INDUSTRIAL DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

4TH FLOOR CONFERENCE ROOM

July 9, 2024

10:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. MEETING MINUTES

1. Regular Meeting Minutes for 6-11-2024
2. Special Called IDA Meeting Minutes for 6-25-2024

D. FINANCIAL REPORT

1. IDA Statement of Accounts as of June 30, 2024

E. STAFF UPDATES

F. ACTION ITEMS

1. Lease for 208 N Union Suite 100 between the IDA and Christine B Eanes, LLC
2. Purchase of 530 Patton Street Parcels 20218 and 20215

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 OF DANVILLE, VIRGINIA
MINUTES OF MEETING
JUNE 11, 2024

Pursuant to a Written Notice, a copy of which is attached hereto, a Regular Meeting of the Board of Directors of the Industrial Development Authority of Danville, Virginia was held in the Fourth Floor Conference Room of the Municipal Building on Tuesday, June 11, 2024, at 10:30 a.m.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT:	T. Neal Morris, Chairman John Laramore, Secretary/Treasurer (came in late) Philip Hall Robert Woodall
ABSENT:	Dave Cumbo Russell Reynolds, Vice Chairman Kristen Barker
ALSO PRESENT:	W. Clarke Whitfield, Jr., City Attorney Kimberly McDaniel, Legal Assistant Kelvin Perry, Economic Development Susan McCulloch, Economic Development Corrie Bobe, Director, Economic Development Samantha Bagby, Project Manager, Economic Development Michael Adkins, Chief Financial Officer, Finance Department Ken Larking, City Manager

T. Neal Morris, Chairman, called the meeting to order at 10:30 a.m.

ROLL CALL

MINUTES

COPIES OF THE MINUTES OF THE MAY 14, 2024, REGULAR CALLED MEETING WERE DISTRIBUTED TO THE MEMBERS WITH THEIR AGENDA PACKETS. A MOTION WAS MADE BY MR. HALL TO APPROVE THE MINUTES AS PRESENTED. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

FINANCES

MICHAEL ADKINS, THE CHIEF FINANCIAL OFFICER AND DIRECTOR OF FINANCE, PROVIDED THE MEMBERS OF THE IDA BOARD AT THE MEETING WITH A PACKET OF THE CURRENT FINANCIAL STATEMENTS OF THE IDA.

A MOTION WAS MADE BY MR. WOODALL TO APPROVE THE FINANCIAL REPORT. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

RESOLUTIONS

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA (IDA) APPROVING AND AUTHORIZING THE RIVER DISTRICT ASSOCIATION TO USE THE IDA PROPERTY LOCATED AT 628 N. MAIN STREET AND IDENTIFIED AS PARCEL ID# 00050, FOR ACTIVITIES DURING THE JUNE 19, 2024, TRUE NORTH SPEAKER SERIES CELEBRATION EVENT.

MOTION WAS MADE BY MR. WOODALL; SECONDED BY MR. HALL

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN AMENDED LETTER OF INTENT FOR PROPERTY LOCATED ON LANIER AVENUE IN THE SCHOOLFIELD DISTRICT, COMMONLY KNOWN AS THE HYLTON HALL SITE.

MOTION WAS MADE BY MR. HALL; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

MR. HALL MOVED THE MEETING BE RECESSED AND THE BOARD IMMEDIATELY RECONVENED IN EXECUTIVE CLOSED MEETING FOR THE PURPOSES:

1. *DISCUSSION CONCERNING A PROSPECTIVE BUSINESS OR INDUSTRY OR THE EXPANSION OF AN EXISTING BUSINESS OR INDUSTRY WHERE NO PREVIOUS ANNOUNCEMENT HAS BEEN MADE AS PERMITTED BY SUBSECTION (A)(5) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED*.

2. *DISCUSSION OR CONSIDERATION OF THE ACQUISITION/DISPOSITION OF REAL PROPERTY FOR A PUBLIC PURPOSE WHERE DISCUSSION IN AN OPEN MEETING WOULD ADVERSELY IMPACT THE BARGAINING POSITION OF THE AUTHORITY AS PERMITTED BY SUBSECTION (*A)(3) OF SECTION 2.2-3711 OF *THE CODE OF VIRGINIA, 1950, AS AMENDED.*

MOTION WAS MADE BY MR. HALL; SECONDED BY MR. WOODALL

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

MR. HALL MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

UPON RECONVENING, MR. HALL MOVED THAT THE BOARD ADOPT A RESOLUTION CERTIFYING THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE THAT:

1. *ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER SECTION 2.2-3711; AND*

2. *ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING.*

MOTION WAS MADE BY MR. HALL; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. LARAMORE	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

ADJOURN

____

JOHN LARAMORE
SECRETARY

____

T. NEAL MORRIS
CHAIRMAN

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
MINUTES OF SPECIAL CALLED MEETING
JUNE 25, 2024

Pursuant to a Written Notice, a copy of which is attached hereto, a Special Meeting of the Board of Directors of the Industrial Development Authority of Danville, Virginia was held in the Fourth Floor Conference Room of the Municipal Building on Tuesday, June 25, 2024, at 10:30 a.m.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT: T. Neal Morris, Chairman
Russell Reynolds, Vice Chairman
John Laramore, Secretary/Treasurer
Kristen Barker
Philip Hall
Robert Woodall

ABSENT: Dave Cumbo

ALSO PRESENT: W. Clarke Whitfield, Jr., City Attorney
Kimberly McDaniel, Legal Assistant
Kelvin Perry, Economic Development
Corrie Bobe, Director, Economic Development
Michael Adkins, Chief Financial Officer, Finance Department
Ken Larking, City Manager
Renee Burton, Community Development

T. Neal Morris, Chairman, called the meeting to order at 10:30 a.m.

ROLL CALL

RESOLUTIONS

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".

MOTION WAS MADE BY MR. WOODALL; SECONDED BY MR. REYNOLDS

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE

MR. HALL	- AYE
MR. WOODALL	- AYE

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

MOTION WAS MADE BY MR. HALL; SECONDED BY MR. WOODALL

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

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.

MOTION WAS MADE BY MR. HALL; SECONDED BY MR. WOODALL

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

MR. REYNOLDS MOVED THE MEETING BE RECESSED AND THE BOARD IMMEDIATELY RECONVENED IN EXECUTIVE CLOSED MEETING FOR THE PURPOSES:

1. *DISCUSSION CONCERNING A PROSPECTIVE BUSINESS OR INDUSTRY OR THE EXPANSION OF AN EXISTING BUSINESS OR INDUSTRY WHERE NO PREVIOUS ANNOUNCEMENT HAS BEEN MADE AS PERMITTED BY SUBSECTION (A)(5) OF SECTION 2.2-3711 OF THE CODE OF VIRGINIA, 1950, AS AMENDED*.

2. *DISCUSSION OR CONSIDERATION OF THE ACQUISITION/DISPOSITION OF REAL PROPERTY FOR A PUBLIC PURPOSE WHERE DISCUSSION IN AN OPEN MEETING WOULD ADVERSELY IMPACT THE BARGAINING POSITION OF THE AUTHORITY AS PERMITTED BY SUBSECTION (*A)(3) OF SECTION 2.2-3711 OF *THE CODE OF VIRGINIA, 1950, AS AMENDED.*

MOTION WAS MADE BY MR. REYNOLDS; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

MR. REYNOLDS MOVED THE MEETING IMMEDIATELY RECONVENE INTO AN OPEN MEETING. THE MOTION WAS SECONDED BY MR. LARAMORE AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

MOTION WAS MADE BY MR. REYNOLDS; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

UPON RECONVENING, MR. REYNOLDS MOVED THAT THE BOARD ADOPT A RESOLUTION CERTIFYING THAT TO THE BEST OF EACH MEMBER'S KNOWLEDGE THAT:

1. *ONLY PUBLIC BUSINESS MATTERS LAWFULLY EXEMPTED FROM OPEN MEETING REQUIREMENTS UNDER SECTION 2.2-3711; AND*

2. *ONLY SUCH PUBLIC BUSINESS MATTERS AS WERE IDENTIFIED IN THE MOTION BY WHICH THE CLOSED MEETING WAS CONVENED WERE HEARD, DISCUSSED, OR CONSIDERED IN THE CLOSED MEETING.*

MOTION WAS MADE BY MR. REYNOLDS; SECONDED BY MR. LARAMORE

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE CITY OF DANVILLE TO ENTER INTO A CONSTRUCTION SERVICES AGREEMENT WITH DIVERSIFIED SERVICES FOR CONSTRUCTION AT 406 JEFFERSON STREET AND APPROVING AND AUTHORIZING THE EXPENDITURE NOT TO EXCEED $350,000 TO FUND SUCH CONSTRUCTION.

MOTION WAS MADE BY MRS. BARKER; SECONDED BY MR. HALL

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. WOODALL	- AYE

ADJOURN

____
JOHN LARAMORE
SECRETARY

____
T. NEAL MORRIS
CHAIRMAN

Industrial Development Authority
Statement of Accounts
As of June 30, 2024

Regular Checking		$	719,492.81
USDA Loan Account		$	78,931.67
City Funded Loan Account		$	2,040,799.52
North Union Properties/Master Tenant		$	26,097.47
Reserve Account		$	4,906,491.89
Reserve Account Details			
Hold for FY23 Debt Svc	*232,332.21*		
Hold for Imperial Warehouse	*650,000.00*		
Hold for Enterprise Zone	*430,905.00*		
Hold for Dan River Falls	*1,159,104.88*		
Hold for FY22 Edev Incentives	*1,962,612.00*		
Hold for FY23 Edev Incentives	*367,925.58*		
Hold for 217 N Union	*37,000.00*		
Hold for 121/123 N Union	*66,612.22*		
Available	*(0.00)*		
	4,906,491.89		

City Funded Loans:

Beginning Balance June 1, 2024	$ 2,021,861.62
The Bee - Monthly Payment	18,179.41
Southside Ice - Pmt from Bankruptcy Trustee	109.46
Uncle Al's Diner	566.14
Interest /Bank Fees	82.89
Ending Balance June 30, 2024	$ 2,040,799.52

Industrial Development Authority
Statement of Account - Regular Checking
For the month ended June 30, 2024

Beginning Balance at June 1, 2024		$629,774.51
RECEIPTS:		
Rent:		98,247.67
Utility/Insurance Reimbursement:		
DR Foundation	1,464.04	
Averett	4,392.12	5,856.16
Real Estate Tax Reimbursements		8,990.51
City of Danville Support		143,385.57
Parco - Repayment of Incentives Final		18,776.29
Pittsylvania County IDA - Shell Bldg		6,184.26
Interest Income/Wire Fees		1.05
DISBURSEMENTS:		
AMNB Loan - Lockett Drive	(11,566.62)	
AMNB - 500 Stinson Drive #1	(4,887.77)	
AMNB - 500 Stinson Drive #2	(5,717.03)	
AMNB - 512 Bridge Street	(16,467.81)	
AMNB Loan - Old Belt One	(6,721.18)	
Locus Bank - 500 Cane Creek	(18,502.76)	
Locus Bank - MEP Equip Loan	(713.55)	
Locus Bank - Shell Building	(12,315.20)	
First National - Gaither Rd Prop	(3,136.84)	
Movement Bank - Monument	(2,651.24)	
US Bank Bond Debt Service	(13,666.67)	
US Bank - Annual Agency Fees	(5,000.00)	
Site Collaborative - DR Falls	(6,772.77)	
Kent Shelton - Dan River Falls	(3,402.00)	
Real Est Consultants 530 Patton	(4,800.00)	
Timmons Group - Lynn St Parking	(5,875.00)	
Cherry Bekaert - CDE	(1,689.65)	
Architectural Partners - DR Falls	(28,834.25)	
Chesapeake Ctrls - 321 Craghead	(2,257.72)	
Shelter Construction - 628 N Main	(635.00)	
CenTech - 527 Bridge	(5,091.17)	
Lucks Lawncare	(1,265.00)	
Utility Bills/Elevator Maint	(13,790.47)	
Insurance	(15,963.51)	(191,723.21)
PASS THROUGHS:		
From City for Incentives		13,000.00
Incentive - River City Fitness		(13,000.00)
Ending Balance at June 30, 2024		**$ 719,492.81**

125 N Union	250.00	
Averett	22,780.00	
Barry Smith	260.00	
Belk	-	5/31
City - Gang Prev.	1,500.00	
City - IT Dept.	11,360.00	
DR Foundation	5,610.00	
Earnhardt Plumbing	2,556.55	
Launch Place	6,000.00	
Link's Café	6,660.00	
MEP	-	
Mind Body Wellness	-	5/31
Morrisette Paper	6,762.61	
Overfinch	12,587.80	
River District Assoc	-	5/31
Riverside Running	2,812.48	
Robert Stephens	-	7/2
Sth VA Legal	1,575.00	
Vintages	2,694.00	
Walraven	14,839.23	
	98,247.67	

Industrial Development Authority
Statement of Account
USDA Loan Funds

For the month ended June 30, 2024

Beginning Balance at June 1, 2024			$ 78,662.37
RECEIPTS:			
	Dry Fork Fruit Dist.	266.07	
	River City Escapes	-	
	Interest	3.23	
			269.30
DISBURSEMENTS:		-	
			-
Ending Balance at June 30, 2024			**$ 78,931.67**

Reconciliation to original USDA grant of $99,000

ORIGINAL USDA FUNDS			$ 99,000.00
LESS OUTSTANDING LOANS:			
	River City Escapes	12,043.59	
	Dry Fork Fruit Dist.	9,421.51	(21,465.10)
INTEREST EARNED			20,804.47
DEFAULTED LOANS			(19,457.70)
PENALTIES EARNED			50.00
BALANCE IN ACCOUNT			**$ 78,931.67**

Industrial Development Authority of Danville
A/R Aging Summary
As of June 30, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
127 North Union	0.00	315.00	315.00	315.00	8,820.00	9,765.00
310-312 Main Street	0.00	-1,347.00	0.00	0.00	0.00	-1,347.00
A La Carte	0.00	0.00	0.00	0.00	533.00	533.00
Averett University	3,701.02	0.00	0.00	0.00	0.00	3,701.02
Danville Regional Foundation	1,233.68	0.00	0.00	0.00	0.00	1,233.68
GSO Aviation	0.00	0.00	2,512.73	0.00	0.00	2,512.73
J&W Associated LLC dba Links Cafe	0.00	2,640.00	0.00	0.00	0.00	2,640.00
Lou's Antiques Co	0.00	0.00	0.00	0.00	26,000.00	26,000.00
Making Everything Possible, LLC	0.00	913.55	0.00	0.00	0.00	913.55
Pittsylvania County IDA	26.47	0.00	0.00	0.00	0.00	26.47
Robert Stephens	0.00	250.00	250.00	92.00	0.00	592.00
Southern Virginia Legal PLLC	0.00	-1,575.00	0.00	0.00	0.00	-1,575.00
Unison Tube, LLC	0.00	0.00	0.00	0.00	69,032.50	69,032.50
Walraven	0.00	14,839.23	0.00	0.00	0.00	14,839.23
TOTAL	4,961.17	16,035.78	3,077.73	407.00	104,385.50	128,867.18

3:20 PM

07/03/24

Accrual Basis

Industrial Development Authority of Danville
Balance Sheet
As of June 30, 2024

		Jun 30, 24
ASSETS		
Current Assets		
Checking/Savings		
Loans (City Funded)		2,040,799.52
North Union Master Tenant LLC		7,166.18
North Union Properties, LLC		18,931.29
Regular Checking		719,492.81
Reserve Account		4,906,491.89
US Bank - 2021A Project Fund		1,548,789.74
USDA Checking		78,931.67
Total Checking/Savings		9,320,603.10
Accounts Receivable		
Real Estate Tax AR		2,902.01
Rent Receivable		121,004.00
Utilities Receivable		4,961.17
Total Accounts Receivable		128,867.18
Other Current Assets		
Allowance for Rent		-101,017.50
Due from City/County		13,818,542.63
Lease Interest Rec. - GASB 87		27,285.55
ST Lease Rec. - GASB 87		693,360.53
Total Other Current Assets		14,438,171.21
Total Current Assets		23,887,641.49
Fixed Assets		
Accumulated Depreciation		-5,457,143.84
Buildings		26,804,618.86
Construction In Progress		14,363,303.39
Equipment		75,000.00
Land		5,842,192.76
Land Improvements		2,580,260.66
Total Fixed Assets		44,208,231.83
Other Assets		
Allowance for Doubtful Accounts		-74,078.35
Interest Receivable		9,523.93
LT Lease Rec. - GASB 87		6,679,091.81
Notes Receivable		
123 South Union LLC Note Receiv	2,742,380.12	
Dry Fork Distillery N/R	10,180.27	
Eng Biopharmaceut Inc.	150,000.00	
Note Rec - Uncle Al's Diner LLC	27,775.84	
River City Escapes Note Receiva	12,043.59	
Southside Ice	14,349.74	
Total Notes Receivable		2,956,729.56
Total Other Assets		9,571,266.95
TOTAL ASSETS		**77,667,140.27**

Industrial Development Authority of Danville
Balance Sheet
As of June 30, 2024

	Jun 30, 24
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Interest	25,503.75
Security Deposits	116,122.45
Total Other Current Liabilities	141,626.20
Total Current Liabilities	141,626.20
Long Term Liabilities	
Bonds Payable	2,408,000.00
Deferred Lease Rev - GASB 87	7,221,497.42
Lease Revenue Note - 2021A	10,000,000.00
Notes Payable	
1st National Gaither Rd Parcels	478,164.82
AUB - 1350 Barker Road	850,304.23
AUB - 206/208 N Union Loan	683,655.77
AUB - 500 Stinson Drive	705,869.46
AUB - 512 Bridge Loan	1,430,288.31
AUB - Cyber Park Shell Building	1,939,383.80
AUB - Dan River Falls	9,262,577.63
AUB Loan - 500 Stinson #2	131,244.03
AUB Loan - Locket Drive	932,956.51
AUB Loan - Old Belt 1 Upfit	541,039.44
Locus Bank - 1 Ecomnets Way	1,412,767.35
Movement Bank - 816 Monument	476,832.06
VSBFA - 500 Cane Creek	1,318,609.47
VSBFA - MEP Loan	63,992.00
Total Notes Payable	20,227,684.88
Revolving Loan Fund - USDA	99,000.00
Total Long Term Liabilities	39,956,182.30
Total Liabilities	40,097,808.50
Equity	
Contributed Capital	150,000.00
Opening Bal Equity	4,856,400.56
Retained Earnings	32,669,320.33
Net Income	-106,389.12
Total Equity	37,569,331.77
TOTAL LIABILITIES & EQUITY	**77,667,140.27**

Industrial Development Authority of Danville
Profit & Loss
July 2023 through June 2024

		Jul '23 - Jun 24
Ordinary Income/Expense		
Income		
Grants		
Grants - City of Danville	4,343,981.98	
Grants - Commonwealth of VA	2,316,612.22	
Grants - Other	75,000.00	
Total Grants		6,735,594.20
Parking Space Rental Income		10,704.00
Program Fees		21,875.00
Reimbursed Expenses		129,010.07
Rental Income		1,101,842.19
Total Income		7,999,025.46
Gross Profit		7,999,025.46
Expense		
Bank Service Charges		5,866.66
Grant Repayments		5,035,000.00
Incentive Payments		1,184,509.63
Insurance		147,188.79
Interest Expense		999,655.20
Licenses and Permits		2,949.57
Loan Fees		15,636.97
Office Supplies		775.25
Professional Fees		
Accounting	32,269.65	
Consulting	504,319.11	
Legal Fees	24,161.50	
Professional Fees - Other	60,539.69	
Total Professional Fees		621,289.95
Repairs		
Building Repairs	128,389.99	
Repairs - Other	936.26	
Total Repairs		129,326.25
Taxes		52,850.65
Telephone		3,725.75
Utilities		67,436.34
Total Expense		8,266,211.01
Net Ordinary Income		-267,185.55
Other Income/Expense		
Other Income		
Interest Income		263,353.43
Total Other Income		263,353.43
Other Expense		
Loss on Sale of Property		102,557.00
Total Other Expense		102,557.00
Net Other Income		160,796.43
Net Income		**-106,389.12**

Industrial Development Authority

STAFF REPORT

DATE: July 9, 2024

TO: Industrial Development Authority

FROM: Samantha Bagbey, Project Manager

RE: Lease for 208 N Union Suite 100 between the IDA and Christine B Eanes, LLC

Request to approve a lease agreement between Industrial Development Authority of Danville, Virginia, and Christine B. Eanes, LLC, D/B/A Revive Nutrition for a period of three (3) years with the lease rate contingent on electrician unfit costs.

ATTACHMENTS

1. 1426-RES-Lease Agmt IDA _Christine Eanes LLC_Revive Nutrition
2. 1426 Attachment-Lease IDA-Christina Evans LLC

PRESENTED: July 9, 2024

ADOPTED: July 9, 2024

RESOLUTION NO. 2024- 07 - 01 .

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE-AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND CHRISTINE B. EANES, LLC, D/B/A REVIVE NUTRITION FOR THE PROPERTY IDENTIFIED AS 208 NORTH UNION STREET SUITE 100.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes a Lease-Agreement between the Industrial Development Authority of Danville, Virginia and Christine B. Eanes, LLC, D/B/A Revive Nutrition, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED, by the IDA that it hereby approves and authorizes a lease term of Thirty-Six (36) months at a lease rate of $600.00 per month; and

BE IT FINALLY RESOLVED, by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any Officer, to execute the new Lease Agreement and any other documents necessary to complete the transaction described in this resolution.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is entered into and effective as of this 1ST day of August 2024, between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Landlord"), **and Christine Eanes (in her personal and individual capacity), AND Christine B Eanes, LLC (Virginia lD #11708218) ("Tenant") D/B/A, Revive Nutrition**.

WITNESSETH

FOR and in consideration of the mutual promises and covenants of the parties to this Lease, the parties do covenant and agree as follows:

1. Definitions: The following words or phrases shall have the following meanings when used in this Lease, unless otherwise specifically provided:

   "Agreement" shall mean this lease agreement including all terms, conditions, rights, and responsibilities between the above-named Landlord and Tenants.

   "Building" shall mean all of the building or other structure located on, or hereafter placed upon, the First Floor Suite **located at 208 N. Union Street Suite 100 and bearing tax Parcel ID number 24488.**

   "Commencement date" shall mean August 1, 2024.

   "Premises" shall mean the first floor of the building (approximately 488 sq. ft.) known as 208 N. Union Street STE 100 (parcel #24488).

   "Real Estate Taxes" shall mean all real estate taxes, assessments, or charges upon all or any portion of the Entire Property or any Buildings or improvements thereon or the Premises or improvements thereon.

2. Recitals: The parties to this Lease recite the following facts:

   A. Landlord is the Industrial Development Authority of Danville, Virginia (IDA), a political subdivision of the Commonwealth of Virginia.

   B. Tenants are **Christine Eanes and Christine B Eanes, LLC, D/B/A, Revive Nutrition.**

   C. The Landlord desires to lease the Premises to the Tenants and the Tenants desires to lease the Premises from the Landlord for the primary purpose of operating a nutrition and wellness business in the Central Business District.

3. Lease of Premises:

Landlord hereby leases to Tenants, and Tenants hereby leases from the Landlord the Premises, described above in Paragraph 1.

4. Term:

A. Initial Term:
The initial term of this Lease ("Term") shall begin upon the commencement date of this Lease by the parties hereto and shall extend for thirty-six (36) months after the Commencement Date to the Termination Date.

B. Renewal Lease Term:
If the Lease is still in full force and effect, Tenant, with written approval by Landlord, may renew the lease for as many as two (2) new twelve (12) month renewal, provided written notice of the election to renew shall be delivered to Landlord not less than sixty (60) days prior to the expiration of the previous lease term. If said extension is duly exercised by Tenant and approved by Landlord, the Term of this Lease shall be automatically extended for an additional twenty-four-month period upon all of the same terms, provisions and conditions set forth in this Lease **except** the new amount of rent for each renewed term.

5. Rent:

A. Tenant shall pay as rent to Landlord during the Initial term Six Hundred Dollars ($600.00) per month for the first thirty-six (36) months of the lease beginning on August 1, 2024. Rent is payable and due in advance on the first day of each calendar month during the Lease term to Landlord at such place designated by written notice from Landlord or Tenants. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis.

B. The rental rate for any Renewal Lease term, if exercised by the Tenants as permitted under this Lease, shall be as follows. Tenant's rent will increase to $630 (5% increase from initial lease term) per month for the first twenty-four months of the lease term. Each renewal will receive a 5% increase per lease term.

C. A security deposit of $600.00 equal to the first month's rent is required to be paid prior to the Commencement Date as defined in paragraph 1 above for both the initial term and each subsequent renewal term.

6. Maintenance, Improvement and Repairs:

A. Tenants shall make, at Tenant's expense, all necessary improvements to the Premises including floors, walls, ceilings, plumbing, and lighting. Routine ongoing repairs of interior areas not defined as the Premises and the exterior of the building including the roof, walls, foundation, gutters, downspouts, drainage systems, (signage excepted) shall be responsibility of the Landlord.

B. If Repairs relate to an insurable claim, the Party entitled to insurance recovery must pay for the repairs.

C. Tenants are responsible for their own trash disposal, janitorial, and any needed security services.

7. <u>Alterations and Improvements:</u>

A. Tenants, at Tenants, expense, shall have the right following Landlord's written consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Premises from time to time as Tenants may deem desirable, provided the same shall not adversely affect the structural integrity of the Building and are made in compliance with all applicable codes and are otherwise performed in a workmanlike manner and utilizing good quality materials.

B. Tenants shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Premises and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenants at the commencement of the Lease term or placed or installed on the Leased Premises by Tenants, thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenants shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenants at Tenants' expense.

8. <u>Use.</u>

A. Tenants shall not use nor cause to be used all or a portion of the Premises for any of the following: 1) sexually oriented adult entertainment, 2) bookstore or magazine shop selling pornographic materials, 3) billiard parlor or pool hall, 4) any use which is not permitted by right under zoning classification applicable to the Premises, and 5) any other use which is illegal under any laws applicable to the Premises.

B. Tenants shall use Premises for the operation of a commercial food service business. In the event that Tenants no longer uses Premises as a commercial food and wellness service this Lease shall end upon thirty (30) days' notice by Landlord.

9. Taxes.

A. Personal Property Taxes: Tenants shall be responsible for paying all personal property taxes with respect to Tenants' personal property at the Premises.

B. Real Estate Taxes: Tenants shall be responsible for paying all real estate taxes for the Premises (approximately 488 sq. ft.) known as 208 N. Union Street STE 100 (parcel #24488)

10. Insurance.

A. Landlord shall maintain fire and extended coverage insurance on the Building and the Entire Property in such amounts as Landlord shall deem appropriate.

(i) Tenants shall be responsible, at its expense, for fire and extended coverage insurance on all its personal property, including removable trade fixtures, located in the Premises.

B. Tenants and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than $1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenants' policy or policies of comprehensive general liability insurance, and Tenants' compliance with this Paragraph. Tenants shall obtain the agreement of Tenants' insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

11. Utilities.

Tenants shall pay all charges for water, sewer, gas, electricity, telephone, internet and all other services of and for leased premises.

12. Signs.

Tenants shall have the right to place on the Premises any sign which is permitted by applicable zoning ordinances and private restrictions. Tenants shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenants.

13. <u>Entry.</u>

Landlord shall have the right to enter upon the Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with business of the Tenants on the Premises. Landlord will attempt to contact Tenants twenty- four (24) hours prior to entry except in the case of an emergency in which case no notice would be required.

14. <u>Damage and Destruction</u>.

If the Premises or any part thereof or any appurtenance thereto is so damaged, not caused by Tenants, by fire, casualty, or structural defects that the same cannot be used for Tenants' purposes, then Tenants shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage, not caused by Tenants, to any part of the Premises, and if such damage does not render the Premises unusable for Tenants' purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, epidemics, swarms of boll weevils, plagues of locusts, inability to obtain necessary permits, materials, or labor or other matters, which are beyond the reasonable control of Landlord. Tenants shall be relieved from paying rent and other charges during any portion of the Lease term that the Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenants' purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenants. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence, which is beyond Tenants' reasonable control, and which renders the Premises, or any appurtenance thereto, inoperable, or unfit for occupancy or use, in whole or in part, for Tenants' purposes.

15. <u>Default.</u>

If default shall at any time be made by Tenants in the payment of rent when due to Landlord as herein provided, and if said default shall continue for five (5) days after written notice thereof shall have been given to Tenants by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenants, and such default shall continue for ten (10) days after notice thereof in writing to Tenants by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenants written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenants default, either in law or equity.

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenants of its obligations hereunder, Landlord will keep and maintain Tenants in exclusive, quiet, peaceable, undisturbed, and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.

If any legally, constituted authority condemns the building or such part thereof which shall make the Premises unsuitable for leasing, this Lease shall cease when the public authority issues the condemnation order, and Landlord and Tenants shall account for rent as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Subordination.

Tenants accept this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenants agree that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust, or other lien now existing or hereafter placed upon the Leased Premises of the Building and Tenants agree upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request Tenants agree that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenants alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

19. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:
Industrial Development Authority of Danville, Virginia
C/O City Attorney's Office
P.O. Box 3300
Danville, VA 24543

With a copy to:
City Attorney's Office
P.O. Box 3300
Danville, VA 24541

If to Tenants:
Christine B Eanes
644 Summit Road
Eden, North Carolina 27288

20. Brokers.

Tenants represent that Tenants were not shown the Premises by any real estate broker or agent and that Tenants have not otherwise engaged in any activity, which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

21. Waiver.

No waiver of any default of Landlord or Tenants hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenants shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

23. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenants and their respective legal representatives, successors and assigns.

24. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

25. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenants to Landlord specifying the default, Tenants may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenants shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the Landlord of five percent (5%) per annum. If this Lease terminates prior to Tenants' receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenants on demand.

26. Compliance with Law.

Tenants shall comply with all laws, orders, ordinances, and other public requirements now or hereafter pertaining to Tenants' use of the Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

27. Applicable Law and Entire Agreement.

A. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

B. This Agreement and the performance thereof shall be governed by and enforced under the laws of the Commonwealth of Virginia, and if legal action by either party is necessary for or with respect to the enforcement of any or all of the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia.

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord:

Industrial Development Authority
of Danville, Virginia

By: ______________________________
Name: T. Neal Morris
Its: Chairman

Tenant:

Name: Christine Eanes (in her personal and individual capacity)

By: ______________________________
Name: Christine Eanes

Tenant:

Christine B Eanes, LLC,
SCC # 11708218

By ______________________________
Name: Christine Eanes
Title: Owner

Industrial Development Authority

STAFF REPORT

DATE: July 9, 2024

TO: Industrial Development Authority

FROM: W. Clarke Whitfield Jr., City Attorney

RE: Purchase of 530 Patton Street Parcels 20218 and 20215

Approval of the Purchase of 530 Patton Street Parcels 20218 and 20215

ATTACHMENTS

1. 2024-07-09 IDA Purchase Agmt for 530 Patton St Parcels 20218 and 20215
2. 2024.07.09 Attachment Purchase Agmt 530 Patton St

PRESENTED: July 9, 2024

ADOPTED: July 9, 2024

RESOLUTION NO. 2024-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT, AS WELL AS THE ACTUAL PURCHASE OF 530 PATTON STREET, PARCEL NO. 20218 AND PARCEL NO. 20215 BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND PHOENIX INVESTMENT PARTNERS, LLC IN AN AMOUNT NOT TO EXCEED $835,000.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize the execution of a purchase agreement for 530 Patton Street, Parcel #20218 and 20215, at a cost not to exceed $835,000, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize the actual purchase of 530 Patton Street, Parcels 20218 and 20215 between the Industrial Development Authority of Danville, Virginia and Phoenix Investment Partners, LLC for a purchase price that does not exceed Eight Hundred Thirty-five Thousand dollars ($835,000); and

BE IT FINALLY RESOLVED by the Industrial Development Authority of Danville, Virginia, that it hereby directs the Chairman, or in his absence any officer, of the Industrial Development Authority of Danville, Virginia to execute any and all documents necessary to finalize the above referenced transaction.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE ("Agreement") is made and entered into this _____ day of ___________ 2024, between Phoenix Investment Partners, LLC, a Virginia Limited Liability Company (VSCC Entity ID # S1063918), whose address is 530 Patton St., Danville, VA 24541 (hereinafter called "Seller"), and Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, whose address is P.O. Box 3300, Danville, VA 24543 (hereinafter called "Purchaser").

W I T N E S S E T H:

WHEREAS, Seller is the owner of those certain parcels of real property containing approximately 1.00 acre, more or less, further identified as 530 Patton Street (Parcel Nos. 20218 and 20215) along with all improvements, in the City of Danville, Virginia, more particularly described on Exhibit "A" attached hereto and incorporated herein (and shall hereinafter be referred to collectively as the "Property"); and

WHEREAS, Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. Purchase and Sale. Subject to the terms and conditions hereinafter set forth, Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller the Property, together with (a) all rights, easements and privileges, appurtenances belonging and appertaining thereto, including, without limitation, all easements, rights of way or other interests in, on or under any lands, highways, alleys, streets, or rights of way abutting or adjoining the Property (b) all buildings and other improvements thereon, and (c) and any fixtures attached to the Property.

2. Purchase Price. (a) The purchase price ("Purchase Price") to be paid by Purchaser to Seller for the Property shall be Eight Hundred Thirty-Five Thousand Dollars and no/100s ($835,000.00) to be paid by check or wire transfer in United States Currency.

(b) At "Closing," the Purchase Price payable by Purchaser to Seller shall be paid by cash, cashier's check or wire transfer to Phoenix Investment Partners, LLC (the "Closing Agent").

3. Closing Agent and Deposit. The Closing agent shall be named by the Seller ten (10) business days prior to the Closing Date. No deposit is required as a part of this sale.

4. Representations and Warranties of Seller. Seller, to induce Purchaser to enter into this Agreement and to complete Closing, makes the following representations and warranties to Purchaser, which representations and warranties are true and correct as of the date of this Agreement, and shall be true and correct at and as of the Closing Date, as such term is defined in Section 10 below and used throughout this Agreement, in all respects as though such representations and warranties were made both at and as of the date of this Agreement, and at and as of the Closing Date:

(a) There is no action, suit, or proceeding pending or, to the knowledge of Seller, threatened against or affecting the Property or any portion thereof.

(b) Seller has not received any written notice of any condemnation proceeding or other proceedings in the nature of eminent domain ("Taking") which is currently pending in connection with the Property, and to Seller's knowledge no Taking has been threatened.

(c) Sellers represents to the best of its knowledge that the Property is free and clear of any hazardous materials, waste or other contamination and that there are no underground storage tanks located on the Property.

(d) Seller is and on the Closing Date shall have full power and authority to enter into and perform this Agreement and all documents, instruments and contracts entered into or to be entered into by it pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement is, and all documents to be executed by Seller and delivered to Purchaser at the Closing will be on the Closing Date, duly authorized, executed and delivered by Seller and all consents and approvals of third parties have been obtained. This Agreement is, and all documents to be executed by Seller and delivered to Purchaser at the Closing will be the legal, valid, and binding obligations of Seller; enforceable in accordance with their respective terms; and will not violate any provisions of any agreement, judicial order, or any other thing to which Seller is a party or to or by which Seller or the Property is subject or bound.

(e) The Property is not subject to any roll back tax or any similar tax related to the discontinuance of any use to which the Property has been put.

(f) Seller has not received any notice or notices of violation (or claimed violations) of any law, ordinance, order, statute, rule, or regulation or any complaints, order, citation, or notice with regard to, affecting, or relating to the Property.

(g) No tax appeals are currently pending with respect to the Property.

(h) Seller has not entered into any presently effective contract regarding the sale, conveyance, transfer, or disposition of the Property (except for this Agreement). Seller has not granted to anyone and no one possesses any option to purchase or right of first refusal to purchase the Property. Seller has not entered into any occupancy agreement, lease, or the like with respect to, and no one has any right to use or occupy, the Property, except Purchaser acknowledges the two present unwritten leases with respect to the Property, entered into with

All-Virginia Title & Escrow, Inc. and Mark Alan Harris, Attorney At Law, PC, respectively, which leases shall be terminated on or before Closing. Seller shall not enter into any other lease prior to Closing unless such lease is consented to by Purchaser prior to its execution.

5. Inspections. (a) Sellers and Purchaser hereby acknowledge that as of the date of the execution of this Agreement, Purchaser has not yet had an opportunity to fully review and evaluate this transaction;

(b) Upon reasonable prior notice to Seller, Purchaser, its agents, employees, and representatives shall have access to the Property at all reasonable times to inspect the Property and to conduct reasonable tests thereon including, but not limited to, soil and groundwater borings and hazardous waste studies, and to make such other examinations with respect thereto as Purchaser, its counsel, licensed engineers, surveyors, or other representative(s) may deem reasonably necessary. Seller reserves the right to be present, or have its agent or representative present, during Purchaser's investigations of the Property. Any tests, examinations, or inspections of the Property by Purchaser and all costs and expenses in connection with Purchaser's inspection of the Property shall be at the sole cost of Purchaser and shall be performed in a manner not to unreasonably interfere with the Seller's ownership of the Property. Further, Purchaser shall be responsible for any and all damage caused by such inspections, examinations, testing, and disposal of all waste produced at the Property as a result of such investigations and shall sign, as generator, all forms necessary for such disposal. Purchaser shall immediately remove any lien of any type which attaches to the Property by virtue of any of such inspections, examinations or tests. Upon completion of any such inspection, examination, or test, Purchaser shall restore any damage to the Property caused by such inspection, examination, or test.

(c) Purchaser acknowledges that, irrespective of what is disclosed or yielded by said tests, examinations, or inspections, Purchaser agrees to accept the Property in its current physical condition without exception, subject only to the contingencies and conditions contained in the remaining subparagraphs of this Section ~~herein~~. Purchaser further acknowledges that this transaction is in all respects an "AS IS WHERE IS" deal with all faults and problems of whatever type or kind, known and unknown, and, irrespective of what Purchaser sees, or does not see, Purchaser takes the Property and all improvements "AS IS" without warranties or representations of any type or kind by Seller, except as otherwise provided in the remaining subparagraphs of this Section ~~herein~~.

(d) Within ninety (90) days of the Date of this Agreement, Purchaser may obtain, at its sole option and at its sole cost and expense, a title insurance commitment ("Commitment") issued by the Closing Agent covering the Property, a survey (the "Survey") of the Property, dated subsequent to the date hereof, prepared by a licensed surveyor or Registered Professional authorized to do business in the Commonwealth of Virginia, and an Environmental Site Assessment ("Environmental Assessment") dated subsequent to the date hereof.

(e) Purchaser shall review the Commitment, the Survey and the Environmental Assessment and shall, within one hundred twenty (120) days of the Date of this Agreement, notify Sellers in writing ("Objection Notice") of any matters ("Defects") evidenced by the Commitment, the Survey, or the Environmental Assessment that adversely affect the marketability of the Property. Any such matters not specified as Defects in the Objection Notice or any Defects waived (or deemed waived) by Purchaser pursuant to the terms hereof shall be deemed Acceptable Exceptions. Upon receipt of the Objection Notice, Sellers may, but shall not be obligated to, cure such Defects. In the event that Sellers are unwilling or unable to cure any Defect(s) on or before the Inspection Completion Date ("Cure Period"), Seller shall notify Purchaser in writing then Purchaser, at Purchaser's option, may within ten (10) days thereof: (i) elect to accept title to the Property subject to the Defects without any adjustment to the Purchase Price (in which event the remaining Defects shall be deemed Acceptable Exceptions); or (ii) terminate this Agreement by written notice thereof to Sellers, whereupon this Agreement shall be terminated, the Deposit shall be returned to Purchaser and both parties shall thereafter be released from all further obligations hereunder. In the event Purchaser fails to elect to terminate the Agreement as provided above within such 10-day period, Purchaser shall be deemed to have elected clause (i) above.

If Sellers notifies Purchaser that it intends to take action to effectuate the removal of the objected to exceptions, then Sellers shall be obligated to take all action of which it advised Purchaser in the Response Notice that it would take.

(f) The provisions of this Section shall survive any termination of this Agreement.

6. Environmental Studies and Soil Tests.

Purchaser acknowledges that prior to the Closing Date, Purchaser may conduct any environmental and soils tests with respect to the Property which Purchaser may deem necessary or advisable, and Purchaser shall rely upon such tests as well as Sellers's Representations and Warranties contained in section three (3) above, in electing whether or not to purchase the Property.

7. Covenants by Seller. Between the date hereof and the Closing, Seller agrees that:

(a) Seller will maintain the Property in the same condition as it is on the date of this Agreement (reasonable wear and tear excepted);

(b) Seller will not, by reason of any action or omission of Seller, cause or permit any representation or warranty to become not true, incorrect, or inaccurate;

(c) Seller shall perform any and all material obligations with respect to the Property under all easements, covenants, restrictions, and contracts of record;

(d) Seller will promptly give notice to Purchaser of every threatened or actual litigation, whether or not covered by insurance against or relating to the Property (including, without limitation, the sale thereof to Purchaser) or any portion thereof between the date of this Agreement and the Closing;

(e) Seller will not, without the prior written consent of Purchaser, apply for, consent to or process any applications for zoning, re-zoning, variances, site plan approvals, subdivision approvals, or development with respect to the Property or any portion thereof;

(f) Seller will not, without the prior written consent of Purchaser, grant any rights or other privileges in or with respect to the Property or any portion thereof or grant, or consent to or waive the right to object to, any easements, covenants, or restrictions affecting all or any portion of the Property;

(g) Seller will not enter into or modify any mortgages, operating agreements, ground leases, space leases, or other agreements or encumbrances with respect to or affecting the Property or any portion thereof;

(h) Seller shall compile all non-privileged documents in its possession related to the history, nature, condition, description, or maintenance of the Property, including, but not limited to, any and all structures that exist on the Property, so that such documents may be transferred to Purchaser on or before Closing; and

(i) Seller will promptly notify Purchaser if it discovers, determines, or is notified that any warranty or representation made by Seller hereunder is not (or is no longer) true.

8. Seller’s Defaults; Purchaser’s Remedies. In the event that Seller shall be in material default hereunder for any reason other than Purchaser’s default, Purchaser may deliver a written notice to Seller stating with particularity the alleged default of Seller, the action required by Seller to cure such default, and Purchaser’s intent to exercise its remedies provided below if the default is not cured. Seller shall have five (5) business days after receipt of such notice to cure the alleged default to Purchaser’s reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such five (5) business day period). In the event such default is not cured within such five (5) business day period, then Purchaser may elect, as its sole and exclusive remedy, for such default, to terminate this Agreement by written notice to Purchaser and the Closing Agent. Purchaser hereby expressly waives its rights to seek damages in the event of Seller’s default hereunder.

9. Purchaser’s Default; Seller’s Remedies. In the event that Purchaser shall be in default hereunder for any reason other than Seller’s default, Seller may deliver a written notice to Purchaser stating with particularity the alleged default of Purchaser, the action required by Purchaser to cure such default, and Seller’s intent to terminate this Agreement if the default is not cured. Purchaser shall have five (5) business days after receipt of such notice to cure the alleged default to Seller’s reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such five (5) business day period). In the event such default is not cured within such five (5) business day period, then Seller may, as Seller’s sole and exclusive remedy for such default, terminate this Agreement by written notice to Purchaser and the Closing Agent. Seller hereby expressly waives its rights to seek damages in the event of Purchaser’s default hereunder.

10. Prorations. At Closing, real estate taxes, assessments and all other items of income and expense shall be prorated as of the Closing Date. Any assessments for prior years due to change in land usage or ownership, including, without limitation, rollback taxes, shall be the sole responsibility of Seller. The terms and provisions of this Section shall survive Closing.

11. Closing Costs. (a) Seller shall be responsible for the (i) costs of preparing the Deed (as hereinafter defined) and (ii) the Grantor's Tax on the Deed, if any.

(b) Purchaser shall be responsible for (i) the cost to obtain a commitment for owner's tile insurance (the "Commitment"), (ii) all premiums and other charges on the owner's title policy issued to Purchaser pursuant to the Commitment (the "Title Policy") and any endorsements to the Title Policy, (iii) all documentary stamps taxes and transfer taxes on the Deed, with the exception of the Grantor's Tax, (iv) documentary stamps and intangible costs on any deed of trust and notes, and (v) the recording costs on the Deed.

(c) Each party shall be responsible for payment of its own legal fees.

12. Closing. The "Closing" shall be held no later than January ____, 2025, unless otherwise agreed upon by the parties to this Agreement (the "Closing Date"). It is expressly agreed by Seller and Purchaser that time is of the essence with respect to the parties' obligations to close this transaction on the Closing Date. For the avoidance of doubt, Seller and Purchaser acknowledge that any adjournment of the Closing Date pursuant to any right of adjournment granted hereunder, then time shall be of the essence with respect to Seller's and Purchaser's obligation to close this transaction on such adjourned Closing Date.

(a) At Closing, Seller shall cause to be executed and delivered to Purchaser the following documents with respect to the Property being conveyed:

(i) A general warranty deed ("Deed") subject only to the acceptable exceptions identified in Purchaser's title insurance policy;

(ii) A non-foreign affidavit in a form reasonably acceptable to Purchaser;

(iii) Such other documents that the Closing Agent may reasonably require in connection with the issuance of the owner's policy to Purchaser, including, but not limited to, such affidavits required for deletion of the parties in possession and mechanics' lien exceptions appearing on an owner's title insurance policy; and

(b) At Closing, Purchaser shall deliver the Purchase Price (subject to prorations and adjustments as may be agreed upon by the parties to this Agreement).

(c) At Closing, Seller and Purchaser shall each execute counterpart closing statements in a customary form, and such other documents required by the Closing Agent that are reasonably necessary to consummate Closing.

(d) At Closing, both parties shall pay their respective costs by wire transfer or by cashier's check drawn on a bank reasonably acceptable to Closing Agent.

13. Brokers. Each party warrants and represents to the other that no real estate broker or agent has been involved in negotiations leading to the execution of this Agreement and that no other commission is owed to any other broker or agent as a result of the action of such party. Each party agrees to hold the other harmless from any loss, cost or charge (including reasonable attorneys' fees) arising from the assertion by any other broker or agent that any fee or commission is owed because of the acts or agreement of such party. The provisions of this Section shall survive the Closing and any cancellation or earlier termination of this Agreement.

14. Assignability. Purchaser shall not have the right to assign this Agreement and its rights hereunder to any entity or person without Seller's prior written consent, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Purchaser shall have the right, without Seller's consent, to assign this Agreement and its rights hereunder to any entity which, directly or indirectly, shall control, be controlled by, or be under common control with Purchaser or any director or officer of Purchaser.

15. Notices. Any notices required or permitted to be given under this Agreement shall be in writing and shall be deemed given if delivered by hand, sent by recognized overnight courier (such as Federal Express), transmitted via facsimile transmission, or mailed by certified or registered mail return receipt requested, in a postage pre-paid envelope, and addressed as follows:

If to Seller:
Phoenix Investment Partners, LLC
Attn: Terrie W. Chaplin, Manager
P.O. Box 3300
Danville, VA 24541

With a copy to:
PLDR Law, PC
Attn: Steven P. Gould, Esq.
P.O. Box 47
Danville, VA 24543

If to Purchaser:
Industrial Development Authority of Danville, Virginia
Attn: City Attorney's Office
P.O. Box 3300
Danville, VA 24541

With a copy to:
City Attorney's Office
P.O. Box 3300
Danville, VA 24541

Notices personally delivered or sent by overnight courier shall be deemed given on the date of receipt, notices sent via electronic mail or facsimile transmission shall be deemed given upon transmission, and notices sent via certified mail in accordance with the foregoing shall be deemed given when deposited in the U.S. Mails.

16. Eminent Domain. If, prior to Closing, the Property or any material portion thereof is taken by eminent domain, Seller shall promptly notify Purchaser and Purchaser shall have the option of either: (i) canceling this Agreement by delivery of written notice to Seller and both parties shall be relieved of all further obligations under this Agreement; or (ii) Purchaser may proceed with the Closing, whereupon Purchaser shall be entitled to and Seller shall assign to Purchaser all of Seller's interest in all condemnation payments, awards, and settlements applicable to the Property.

17. Miscellaneous.

(a) This Agreement shall be construed and governed in accordance with the laws of the Commonwealth of Virginia and, in the event of any litigation hereunder, the venue for any such litigation shall be the City of Danville, Virginia. All of the parties to this Agreement have participated fully in the negotiation and preparation hereof and, accordingly, this Agreement shall not be more strictly construed against any one of the parties hereto.

(b) In the event any interpretation of this Agreement is determined by appropriate judicial authority to be illegal or otherwise invalid, such provision shall be given its nearest legal meaning or reconstrued as deleted as such authority determines, and the remainder of this Agreement shall be construed to be in full force and effect.

(c) In the event of any litigation between the parties under this Agreement, each party shall be responsible for its own attorneys' fees and court costs through all trial and any appellate levels. The provisions of this subparagraph shall survive the Closing and any termination or cancellation of this Agreement.

(d) In construing this Agreement, the singular shall be deemed to include the plural, the plural shall be deemed to include the singular, the use of any gender shall include every other gender, and all captions and paragraph headings shall be discarded.

(e) All of the Exhibits to this Agreement are incorporated in and made a part of this Agreement.

(f) This Agreement constitutes the entire agreement between the parties for sale and purchase of the Property and supersedes any other agreement or understanding of the parties with respect to the matters herein contained. This Agreement may not be changed, altered, or modified except in writing signed by the party against whom enforcement of such a change would be sought. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

(g) The term "Effective Date" or such other similar term, shall mean the date on which Seller and Purchaser have executed and delivered this Agreement.

(h) The parties hereby agree that time is of the essence with respect to performance of each of the parties' obligations under this Agreement. The parties agree that in the event that any date on which performance is to occur falls on a Saturday, Sunday, or state or national holiday, then the time for such performance shall be extended until the next business day thereafter occurring.

(i) This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original, all of which shall be deemed to be one and the same instrument. Facsimile transmission signatures shall be deemed original signatures.

(j) The Seller shall repair any damage to the Property caused by the removal of Seller's Personal Property, ordinary wear and tear excepted.

WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

SELLER:
Phoenix Investment Partners, LLC

By: _________________________________
Name: Terrie W. Chaplin
Title: Manager

PURCHASER:
Industrial Development Authority of Danville, Virginia

By: _________________________________
Name: T. Neal Morris
Title: Chairman

Exhibit "A"

SEE NEXT PAGE