



INDUSTRIAL DEVELOPMENT AUTHORITY SPECIAL CALLED MEETING AGENDA

4TH FLOOR CONFERENCE ROOM

June 25, 2024

10:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. MEETING MINUTES

D. FINANCIAL REPORT

E. STAFF UPDATES

F. ACTION ITEMS

1. A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a temporary easement to the City of Danville, Virginia on parcel number 26621 for the purpose of demolition of a dam located in the Dan River, commonly known as the "Long Mill Dam".
2. A Resolution of the Industrial development Authority of Danville Virginia formally approving and authorizing IDA Danville Manager, LLC to enter into and execute the First Amendment to the Operating Agreement of 424 Memorial Drive Managing Member, LLC, a Virginia limited liability company.
3. A resolution of the Industrial Development Authority of Danville Virginia formally approving and authorizing IDA Danville Manager, LLC to enter into and execute the Danville White

Mill Condo #1 Side Agreement.

G. CLOSED MEETING

As Permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion or consideration of the acquisition of real property or of the disposition of publicly held real property; and

As Permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion concerning a prospective business or industry related to economic development.

As Permitted by Subsection (A)(7) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for consultation with legal counsel concerning actual litigation and briefings by staff regarding specific legal matters requiring legal advice.

- A. Motion to Convene in Closed Meeting*
- B. Motion to Reconvene in Open Meeting*
- C. Motion to Certify Closed Meeting*

H. NEW BUSINESS

I. ADJOURN



Industrial Development Authority

STAFF REPORT

DATE: June 25, 2024
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
RE: A resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a temporary easement to the City of Danville, Virginia on parcel number 26621 for the purpose of demolition of a dam located in the Dan River, commonly known as the "Long Mill Dam".

The City Council has approved the demolition of the Long Mill Dam located in the Dan River. To complete the demolition, the City needs a temporary easement from the Industrial Development Authority of Danville, Virginia on Parcel #26621 in order to access the dam.

Staff recommends approving and authorizing the granting of a temporary easement on Parcel #26621 to the City of Danville, Virginia, for the purpose of demolition of a dam located in the Dan River, commonly known as the "Long Mill Dam".

ATTACHMENTS

1. 1443-RES -Temp Easement demolition of Long Mill Dam
2. 1443_Attachment Long Mill Dam Easement Attachment Easement Deed Memorial Dr
3. 1443_2024-06-25 Attachment of Easement

PRESENTED: June 25, 2024

ADOPTED June 25, 2024

RESOLUTION NO. 2024-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A TEMPORARY EASEMENT TO THE CITY OF DANVILLE, VIRGINIA ON PARCEL NUMBER 26621 FOR THE PURPOSE OF DEMOLITION OF A DAM LOCATED IN THE DAN RIVER, COMMONLY KNOWN AS THE “LONG MILL DAM”.

WHEREAS, Danville City Council has approved the demolition of the “Long Mill Dam” located in the Dan River: and

WHEREAS, in order to complete the demolition, the City needs a temporary easement, from the Industrial Development Authority of Danville, Virginia (IDA) on Parcel #26621 in order to access the dam.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia that it hereby approves and authorizes, the granting of a temporary easement, on Parcel #26621 to City of Danville, Virginia, substantially in the form attached here to for the purpose of demolition of a dam located in the Dan River, commonly known as the “Long Mill Dam”; and

BE IT FURTHER RESOLVED, by the Industrial Development Authority of Danville, Virginia that the Chairman, or in his absence any Officer, is hereby authorized to execute the easement and sign any other documentation necessary to complete the above-described transaction.

Approved:

Chairman

Attest:

Secretary

Approved as to
Form and Legal Sufficiency:

City Attorney

THIS CONVEYANCE IS EXEMPT FROM GRANTEE'S TAX PURSUANT TO VA. CODE § 58.1-811 (A) (3) AND GRANTOR'S TAX PURSUANT TO VA. CODE § 58.1-811 (C) (5) .

PIN: #26621

This **DEED OF EASEMENT**, made this the 25th day of June, 2024, by and between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA, GRANTOR**, and the **CITY OF DANVILLE, VIRGINIA, GRANTEE**.

WHEREAS, the Grantor is the owner of certain real property located within the City of Danville, Virginia (the "Property"), commonly known as PIN #26621.

WHEREAS, it is the desire of the Grantor to convey to the Grantee a temporary construction easement for the purpose of demolition of a dam located in the Dan River, commonly known as the "Long Mill Dam" and as shown on the attached Exhibit A.

W I T N E S S E T H :

That for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Grantor does grant and convey unto the Grantee, its agents, employees, successors, and assigns, a temporary easement to for the purpose of demolition of a dam located in the Dan River, commonly known as the "Long Mill Dam" and as shown on the attached Exhibit A.

"Easement Property." The temporary construction easement shall run with the land until the project is complete; at which point the temporary construction easement and associated rights of ingress, egress, and regress shall expire. Said temporary easement shall in any case terminate by December 31, 2024.

The Grantee shall perform all construction or maintenance work in a timely and workmanlike manner. After any construction or repair work, the Grantee shall attempt to return the Easement Property to the same grade as existed prior to such work being performed, and shall, if necessary, reseed the area, returning it to reasonably the same

condition and physical appearance as before such work, except for any trees or bushes removed during such work, which will not be replaced.

All rights, title, and privileges herein granted, including all benefits and burdens, shall run with the land and shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, executors, administrators, successors, assigns, and legal representatives.

WITNESS the following signatures and seals, on this the date first above stated:

**INDUSTRIAL DEVELOPMENT
AUTHORITY OF DANVILLE VIRGINIA,
GRANTOR**

BY: _____
T. Neal Morris

TITLE: Chairman

**COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE, to-wit:**

The foregoing instrument was acknowledged before me this the ____ day of _____, 2024, by _____. Grantor.

NOTARY PUBLIC

My commission expires: _____

Notary's Registration Number: _____

CITY OF DANVILLE, VIRGINIA

BY: _____
Kenneth F. Larking

TITLE: City Manager

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE, to-wit:

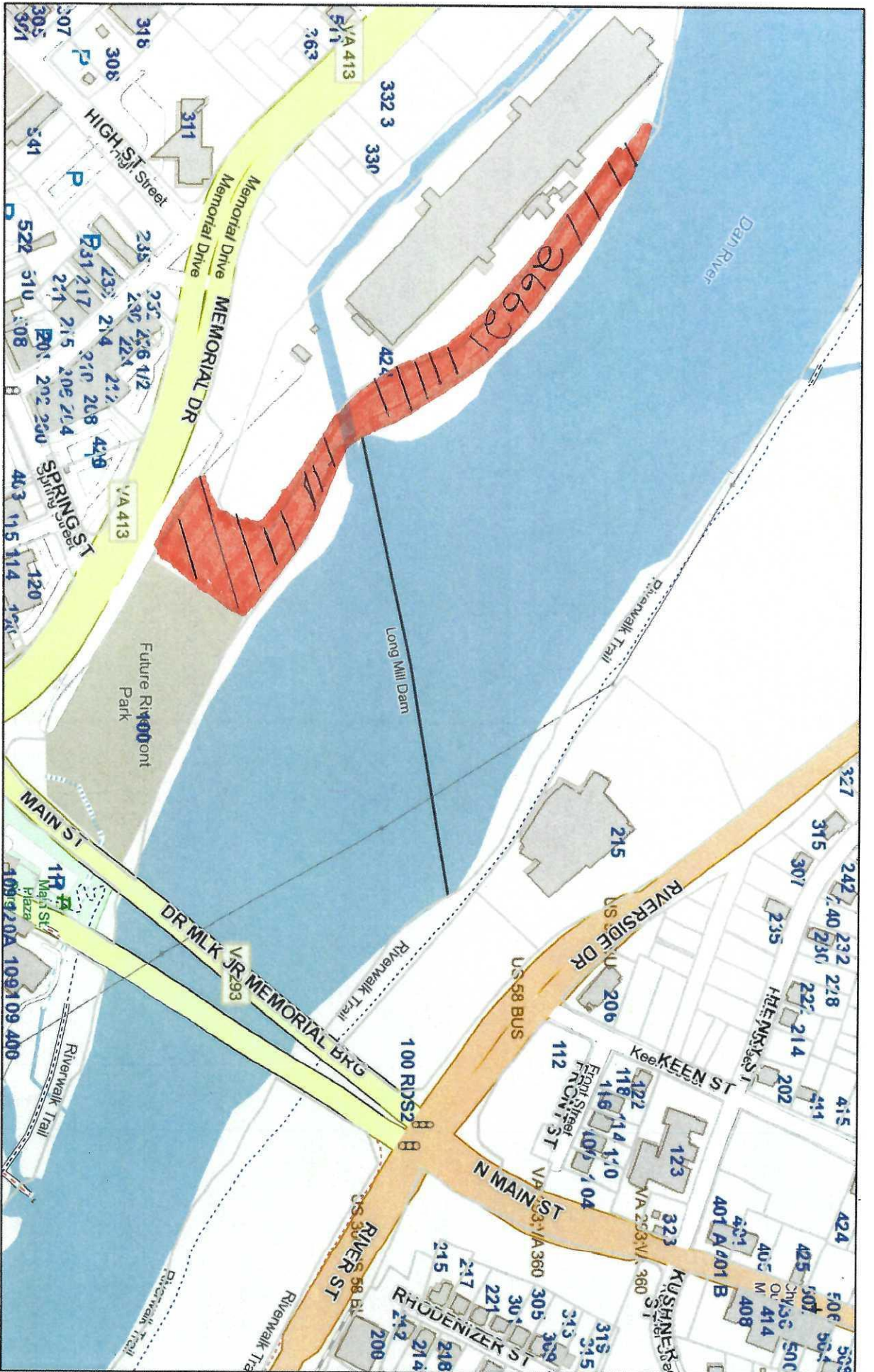
The foregoing instrument was acknowledged before me this the ____ day of _____, 2024, by _____, Grantee.

NOTARY PUBLIC

My commission expires: _____

Notary's Registration Number: _____

EXHIBIT A



June 18, 2024

Street Names

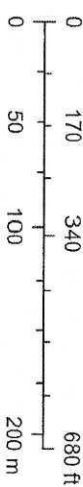


Buildings



House Numbers

1:4,514



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Industrial Development Authority

STAFF REPORT

DATE: June 25, 2024
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
RE: A Resolution of the Industrial development Authority of Danville Virginia formally approving and authorizing IDA Danville Manager, LLC to enter into and execute the First Amendment to the Operating Agreement of 424 Memorial Drive Managing Member, LLC, a Virginia limited liability company.

The attached First Amendment to the Operating Agreement is to reflect the additional \$1.6MM capital contribution from the Industrial Development Authority of Danville, Virginia.

Staff recommends the approval and execution of the Resolution to Amend the Operating Agreement, as well as the execution of the actual First Amendment to the Operating Agreement.

ATTACHMENTS

1. 1446_RES 1st Amend to Operating Agreement-vs2
2. 1446_Attachment 1st Amend Operating Agreement 424 Memorial Drive Managing Member)
3. 1446_Attachment Exhibit A

PRESENTED: June 25, 2024

ADOPTED: June 25, 2024

RESOLUTION NO. 2024____.

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA FORMALLY APPROVING AND AUTHORIZING IDA DANVILLE MANAGER, LLC TO ENTER INTO AND EXECUTE THE FIRST AMENDMENT TO THE OPERATING AGREEMENT OF 424 MEMORIAL DRIVE MANAGING MEMBER, LLC, A VIRGINIA LIMITED LIABILITY COMPANY.

WHEREAS, the Industrial Development Authority of Danville, Virginia (IDA) is the Managing Member of IDA Danville Manager, LLC, a Virginia limited liability company.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize IDA Danville Manager, LLC to enter into and execute the First Amendment to the Operating Agreement of 424 Memorial Drive Managing Member, LLC, substantially in the form attached hereto and as may be changed or amended by the IDA Chairman and the City Attorney; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or any other member in his absence, is hereby authorized to sign the First Amendment to the Operating Agreement of 424 Memorial Drive Managing Member, LLC, as well as complete any acts, sign any other required documents, and perform any other actions, necessary to close the above- mentioned transaction.

Approved:

Chairman

Attest:

Secretary

Approved as to
Form and Legal Sufficiency:

City Attorney

**FIRST AMENDMENT TO THE OPERATING AGREEMENT OF
424 MEMORIAL DRIVE MANAGING MEMBER, LLC**

THIS FIRST AMENDMENT TO THE OPERATING AGREEMENT of 424 Memorial Drive Managing Member, LLC, a Virginia limited liability company (the “**Company**”), dated as of the 15th day of December, 2022 by and among The Alexander Company, Inc., a Wisconsin corporation, which is a corporation authorized to transact business in the Commonwealth of Virginia as The Alexander Company of Wisconsin, Inc. (“**TAC**”), IDA Danville Manager, LLC, a Virginia limited liability company (“**IDA-LLC**”), and David G. Vos, an adult resident of the State of Wisconsin (“**Vos**”) (the “**Operating Agreement**”), is made as of June [___], 2024 (this “**First Amendment**”), by and among the Manager and Members. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Operating Agreement.

RECITALS:

A. To partially satisfy the additional costs associated with certain improvements to Unit 1 more specifically identified in Change Order #002 to the White Mill Core and Shell construction contract by and between Project Owner and Rehab Builders dated December 6, 2022, the Company, the Manager, and the Members desire to increase the Capital Contributions IDA-LLC is to make to the Company pursuant to the Operating Agreement by \$1,600,000 and desire to cause the Company to subsequently contribute such \$1,600,000 to Project Owner.

B. The Manager and the Members desire to amend the Operating Agreement in accordance with the terms of this First Amendment to accomplish the actions described above.

NOW, THEREFORE, in consideration of the foregoing and the agreements and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto amend the Operating Agreement as follows.

1. Amendment to Section 2.6. To reflect the \$1,600,000 increase in Capital Contributions to be made by IDA-LLC, romanette (ii) of the first sentence of Section 2.6 of the Operating Agreement is hereby amended by changing the \$12,014,561 Funding Obligation amount from \$12,014,561 to \$13,614,561.

2. Amendments to Section 3.4. To reflect the \$1,600,000 increase in Capital Contributions to be made by IDA-LLC, (A) the first sentence of Section 3.4 of the Operating Agreement is hereby amended by changing the aggregate cash Capital Contributions to the Company from IDA-LLC from \$6,500,000 to \$8,100,000, and (B) romanette (iv) of the third sentence of Section 3.4 of the Operating Agreement is hereby amended by changing the aggregate cash Capital Contributions to the Company from IDA-LLC on or prior to October 31, 2024 from \$132,758 to \$1,732,758.

3. Amendment to Exhibit A. To reflect the \$1,600,000 increase in Capital Contributions to be made by IDA-LLC, Exhibit A to the Operating Agreement is wholly amended and replaced by Exhibit A hereto.

4. Effect of this First Amendment. Except as expressly provided in this First Amendment, all of the terms and provisions of the Operating Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the parties hereto. On and after the date hereof, each reference in the Operating Agreement to “this Agreement,” “the Agreement,” “hereunder,” “hereof,” “herein” or words of like import, and each reference to the Operating Agreement in any other agreements, documents or instruments executed and delivered pursuant to, or in connection with, the Operating Agreement, will mean and be a reference to the Operating Agreement as amended by this First Amendment.

5. Recitals Incorporated. The Recitals set forth above are hereby incorporated by reference as if the same were fully set forth herein.

6. Manager and Member Consent. By executing this First Amendment, the Manager and each Member hereby agrees it is providing its written consent to (i) IDA-LLC increasing its Capital Contributions to the Company by \$1,600,000 in accordance with this First Amendment and (ii) the Company’s subsequent contribution of such \$1,600,000 to Project Owner, and that no further consent or action is required from the Manager or any Member, as the case may be, to permit the Company to take the actions described herein.

7. Captions, Gender and Number. The captions in this First Amendment are inserted only as a matter of convenience and in no way affect the terms or intent of any provision of this First Amendment. All defined phrases, pronouns and other variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the actual identity of the organization, person or persons may require.

8. Governing Law. This First Amendment shall be governed by and be construed in accordance with the internal laws and decisions of the Commonwealth of Virginia. If legal action by either party is necessary for or with respect to the enforcement of any or all the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia.

9. Conflicts. In the event of any conflict between the provisions in the Operating Agreement and any provisions in this First Amendment, the provisions in this First Amendment shall control.

10. No Third-Party Beneficiaries. The parties hereto do not confer any rights or remedies upon any Person other than the parties to this First Amendment and their respective successors and permitted assigns.

11. Counterparts. This First Amendment may be executed in one or more counterparts, including by pdf, DocuSign, or other electronic signature, each bearing the signatures of one or more Members. Each such counterpart shall be considered an original and all such counterparts shall constitute a single agreement binding all the parties as if all had signed a single document.

12. Binding Effect. Except as provided to the contrary, the terms and provisions of this First Amendment shall be binding upon and shall inure to the benefit of all the Members, their heirs, personal representatives, successors and assigns.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have duly executed this First Amendment, or caused it to be duly executed, effective as of the date first set forth above.

MEMBERS:

THE ALEXANDER COMPANY, INC.

By: _____
Joseph M. Alexander, President

IDA DANVILLE MANAGER, LLC

By: Industrial Development Authority of
Danville, Virginia, its Managing Member

By: _____
T. Neal Morris, Chairman

David G. Vos

MANAGER:

THE ALEXANDER COMPANY, INC.

By: _____
Joseph M. Alexander, President

EXHIBIT A
MEMBERS AND CAPITAL CONTRIBUTIONS

	Unit 1		Unit 2		Unit 3			
Name and Address of Member	Description of Capital Contribution	Agreed Value	Description of Capital Contribution	Agreed Value	Description of Capital Contribution	Agreed Value	Percentage Interest	Commercial Percentage Interest
The Alexander Company, Inc. 2450 Rimrock Rd., Suite 100 Madison, WI 53713	N/A	N/A	\$3,693,396.12	\$3,693,396.12	N/A	N/A	67.5%	0.0%
IDA Danville Manager, LLC c/o Office of the City Attorney City of Danville, Virginia (427 Patton Street, Room 421 – zip code 24541) P.O. Box 3300 Danville, Virginia 24543	Contributed Interests Assignment + \$7,300,576	\$8,001,152	Contributed Interests Assignment + \$579,293	\$1,158,586	Contributed Interests Assignment + \$220,131	\$440,262	25.0%	100.0%
David G. Vos c/o The Alexander Company, Inc. 2450 Rimrock Rd., Suite 100 Madison, WI 53713	N/A	N/A	\$321,164.88	\$321,164.88	N/A	N/A	7.5%	0.0%
TOTALS	N/A	\$8,001,152	N/A	\$5,173,147	N/A	\$440,262	100%	100%

EXHIBIT A
MEMBERS AND CAPITAL CONTRIBUTIONS

	Unit 1		Unit 2		Unit 3			
Name and Address of Member	Description of Capital Contribution	Agreed Value	Description of Capital Contribution	Agreed Value	Description of Capital Contribution	Agreed Value	Percentage Interest	Commercial Percentage Interest
The Alexander Company, Inc. 2450 Rimrock Rd., Suite 100 Madison, WI 53713	N/A	N/A	\$3,693,396.12	\$3,693,396.12	N/A	N/A	67.5%	0.0%
IDA Danville Manager, LLC c/o Office of the City Attorney City of Danville, Virginia (427 Patton Street, Room 421 – zip code 24541) P.O. Box 3300 Danville, Virginia 24543	Contributed Interests Assignment + \$7,300,576	\$8,001,152	Contributed Interests Assignment + \$579,293	\$1,158,586	Contributed Interests Assignment + \$220,131	\$440,262	25.0%	100.0%
David G. Vos c/o The Alexander Company, Inc. 2450 Rimrock Rd., Suite 100 Madison, WI 53713	N/A	N/A	\$321,164.88	\$321,164.88	N/A	N/A	7.5%	0.0%
TOTALS	N/A	\$8,001,152	N/A	\$5,173,147	N/A	\$440,262	100%	100%

A-1



Industrial Development Authority

STAFF REPORT

DATE: June 25, 2024
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
RE: A resolution of the Industrial Development Authority of Danville Virginia formally approving and authorizing IDA Danville Manager, LLC to enter into and execute the Danville White Mill Condo #1 Side Agreement.

This side agreement is to memorialize that IDA LLC Manager intends for the Additional Capital Contribution funds to be used for the sole purpose of the construction of the property commonly known as Unit 1 of the White Mill Condominium, 424 Memorial Drive, Danville, Virginia ("Condo #1"), and such other common area improvements of the Condo #1 building as agreed to and identified on the Change Order and no other.

Staff recommends approval of the resolution approving and authorizing the IDA Danville Manager, LLC to enter into and execute the Danville White Mill Condo #1 Side Agreement.

ATTACHMENTS

1. 1447-RES Danville White Mill Condo #1 Side Agreement
2. 1447_Attachment IDA White Mill Condo 1 Side Agreement

PRESENTED: June 25, 2024

ADOPTED June 25, 2024

RESOLUTION NO. 2024-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE VIRGINIA FORMALLY APPROVING AND AUTHORIZING IDA DANVILLE MANAGER, LLC TO ENTER INTO AND EXECUTE THE DANVILLE WHITE MILL CONDO #1 SIDE AGREEMENT.

WHEREAS, the Industrial Development Authority of Danville, Virginia (IDA) is the Managing Member of IDA Danville Manager, LLC, a Virginia limited liability company.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize IDA Danville Manager, LLC to enter into and execute the Danville White Mill Condo #1 Side Agreement by and between, IDA Danville Manager, LLC, 424 Memorial Drive Managing Member, LLC, White Mill Shell & Commercial, LLC, and the Alexander Company, Inc. substantially in the form attached hereto and as may be changed or amended by the IDA Chairman and the City Attorney; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or any other member in his absence, is hereby authorized to sign the Danville White Mill Condo #1 Side Agreement as well as complete any acts, sign any other required documents, and perform any other actions, necessary to close the above- mentioned transaction.

Approved:

Chairman

Attest:

Secretary

Approved as to
Form and Legal Sufficiency:

City Attorney

DANVILLE WHITE MILL CONDO #1 SIDE AGREEMENT

THIS DANVILLE WHITE MILL CONDO #1 SIDE AGREEMENT (this "Side Agreement") is entered into as of the ____ day of _____, 2024 (the "Effective Date"), by and between IDA Danville Manager, LLC, a Virginia limited liability company ("IDA LLC Manager"), 424 Memorial Drive Managing Member, LLC, a Virginia limited liability company ("424 Managing Member"), White Mill Shell & Commercial, LLC, a Virginia limited liability company ("WM S&C"), and The Alexander Company, Inc., a Wisconsin corporation doing business in Virginia as The Alexander Company of Wisconsin, Inc., or its assigns ("TAC"). Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Operating Agreement of 424 Memorial Drive Managing Member, LLC, dated December 15, 2022, as may be amended (the "Operating Agreement").

RECITALS:

WHEREAS, to partially satisfy the additional costs associated with certain improvements to Unit 1 more specifically identified in Change Order #002 to the White Mill Core and Shell construction contract by and between 424 Memorial Drive, LLC, a Virginia limited liability company ("424 Memorial Drive") and Rehab Builders, Inc. dated December 6, 2022, 424 Managing Member, TAC (as manager of 424 Managing Member), and the members of 424 Managing Member desire to increase the Capital Contributions IDA LLC Manager is to make to 424 Managing Member pursuant to the Operating Agreement by \$1,600,000 (the "Additional Capital Contribution") and desire to cause the 424 Managing Member to subsequently contribute such \$1,600,000 to 424 Memorial Drive.

WHEREAS, the parties desire that the Additional Capital Contribution funds be used in order to help facilitate the completion of work identified on that certain [White Mill First Phase of Condo #1: Clarifications, Exclusions & Allowances, dated May 31, 2024] (the "Change Order"), provided by Rehab Builders, Inc., attached hereto and incorporated herein by this reference as Exhibit A; and

WHEREAS, IDA LLC Manager intends for the Additional Capital Contribution funds to be used for the sole purpose of the construction of the property commonly known as Unit 1 of the White Mill Condominium, 424 Memorial Drive, Danville, Virginia ("Condo #1"), and such other common area improvements of the Condo #1 building as agreed to and identified on the Change Order.

NOW, THEREFORE, in and for the considerations set forth herein, the parties agree as follows:

Section 1. Additional Capital Contribution; Purpose. The proceeds of Additional Capital Contribution (the "ACC Funds") shall be made available to 424 Managing Member, and subsequently to WM S&C, to finance working capital for the construction costs associated with the construction and development of Condo #1, including such other common area improvements to the Condo #1 building as agreed to and identified on the Change Order. No portion of the ACC Funds shall be used by WM S&C for payment or reimbursement of operating costs, including rent, loan or mortgage payments, utility costs, personnel or staffing costs, legal, accounting or bookkeeping expenses. The ACC Funds and all disbursements of the proceeds thereof will be used solely for the payment of costs for services or materials identified on Exhibit A (including the construction schedule outlining the anticipated time periods to complete the scope of work identified in the Change Order), unless otherwise agreed to in writing by IDA LLC Manager. In the event that any ACC Funds remain after the scope of work under the Change Order is completed, such remaining ACC Funds shall be used for additional scope of work or returned to IDA LLC Manager.

Commented [SL1]: Need to update to Change Order #002.
C&B has not received copy.

Section 2. Entire Agreement; Amendments. This Side Agreement constitutes the entire understanding and agreement of the parties hereto with respect to the transactions contemplated hereby and shall supersede any prior understandings with respect thereto. This Side Agreement may be amended only by a writing, signed by the party or parties to be bound or burdened by such amendment.

Section 3. Waiver and Cumulative Rights. The failure or delay of the IDA LLC Manager to require performance by 424 Managing Member, WM S&C and/or TAC of any provision of this Side Agreement shall not affect the right of the IDA LLC Manager to require performance of such provision, unless such performance has been waived in writing by the IDA LLC Manager.

Section 4. Successors and Assigns. This Side Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

Section 5. Governing Law. This Side Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia without regard to any choice of law rules which would require the application of the laws of any other jurisdiction. If legal action by either party is necessary for or with respect to the enforcement of any or all the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia.

Section 6. Notices. Any notice required or permitted to be given hereunder shall be in writing and shall be effective when actually received if delivered by hand or overnight courier, or when confirmed by receipt if transmitted by telecopy, or other form of rapid transmission if notices given by such means of communication are capable of being confirmed upon delivery by electronic means, or three days after being sent by registered or certified mail, postage prepaid, the certification receipt therefore being deemed the date of such notice, and addressed to the parties as set forth in the preamble hereof.

Section 7. Severability. The parties hereto intend and believe that each provision in this Side Agreement comports with all applicable local, state and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Side Agreement is found by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Side Agreement to be illegal, invalid, unlawful, void or unenforceable as written, then it is the intent of all parties hereto that such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable, that the remainder of this Side Agreement shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein, and that the rights, obligations and interest of IDA LLC Manager under the remainder of this Side Agreement shall continue in full force and effect.

Section 8. Counterparts. This Side Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement. This Side Agreement may be delivered by portable document format (*.pdf) and upon such delivery, the .pdf signature shall be deemed to have the same effect as if the original signature had been delivered to the other party or parties.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this **DANVILLE WHITE MILL CONDO #1 SIDE AGREEMENT**, or caused it to be duly executed, effective as of the date first set forth above.

IDA DANVILLE MANAGER, LLC, a Virginia limited liability company

By: Industrial Development Authority of Danville,
Virginia, its Managing Member

By: _____
T. Neal Morris, Chairman

424 MEMORIAL DRIVE MANAGING MEMBER, LLC, a Virginia limited liability company

By: The Alexander Company, Inc.
Its: Manager

By: _____
Joseph M. Alexander, President

WHITE MILL SHELL & COMMERCIAL, LLC,
a Virginia limited liability company

By: 424 Memorial Drive, LLC
Its: Member

By: 424 Memorial Drive Managing Member,
LLC
Its: Managing Member

By: The Alexander Company, Inc.
Its: Manager

By: _____
Joseph M. Alexander, President

THE ALEXANDER COMPANY, INC., a Wisconsin corporation

By: _____
Joseph M. Alexander, President

EXHIBIT A
(Change Order)