



Town of Pilot Mountain
Meeting will be held via Zoom and will be available on Facebook
Monday, May 02, 2022, 10:00 AM

BOARD OF COMMISSIONERS SPECIAL MEETING AGENDA

Call to Order

ACC Discussion

1. Armfield Civic Center-Option to Purchase

Adjournment



TOWN OF PILOT MOUNTAIN
BOARD OF COMMISSIONERS MEETING

Armfield Civic Center-Option to Purchase	
<u>Background Information:</u>	
<p>Ove the past few months I have been exploring the possibility of the Town adding the Armfield Civic Center to its operations. One of the big hurdles in this process is the debt currently owed on the Center property. The outstanding debt amount is about \$300,000 and the Town would have to pay this debt off before acquiring the facility and surrounding land from the Pilot Mountain Foundation. In order to do this, the Town would have to take on additional debt service which is not something I would recommend at this time.</p> <p>The NC Department of Commerce has a Rural Transformation Grant Program that they have funded with ARPA funds. One of the eligible categories for this grant money is Community Facilities. After talking with some folks both locally and at the State level, I think we should submit a grant application to this program for the purchase of the ACC. In order to do that, we have to have a signed option for the property and I need the Board to authorize me to sign that option.</p> <p>The Town would purchase the facility from the Pilot Mountain Foundation for the outstanding debt, whatever that is on the day of closing. This would be funded by the grant, which has no local match requirement.</p> <p>Once the Town acquires the facility, we will move through a process to absorb the facility into Town operations. This will be a process that will take several months and possibly longer. I have prepared the attached budget information, based on the data that we have from the ACC. I believe that once we eliminate the debt, we can run the Center at break even. During this transition process, the Center will run as it does today with some level of oversight by the Commissioners and Town staff. Over time it will become completely a part of Town operations, likely with an advisory Board making recommendations to the Board of Commissioners.</p>	
<u>Staff Recommendation:</u>	Authorize Town Manager to sign option to purchase
<u>Possible Board of Commissioner Actions</u>	
<ul style="list-style-type: none">• Authorize manager to sign option to purchase• Do not authorize manager to sign.	
<u>Attachments</u>	
<ul style="list-style-type: none">• Option to Purchase• Budget Projections	

	2017	2018	2019	2020	2021	2022
Memberships	\$ 352,714.00	\$ 346,268.00	\$ 300,000.00	\$ 350,000.00	\$ 335,000.00	\$ 335,000.00
Fitness	\$ 8,068.00	\$ 9,570.00	\$ 7,437.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
Youth Sports	\$ 142,676.00	\$ 127,201.00	\$ 92,549.00	\$ 123,500.00	\$ 124,500.00	\$ 125,000.00
Room Rentals	\$ 62,006.48	\$ 39,491.00	\$ 42,916.00	\$ 42,500.00	\$ 43,500.00	\$ 44,000.00
Interest	\$ 323.44	\$ 456.35	\$ 337.00	\$ 300.00	\$ 275.00	\$ 280.00
Misc	\$ 3,448.25	\$ 2,789.51	\$ 3,578.00	\$ 3,600.00	\$ 3,700.00	\$ 3,800.00
Grants	\$ 5,580.00	\$ 55,500.00	\$ 31,530.00	\$ 31,000.00	\$ 31,000.00	\$ 31,000.00
Leases	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Totals	\$ 586,833.17	\$ 593,293.86	\$ 500,366.00	\$ 581,420.00	\$ 568,496.00	\$ 569,602.00
Full time	\$ 125,000.00	\$ 126,000.00	\$ 135,000.00	\$ 127,000.00	\$ 130,000.00	\$ 129,000.00
Part Time	\$ 155,000.00	\$ 157,500.00	\$ 130,000.00	\$ 135,000.00	\$ 140,000.00	\$ 145,000.00
Benefits	\$ 21,420.00	\$ 21,687.75	\$ 20,272.50	\$ 20,043.00	\$ 20,655.00	\$ 20,961.00
Utilities	\$ 65,000.00	\$ 66,000.00	\$ 55,000.00	\$ 62,000.00	\$ 65,000.00	\$ 66,000.00
Maintenance	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 25,000.00	\$ 35,000.00	\$ 35,000.00
Supplies	\$ 50,000.00	\$ 50,000.00	\$ 35,000.00	\$ 50,000.00	\$ 50,000.00	\$ 5,000.00
Insurance	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Training	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Capital	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 125,000.00
Misc.	\$ 21,210.00	\$ 21,210.00	\$ 21,210.00	\$ 21,210.00	\$ 21,210.00	\$ 21,210.00
Totals	\$ 588,630.00	\$ 593,397.75	\$ 517,482.50	\$ 561,253.00	\$ 582,865.00	\$ 568,171.00
Over/(Under)	\$ (1,796.83)	\$ (103.89)	\$ (17,116.50)	\$ 20,167.00	\$ (14,369.00)	\$ 1,431.00

2023	2024	2025	2026	2027
\$ 341,700.00	\$ 348,534.00	\$ 355,504.68	\$ 362,614.77	\$ 369,867.07
\$ 8,670.00	\$ 8,843.40	\$ 9,020.27	\$ 9,200.67	\$ 9,384.69
\$ 127,500.00	\$ 130,050.00	\$ 132,651.00	\$ 135,304.02	\$ 138,010.10
\$ 44,880.00	\$ 45,777.60	\$ 46,693.15	\$ 47,627.02	\$ 48,579.56
\$ 285.60	\$ 291.31	\$ 297.14	\$ 303.08	\$ 309.14
\$ 3,876.00	\$ 3,953.52	\$ 4,032.59	\$ 4,113.24	\$ 4,195.51
\$ 31,620.00	\$ 32,252.40	\$ 32,897.45	\$ 33,555.40	\$ 34,226.50
\$ 20,400.00	\$ 20,808.00	\$ 21,224.16	\$ 21,648.64	\$ 22,081.62
\$ 580,954.60	\$ 592,534.23	\$ 604,345.44	\$ 616,392.85	\$ 628,681.18
\$ 130,090.00	\$ 133,342.25	\$ 136,675.81	\$ 140,092.70	\$ 143,595.02
\$ 161,870.00	\$ 165,916.75	\$ 170,064.67	\$ 174,316.29	\$ 178,674.19
\$ 66,670.00	\$ 68,336.75	\$ 70,045.17	\$ 71,796.30	\$ 73,591.21
\$ 67,000.00	\$ 68,675.00	\$ 70,391.88	\$ 72,151.67	\$ 73,955.46
\$ 40,000.00	\$ 41,000.00	\$ 42,025.00	\$ 43,075.63	\$ 44,152.52
\$ 50,100.00	\$ 51,352.50	\$ 52,636.31	\$ 53,952.22	\$ 55,301.03
\$ 17,500.00	\$ 17,937.50	\$ 18,385.94	\$ 18,845.59	\$ 19,316.73
\$ 1,000.00	\$ 1,025.00	\$ 1,050.63	\$ 1,076.89	\$ 1,103.81
\$ -		\$ -	\$ -	\$ -
\$ 21,210.00	\$ 21,740.25	\$ 22,283.76	\$ 22,840.85	\$ 23,411.87
\$ 555,440.00	\$ 569,326.00	\$ 583,559.15	\$ 598,148.13	\$ 613,101.83
\$ 25,514.60	\$ 23,208.23	\$ 20,786.29	\$ 18,244.72	\$ 15,579.35

NORTH CAROLINA OPTION TO PURCHASE

This option to purchase made the ____ day of April, 2022, by and between **Pilot Mountain Foundation, Inc.**, hereinafter referred to as “Seller” and **Town of Pilot Mountain**, hereinafter referred to as “Buyer”.

WITNESSETH, that the Seller, for and in consideration of the sum of Ten and no/100 Dollars, to him in hand paid by the Buyer, receipt of which is hereby acknowledged, does hereby give and grant unto the Buyer, his heirs, assigns, or representatives, the exclusive right and option to purchase all of that certain plot, piece, or parcel of land together with all improvements located thereon in the County of Surry, State of North Carolina, being known as the Armfield Civic Center and being more particularly described as follows: Being all of Surry County tax parcel nos. 5966-10-45-4767 and 5966-00-36-8143 consisting of approximately 37.60 acres as described in Deed Book 670, Page 001, Surry County Registry, which is incorporated herein by reference.

The terms and conditions of this option are as follows:

- 1. **Term.** This option shall be for a period of fourteen (14) months and shall exist and continue until midnight on the 30th day of June, 2023.
- 2. **Exercise.** At any time during the option period, Buyer may exercise this option by hand delivery or deposit of written notice by certified or registered mail, return receipt requested, to Seller at the following address: PO Box 1764, Pilot Mountain NC 27041-1764.
- 3. **Contract Upon Exercise.** The purchase price shall be payment of the current debt owed by Seller to First Citizens Bank & Trust Company as secured by Deed of Trust recorded in Book 1519, Pages 361-374, Surry County Registry.
- 4. **Option Extension.** Within thirty (30) days written notice from Buyer to Seller, Buyer shall be entitled to an exclusive option for an additional twelve (12) month period (beginning at the expiration of the first option) and shall exist and continue until midnight on the 30th day of June, 2024.
- 5. **Other Conditions.**
 - 1. Property shall be available during the period of option for inspection and evaluation by Buyer, its employees, agents and sub-contractors.
 - 2. Exercise of option shall be contingent upon such other terms and provisions as parties may agree upon in writing which shall be signed by both parties and attached to this document as an Addendum.
 - 3. The parties shall agree to participate in legal efforts to reduce taxes by way of tax-free exchange or other legal methods upon the request of either party.
 - 4. Seller shall make available to proposed Buyer any and all information regarding the real estate title, environmental condition and structural integrity of the facility as soon as possible after the execution of this document.
 - 5. This document and any addendum thereto, shall be executed in duplicate originals and/or counterparts, with each party retaining an original or counterpart of the parties’ understanding and agreement.
 - 6. Seller shall maintain risk of loss on structure during option period.
 - 7. The obligations, undertakings and commitments of both parties amount to legally adequate consideration, the sufficiency of which is hereby acknowledged.
 - 8. Should property be listed with a real estate broker, Buyer shall be excluded from a commissionable sale. Buyer shall be entitled to a right of first refusal to purchase the property at the price set forth above during the term of this option.
 - 9. This agreement shall be renewable upon written agreement by the parties.
 - 11. This option shall become a binding contract when signed by both Buyer and Seller. This contract is executed under Seal in signed multiple originals, all of which together constitute one and the same instrument, with the signed original being retained by each Party and the Parties adopt the word “Seal” beside their signatures below.

Buyer:
TOWN OF PILOT MOUNTAIN

Seller:
PILOT MOUNTAIN FOUNDATION, INC.

By: _____ (SEAL)

By: _____ (SEAL)

Title: _____

Title: _____

Date: _____

Date: _____