	135.97	0.00	135.97	13.60	8.96	0.00	158.53
2015	Real Estate Tax	2	135.97	0.00	135.97	13.60	6.35	0.00	155.92
2015	Real Estate Tax	3	135.97	0.00	135.97	13.60	3.78	0.00	153.35
2015	Real Estate Tax	4	135.99	0.00	135.99	13.60	1.25	0.00	150.84
Grand Total									8,312.48

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447025 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	543.90	0.00	54.40	20.34	618.64
Past Due			4,748.10		474.80	2,470.94	7,693.84
Grand Total							8,312.48

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DANVILLE, VA 24540-4267



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447026	203 9TH ST 4A		0.0061	THE KRISE CONVERSION, CONDOMINIUM UNIT 4A					
Tax Rate	Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11	15,500		43,500		59,000				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	1,032.30	0.00	1,032.30	103.24	1,135.00	0.00	2,270.54
* 2007	Real Estate Tax	4	976.50	0.00	976.50	97.64	919.64	0.00	1,993.78
* 2008	Real Estate Tax	4	619.50	0.00	619.50	97.64	660.91	0.00	1,378.05
* 2009	Real Estate Tax	4	619.50	0.00	619.50	97.64	506.64	0.00	1,223.78
* 2010	Real Estate Tax	4	619.50	0.00	619.50	97.64	364.23	0.00	1,081.37
* 2011	Real Estate Tax	1	244.12	0.00	244.12	24.41	93.41	0.00	361.94
* 2011	Real Estate Tax	2	244.12	0.00	244.12	24.41	87.49	0.00	356.02
* 2011	Real Estate Tax	3	65.62	0.00	65.62	6.56	21.95	0.00	94.13
* 2011	Real Estate Tax	4	65.64	0.00	65.64	6.56	20.41	0.00	92.61
* 2012	Real Estate Tax	1	163.72	0.00	163.72	16.37	39.68	0.00	219.77
* 2012	Real Estate Tax	2	163.72	0.00	163.72	16.37	36.06	0.00	216.15
* 2012	Real Estate Tax	3	163.72	0.00	163.72	16.37	32.50	0.00	212.59
* 2012	Real Estate Tax	4	163.74	0.00	163.74	16.37	29.01	0.00	209.12
* 2013	Real Estate Tax	1	163.72	0.00	163.72	16.37	18.85	0.00	198.94
* 2013	Real Estate Tax	2	163.72	0.00	163.72	16.37	15.58	0.00	195.67



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
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REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

* = Prior Tax Year

* 2013	Real Estate Tax	3	163.72	0.00	163.72	16.37	12.36	0.00	192.45
* 2013	Real Estate Tax	4	163.74	0.00	163.74	16.37	9.19	0.00	189.30
* 2014	Real Estate Tax	1	163.72	0.00	163.72	16.37	0.00	0.00	180.09
* 2014	Real Estate Tax	2	163.72	0.00	163.72	16.37	27.27	0.00	207.36
* 2014	Real Estate Tax	3	163.72	0.00	163.72	16.37	23.86	0.00	203.95
* 2014	Real Estate Tax	4	163.74	0.00	163.74	16.37	20.51	0.00	200.62
2015	Real Estate Tax	1	163.72	0.00	163.72	16.37	10.77	0.00	190.86
2015	Real Estate Tax	2	163.72	0.00	163.72	16.37	7.63	0.00	187.72
2015	Real Estate Tax	3	163.72	0.00	163.72	16.37	4.54	0.00	184.63
2015	Real Estate Tax	4	163.74	0.00	163.74	16.37	1.50	0.00	181.61
Grand Total									12,023.05

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447026 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	654.90	0.00	65.48	24.44	744.82
Past Due			6,451.50		752.18	4,074.55	11,278.23
Grand Total							12,023.05

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KRISE BUILDING ASSOCIATES LLC
2321 RIVERSIDE DR
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THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address			Lot Size	Legal Description				
02447027	203 9TH ST 4B			0.0061	THE KRISE CONVERSION CONDOMINIUM UNIT #4B				
Tax Rate	Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11	15,500		38,400		53,900				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	930.18	0.00	930.18	93.03	1,022.48	0.00	2,045.69
* 2007	Real Estate Tax	4	879.90	0.00	879.90	88.00	828.44	0.00	1,796.34
* 2008	Real Estate Tax	4	565.95	0.00	565.95	88.00	597.91	0.00	1,251.86
* 2009	Real Estate Tax	4	565.95	0.00	565.95	88.00	458.95	0.00	1,112.90
* 2010	Real Estate Tax	4	565.95	0.00	565.95	88.00	330.73	0.00	984.68
* 2011	Real Estate Tax	1	219.97	0.00	219.97	22.00	84.20	0.00	326.17
* 2011	Real Estate Tax	2	219.97	0.00	219.97	22.00	78.85	0.00	320.82
* 2011	Real Estate Tax	3	62.99	0.00	62.99	6.30	21.07	0.00	90.36
* 2011	Real Estate Tax	4	63.02	0.00	63.02	6.30	19.58	0.00	88.90
* 2012	Real Estate Tax	1	149.57	0.00	149.57	14.96	36.24	0.00	200.77
* 2012	Real Estate Tax	2	149.57	0.00	149.57	14.96	32.94	0.00	197.47
* 2012	Real Estate Tax	3	149.57	0.00	149.57	14.96	29.69	0.00	194.22
* 2012	Real Estate Tax	4	149.58	0.00	149.58	14.96	26.50	0.00	191.04
* 2013	Real Estate Tax	1	149.57	0.00	149.57	14.96	17.22	0.00	181.75
* 2013	Real Estate Tax	2	149.57	0.00	149.57	14.96	14.23	0.00	178.76



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
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REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC
2321 RIVERSIDE DR
DANVILLE, VA 24540-4267

* = Prior Tax Year

* 2013	Real Estate Tax	3	149.57	0.00	149.57	14.96	11.29	0.00	175.82
* 2013	Real Estate Tax	4	149.58	0.00	149.58	14.96	8.40	0.00	172.94
* 2014	Real Estate Tax	1	149.57	0.00	149.57	14.96	0.00	0.00	164.53
* 2014	Real Estate Tax	2	149.57	0.00	149.57	14.96	24.92	0.00	189.45
* 2014	Real Estate Tax	3	149.57	0.00	149.57	14.96	21.80	0.00	186.33
* 2014	Real Estate Tax	4	149.58	0.00	149.58	14.96	18.73	0.00	183.27
2015	Real Estate Tax	1	149.57	0.00	149.57	14.96	9.84	0.00	174.37
2015	Real Estate Tax	2	149.57	0.00	149.57	14.96	6.97	0.00	171.50
2015	Real Estate Tax	3	149.57	0.00	149.57	14.96	4.14	0.00	168.67
2015	Real Estate Tax	4	149.58	0.00	149.58	14.96	1.37	0.00	165.91
Grand Total									10,914.52

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447027 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	598.29	0.00	59.84	22.32	680.45
Past Due			5,868.75		681.15	3,684.17	10,234.07
Grand Total							10,914.52

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THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

REAL ESTATE BILL

Return Service Requested

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447028	203 9TH ST 5A		0.0061	THE KRISE CONVERSION CONDOMINIUM UNIT #5A					
Tax Rate	Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11	15,500		38,300		53,800				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	597.18	0.00	597.18	59.72	656.49	0.00	1,313.39
* 2007	Real Estate Tax	4	564.90	0.00	564.90	56.48	532.03	0.00	1,153.41
* 2008	Real Estate Tax	4	564.90	0.00	564.90	56.48	449.59	0.00	1,070.97
* 2009	Real Estate Tax	4	564.90	0.00	564.90	56.48	360.33	0.00	981.71
* 2010	Real Estate Tax	4	564.90	0.00	564.90	56.48	277.93	0.00	899.31
* 2011	Real Estate Tax	1	141.22	0.00	141.22	14.12	54.06	0.00	209.40
* 2011	Real Estate Tax	2	141.22	0.00	141.22	14.12	50.62	0.00	205.96
* 2011	Real Estate Tax	3	141.22	0.00	141.22	14.12	47.23	0.00	202.57
* 2011	Real Estate Tax	4	141.24	0.00	141.24	14.12	43.91	0.00	199.27
* 2012	Real Estate Tax	1	149.29	0.00	149.29	14.93	36.18	0.00	200.40
* 2012	Real Estate Tax	2	149.29	0.00	149.29	14.93	32.88	0.00	197.10
* 2012	Real Estate Tax	3	149.29	0.00	149.29	14.93	29.64	0.00	193.86
* 2012	Real Estate Tax	4	149.31	0.00	149.31	14.93	26.45	0.00	190.69
* 2013	Real Estate Tax	1	149.29	0.00	149.29	14.93	17.19	0.00	181.41
* 2013	Real Estate Tax	2	149.29	0.00	149.29	14.93	14.20	0.00	178.42



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

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REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

* = Prior Tax Year

* 2013	Real Estate Tax	3	149.29	0.00	149.29	14.93	11.27	0.00	175.49
* 2013	Real Estate Tax	4	149.31	0.00	149.31	14.93	8.38	0.00	172.62
* 2014	Real Estate Tax	1	149.29	0.00	149.29	14.93	0.00	0.00	164.22
* 2014	Real Estate Tax	2	149.29	0.00	149.29	14.93	24.87	0.00	189.09
* 2014	Real Estate Tax	3	149.29	0.00	149.29	14.93	21.76	0.00	185.98
* 2014	Real Estate Tax	4	149.31	0.00	149.31	14.93	18.70	0.00	182.94
2015	Real Estate Tax	1	149.29	0.00	149.29	14.93	9.82	0.00	174.04
2015	Real Estate Tax	2	149.29	0.00	149.29	14.93	6.95	0.00	171.17
2015	Real Estate Tax	3	149.29	0.00	149.29	14.93	4.14	0.00	168.36
2015	Real Estate Tax	4	149.31	0.00	149.31	14.93	1.37	0.00	165.61
Grand Total									9,127.39

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447028 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	597.18	0.00	59.72	22.28	679.18
Past Due			5,213.22		521.28	2,713.71	8,448.21
Grand Total							9,127.39

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THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

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REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447029	203 9TH ST 5B		0.0062	THE KRISE CONVERSION CONDOMINIUM UNIT #5B					
Tax Rate	Land Assessment	Building and Improvement Assessment		Total Assessment					
1.11	15,500	33,800		49,300					
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
2015	Real Estate Tax	3	136.80	0.00	136.80	12.22	3.39	14.60	137.81
2015	Real Estate Tax	4	136.83	0.00	136.83	13.68	1.25	0.00	151.76
Grand Total									289.57

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

***** PLEASE DO NOT FOLD, STAPLE, PAPER CLIP OR WRITE ON THIS PORTION *****

See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447029 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	259.03	0.00	25.90	4.64	289.57
Past Due			0.00		0.00	0.00	0.00
Grand Total							289.57

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CITY OF LYNCHBURG
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KRISE BUILDING ASSOCIATES LLC
2321 RIVERSIDE DR
DANVILLE, VA 24540-4267



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address		Lot Size	Legal Description					
02447030	203 9TH ST 6A		0.0062	THE KRISE CONVERSION CONDOMINIUM UNIT #6A					
Tax Rate	Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11	15,500		38,800		54,300				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	602.73	0.00	602.73	60.28	662.49	0.00	1,325.50
* 2007	Real Estate Tax	4	570.15	0.00	570.15	57.01	536.65	0.00	1,163.81
* 2008	Real Estate Tax	4	570.15	0.00	570.15	57.01	453.64	0.00	1,080.80
* 2009	Real Estate Tax	4	570.15	0.00	570.15	57.01	363.66	0.00	990.82
* 2010	Real Estate Tax	4	570.15	0.00	570.15	57.01	280.60	0.00	907.76
* 2011	Real Estate Tax	1	142.53	0.00	142.53	14.25	54.55	0.00	211.33
* 2011	Real Estate Tax	2	142.53	0.00	142.53	14.25	51.08	0.00	207.86
* 2011	Real Estate Tax	3	142.53	0.00	142.53	14.25	47.66	0.00	204.44
* 2011	Real Estate Tax	4	142.56	0.00	142.56	14.26	44.31	0.00	201.13
* 2012	Real Estate Tax	1	150.68	0.00	150.68	15.07	36.52	0.00	202.27
* 2012	Real Estate Tax	2	150.68	0.00	150.68	15.07	33.19	0.00	198.94
* 2012	Real Estate Tax	3	150.68	0.00	150.68	15.07	29.92	0.00	195.67
* 2012	Real Estate Tax	4	150.69	0.00	150.69	15.07	26.70	0.00	192.46
* 2013	Real Estate Tax	1	150.68	0.00	150.68	15.07	17.35	0.00	183.10
* 2013	Real Estate Tax	2	150.68	0.00	150.68	15.07	14.34	0.00	180.09



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

* = Prior Tax Year

* 2013	Real Estate Tax	3	150.68	0.00	150.68	15.07	11.37	0.00	177.12
* 2013	Real Estate Tax	4	150.69	0.00	150.69	15.07	8.46	0.00	174.22
* 2014	Real Estate Tax	1	150.68	0.00	150.68	15.07	0.00	0.00	165.75
* 2014	Real Estate Tax	2	150.68	0.00	150.68	15.07	25.11	0.00	190.86
* 2014	Real Estate Tax	3	150.68	0.00	150.68	15.07	21.97	0.00	187.72
* 2014	Real Estate Tax	4	150.69	0.00	150.69	15.07	18.88	0.00	184.64
2015	Real Estate Tax	1	150.68	0.00	150.68	15.07	9.91	0.00	175.66
2015	Real Estate Tax	2	150.68	0.00	150.68	15.07	7.02	0.00	172.77
2015	Real Estate Tax	3	150.68	0.00	150.68	15.07	4.17	0.00	169.92
2015	Real Estate Tax	4	150.69	0.00	150.69	15.07	1.38	0.00	167.14
Grand Total									9,211.78

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

Please make checks payable to "City of Lynchburg" and return this portion with your payment.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447030 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	602.73	0.00	60.28	22.48	685.49
Past Due			5,261.67		526.17	2,738.45	8,526.29
Grand Total							9,211.78

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DANVILLE, VA 24540-4267



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

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REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

Parcel ID	Property Address			Lot Size	Legal Description				
02447031	203 9TH ST 6B			0.0061	THE KRISE CONVERSION CONDOMINIUM UNIT #6B				
Tax Rate	Land Assessment		Building and Improvement Assessment		Total Assessment				
1.11	15,500		34,100		49,600				
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	550.56	0.00	550.56	55.04	604.93	0.00	1,210.53
* 2007	Real Estate Tax	4	520.80	0.00	520.80	52.08	490.20	0.00	1,063.08
* 2008	Real Estate Tax	4	520.80	0.00	520.80	52.08	414.25	0.00	987.13
* 2009	Real Estate Tax	4	520.80	0.00	520.80	52.08	332.09	0.00	904.97
* 2010	Real Estate Tax	4	520.80	0.00	520.80	52.08	256.19	0.00	829.07
* 2011	Real Estate Tax	1	130.20	0.00	130.20	13.02	49.80	0.00	193.02
* 2011	Real Estate Tax	2	130.20	0.00	130.20	13.02	46.64	0.00	189.86
* 2011	Real Estate Tax	3	130.20	0.00	130.20	13.02	43.51	0.00	186.73
* 2011	Real Estate Tax	4	130.20	0.00	130.20	13.02	40.44	0.00	183.66
* 2012	Real Estate Tax	1	137.64	0.00	137.64	13.76	33.34	0.00	184.74
* 2012	Real Estate Tax	2	137.64	0.00	137.64	13.76	30.30	0.00	181.70
* 2012	Real Estate Tax	3	137.64	0.00	137.64	13.76	27.31	0.00	178.71
* 2012	Real Estate Tax	4	137.64	0.00	137.64	13.76	24.37	0.00	175.77
* 2013	Real Estate Tax	1	137.64	0.00	137.64	13.76	15.84	0.00	167.24
* 2013	Real Estate Tax	2	137.64	0.00	137.64	13.76	13.09	0.00	164.49

REAL ESTATE BILL

Return Service Requested

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

*** = Prior Tax Year**

* 2013	Real Estate Tax	3	137.64	0.00	137.64	13.76	10.38	0.00	161.78
* 2013	Real Estate Tax	4	137.64	0.00	137.64	13.76	7.71	0.00	159.11
* 2014	Real Estate Tax	1	137.64	0.00	137.64	13.76	0.00	0.00	151.40
* 2014	Real Estate Tax	2	137.64	0.00	137.64	13.76	22.92	0.00	174.32
* 2014	Real Estate Tax	3	137.64	0.00	137.64	13.76	20.05	0.00	171.45
* 2014	Real Estate Tax	4	137.64	0.00	137.64	13.76	17.23	0.00	168.63
2015	Real Estate Tax	1	137.64	0.00	137.64	13.76	9.04	0.00	160.44
2015	Real Estate Tax	2	137.64	0.00	137.64	13.76	6.40	0.00	157.80
2015	Real Estate Tax	3	137.64	0.00	137.64	13.76	3.81	0.00	155.21
2015	Real Estate Tax	4	137.64	0.00	137.64	13.76	1.26	0.00	152.66
								Grand Total	8,413.50

If your mortgage company is responsible for paying your Real Estate Tax, please forward this bill to them immediately.

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447031 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	550.56	0.00	55.04	20.51	626.11
Past Due			4,806.24		480.56	2,500.59	7,787.39
Go Green! eBills and eChecks						Grand Total	8,413.50

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KRISE BUILDING ASSOCIATES LLC
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DANVILLE, VA 24540-4267



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

REAL ESTATE BILL

Return Service Requested

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

* = Prior Tax Year

Parcel ID	Property Address		Lot Size	Legal Description					
02447033	203 9TH ST 7B		0.0062	THE KRISE CONVERSION CONDOMINIUM UNIT # 7B					
Tax Rate	Land Assessment	Building and Improvement Assessment		Total Assessment					
1.11	15,500	37,600		53,100					
Tax Year	Description	Installment	Installment Amount	Tax Relief	Amount Due After Relief	Penalty	Interest	Payments	Total Due
* 2006	Real Estate Tax	4	589.41	0.00	589.41	58.96	776.38	448.51	976.24
* 2007	Real Estate Tax	4	557.55	0.00	557.55	55.76	697.48	0.00	1,310.79
* 2008	Real Estate Tax	4	557.55	0.00	557.55	55.76	603.94	0.00	1,217.25
* 2009	Real Estate Tax	4	557.55	0.00	557.55	55.76	502.49	0.00	1,115.80
* 2010	Real Estate Tax	4	557.55	0.00	557.55	55.76	408.84	0.00	1,022.15
* 2011	Real Estate Tax	1	139.38	0.00	139.38	13.94	84.64	0.00	237.96
* 2011	Real Estate Tax	2	139.38	0.00	139.38	13.94	80.75	0.00	234.07
* 2011	Real Estate Tax	3	139.38	0.00	139.38	13.94	76.90	0.00	230.22
* 2011	Real Estate Tax	4	139.41	0.00	139.41	13.94	73.12	0.00	226.47
* 2012	Real Estate Tax	1	147.35	0.00	147.35	14.73	65.65	0.00	227.73
* 2012	Real Estate Tax	2	147.35	0.00	147.35	14.73	61.90	0.00	223.98
* 2012	Real Estate Tax	3	147.35	0.00	147.35	14.73	58.21	0.00	220.29
* 2012	Real Estate Tax	4	147.36	0.00	147.36	14.74	54.60	0.00	216.70
* 2013	Real Estate Tax	1	147.35	0.00	147.35	14.73	44.06	0.00	206.14
* 2013	Real Estate Tax	2	147.35	0.00	147.35	14.73	40.67	0.00	202.75



THE CITY OF LYNCHBURG, VIRGINIA

BILLINGS & COLLECTIONS

PO Box 9000
Lynchburg, VA 24505-9000

TAX YEAR: 2015

Bill Date: 6/2/2016

Current Installment Due Date: 6/2/2016

Billing Questions: 434-455-3850

Assessment Questions: 434-455-3830

REAL ESTATE BILL

Return Service Requested

KRISE BUILDING ASSOCIATES LLC

2321 RIVERSIDE DR

DANVILLE, VA 24540-4267

* = Prior Tax Year

* 2013	Real Estate Tax	3	147.35	0.00	147.35	14.73	37.34	0.00	199.42
* 2013	Real Estate Tax	4	147.36	0.00	147.36	14.74	34.06	0.00	196.16
* 2014	Real Estate Tax	1	147.35	0.00	147.35	14.73	24.54	0.00	186.62
* 2014	Real Estate Tax	2	147.35	0.00	147.35	14.73	24.54	0.00	186.62
* 2014	Real Estate Tax	3	147.35	0.00	147.35	14.73	21.47	0.00	183.55
* 2014	Real Estate Tax	4	147.36	0.00	147.36	14.74	18.45	0.00	180.55
2015	Real Estate Tax	1	147.35	0.00	147.35	14.73	9.69	0.00	171.77
2015	Real Estate Tax	2	147.35	0.00	147.35	14.73	6.86	0.00	168.94
2015	Real Estate Tax	3	147.35	0.00	147.35	14.73	4.08	0.00	166.16
2015	Real Estate Tax	4	147.36	0.00	147.36	14.74	1.35	0.00	163.45
Grand Total									9,671.78

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See reverse side for additional payment methods.

Real Estate Bill Parcel ID: 02447033 Installment: 4

Tax Year	Current Installment Amount Due	Current Installment Due Date	Past Due Amount	Future Installments Amount Due	Penalty	Interest	Total Due
2015	0.00	6/2/2016	589.41	0.00	58.93	21.98	670.32
Past Due			5,145.39		514.55	3,341.52	9,001.46
Grand Total							9,671.78

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KRISE BUILDING ASSOCIATES LLC
2321 RIVERSIDE DR
DANVILLE, VA 24540-4267

ParcelID	InvoiceNumber	AmountBilled	AmountPaid	PenaltyBilled	PenaltyPaid	InterestBilled	NewInterest	InterestPaid	CurrentBalance	NewBalance
2447012	894371	\$ 245.86	\$ 55.54	\$ 24.59	\$ 24.59	\$ -	\$ -	\$ -	\$ 190.32	\$ 190.32
2447012	894372	\$ 245.86	\$ -	\$ 24.59	\$ -	\$ 40.97	\$ 12.30	\$ -	\$ 311.42	\$ 282.75
2447012	894373	\$ 245.86	\$ -	\$ 24.59	\$ -	\$ 35.85	\$ 10.76	\$ -	\$ 306.30	\$ 281.21
2447012	894374	\$ 245.88	\$ -	\$ 24.59	\$ -	\$ 30.81	\$ 9.25	\$ -	\$ 301.28	\$ 279.72
2447012	1013874	\$ 245.86	\$ -	\$ 24.59	\$ -	\$ 16.17	\$ 4.85	\$ -	\$ 286.62	\$ 275.30
2447012	1013875	\$ 245.86	\$ -	\$ 24.59	\$ -	\$ 11.45	\$ 3.44	\$ -	\$ 281.90	\$ 273.89
2447012	1013876	\$ 245.86	\$ -	\$ 24.59	\$ -	\$ 6.81	\$ 2.04	\$ -	\$ 277.26	\$ 272.49
2447012	1013877	\$ 245.88	\$ -	\$ 24.59	\$ -	\$ 2.25	\$ 0.68	\$ -	\$ 272.72	\$ 271.15
2447019	774233	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 21.42	\$ 6.43	\$ -	\$ 225.93	\$ 210.94
2447019	774234	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 17.70	\$ 5.31	\$ -	\$ 222.21	\$ 209.82
2447019	774235	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 14.04	\$ 4.21	\$ -	\$ 218.55	\$ 208.72
2447019	774236	\$ 185.94	\$ -	\$ 18.59	\$ -	\$ 10.44	\$ 3.13	\$ -	\$ 214.97	\$ 207.66
2447019	894391	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ -	\$ -	\$ -	\$ 204.51	\$ 204.51
2447019	894392	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 30.99	\$ 9.30	\$ -	\$ 235.50	\$ 213.81
2447019	894393	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 27.11	\$ 8.14	\$ -	\$ 231.62	\$ 212.65
2447019	894394	\$ 185.94	\$ -	\$ 18.59	\$ -	\$ 23.30	\$ 6.99	\$ -	\$ 227.83	\$ 211.52
2447019	1013894	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 12.23	\$ 3.67	\$ -	\$ 216.74	\$ 208.18
2447019	1013895	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 8.66	\$ 2.60	\$ -	\$ 213.17	\$ 207.11
2447019	1013896	\$ 185.92	\$ -	\$ 18.59	\$ -	\$ 5.15	\$ 1.55	\$ -	\$ 209.66	\$ 206.06
2447019	1013897	\$ 185.94	\$ -	\$ 18.59	\$ -	\$ 1.70	\$ 0.51	\$ -	\$ 206.23	\$ 205.04
2447020	774237	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 20.22	\$ 6.07	\$ -	\$ 213.44	\$ 199.29
2447020	774238	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 16.71	\$ 5.02	\$ -	\$ 209.93	\$ 198.24
2447020	774239	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 13.26	\$ 3.98	\$ -	\$ 206.48	\$ 197.20
2447020	774240	\$ 175.68	\$ -	\$ 17.57	\$ -	\$ 9.86	\$ 2.96	\$ -	\$ 203.11	\$ 196.21
2447020	894395	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ -	\$ -	\$ -	\$ 193.22	\$ 193.22
2447020	894396	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 29.26	\$ 8.78	\$ -	\$ 222.48	\$ 202.00
2447020	894397	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 25.60	\$ 7.68	\$ -	\$ 218.82	\$ 200.90
2447020	894398	\$ 175.68	\$ -	\$ 17.57	\$ -	\$ 22.00	\$ 6.60	\$ -	\$ 215.25	\$ 199.85
2447020	1013898	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 11.55	\$ 3.47	\$ -	\$ 204.77	\$ 196.69
2447020	1013899	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 8.18	\$ 2.45	\$ -	\$ 201.40	\$ 195.67
2447020	1013900	\$ 175.65	\$ -	\$ 17.57	\$ -	\$ 4.87	\$ 1.46	\$ -	\$ 198.09	\$ 194.68
2447020	1013901	\$ 175.68	\$ -	\$ 17.57	\$ -	\$ 1.61	\$ 0.48	\$ -	\$ 194.86	\$ 193.73
2447021	1013902	\$ 605.50	\$ 4.59	\$ 60.55	\$ 60.55	\$ 37.62	\$ 11.29	\$ 22.47	\$ 616.06	\$ 589.73
2447021	1013903	\$ 605.50	\$ -	\$ 60.55	\$ -	\$ 28.21	\$ 8.47	\$ -	\$ 694.26	\$ 674.52
2447021	1013904	\$ 605.50	\$ -	\$ 60.55	\$ -	\$ 16.78	\$ 5.04	\$ -	\$ 682.83	\$ 671.09
2447021	1013905	\$ 605.52	\$ -	\$ 60.55	\$ -	\$ 5.55	\$ 1.67	\$ -	\$ 671.62	\$ 667.74
2447024	142593	\$ 599.55	\$ 40.37	\$ 59.96	\$ 59.96	\$ 476.89	\$ 143.12	\$ 476.89	\$ 559.18	\$ 225.41
2447024	142594	\$ 599.55	\$ -	\$ 59.96	\$ -	\$ 382.26	\$ 114.72	\$ -	\$ 1,041.77	\$ 774.23
2447024	142595	\$ 599.55	\$ -	\$ 59.96	\$ -	\$ 294.94	\$ 88.52	\$ -	\$ 954.45	\$ 748.03
2447024	142596	\$ 149.88	\$ -	\$ 14.99	\$ -	\$ 57.37	\$ 17.22	\$ -	\$ 222.24	\$ 182.09
2447024	142597	\$ 149.88	\$ -	\$ 14.99	\$ -	\$ 53.72	\$ 16.12	\$ -	\$ 218.59	\$ 180.99
2447024	142598	\$ 149.88	\$ -	\$ 14.99	\$ -	\$ 50.12	\$ 15.04	\$ -	\$ 214.99	\$ 179.91
2447024	142599	\$ 149.91	\$ -	\$ 14.99	\$ -	\$ 46.60	\$ 13.99	\$ -	\$ 211.50	\$ 178.89
2447024	654733	\$ 158.45	\$ -	\$ 15.84	\$ -	\$ 38.39	\$ 11.52	\$ -	\$ 212.68	\$ 185.81

2447024	654734	\$	158.45	\$	-	\$	15.84	\$	-	\$	34.89	\$	10.47	\$	-	\$	209.18	\$	184.76
2447024	654735	\$	158.45	\$	-	\$	15.84	\$	-	\$	31.45	\$	9.44	\$	-	\$	205.74	\$	183.73
2447024	654736	\$	158.46	\$	-	\$	15.85	\$	-	\$	28.06	\$	8.42	\$	-	\$	202.37	\$	182.73
2447024	774253	\$	158.45	\$	-	\$	15.84	\$	-	\$	18.24	\$	5.47	\$	-	\$	192.53	\$	179.76
2447024	774254	\$	158.45	\$	-	\$	15.84	\$	-	\$	15.07	\$	4.52	\$	-	\$	189.36	\$	178.81
2447024	774255	\$	158.45	\$	-	\$	15.84	\$	-	\$	11.96	\$	3.59	\$	-	\$	186.25	\$	177.88
2447024	774256	\$	158.46	\$	-	\$	15.85	\$	-	\$	8.89	\$	2.67	\$	-	\$	183.20	\$	176.98
2447024	894411	\$	158.45	\$	-	\$	15.84	\$	-	\$	-	\$	-	\$	-	\$	174.29	\$	174.29
2447024	894412	\$	158.45	\$	-	\$	15.84	\$	-	\$	26.39	\$	7.92	\$	-	\$	200.68	\$	182.21
2447024	894413	\$	158.45	\$	-	\$	15.84	\$	-	\$	23.09	\$	6.93	\$	-	\$	197.38	\$	181.22
2447024	894414	\$	158.46	\$	-	\$	15.85	\$	-	\$	19.84	\$	5.95	\$	-	\$	194.15	\$	180.26
2447024	1013914	\$	158.45	\$	-	\$	15.84	\$	-	\$	10.42	\$	3.13	\$	-	\$	184.71	\$	177.42
2447024	1013915	\$	158.45	\$	-	\$	15.84	\$	-	\$	7.38	\$	2.21	\$	-	\$	181.67	\$	176.50
2447024	1013916	\$	158.45	\$	-	\$	15.84	\$	-	\$	4.39	\$	1.32	\$	-	\$	178.68	\$	175.61
2447024	1013917	\$	158.46	\$	-	\$	15.85	\$	-	\$	1.45	\$	0.44	\$	-	\$	175.76	\$	174.75
2447025	142600	\$	543.90	\$	-	\$	54.40	\$	-	\$	597.79	\$	179.41	\$	-	\$	1,196.09	\$	777.71
2447025	142601	\$	514.50	\$	-	\$	51.44	\$	-	\$	484.18	\$	145.31	\$	-	\$	1,050.12	\$	711.25
2447025	142602	\$	514.50	\$	-	\$	51.44	\$	-	\$	409.26	\$	122.83	\$	-	\$	975.20	\$	688.77
2447025	142603	\$	514.50	\$	-	\$	51.44	\$	-	\$	328.06	\$	98.46	\$	-	\$	894.00	\$	664.40
2447025	142604	\$	514.50	\$	-	\$	51.44	\$	-	\$	253.18	\$	75.98	\$	-	\$	819.12	\$	641.92
2447025	142605	\$	128.62	\$	-	\$	12.86	\$	-	\$	49.23	\$	14.77	\$	-	\$	190.71	\$	156.25
2447025	142606	\$	128.62	\$	-	\$	12.86	\$	-	\$	46.10	\$	13.84	\$	-	\$	187.58	\$	155.32
2447025	142607	\$	128.62	\$	-	\$	12.86	\$	-	\$	43.01	\$	12.91	\$	-	\$	184.49	\$	154.39
2447025	142608	\$	128.64	\$	-	\$	12.86	\$	-	\$	39.98	\$	12.00	\$	-	\$	181.48	\$	153.50
2447025	654737	\$	135.97	\$	-	\$	13.60	\$	-	\$	32.97	\$	9.89	\$	-	\$	182.54	\$	159.46
2447025	654738	\$	135.97	\$	-	\$	13.60	\$	-	\$	29.96	\$	8.99	\$	-	\$	179.53	\$	158.56
2447025	654739	\$	135.97	\$	-	\$	13.60	\$	-	\$	27.01	\$	8.11	\$	-	\$	176.58	\$	157.68
2447025	654740	\$	135.99	\$	-	\$	13.60	\$	-	\$	24.10	\$	7.23	\$	-	\$	173.69	\$	156.82
2447025	774257	\$	135.97	\$	-	\$	13.60	\$	-	\$	15.67	\$	4.70	\$	-	\$	165.24	\$	154.27
2447025	774258	\$	135.97	\$	-	\$	13.60	\$	-	\$	12.95	\$	3.89	\$	-	\$	162.52	\$	153.46
2447025	774259	\$	135.97	\$	-	\$	13.60	\$	-	\$	10.28	\$	3.09	\$	-	\$	159.85	\$	152.66
2447025	774260	\$	135.99	\$	-	\$	13.60	\$	-	\$	7.65	\$	2.30	\$	-	\$	157.24	\$	151.89
2447025	894415	\$	135.97	\$	-	\$	13.60	\$	-	\$	-	\$	-	\$	-	\$	149.57	\$	149.57
2447025	894416	\$	135.97	\$	-	\$	13.60	\$	-	\$	22.67	\$	6.80	\$	-	\$	172.24	\$	156.37
2447025	894417	\$	135.97	\$	-	\$	13.60	\$	-	\$	19.84	\$	5.95	\$	-	\$	169.41	\$	155.52
2447025	894418	\$	135.99	\$	-	\$	13.60	\$	-	\$	17.05	\$	5.12	\$	-	\$	166.64	\$	154.71
2447025	1013918	\$	135.97	\$	-	\$	13.60	\$	-	\$	8.96	\$	2.69	\$	-	\$	158.53	\$	152.26
2447025	1013919	\$	135.97	\$	-	\$	13.60	\$	-	\$	6.35	\$	1.91	\$	-	\$	155.92	\$	151.48
2447025	1013920	\$	135.97	\$	-	\$	13.60	\$	-	\$	3.78	\$	1.13	\$	-	\$	153.35	\$	150.70
2447025	1013921	\$	135.99	\$	-	\$	13.60	\$	-	\$	1.25	\$	0.38	\$	-	\$	150.84	\$	149.97
2447026	142609	\$	1,032.30	\$	-	\$	103.24	\$	-	\$	1,135.00	\$	340.64	\$	-	\$	2,270.54	\$	1,476.18
2447026	142610	\$	976.50	\$	-	\$	97.64	\$	-	\$	919.64	\$	276.00	\$	-	\$	1,993.78	\$	1,350.14
2447026	142611	\$	619.50	\$	-	\$	97.64	\$	-	\$	660.91	\$	198.35	\$	-	\$	1,378.05	\$	915.49
2447026	142612	\$	619.50	\$	-	\$	97.64	\$	-	\$	506.64	\$	152.05	\$	-	\$	1,223.78	\$	869.19
2447026	142613	\$	619.50	\$	-	\$	97.64	\$	-	\$	364.23	\$	109.31	\$	-	\$	1,081.37	\$	826.45

2447026	142614	\$	244.12	\$	-	\$	24.41	\$	-	\$	93.41	\$	28.03	\$	-	\$	361.94	\$	296.56
2447026	142615	\$	244.12	\$	-	\$	24.41	\$	-	\$	87.49	\$	26.26	\$	-	\$	356.02	\$	294.79
2447026	142616	\$	65.62	\$	-	\$	6.56	\$	-	\$	21.95	\$	6.59	\$	-	\$	94.13	\$	78.77
2447026	142617	\$	65.64	\$	-	\$	6.56	\$	-	\$	20.41	\$	6.13	\$	-	\$	92.61	\$	78.33
2447026	654741	\$	163.72	\$	-	\$	16.37	\$	-	\$	39.68	\$	11.91	\$	-	\$	219.77	\$	192.00
2447026	654742	\$	163.72	\$	-	\$	16.37	\$	-	\$	36.06	\$	10.82	\$	-	\$	216.15	\$	190.91
2447026	654743	\$	163.72	\$	-	\$	16.37	\$	-	\$	32.50	\$	9.75	\$	-	\$	212.59	\$	189.84
2447026	654744	\$	163.74	\$	-	\$	16.37	\$	-	\$	29.01	\$	8.71	\$	-	\$	209.12	\$	188.82
2447026	774261	\$	163.72	\$	-	\$	16.37	\$	-	\$	18.85	\$	5.66	\$	-	\$	198.94	\$	185.75
2447026	774262	\$	163.72	\$	-	\$	16.37	\$	-	\$	15.58	\$	4.68	\$	-	\$	195.67	\$	184.77
2447026	774263	\$	163.72	\$	-	\$	16.37	\$	-	\$	12.36	\$	3.71	\$	-	\$	192.45	\$	183.80
2447026	774264	\$	163.74	\$	-	\$	16.37	\$	-	\$	9.19	\$	2.76	\$	-	\$	189.30	\$	182.87
2447026	894419	\$	163.72	\$	-	\$	16.37	\$	-	\$	-	\$	-	\$	-	\$	180.09	\$	180.09
2447026	894420	\$	163.72	\$	-	\$	16.37	\$	-	\$	27.27	\$	8.18	\$	-	\$	207.36	\$	188.27
2447026	894421	\$	163.72	\$	-	\$	16.37	\$	-	\$	23.86	\$	7.16	\$	-	\$	203.95	\$	187.25
2447026	894422	\$	163.74	\$	-	\$	16.37	\$	-	\$	20.51	\$	6.16	\$	-	\$	200.62	\$	186.27
2447026	1013922	\$	163.72	\$	-	\$	16.37	\$	-	\$	10.77	\$	3.23	\$	-	\$	190.86	\$	183.32
2447026	1013923	\$	163.72	\$	-	\$	16.37	\$	-	\$	7.63	\$	2.29	\$	-	\$	187.72	\$	182.38
2447026	1013924	\$	163.72	\$	-	\$	16.37	\$	-	\$	4.54	\$	1.36	\$	-	\$	184.63	\$	181.45
2447026	1013925	\$	163.74	\$	-	\$	16.37	\$	-	\$	1.50	\$	0.45	\$	-	\$	181.61	\$	180.56
2447027	142618	\$	930.18	\$	-	\$	93.03	\$	-	\$	1,022.48	\$	306.87	\$	-	\$	2,045.69	\$	1,330.08
2447027	142619	\$	879.90	\$	-	\$	88.00	\$	-	\$	828.44	\$	248.63	\$	-	\$	1,796.34	\$	1,216.53
2447027	142620	\$	565.95	\$	-	\$	88.00	\$	-	\$	597.91	\$	179.44	\$	-	\$	1,251.86	\$	833.39
2447027	142621	\$	565.95	\$	-	\$	88.00	\$	-	\$	458.95	\$	137.74	\$	-	\$	1,112.90	\$	791.69
2447027	142622	\$	565.95	\$	-	\$	88.00	\$	-	\$	330.73	\$	99.26	\$	-	\$	984.68	\$	753.21
2447027	142623	\$	219.97	\$	-	\$	22.00	\$	-	\$	84.20	\$	25.27	\$	-	\$	326.17	\$	267.24
2447027	142624	\$	219.97	\$	-	\$	22.00	\$	-	\$	78.85	\$	23.66	\$	-	\$	320.82	\$	265.63
2447027	142625	\$	62.99	\$	-	\$	6.30	\$	-	\$	21.07	\$	6.32	\$	-	\$	90.36	\$	75.61
2447027	142626	\$	63.02	\$	-	\$	6.30	\$	-	\$	19.58	\$	5.88	\$	-	\$	88.90	\$	75.20
2447027	654745	\$	149.57	\$	-	\$	14.96	\$	-	\$	36.24	\$	10.88	\$	-	\$	200.77	\$	175.41
2447027	654746	\$	149.57	\$	-	\$	14.96	\$	-	\$	32.94	\$	9.89	\$	-	\$	197.47	\$	174.42
2447027	654747	\$	149.57	\$	-	\$	14.96	\$	-	\$	29.69	\$	8.91	\$	-	\$	194.22	\$	173.44
2447027	654748	\$	149.58	\$	-	\$	14.96	\$	-	\$	26.50	\$	7.95	\$	-	\$	191.04	\$	172.49
2447027	774265	\$	149.57	\$	-	\$	14.96	\$	-	\$	17.22	\$	5.17	\$	-	\$	181.75	\$	169.70
2447027	774266	\$	149.57	\$	-	\$	14.96	\$	-	\$	14.23	\$	4.27	\$	-	\$	178.76	\$	168.80
2447027	774267	\$	149.57	\$	-	\$	14.96	\$	-	\$	11.29	\$	3.39	\$	-	\$	175.82	\$	167.92
2447027	774268	\$	149.58	\$	-	\$	14.96	\$	-	\$	8.40	\$	2.52	\$	-	\$	172.94	\$	167.06
2447027	894423	\$	149.57	\$	-	\$	14.96	\$	-	\$	-	\$	-	\$	-	\$	164.53	\$	164.53
2447027	894424	\$	149.57	\$	-	\$	14.96	\$	-	\$	24.92	\$	7.48	\$	-	\$	189.45	\$	172.01
2447027	894425	\$	149.57	\$	-	\$	14.96	\$	-	\$	21.80	\$	6.54	\$	-	\$	186.33	\$	171.07
2447027	894426	\$	149.58	\$	-	\$	14.96	\$	-	\$	18.73	\$	5.62	\$	-	\$	183.27	\$	170.16
2447027	1013926	\$	149.57	\$	-	\$	14.96	\$	-	\$	9.84	\$	2.95	\$	-	\$	174.37	\$	167.48
2447027	1013927	\$	149.57	\$	-	\$	14.96	\$	-	\$	6.97	\$	2.09	\$	-	\$	171.50	\$	166.62
2447027	1013928	\$	149.57	\$	-	\$	14.96	\$	-	\$	4.14	\$	1.24	\$	-	\$	168.67	\$	165.77
2447027	1013929	\$	149.58	\$	-	\$	14.96	\$	-	\$	1.37	\$	0.41	\$	-	\$	165.91	\$	164.95

2447028	142627	\$	597.18	\$	-	\$	59.72	\$	-	\$	656.49	\$	197.03	\$	-	\$	1,313.39	\$	853.93
2447028	142628	\$	564.90	\$	-	\$	56.48	\$	-	\$	532.03	\$	159.67	\$	-	\$	1,153.41	\$	781.05
2447028	142629	\$	564.90	\$	-	\$	56.48	\$	-	\$	449.59	\$	134.93	\$	-	\$	1,070.97	\$	756.31
2447028	142630	\$	564.90	\$	-	\$	56.48	\$	-	\$	360.33	\$	108.14	\$	-	\$	981.71	\$	729.52
2447028	142631	\$	564.90	\$	-	\$	56.48	\$	-	\$	277.93	\$	83.41	\$	-	\$	899.31	\$	704.79
2447028	142632	\$	141.22	\$	-	\$	14.12	\$	-	\$	54.06	\$	16.22	\$	-	\$	209.40	\$	171.56
2447028	142633	\$	141.22	\$	-	\$	14.12	\$	-	\$	50.62	\$	15.19	\$	-	\$	205.96	\$	170.53
2447028	142634	\$	141.22	\$	-	\$	14.12	\$	-	\$	47.23	\$	14.17	\$	-	\$	202.57	\$	169.51
2447028	142635	\$	141.24	\$	-	\$	14.12	\$	-	\$	43.91	\$	13.18	\$	-	\$	199.27	\$	168.54
2447028	654749	\$	149.29	\$	-	\$	14.93	\$	-	\$	36.18	\$	10.86	\$	-	\$	200.40	\$	175.08
2447028	654750	\$	149.29	\$	-	\$	14.93	\$	-	\$	32.88	\$	9.87	\$	-	\$	197.10	\$	174.09
2447028	654751	\$	149.29	\$	-	\$	14.93	\$	-	\$	29.64	\$	8.90	\$	-	\$	193.86	\$	173.12
2447028	654752	\$	149.31	\$	-	\$	14.93	\$	-	\$	26.45	\$	7.94	\$	-	\$	190.69	\$	172.18
2447028	774269	\$	149.29	\$	-	\$	14.93	\$	-	\$	17.19	\$	5.16	\$	-	\$	181.41	\$	169.38
2447028	774270	\$	149.29	\$	-	\$	14.93	\$	-	\$	14.20	\$	4.26	\$	-	\$	178.42	\$	168.48
2447028	774271	\$	149.29	\$	-	\$	14.93	\$	-	\$	11.27	\$	3.38	\$	-	\$	175.49	\$	167.60
2447028	774272	\$	149.31	\$	-	\$	14.93	\$	-	\$	8.38	\$	2.52	\$	-	\$	172.62	\$	166.76
2447028	894427	\$	149.29	\$	-	\$	14.93	\$	-	\$	-	\$	-	\$	-	\$	164.22	\$	164.22
2447028	894428	\$	149.29	\$	-	\$	14.93	\$	-	\$	24.87	\$	7.46	\$	-	\$	189.09	\$	171.68
2447028	894429	\$	149.29	\$	-	\$	14.93	\$	-	\$	21.76	\$	6.53	\$	-	\$	185.98	\$	170.75
2447028	894430	\$	149.31	\$	-	\$	14.93	\$	-	\$	18.70	\$	5.61	\$	-	\$	182.94	\$	169.85
2447028	1013930	\$	149.29	\$	-	\$	14.93	\$	-	\$	9.82	\$	2.95	\$	-	\$	174.04	\$	167.17
2447028	1013931	\$	149.29	\$	-	\$	14.93	\$	-	\$	6.95	\$	2.09	\$	-	\$	171.17	\$	166.31
2447028	1013932	\$	149.29	\$	-	\$	14.93	\$	-	\$	4.14	\$	1.24	\$	-	\$	168.36	\$	165.46
2447028	1013933	\$	149.31	\$	-	\$	14.93	\$	-	\$	1.37	\$	0.41	\$	-	\$	165.61	\$	164.65
2447029	1013936	\$	136.80	\$	14.60	\$	12.22	\$	-	\$	3.39	\$	1.02	\$	-	\$	137.81	\$	135.44
2447029	1013937	\$	136.83	\$	-	\$	13.68	\$	-	\$	1.25	\$	0.38	\$	-	\$	151.76	\$	150.89
2447030	142645	\$	602.73	\$	-	\$	60.28	\$	-	\$	662.49	\$	198.83	\$	-	\$	1,325.50	\$	861.84
2447030	142646	\$	570.15	\$	-	\$	57.01	\$	-	\$	536.65	\$	161.06	\$	-	\$	1,163.81	\$	788.22
2447030	142647	\$	570.15	\$	-	\$	57.01	\$	-	\$	453.64	\$	136.15	\$	-	\$	1,080.80	\$	763.31
2447030	142648	\$	570.15	\$	-	\$	57.01	\$	-	\$	363.66	\$	109.14	\$	-	\$	990.82	\$	736.30
2447030	142649	\$	570.15	\$	-	\$	57.01	\$	-	\$	280.60	\$	84.21	\$	-	\$	907.76	\$	711.37
2447030	142650	\$	142.53	\$	-	\$	14.25	\$	-	\$	54.55	\$	16.37	\$	-	\$	211.33	\$	173.15
2447030	142651	\$	142.53	\$	-	\$	14.25	\$	-	\$	51.08	\$	15.33	\$	-	\$	207.86	\$	172.11
2447030	142652	\$	142.53	\$	-	\$	14.25	\$	-	\$	47.66	\$	14.30	\$	-	\$	204.44	\$	171.08
2447030	142653	\$	142.56	\$	-	\$	14.26	\$	-	\$	44.31	\$	13.30	\$	-	\$	201.13	\$	170.12
2447030	654757	\$	150.68	\$	-	\$	15.07	\$	-	\$	36.52	\$	10.96	\$	-	\$	202.27	\$	176.71
2447030	654758	\$	150.68	\$	-	\$	15.07	\$	-	\$	33.19	\$	9.96	\$	-	\$	198.94	\$	175.71
2447030	654759	\$	150.68	\$	-	\$	15.07	\$	-	\$	29.92	\$	8.98	\$	-	\$	195.67	\$	174.73
2447030	654760	\$	150.69	\$	-	\$	15.07	\$	-	\$	26.70	\$	8.01	\$	-	\$	192.46	\$	173.77
2447030	774277	\$	150.68	\$	-	\$	15.07	\$	-	\$	17.35	\$	5.21	\$	-	\$	183.10	\$	170.96
2447030	774278	\$	150.68	\$	-	\$	15.07	\$	-	\$	14.34	\$	4.30	\$	-	\$	180.09	\$	170.05
2447030	774279	\$	150.68	\$	-	\$	15.07	\$	-	\$	11.37	\$	3.41	\$	-	\$	177.12	\$	169.16
2447030	774280	\$	150.69	\$	-	\$	15.07	\$	-	\$	8.46	\$	2.54	\$	-	\$	174.22	\$	168.30
2447030	894435	\$	150.68	\$	-	\$	15.07	\$	-	\$	-	\$	-	\$	-	\$	165.75	\$	165.75

2447030	894436	\$	150.68	\$	-	\$	15.07	\$	-	\$	25.11	\$	7.54	\$	-	\$	190.86	\$	173.29
2447030	894437	\$	150.68	\$	-	\$	15.07	\$	-	\$	21.97	\$	6.59	\$	-	\$	187.72	\$	172.34
2447030	894438	\$	150.69	\$	-	\$	15.07	\$	-	\$	18.88	\$	5.67	\$	-	\$	184.64	\$	171.43
2447030	1013938	\$	150.68	\$	-	\$	15.07	\$	-	\$	9.91	\$	2.97	\$	-	\$	175.66	\$	168.72
2447030	1013939	\$	150.68	\$	-	\$	15.07	\$	-	\$	7.02	\$	2.11	\$	-	\$	172.77	\$	167.86
2447030	1013940	\$	150.68	\$	-	\$	15.07	\$	-	\$	4.17	\$	1.25	\$	-	\$	169.92	\$	167.00
2447030	1013941	\$	150.69	\$	-	\$	15.07	\$	-	\$	1.38	\$	0.41	\$	-	\$	167.14	\$	166.17
2447031	142654	\$	550.56	\$	-	\$	55.04	\$	-	\$	604.93	\$	181.55	\$	-	\$	1,210.53	\$	787.15
2447031	142655	\$	520.80	\$	-	\$	52.08	\$	-	\$	490.20	\$	147.12	\$	-	\$	1,063.08	\$	720.00
2447031	142656	\$	520.80	\$	-	\$	52.08	\$	-	\$	414.25	\$	124.32	\$	-	\$	987.13	\$	697.20
2447031	142657	\$	520.80	\$	-	\$	52.08	\$	-	\$	332.09	\$	99.67	\$	-	\$	904.97	\$	672.55
2447031	142658	\$	520.80	\$	-	\$	52.08	\$	-	\$	256.19	\$	76.89	\$	-	\$	829.07	\$	649.77
2447031	142659	\$	130.20	\$	-	\$	13.02	\$	-	\$	49.80	\$	14.95	\$	-	\$	193.02	\$	158.17
2447031	142660	\$	130.20	\$	-	\$	13.02	\$	-	\$	46.64	\$	14.00	\$	-	\$	189.86	\$	157.22
2447031	142661	\$	130.20	\$	-	\$	13.02	\$	-	\$	43.51	\$	13.06	\$	-	\$	186.73	\$	156.28
2447031	142662	\$	130.20	\$	-	\$	13.02	\$	-	\$	40.44	\$	12.14	\$	-	\$	183.66	\$	155.36
2447031	654761	\$	137.64	\$	-	\$	13.76	\$	-	\$	33.34	\$	10.01	\$	-	\$	184.74	\$	161.41
2447031	654762	\$	137.64	\$	-	\$	13.76	\$	-	\$	30.30	\$	9.09	\$	-	\$	181.70	\$	160.49
2447031	654763	\$	137.64	\$	-	\$	13.76	\$	-	\$	27.31	\$	8.20	\$	-	\$	178.71	\$	159.60
2447031	654764	\$	137.64	\$	-	\$	13.76	\$	-	\$	24.37	\$	7.31	\$	-	\$	175.77	\$	158.71
2447031	774281	\$	137.64	\$	-	\$	13.76	\$	-	\$	15.84	\$	4.75	\$	-	\$	167.24	\$	156.15
2447031	774282	\$	137.64	\$	-	\$	13.76	\$	-	\$	13.09	\$	3.93	\$	-	\$	164.49	\$	155.33
2447031	774283	\$	137.64	\$	-	\$	13.76	\$	-	\$	10.38	\$	3.12	\$	-	\$	161.78	\$	154.52
2447031	774284	\$	137.64	\$	-	\$	13.76	\$	-	\$	7.71	\$	2.31	\$	-	\$	159.11	\$	153.71
2447031	894439	\$	137.64	\$	-	\$	13.76	\$	-	\$	-	\$	-	\$	-	\$	151.40	\$	151.40
2447031	894440	\$	137.64	\$	-	\$	13.76	\$	-	\$	22.92	\$	6.88	\$	-	\$	174.32	\$	158.28
2447031	894441	\$	137.64	\$	-	\$	13.76	\$	-	\$	20.05	\$	6.02	\$	-	\$	171.45	\$	157.42
2447031	894442	\$	137.64	\$	-	\$	13.76	\$	-	\$	17.23	\$	5.17	\$	-	\$	168.63	\$	156.57
2447031	1013942	\$	137.64	\$	-	\$	13.76	\$	-	\$	9.04	\$	2.71	\$	-	\$	160.44	\$	154.11
2447031	1013943	\$	137.64	\$	-	\$	13.76	\$	-	\$	6.40	\$	1.92	\$	-	\$	157.80	\$	153.32
2447031	1013944	\$	137.64	\$	-	\$	13.76	\$	-	\$	3.81	\$	1.14	\$	-	\$	155.21	\$	152.54
2447031	1013945	\$	137.64	\$	-	\$	13.76	\$	-	\$	1.26	\$	0.38	\$	-	\$	152.66	\$	151.78
2447033	142672	\$	589.41	\$	-	\$	58.96	\$	-	\$	776.38	\$	233.01	\$	448.51	\$	976.24	\$	432.87
2447033	142673	\$	557.55	\$	-	\$	55.76	\$	-	\$	697.48	\$	209.33	\$	-	\$	1,310.79	\$	822.64
2447033	142674	\$	557.55	\$	-	\$	55.76	\$	-	\$	603.94	\$	181.25	\$	-	\$	1,217.25	\$	794.56
2447033	142675	\$	557.55	\$	-	\$	55.76	\$	-	\$	502.49	\$	150.81	\$	-	\$	1,115.80	\$	764.12
2447033	142676	\$	557.55	\$	-	\$	55.76	\$	-	\$	408.84	\$	122.70	\$	-	\$	1,022.15	\$	736.01
2447033	142677	\$	139.38	\$	-	\$	13.94	\$	-	\$	84.64	\$	25.40	\$	-	\$	237.96	\$	178.72
2447033	142678	\$	139.38	\$	-	\$	13.94	\$	-	\$	80.75	\$	24.23	\$	-	\$	234.07	\$	177.55
2447033	142679	\$	139.38	\$	-	\$	13.94	\$	-	\$	76.90	\$	23.08	\$	-	\$	230.22	\$	176.40
2447033	142680	\$	139.41	\$	-	\$	13.94	\$	-	\$	73.12	\$	21.94	\$	-	\$	226.47	\$	175.29
2447033	654769	\$	147.35	\$	-	\$	14.73	\$	-	\$	65.65	\$	19.70	\$	-	\$	227.73	\$	181.78
2447033	654770	\$	147.35	\$	-	\$	14.73	\$	-	\$	61.90	\$	18.58	\$	-	\$	223.98	\$	180.66
2447033	654771	\$	147.35	\$	-	\$	14.73	\$	-	\$	58.21	\$	17.47	\$	-	\$	220.29	\$	179.55
2447033	654772	\$	147.36	\$	-	\$	14.74	\$	-	\$	54.60	\$	16.39	\$	-	\$	216.70	\$	178.49

2447033	774289	\$	147.35	\$	-	\$	14.73	\$	-	\$	44.06	\$	13.22	\$	-	\$	206.14	\$	175.30
2447033	774290	\$	147.35	\$	-	\$	14.73	\$	-	\$	40.67	\$	12.21	\$	-	\$	202.75	\$	174.29
2447033	774291	\$	147.35	\$	-	\$	14.73	\$	-	\$	37.34	\$	11.21	\$	-	\$	199.42	\$	173.29
2447033	774292	\$	147.36	\$	-	\$	14.74	\$	-	\$	34.06	\$	10.22	\$	-	\$	196.16	\$	172.32
2447033	894447	\$	147.35	\$	-	\$	14.73	\$	-	\$	24.54	\$	7.36	\$	-	\$	186.62	\$	169.44
2447033	894448	\$	147.35	\$	-	\$	14.73	\$	-	\$	24.54	\$	7.36	\$	-	\$	186.62	\$	169.44
2447033	894449	\$	147.35	\$	-	\$	14.73	\$	-	\$	21.47	\$	6.44	\$	-	\$	183.55	\$	168.52
2447033	894450	\$	147.36	\$	-	\$	14.74	\$	-	\$	18.45	\$	5.54	\$	-	\$	180.55	\$	167.64
2447033	1013950	\$	147.35	\$	-	\$	14.73	\$	-	\$	9.69	\$	2.91	\$	-	\$	171.77	\$	164.99
2447033	1013951	\$	147.35	\$	-	\$	14.73	\$	-	\$	6.86	\$	2.06	\$	-	\$	168.94	\$	164.14
2447033	1013952	\$	147.35	\$	-	\$	14.73	\$	-	\$	4.08	\$	1.22	\$	-	\$	166.16	\$	163.30
2447033	1013953	\$	147.36	\$	-	\$	14.74	\$	-	\$	1.35	\$	0.41	\$	-	\$	163.45	\$	162.51
TOTALS:		\$	55,566.84	\$	115.10	\$	5,756.44	\$	145.10	\$	24,341.57	\$	7,305.38	\$	947.87	\$	84,456.78	\$	67,420.59

Interest Reduction \$ 17,036.19

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **June 28, 2016**

AGENDA ITEM NO.: 15

CONSENT:

REGULAR: **X**

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Resolution of Centra Health Real Property Tax Issues**

RECOMMENDATION: Adopt a resolution authorizing the City Manager to sign an agreement with Centra Health resolving certain issues related to real property taxes on Centra-owned properties.

SUMMARY: For a number of years, there have been questions regarding the real property tax status of certain properties owned by Centra Health. In particular, the tax status of the Centra-owned nursing home on Enterprise Drive in Wyndhurst has been of concern to Centra Health. Under established law the nursing home would be exempt from real property tax; however, under the terms of an agreement related to the establishment of the Wyndhurst development, the City has been taxing the property. Of concern to the City has been the tax status of non-provider based physician treatment facilities that Centra has either purchased or established outright. The City has maintained that the facilities should be taxable and Centra Health has felt otherwise.

Recently, after a complete review of the tax status of all property in the City owned by Centra Health, an agreement was reached on certain principles, or guidelines, that will be applied to existing parcels and parcels that Centra might acquire in the future.

Those guidelines are:

- (i) vacant unused land is not tax exempt;
- (ii) properties that produce significant income for Centra Health are not tax exempt;
- (iii) facilities that offer services that are non-provider based are not tax exempt;
- (iv) parking lots that are used to provide parking to Centra Health's facilities are tax exempt;
- (v) provider based facilities that are operated as branches of Lynchburg General Hospital or Virginia Baptist Hospital are tax exempt; and,
- (vi) properties and facilities that are owned by Centra Health but which are leased to entities that are not part of Centra Health may or may not be tax exempt, depending upon the circumstances, and will be decided on a case by case basis.

The agreement that memorializes these guidelines is attached. Also attached is a list of properties that were in question and are now resolved and other properties for which the tax status changed due to the agreement.

PRIOR ACTION(S): N/A

FISCAL IMPACT: Neutral to positive

CONTACT(S): Kimball Payne, City Manager, 455-3990; Walter Erwin, City Attorney, 455-3973

ATTACHMENT(S): Resolution, Agreement, Exhibit A

REVIEWED BY: lkp

RESOLUTION

BE IT HEREBY RESOLVED by the Lynchburg City Council that the City Manager is authorized to sign an agreement with Centra Health, Inc. to resolve questions related to the real property tax status of certain properties owned by Centra Health.

Adopted:

Certified:

Clerk of Council

094K

AGREEMENT

This Agreement made this _____ day of June, 2016, by and between the CITY OF LYNCHBURG, a municipal corporation of the Commonwealth of Virginia, hereinafter referred to as the "City", and CENTRA HEALTH, INC., a Virginia nonstock corporation, hereinafter referred to as "Centra Health".

W I T N E S S E T H

WHEREAS, Centra Health is a nonstock Virginia corporation that is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and which (a) owns and operates hospitals or other health care facilities within the City's limits from which care is rendered or provided to persons suffering from illnesses, sickness, disease, injuries, or disabilities and (b) participates in activities designed and carried on to promote the general health of the community; and,

WHEREAS, disputes have arisen as to whether or not certain of the properties and facilities owned by Centra Health within the City's limits are exempt from local real estate taxes under Section 58.1-3606(A.)(5.) of the Code of Virginia; and,

WHEREAS, without waiving their respective positions and interpretations regarding whether or not the properties and facilities owned by Centra Health are exempt from local real estate taxes under Section 58.1-3606(A.)(5.) of the Code of Virginia, the City and Centra Health have reached a mutually acceptable agreement regarding the assessment of real estate taxes on the properties and facilities in dispute;

NOW, THEREFORE, for and in consideration of the mutual covenants, and agreements set forth herein, the City and Centra Health do hereby mutually covenant and agree as follows:

1. The properties that are the subject of this Agreement are listed in "**Exhibit A**," which is attached to and by this reference is hereby made a part of this Agreement. Beginning with the July 1, 2016 tax year, the City's tax rolls will reflect that the properties and facilities in question are either "taxable" or tax "exempt" as set forth in **Exhibit A**. Any and all other real properties owned by Centra Health that are not listed on **Exhibit A**, shall maintain their status as "taxable" or "exempt" as set forth on the City's tax rolls on the date hereof, until such time as such real properties are used for different purposes that would cause or otherwise require a change of their real estate tax classification under applicable law.

2. For the tax period beginning prior to July 1, 2015 and ending June 30, 2016, Centra Health agrees that it will pay all of the City's unpaid real estate taxes for the real properties that are listed as "taxable" in **Exhibit A**, on or before June 30, 2016; provided, however, the City agrees that Centra Health does not owe the City any interest, penalties, or late fees for taxes on any of the properties or facilities for which the tax exempt status was being discussed by the City and Centra Health prior to July 1, 2016.

3. For tax periods beginning on and after July 1, 2016, Centra Health agrees to pay installments of City real estate taxes for each real property listed as “taxable” on **Exhibit A**, on or before the City’s regular tax installment payment dates as set forth in Section 36-171, or any successor section, of the Lynchburg City Code, until such time as any such real property is used for one or more different purposes that would cause or otherwise require a change of such real property’s real estate tax classification to “exempt” under applicable law.

4. Centra Health agrees that in the event it (a) acquires additional real properties and/or facilities within the City’s limits after the date of this Agreement, or (b) changes the use of any real property that it owns within the City limits after the date of this Agreement, it will notify the City Assessor of such acquisitions and/or advise the City Assessor how Centra Health is using such real properties and/or facilities. The City agrees that in determining the tax exempt status of any real property and/or facility that (a) is acquired by Centra Health after the date of this Agreement or (b) the use of which is changed after the date of this Agreement, the City will use the following guidelines:

A. The following real property shall be classified as “exempt” from City real estate taxes:

(i) real property which is used to support or service Centra Health’s facilities (such as, for example, parking, utilities, aisles, roadways, entrances/exits, buffers, signage, or stormwater management) (“Support Uses”); and

(ii) real property from which Centra Health operates one or more facilities that are either (A) locations from which services rendered or provided are billed as “provider-based” (as determined under federal Medicare law in effect as of the date of this Agreement) or (B) an inpatient or outpatient department of Lynchburg General Hospital, Virginia Baptist Hospital, or other or successor hospital facilities;

B. The following real property shall be subject to City real estate taxes:

(i) vacant unused land comprising all of a single tax map parcel;

(ii) real property from which Centra Health operates one or more facilities that are neither (A) locations from which services rendered or provided are billed as “provider-based” (as determined under federal Medicare law in effect as of the date of this Agreement) or (B) an inpatient or outpatient department of Lynchburg General Hospital, Virginia Baptist Hospital, or other or successor hospital facilities;;

and

C. Real properties and facilities that are owned by Centra Health, but which are leased to entities that are not part of Centra Health, may or may not be tax exempt, in whole or in part, depending upon the circumstances, and will be decided on a case by case basis.

In situations that are not covered by these guidelines, the City agrees that in determining the tax exempt status of any properties and facilities located in the City limits that Centra Health acquires or of which Centra Health changes the use in the future, it will follow the laws of the Commonwealth of Virginia in determining the tax exempt status of such properties and facilities. The City and Centra Health agree that in determining the tax exempt status of properties and facilities that Centra Health acquires or of which Centra Health changes the use in the future, the parties will confer and communicate in good faith to seek a mutually agreeable resolution of the tax exempt status of such properties before either party takes any formal action to assess additional taxes or to challenge the tax assessments. However, it is understood that the City and Centra Health may reach different positions and interpretations of the tax exempt status of such properties and facilities, and if the City and Centra Health cannot mutually agree within a reasonable period of time on the tax exempt status of Centra Health's future acquisitions or changes in use of real property and/or facilities located in the City limits, both the City and Centra Health will have the right to avail themselves of all of the remedies provided to them by the laws of the Commonwealth of Virginia in order to resolve any disagreements over the tax exempt status of any properties and facilities that may be acquired by Centra Health or of which Centra Health changes the use, in the future.

5. This Agreement supersedes and replaces the terms and provisions of that certain Agreement dated January 27, 1999 by and among J.E. Jamerson & Sons, Inc., CCRC, Inc., and the City (as well as any affidavits or other documents, recorded or unrecorded, referring to such agreement) as they apply to any and all real property and improvements owned by Centra at 1280 and 1300 Enterprise Drive located within the City, and any adjacent real property owned by Centra Health that services or supports such real properties, including, without limitation, Support Uses.

6. This Agreement shall be effective and continue for a period of ten (10) years from the date hereof, and thereafter shall automatically renew for successive terms of ten years each, unless either party provides at least two (2) years' prior written notice to the other party of its termination of the Agreement at the end of the then current 10-year term; provided, however, each of the City and Centra Health shall have the right to immediately terminate this Agreement at any time prior to the end of any 10-year term if the other party fails to comply with the terms of the Agreement and said non-complying party does not cure such failure within thirty (30) days of receipt of written notice of the same.

7. All notices or other communications given under this Agreement shall be sufficient if

sent by regular mail, postage prepaid, to the addresses set forth below or to such other persons and addresses as the City or the Centra Health may designate in writing from time to time.

To the City:

The City Manager
City Hall Building
900 Church Street
Lynchburg, VA 24504

To Centra Health:

The President & CEO
c/o Centra Health, Inc.
1920 Atherholt Road
Lynchburg, VA 24501

With a Copy to:

Centra General Counsel
2301 Langhome Road
Lynchburg, VA 24501

8. General Provisions:

- A. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.
- B. All terms and conditions with respect to this Agreement are expressly contained herein, and both parties agree that no representative or agent of the City or Centra Health have made any representation or promise with respect to this Agreement not expressly contained herein.
- C. In the event that any provision of this Agreement shall be construed to be invalid or unenforceable, then the remaining portions shall remain in full force and effect.
- D. This Agreement may only be modified by written agreement executed by the City and Centra Health.
- E. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of each of the parties hereto.

F. Neither party shall publish, except as required by the Virginia Freedom of Information Act, or record this Agreement or any memorandum(a) of this Agreement, or any portion thereof, without the prior written consent of the other party.

IN TESTIMONY WHEREOF, the CITY has caused its name to be hereunto subscribed by L. Kimball Payne its City Manager, and its seal affixed and attested by Valeria Chambers, its Clerk of Council; and CENTRA HEALTH has caused its name to be hereunder subscribed by E. W. Tibbs, Jr., its President and CEO, and its seal affixed and attested by its Treasurer, all as of the day and year first above written.

CITY OF LYNCHBURG

By _____
L. Kimball Payne, III, City Manager

CENTRA HEALTH, INC.

By _____
E. W. Tibbs, Jr., President
& CEO

EXHIBIT A

<u>Address</u>	<u>Use</u>	<u>Tax Status</u>	<u>Current City of Lynchburg PIN</u>
800 5th St	Community Access Clinic; by agreement	Taxable	02424001
2410 Atherholt Rd	Cardiology Center; by agreement	Exempt	00501015
1280 Enterprise Dr	Summit Skilled Nursing; by agreement	Exempt	25010003
1300 Enterprise Dr	Nursing Home and Assisted Living Facility; by agreement	Exempt	25010004
2542 Langhorne Rd	Urology Center; by agreement	Exempt	00120025
125 Nationwide Dr	Physician Practices; by agreement	Taxable	23502002
1800 Hillsdale Rd	Centra parking lot	Exempt	00604001
1825 Hillsdale Rd	Buffer for hospital parking	Exempt	00602001
1829 Hillsdale Rd	Housing for hospital resident physicians	Exempt	00602002
2097 Langhorne Rd	Hospice admin offices	Exempt	01601017
2310 Langhorne Rd	Centra IT dept	Exempt	00111008
100 Morgan St	Parking for Centra IT dept	Exempt	00113001
1800 Tate Springs Rd	Storm water management	Exempt	00108003
1901 Thomson Dr	Healthcare educational support	Exempt	00605001

312

June 28, 2016

// The Swearing In Ceremony took place on the 28th day of June, 2016, prior to the regularly scheduled meeting. The Honorable Circuit Court Judge Patrick Yeatts presided over the official swearing-in of Lynchburg City Council Members: Mary Jane Dolan (Ward I Representative), Sterling A. Wilder (Ward II Representative), Jeff S. Helgeson (Ward III Representative), and Turner Perrow, Jr. (Ward IV Representative).

// A regular meeting of the Council of the City of Lynchburg was held on the 28th day of June, 2016, at 4:00 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette

7

Absent:

0

// Economic Development Director Marjette Upshur reported on the Lynchburg Business Development Centre. City Council requested a report on the Lynchburg Business Development Centre at the February 23rd meeting following the Office of Economic Development's presentation on TechHire and its new CO.STARTERS program. Ms. Upshur stated that the Office of Economic Development researched and prepared a report on the Business Development Centre including its history, sources of revenue, and tenants. Ms. Upshur went on to say that previously, the Office of Economic Development had prepared a white paper on best practices for business incubation and presented it to the executive director and executive committee of the Business Development Centre Board of Directors in March of 2015. The Lynchburg's Business Development Centre, Inc. (BDC) opened as a small business incubator in 1989 with 20,000 square feet of office and manufacturing space. An additional 22,000 square feet was added in 1993. The initial ideas for developing the incubator came as a result of conversations with the U.S. Economic Development Administration following large layoffs in our area. The feasibility study focused on available commercial real estate and the entrepreneurial base. Ms. Upshur went on to say that the facility is owned by the City of Lynchburg and operated by the Business Development Centre, Inc., a non-profit corporation under section 501 c3 of the IRS code. Council suggested several items in regard to the Best Practice such as a strategic plan, growing the tax base and writing a policy. There was no action taken.

// During roll call Council Member Nelson stated he would like to thank the Mayor and Vice Mayor on the services they had rendered to the City during their term on Council.

// Council Member Tweedy stated a concern from a citizen regarding the increased traffic on Shaffer Street after the closing of Rives Street. In addition the citizen asked how the residences were notified of the public hearing. In response to the notification of public hearing City Manager Kimball Payne stated he spoke with the City Attorney Walker Erwin who mentioned that the legal notice had been done and said the City did meet the proper notification requirements for the item. Council Member Tweedy's concern was the increased traffic in that area. She thanked Mayor Gillette and Vice Mayor Johnson for their support and leadership during their term on Council.

// Council Member Foster also thanked Mayor Gillette and Vice Mayor Johnson for their fine service that they showed to the community and serving with them. She also noted that at Memorial Avenue near Park Avenue the weeds and grass at the Dollar General Store have grown up and need some attention.

// Council Member Perrow had questions about Granicus product iLegislate and iAnnotate. The majority of Council is using iLegislate. He wanted to know the benefit of having both iLegislate and iAnnotate. He requested that the City check with Granicus about enlarging space so everything could change over from the dropbox to iLegislate. Council Member Perrow thanked Mayor Gillette on the fairness in the way he conducted the meetings and gave Council opportunities to speak their minds and get their points across and thanked Vice Mayor Johnson, saying what a wonderful person he is and admires the way he conducted himself.

// Council Member Helgeson mentioned the concern relating to the Rives Street that Council Member Tweedy mentioned and wanted to know if anything could be done about reversing the decision. City Manager Kimball Payne stated he would talk with the City Attorney to share his thoughts on this issue. Mr. Payne further stated that this property now is privately owned. Council Member Helgeson thanked Mayor Gillette and Vice Mayor Johnson for their fine commitment and service while on Council.

//Vice Mayor Johnson asked would it be possible to start a job corp business in the incubator at the Business Development Centre like a grocery store then bringing that grocery store out into the community.

// Mayor Gillette stated it has been a pleasure to serve with all of Council, he appreciated the exchanges they have had and the dedication and it has been an honor.

// On motion of Council Member Helgeson, seconded by Council Member Perrow, Council by the following recorded vote elected to hold a closed meeting to consider appointments to Council-appointed Boards and Commissions, i.e., School Board and Economic Development Authority Board; pursuant to Section 2.2-3711(A)(1), Code of Virginia (1950), as amended:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette

7

Noes:

0

// The meeting was re-opened to the public.

// Council Member Nelson made the following motion:

WHEREAS, the Council of the City of Lynchburg has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by City Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Lynchburg certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by 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 Council.

The Motion was seconded by Vice Mayor Johnson, and Council by the following recorded vote adopted the motion:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette

7

Noes:

0

// In the matter of Appointments, and on nomination of Vice Mayor Johnson, seconded by Council Member Perrow, Council by the following recorded vote re-appointed Michael Nilles to serve another term on the Lynchburg School Board District 3 for a term to expire June 30, 2019:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

On nomination of Vice Mayor Johnson seconded by Council Member Nelson, Council by the following recorded vote appointed Susan D. Morrison to serve on the Lynchburg School Board District 1 for a term to expire June 30, 2019:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

On nomination of Vice Mayor Johnson seconded by Council Member Foster, Council by the following recorded vote appointed Charleta F. Mason to serve on the Lynchburg School Board District 2 for a term to expire June 30, 2019:

Ayes: Foster, Johnson, Nelson, Tweedy, Gillette 5

Noes: Helgeson, Perrow 2

On nomination of Council Member Foster, seconded by Council Member Nelson, Council by the following recorded vote appointed Georgeann Snead and Gerry Swienton to serve on the Economic Development Authority Board for terms to expire June 30, 2020:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// City Council recessed the meeting at 5:45 p.m.

// City Council reconvened the meeting at 7:30 p.m.

The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Absent: 0

Vice Mayor Johnson gave the Invocation, followed by the Pledge of Allegiance.

// Mayor Gillette presented a Certificate of Recognition to Jan Ramsey and Phil Spinner in Communications and Marketing for receiving the National Association of Government Communicators (NAGC) Award.

// In the matter of Water Resources – General, Resolution #R-16-070 to amend the FY 2016 Water Capital Projects Fund budget and appropriate \$8,000 with resources from Virginia Department of Conservation and Recreation grant to reimburse costs associated with bringing Pedlar Dam into compliance with minimum standards for dam safety, laid over from the June 14, 2016 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Fire – General, Resolution #R-16-071 to amend the FY 2017 City/Federal/State Aid Fund budget and appropriate \$38,500 with resources from the Virginia Department of Fire Programs Regional Fire Services Training Facilities (RFSTF) Grant to purchase a Flashover Simulator to be located at the Central Virginia Regional Emergency Services Training Center, laid over from the June 14, 2016 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Community Development – General, Resolution #R-16-075 regarding the selling of city owned property located at 305 and 309 Lucado Place consisting of six hundred forty-nine thousandths (.649) of an acre to the Lynchburg Regional Business Alliance, laid over from the June 14, 2016 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Finance - Budget, Resolution #R-16-079 to amend the FY 2016 Budget and appropriate funds to adjust revenue, expenditure and transfers for the General Operating, City Capital Project, and Stormwater Capital Projects Funds, laid over from the June 14, 2016 meeting, was again presented and read, and on motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of City Council/Region 2000 Services Authority, City Council Report #9 was considered. On motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-16-081, as presented, to appoint City Manager Bonnie Svrcek to the Region 2000 Services Authority:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of City Council/Sheriff, City Council Report #10 was considered. On motion of Council Member Nelson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-16-082, as presented, to appoint City Manager Bonnie Svrcek, and Police Chief Raul M. Diaz to the Blue Ridge Regional Jail Authority Board:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Community Development – Historic Review Board, a public hearing was held regarding City Council Report #11 regarding the petition of Alessandro Dellai to appeal the decision of the Historic Preservation Commission (HPC) to deny the installation of a photovoltaic system on the west facing roof

of the garage/carriage house located at 1416 Harrison Street in the Diamond Hill Historic District. City Planner Tom Martin provided an overview of the request regarding the petition of Alessandro Dellai to appeal the decision of the Historic Preservation Commission. Mr. Martin stated that the HPC denied the Certificate of Appropriateness (COA) request. The petitioner Mr. Alessandro Dellai spoke to appeal the decision of the HPC to deny the COA request to install solar panels. He explained that the solar panels would be installed on the west facing the side of the garage and carriage house. Mr. Morris with HPC spoke stating that because the panels would be visible from the street, the application is not consistent with the guidelines. The applications committee recommends denial. There was no one else present who wished to speak to this item, and the public hearing was closed. During Council discussion several issues were raised regarding the appeal of HPC decision concerning property at 1416 Harrison Street. Council Member Perrow made a motion to uphold the decision by the Historic Review Board, there was no second, the motion failed for a lack of a second. Council Member Perrow stated he would not support the motion to reverse the decision of the Historic Preservation Commission. Council Member Nelson made a motion seconded by Vice Mayor Johnson to delay this item until the July 12 Council meeting, to give more time to the neighbors in the Diamond Hill Historic District. After further discussion on this item Council Member Nelson withdrew his motion seconded by Council Member Johnson. Council Member Nelson stating he would be voting against this item to give more time to discuss this with neighbors in the Diamond Hill Historic District. On motion of Council Member Tweedy seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Resolution #R-16-083, as presented, to reverse the decision of the Historic Preservation Commission to deny the Certificate of Appropriateness (COA) request of Alessandro Dellai to install a photovoltaic system (solar panels) on the west facing roof of the garage/carriage house located at 1416 Harrison Street:

Ayes: Foster, Helgeson, Johnson, Tweedy, Gillette 5

Noes: Nelson, Perrow 2

// In the matter of City Code, City Council Report #12 was considered. On motion of Council Member Helgeson, seconded by Council Member Perrow, Council by the following recorded vote adopted Ordinance #0-15-084, as presented, to amend and reenact Section 26-1 of the City Code relating to the City's Nuisance Ordinance:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of City Code/Economic Development – General, City Council Report #13 was considered. On motion of Council Member Nelson, seconded by Council Member Perrow, Council by the following recorded vote adopted Ordinance #0-16-085, as presented, to amend and reenact Section 36-151 of the City Code relating to the Taxation of Machinery used in Manufacturing and Mining Businesses:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Taxes, City Council Report #14 was considered. On motion of Council Member Perrow, Chair of Physical Development Committee (PDC) stated this item has been before PDC which

recommended approval. There was no second required. Council Member Helgeson expressed concern with the City providing a waiver for Real Property Tax Penalty and interest for the Krise Building. Council by the following recorded vote adopted Resolution #R-16-086, as presented, that the penalty is waived and the accrued interest is re-calculated at 3% from a rate of 10% related to the delinquent Real Estate taxes on the Krise Building:

Ayes: Foster, Johnson, Nelson, Perrow, Tweedy, Gillette 6

Noes: Helgeson 1

// In the matter of Taxes, City Council Report #15 was considered. Mayor Gillette made the following statement, "since I have a contract with Centra Health which generates in excess of \$10,000 in annual income, under the Virginia Conflict of Interest Act, I must abstain from discussion and voting on this item."

After the statement from Mayor Gillette, Vice Mayor Johnson proceeded with this item. City Manager Kimball Payne provided a summary of the request regarding the agreement with Centra Health resolving certain issues related to real property taxes on Centra-owned properties. On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote adopted Resolution #R-16-087, as presented, authorizing the City Manager to sign an agreement with Centra Health, Inc. to resolve questions related to the real property tax status of certain properties owned by Centra Health:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, 6

Noes: 0

Abstention: Gillette 1

// Mayor Gillette and Vice Mayor Johnson presented a Certificate of Recognition to City Manager Kimball Payne on his retirement. On motion of Council Member Helgeson and seconded by Council Member Nelson to retire the City Manager's chair. Council by the following recorded vote agreed to retire the City Manager Kimball Payne office chair:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote adopted Resolution #R-16-088, as presented, bestowing upon L. Kimball Payne, III the title of "City Manager Emeritus" in recognition of the lasting value of his personal and professional commitment to excellence which has enabled him to be a highly effective and exemplary public servant:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// The meeting was adjourned at 9:11 P.M.