

Capital Project for Tidewater Property Acquisition

JOINT BUILDINGS AND GROUNDS COMMITTEE AND FINANCE AND AUDIT COMMITTEE

August 1, 2011

The Tidewater Agricultural Research and Extension Center (AREC) is located in the coastal plains region of southeast Virginia in Suffolk. The AREC started with one person, 20 acres of rented land, a mule, and a tiny white frame two-room building on April 6, 1914. It has grown to 24 full time employees, 336 acres of land, and 33 buildings.

The AREC is focused on economically important field crops including cotton, soybean, peanut, corn, small grains and alternative crops, and on commercial swine production. Within program areas, emphasis is directed toward sustainable production that considers profitability for producers and processors along with quality of food and fiber products, and soil, water and air protection. This mission is carried out by six resident faculty members, 18 technical staff, and eight graduate students.

Of the AREC's 336 acres of land, 255 acres comprised of university property and leased land is located on Hare Road which includes 64 acres of land leased from the Philip W. Wyne Trust (Trust). The Trust desires to sell 24.674 acres of a 64 acre parcel located adjacent to university property for a price of \$123,370 (\$5,000 per acre). The property is critical to the ongoing field crop research program and losing access to the land would compromise significant research programs.

The university takes actions to ensure that it pays no more than market value for property and that acquisitions may be made without substantial risk of liability. An appraisal obtained by the university reflects the price is within market value. For purposes of this transaction, the cost of the parcel is \$123,370 for a closing completed prior to September 30, 2011. The total transaction costs will include the property and due diligence costs including an appraisal, survey, environmental survey, title search, and title insurance.

As with all self-supporting projects, the university has developed a financing plan to provide assurance regarding the financial feasibility of the project. This plan includes nongeneral fund overhead cash from the College of Agriculture and Life Sciences which are sufficient to support the full costs of the acquisition.

Under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has the authority to approve the budget, size, scope, and overall funding of nongeneral fund capital outlay projects, including property acquisitions. This request is for an authorization to move forward with the acquisition of 24.674 acres from the Philip W. Wyne Trust.

**RESOLUTION OF CAPITAL PROJECT FOR ACQUISITION OF
TIDEWATER PROPERTY**

WHEREAS, the Tidewater Agricultural Research and Extension Center (AREC) has property located on Hare Road and Holland Road in Suffolk, Virginia and a portion of land leased from the Philip W. Wyne Trust (Trust) and is further described on a preliminary plat by Ernest C. Hawkins, Jr. and Associates dated February 14, 2011, entitled "Subdivision of Property owned by Philip Wirth Wyne Trust Instrument Number 20011127010014770 Plat Book 5, Page 30A" and attached hereto as Exhibit A; and

WHEREAS, the property is currently leased by the AREC and is critical to its ongoing research operations; and

WHEREAS, the owner has offered to sell a 24.674 acre parcel to the university for \$123,370 (\$5,000 per acre) which is below an appraised value obtained by the university for the property; and

WHEREAS, Virginia Polytechnic Institute and State University wishes to now acquire said property from the Trust; and

WHEREAS, the university has developed a funding plan that includes nongeneral fund overhead cash sufficient to support the full costs of the acquisition; and

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and the university, the Board of Visitors has authority to approve the budget, size, scope, and overall funding of nongeneral funded major capital outlay projects, including property acquisitions; and

WHEREAS, the university may address minor cost variances provided sufficient funds are available to support the full project costs;

NOW, THEREFORE, BE IT RESOLVED, that the university be authorized to move forward with the acquisition of the parcel from the owner at a cost of \$123,370 plus any due diligence and related closing costs.

RECOMMENDATION:

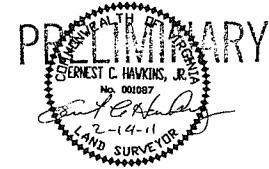
That Virginia Polytechnic Institute and State University be authorized to acquire the parcel from the Philip W. Wyne Trust upon completion of the required due diligence and in accordance with applicable statutes of the Code of Virginia.

August 29, 2011

EXHIBIT A

Course	Bearing	Distance
L-1	N 58°54'01" E	102.63'
L-2	N 52°16'11" E	81.00'
L-3	N 44°26'11" E	111.00'
L-4	N 44°56'11" E	178.00'
L-5	N 52°41'11" E	97.00'
L-6	N 72°56'11" E	119.00'
L-7	N 75°36'11" E	65.00'
L-8	S 89°03'49" E	126.00'
L-9	S 89°05'52" E	163.47'
L-10	N 85°36'19" E	162.92'
L-11	S 86°09'40" E	9.99'

Curve	Radius	Tangent	Length	Delta	Degree	Chord	Chord Bear.
C-1	38570.88'	100.00'	200.00'	0°17'50"	0°08'55"	200.00'	S 67°57'08" W

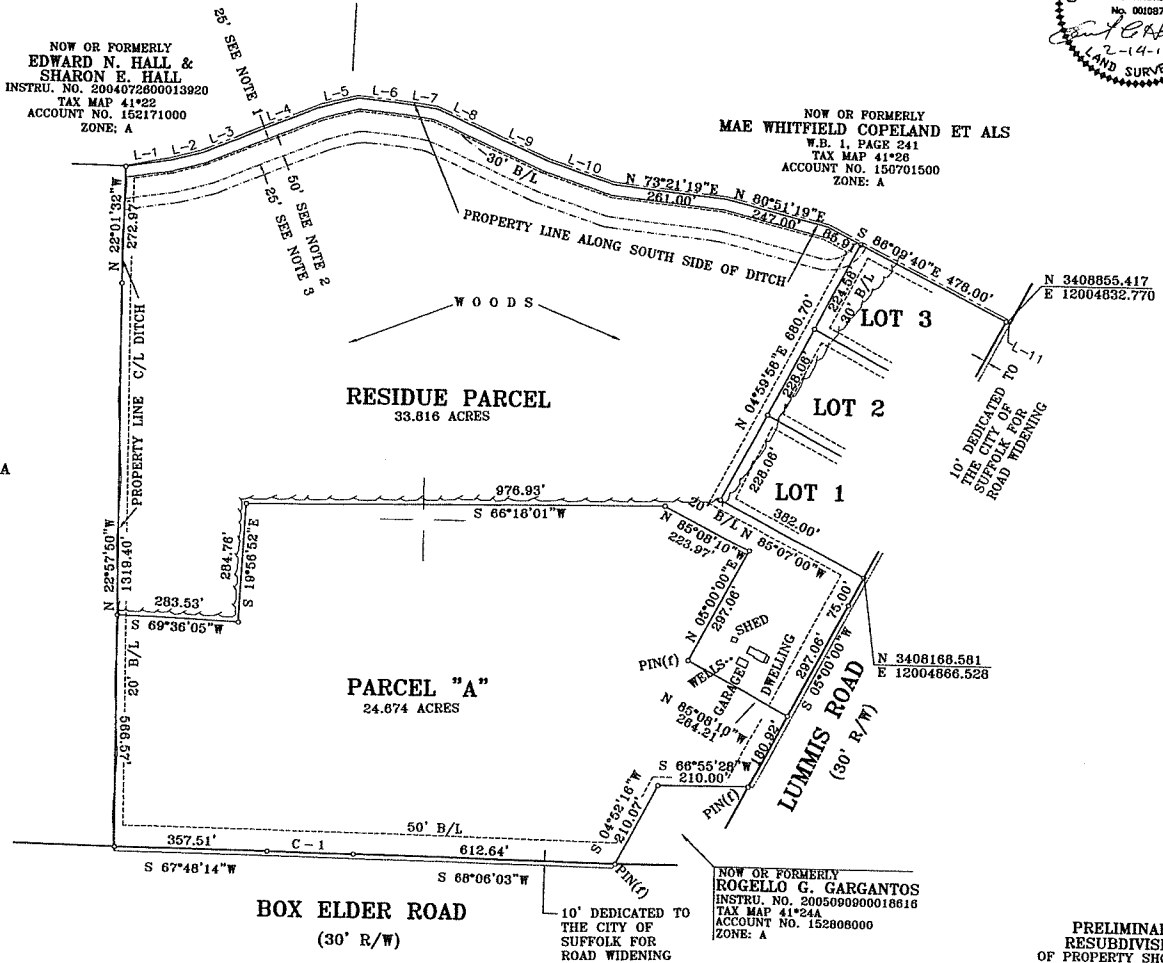


P.B. 5, PAGE 30A
 VIRGINIA STATE PLANE
 COORDINATE SYSTEM
 (HARN - SOUTH ZONE)

NOW OR FORMERLY
**EDWARD N. HALL &
 SHARON E. HALL**
 INSTRU. NO. 2004072600013920
 TAX MAP 41*22
 ACCOUNT NO. 152171000
 ZONE: A

NOW OR FORMERLY
MAE WHITFIELD COPELAND ET ALS
 W.B. 1, PAGE 241
 TAX MAP 41*26
 ACCOUNT NO. 150701500
 ZONE: A

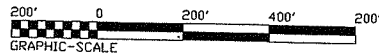
NOW OR FORMERLY
COMMONWEALTH OF VIRGINIA
 W.B. 6, PG. 121
 P.B. 35, PG. 160
 TAX MAP 41*23
 ACCOUNT NO. 151513000
 ZONE: A



LEGEND

PIN(i) = PIN FOUND
 ~~~~~ = WOODS LINE

LEGAL REFERENCE  
 PLAT BOOK 5, PAGE 30A  
 INSTRU. NO. 2001112700014770  
 TAX MAP 41\*24  
 ACCOUNT NO. 152812100



### WATER QUALITY STREAM BUFFERS (SECTION 31-615)

- NO.1 "STREAMSIDE" PERMITTED ACTIVITIES SHALL BE LIMITED TO STORMWATER CHANNELS, FOOTPATHS AND UTILITY OR ROADWAY CROSSING. SEE SECTION 31-615 FOR ADDITIONAL RESTRICTIONS.
- NO.2 "MIDDLE AREA" PERMITTED ACTIVITIES SHALL INCLUDE: RECREATION, BIKE PATHS AND STORMWATER BMPS.
- NO.3 "OUTER AREA" PERMITTED ACTIVITIES SHALL BE LIMITED TO LAWNS, TURF, GARDENING, COMPOST PILES AND YARD WASTES. DRAINFIELD AND RESERVE DRAINFIELD AND PERMANENT STRUCTURES SHALL BE PROHIBITED.

NOW OR FORMERLY  
**ROGELLO G. GARGANTOS**  
 INSTRU. NO. 2005090900018616  
 TAX MAP 41\*24A  
 ACCOUNT NO. 152808000  
 ZONE: A

PRELIMINARY  
 RESUBDIVISION  
 OF PROPERTY SHOWN ON  
 PLAT ENTITLED  
 "SUBDIVISION OF  
 PROPERTY OWNED BY  
**PHILIP WIRTH WYNE TRUST**  
 INSTRUMENT NUMBER 20011127010014770  
 PLAT BOOK 5, PAGE 30A  
 SUFFOLK, VIRGINIA  
 SCALE: 1" = 200' FEBRUARY 14, 2011  
**ERNEST C. HAWKINS, JR. AND ASSOCIATES**  
 SURVEYORS AND PLANNERS  
 1108 WILROY ROAD  
 SUFFOLK, VIRGINIA  
 PHONE: 533-6262 OR 934-0758