DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY AGENDA

City of Danville, Virginia
County of Pittsylvania, Virginia

Institute for Advanced Learning and Research
150 Slayton Avenue, Room 206
Danville, Virginia

September 9, 2024

12:00 PM

County of Pittsylvania Members

William V. ("Vic") Ingram, Chairman
Robert M. Tucker, Jr.
Darrell W. Dalton, Alternate

City of Danville Members

Sherman M. Saunders, Vice Chairman
J. Lee Vogler, Jr.
Dr. Gary P. Miller, Alternate

Staff

Kenneth F. Larking, City Manager Officer
Vincent Shorter, Interim County Administrator Officer
Christian & Barton, L.L.P., Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer

1. **MEETING CALLED TO ORDER**

2. **ROLL CALL**

3. **PUBLIC COMMENT**

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments.

[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]

4. **APPROVAL OF MINUTES**

A. Consideration of Approval of Minutes from Regular Meeting held on August 12, 2024.

5. **NEW BUSINESS**

A. Consideration of Resolution No. 2024-09-09-5A, authorizing the negotiation, execution and delivery of a license agreement with Strata Solar, LLC, a North Carolina limited liability company, or its affiliates, for licensee's non-exclusive access to an existing electrical easement on a portion of the Authority's real property, commonly known as Tract AB, containing approximately 520.003 acres, in the Authority's Southern Virginia Megasite at Berry Hill project, located in the Pittsylvania County, Virginia, whereby licensee will construct and operate electrical lines and appurtenant facilities for the transmission and distribution of electricity related to licensee's adjacent solar facility; the license agreement will be for a term of one (1) year, which the Authority may extend the term for one (1) additional year; and licensee will pay a monthly fee equal to $1,500.00 – Matthew D. Rowe, Director of Economic Development, Pittsylvania County, and Brian K. Bradner, P.E., Senior Vice President, Dewberry Engineers

B. Consideration of Resolution No. 2024-09-09-5B, authorizing the execution and delivery of that certain Contract of Sale between the Authority, as buyer, and Waller S. Hairston, William Hunt Hairston, Allen Waller Hairston, Anne Bartlett Hairston-Strang, and Sallie Hairston Miller, collectively as sellers, for the Authority's purchase of certain real property located in Pittsylvania County, Virginia, consisting of approximately 289.47 acres (GPIN 1366-12-5834), commonly known as Berry Hill Rd/863 Dan River-Oak Hill Tr., provided however that the Authority shall only be authorized to deliver a non-refundable deposit equal to $50,000.00 allowing the Authority to initiate a review period in order to conduct due diligence on property for period of 90 days, and where the Authority has the option to extend the review period for two consecutive extensions of 30 days each subject to an extension fee $16,500.00 per extension – Mr. Rowe and Michael C. Guanzon, Esq., Christian & Barton, L.L.P., Authority Legal Counsel

C. Consideration of Resolution 2024-09-09-5C, approving that certain Local Performance Agreement with RBW Sports & Classics, Inc. (the "Company"), a Delaware corporation and an affiliate of RBW Classic Cars Ltd., a United Kingdom private limited company, under which the Company will establish and operate an electric car manufacturing facility at 1350 Barker Road, Ringgold, Virginia, at the Authority's Cane Creek Centre Industrial

Park, under a lease with the Industrial Development Authority of Danville, Virginia, including without limitation an option to purchase, and the City of Danville, Virginia, and the County of Pittsylvania, Virginia, would provide certain tax rebates and the waiver of certain permit fees and connection fees, in exchange for, among other things, the creation by the Company of 144 new jobs with an average annual wage of at least $53,514.67, excluding standard fringe benefits, and certain minimum capital investment of $7,951,000.00, over a performance period of 5 years – Mr. Rowe and Corrie T. Bobe, Director of Economic Development, City of Danville

D. Financial Status Reports as of August 31, 2024 - Michael L. Adkins, Authority Treasurer.

6. CLOSED MEETING

During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and

B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority's Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2- 3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and

D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; and

E. *As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.*

7. RETURN TO OPEN SESSION

A. Confirmation of Motion and Vote to Reconvene in Open Meeting.

B. Motion to Certify Closed Meeting.

8. COMMUNICATIONS

A. Authority Board Members

B. Staff

9. ADJOURN

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 4.A.

DATE: September 9, 2024

FROM: Susan DeMasi | Authority Secretary

RE: Consideration of Approval of Minutes from Regular Meeting held on August 12, 2024.

ATTACHMENTS

1. Meeting Minutes

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
August 12, 2024

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:13 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, J. Lee Vogler, Jr. and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman William V. Ingram, Robert Tucker and Alternate Darrell Dalton. *(Dr. Miller left the meeting at 2:06 p.m. and Mr. Vogler left the meeting at 2:10 p.m.)*

City/County staff members attending were: City Manager Ken Larking, Interim County Administrator Vincent Shorter, Authority Treasurer Michael Adkins, City of Danville Accountants Meredith Franklin and Jaime Pritchett, Pittsylvania County Director of Finance Kim Van Der Hyde, City of Danville Director of Economic Development Corrie Bobe, Assistant Director of Economic Development Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Pittsylvania County Project Manager Kattie Saunders, Legal Counsel to the Authority Steven Lippman (via zoom) and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Shawn Harden from Dewberry, Linda Green from the Southern Virginia Regional Alliance, Antoni Matczak and Azam Khan, City of Danville interns, and Pittsylvania County Supervisor Ken Bowman.

Chairman William V. Ingram presided.

Mr. Tucker **moved** for adoption of a Resolution to name the connector road from the bypass in North Carolina, the Harville Saunders Parkway. The Motion was **seconded** by Mr. Vogler.

Mr. Ingram noted this item was brought up in 2022, by Resolution 2022-12-12-5C. In the spirit of remembering founding fathers of RIFA, Coy Harville and Sherman Saunders, RIFA passed a resolution to be sent to the Board of Supervisors since the road was in the County, in memory of those two gentlemen; the timing then wasn't right for a variety of reasons. The time was right now because the connector road, from what he understood, will be dedicated in October; the road comes off the bypass, swoops into Berry Hill and then goes south into North Carolina; it does not affect any residents. Today was a good day to bring this to the RIFA Board and have it sent to the Board of Supervisors; they have the agenda meeting tomorrow, and if they see fit, the Chairman and Vice Chair can send it to the full Board of Supervisors next Tuesday. Linda Green, Vice President of the Southern Virginia Regional Alliance explained that they have contacted the Lynchburg District Office to talk over what the processes would be on the naming. They were looking at the first or second week in October as the time they think they can do a ribbon cutting. They did want her to explain to the Board that it may or may not be completed at that point; the rain will control that, but there will be traffic on it even before the ribbon was cut, because that was required for them.

Ms. Green explained there were three different ways for a name on a sign; if both parties were deceased, it goes to the Lynchburg District Office, from the County, with a Resolution from the other two areas, RIFA and the City of Danville supporting that, then it was a CTB decision. If there was a living party, it goes to the General Assembly and the General Assembly has to put in legislation for the naming of the sign. In this case, it was different, and the recommendation was that the Board go ahead with a 911 sign, which can go straight through the County; they still may want to do a Resolution from the City and from RIFA to match the County Resolution. They can work with Ms. Bobe to set a date for the ribbon cutting. They originally targeted Buford Road where their work cover was; staff was going to request that they reconsider, if it meets the RIFA Board approval, and look at Lot 1, right at the T-intersection where people would be coming across. Ms. Green stated she requested a followup meeting with Mr. Rowe and Ms. Bobe; if anyone else wanted to be involved to let her know.

Mr. Vogler asked about a companion City Council resolution of support, and Mr. Larking noted he would share what was adopted last time with Ms. Green. Ms. Green stated the suggestion was that the County pass one, the City do one in support of the County's resolution and that RIFA do one also to show that all three bodies support this. Ms. Green stated she asked about the size of the sign, and they stated the Board could do whatever the County's ordinance allowed them to do. Mr. Dalton questioned if the County puts up the 911 sign now, wanted to move forward and send something to the General Assembly, what would they do, and Ms. Green stated they would just do a 911 sign.

Ms. Green noted a date has not been set, but it would be the first or second week in October, and Dr. Miller noted the end of the second week was the start of VML and the City members will be going to that. Mr. Vogler noted VML was October 13-15th. Ms. Green stated the CTB will organize this with the Lynchburg District Office.

The **Motion** was carried by the following vote:

VOTE:	4-0
AYE:	Ingram, Tucker, Vogler, Miller (4)
NAY:	None (0)

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE JULY 8, 2024, REGULAR MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Tucker, Minutes of the July 8, 2024, Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION 2024-08-12-5A AUTHORIZING AN UPDATE TO THE REGIONAL ECONOMIC DEVELOPMENT STRATEGIC PLAN

City Manager Ken Larking noted there were two items related to each other, the first one was a contract with Dewberry for their portion of a regional economic development plan; the total amount was $136,500. The fees will be split with the Danville Regional Foundation paying one third and RIFA paying two thirds; this was something the Board had been talking about for many months. They have the 2019 Regional Economic Development Strategic Plan, and in this case, they want to break it up into two parts with two different consultants; the first was Dewberry doing mostly site analysis type work. Staff recommends RIFA approve this, and they expect to get one third paid for by the Danville Regional Foundation.

Mr. Saunders **moved** for adoption of Resolution 2024-08-12-5A, *a Resolution authorizing the Chairman of the Authority to commission an update to the Regional Economic Development Strategic Plan, the scope of which would, at a minimum, include updates to the 2019 Regional Economic Development Strategic Plan's key segments and evaluating new and evolving* *economic development opportunities in the region, where the costs of such update will be split between Dewberry Engineers Inc., a New York Corporation, and Economic Leadership, L.L.C., a North Carolina Limited Liability Company, where fees for Dewberry's portion equals $136,500.00 and where the Danville Regional Foundation will pay for $45,045.00 of Dewberry's fees, resulting in total fees to be paid by the Authority equal to $91,455.00.*

The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5B. CONSIDERATION OF RESOLUTION 2024-08-12-5B AUTHORIZING THE CHAIRMAN TO COMMISSION AN UPDATE TO THE REGIONAL ECONOMIC DEVELOPMENT STRATEGIC PLAN

Mr. Larking explained this item was similar to the previous one, this was the second part of a Regional Economic Development Plan; this one was with Economic Leadership. Both Dewberry and Economic Leadership were part of the 2019 plan; Economic Leadership will be doing their portion of the plan and working in partnership with Dewberry. The total cost was $154,500; the Danville Regional Foundation will pay for one third and RIFA would pay for the other two thirds.

Mr. Saunders **moved** for adoption of *Resolution 2024-08-12-5B a Resolution authorizing the Chairman of the Authority to commission an update to the Regional Economic Development Strategic Plan, the scope of which would, at a minimum, include updates to the 2019 Regional Economic Development Strategic Plan's key segments and evaluating new and evolving economic development opportunities in the region, where the costs of such update will be split between Dewberry Engineers Inc., a New York Corporation, and Economic Leadership, L.L.C., a North Carolina Limited Liability Company, where fees for Economic Leadership, L.L.C.'s portion equals $154,500.00 and where the Danville Regional Foundation will pay for $50,985.00 of Economic Leadership, L.L.C.'s fees, resulting in total fees to be paid by the Authority equal to $103,515.00.*

*The Motion was **seconded** by Mr. Tucker and carried by the following vote*:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5E. FINANCIAL STATUS REPORTS AS OF JULY 31, 2024

Authority Treasurer Michael Adkins gave the Financial Status report as of July 31, 2024, beginning with the $7.3M Bonds for Cane Creek which had no activity for July. Staff was still closing out Fiscal Year 2024, and the General Expenditures show RIFA paid the Institute $459.48 for meals related to the June Board meeting, and monthly utilities to the City of Danville for $128.39. Mr. Adkins noted he did not have to ask for any more funding at this point to cover administrative expenses, they have not quite used all of the funds that were approved last month. General Expenditures for Fiscal Year 2025 show $52 in circuit court fees related to recording the second and third amendments to the Declaration of Restrictive

Covenants for the Cyber Park, and $45 in wire fees from Atlantic Union; those will be refunded as RIFA does qualify for free services including wires. Monthly maintenance fees to Sellars Brothers were $4,890 for July, and Funding Other than Bonds for Berry Hill had one expenditure to Troutman Pepper Hamilton and Sanders of $840 for legal services. Lot 4 Site Development, Lots 1 and 2 at Berry Hill, Water and Sewer at Berry Hill and Cyber Park Site Development had no activity for July. Rent Interest and Other Income for the current fiscal show RIFA received a lease payment from Capital Outdoor for $2,000 for their Fiscal Year 2025 lease payment, and AEP paid $4,500 for their lease payments. Miscellaneous Income included a transfer of funds from the County and the City for the new fiscal year for administrative expenses; each locality contributed $125,000. RIFA also received the City's share of the bond debt service for this year, that was $106,097.75. RIFA had recurring monthly expenses including the Hawkins' building maintenance paid to the Institute of $23,342; there were pass through incentives bound for Morgan Olsen received from the County; one was a TROF grant, the other was tax rebates according to their incentive agreements. The TROF grant was $770,775 and the tax rebates were just under $105,000. Mr. Adkins noted the Unrestricted Fund Balance was listed as $1.78M as of today; once they account for the Strategic Report and the Bat Study that was approved a few months ago, and the transportation study that was approved, that Unrestricted Balance was now just under $1.3M, at $1,297,998.

Mr. Vogler **moved** to accept the Treasurer's Report, the Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE:	4-0
AYE:	Ingram, Tucker, Saunders, Vogler (4)
NAY:	None (0)

6. CLOSED SESSION

At 12:31 p.m. Mr. Vogler **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and

B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority's Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2- 3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and

D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; and

E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

7. RETURN TO OPEN SESSION

On **Motion** by Mr. Tucker and **second** by Mr. Saunders and by unanimous vote at 2:13 p.m., the Authority returned to open meeting.

Mr. Tucker **moved** for adoption of the following Resolution:

That the Authority certify that, to the best of each Member's knowledge:

(i) only public business matters lawfully exempted from the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and

(ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by Authority.

The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 3-0
AYE: Ingram, Tucker, Saunders (3)

NAY: None (0)

8. COMMUNICATIONS

Mr. Dalton and Mr. Tucker thanked the entire team for their great work and a good meeting. Mr. Saunders thanked the Chairman, members of the board and staff, he appreciated all that they do. Mr. Ingram noted his agreement with the Board members and the great job they do, and expressed his gratitude to his colleagues for the resolution, for being willing to bring the naming of the connector road in memory of the late Coy Harville, and his friend Sherman Saunders who has been instrumental through the years. Mr. Saunders noted he was very humbled by this recognition.

Mr. Bradner thanked the board and staff for allowing them to serve. Mr. Rowe noted the Board took really big steps today both in the naming of the roadway and other decisions they have made.

Mr. Lippman noted the October meeting will need to be moved because of the holiday.

Meeting adjourned at 2:19 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.A.

DATE: September 9, 2024

FROM: Matt Rowe | Pittsylvania County Director of Economic Development

RE: Consideration of Resolution No. 2024-09-09-5A, authorizing the negotiation, execution and delivery of a license agreement with Strata Solar, LLC, a North Carolina limited liability company, or its affiliates, for licensee's non-exclusive access to an existing electrical easement on a portion of the Authority's real property, commonly known as Tract AB, containing approximately 520.003 acres, in the Authority's Southern Virginia Megasite at Berry Hill project, located in the Pittsylvania County, Virginia, whereby licensee will construct and operate electrical lines and appurtenant facilities for the transmission and distribution of electricity related to licensee's adjacent solar facility; the license agreement will be for a term of one (1) year, which the Authority may extend the term for one (1) additional year; and licensee will pay a monthly fee equal to $1,500.00 – Matthew D. Rowe, Director of Economic Development, Pittsylvania County, and Brian K. Bradner, P.E., Senior Vice President, Dewberry Engineers

SUMMARY

Strata Solar wishes to enter into a ground license agreement for construction ingress / egress for its gen-tie line for its adjacent 125 MW solar facility being developed for Dominion Energy. The ingress / egress area enables Strata Solar to utilize an existing gravel drive and access point and reduces potential roadway conflict points. The term is for 1-year with a payment of $1,500 per month. The term can be extended by RIFA for an additional year if needed

ATTACHMENTS

1. Resolution
2. Exhibit A

Resolution No. 2024-09-09-5A

A RESOLUTION AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A LICENSE AGREEMENT WITH STRATA SOLAR, LLC, A NORTH CAROLINA LIMITED LIABILITY COMPANY, OR ITS AFFILIATES, FOR LICENSEE'S NON-EXCLUSIVE ACCESS TO AN EXISTING ELECTRICAL EASEMENT ON A PORTION OF THE AUTHORITY'S REAL PROPERTY, COMMONLY KNOWN AS TRACT AB, CONTAINING APPROXIMATELY 520.003 ACRES, IN THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL PROJECT, LOCATED IN THE PITTSYLVANIA COUNTY, VIRGINIA, WHEREBY LICENSEE WILL CONSTRUCT AND OPERATE ELECTRICAL LINES AND APPURTENANT FACILITIES FOR THE TRANSMISSION AND DISTRIBUTION OF ELECTRICITY RELATED TO LICENSEE'S ADJACENT SOLAR FACILITY; THE LICENSE AGREEMENT WILL BE FOR A TERM OF ONE (1) YEAR, WHICH THE AUTHORITY MAY EXTEND THE TERM FOR ONE (1) ADDITIONAL YEAR; AND LICENSEE WILL PAY A MONTHLY FEE EQUAL TO $1,500.00

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, Strata Solar, LLC, a North Carolina limited liability company ("**Strata**"), has requested to use a portion of certain real property, commonly known as Tract AB, containing approximately 520.003 acres, in the Authority's Southern Virginia Megasite at Berry Hill project (the "**SVM**"), located in the Pittsylvania County, Virginia, for the purpose of access to an existing electrical easement, which easement is described in that certain Agreement for Purchase and Sale of Utility Easement between the RIFA and Berry Hill Solar, LLC dated July 29, 2021; and

WHEREAS, the Authority desires to execute and deliver that certain License Agreement (the "**License Agreement**"), substantially in the form set forth in **<u>Exhibit A</u>**, attached hereto and incorporated herein by this reference, with Strata (or its affiliates), under the following minimum terms:

1. The Authority will grant Strata (or its affiliates) a non-exclusive right of access over, under and across that certain area as more specifically depicted on Exhibit B to the License Agreement (the "**License Area**");

2. The term of the License Agreement shall be for one (1) year, and Strata shall the option to extend the term for one (1) additional year;

3. Strata may only use the License Area to construct, reconstruct, replace, repair, operate and maintain electrical lines, together with appurtenant facilities and fixtures for use in connection therewith, for the transmission and distribution of electricity; and

4. As consideration for the use of the License Area, during the term of the License Agreement, Strata will pay to the Authority a monthly fee equal to One Thousand Five Hundred and No/100 Dollars ($1,500.00)

; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the citizens of the Pittsylvania County, Virginia and the City of Danville, Virginia, and the development of SVM for the Authority to negotiate, execute and to deliver the License Agreement, substantially in the form attached as **Exhibit A**, with Strata.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the execution and delivery of the License Agreement substantially in the form of **Exhibit A**, subject to the approval by legal counsel to the Authority as to legal form. The Authority hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, in consultation with the other, to further negotiate and amend the License Agreement, on behalf of the Authority, consistent with this Resolution and as approved by legal counsel to the Authority as to legal form, such execution of any such amendments by the Chairman (or Vice Chairman as the case may be) to conclusively establish the approval of any such amendments.

2. The Authority hereby authorizes and directs the City Manager Officer, the County Administrator Officer, and the Authority's staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the License Agreement, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the License Agreement, and the matters contemplated therein or related thereto on before the date of this Resolution is adopted.

4. This Resolution shall take effect immediately upon its adoption.

- # -

Resolution No. 2024-09-09-5A

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on September 9, 2024, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 9th day of September 2024.

____

SUSAN M. DeMASI
Secretary, Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Exhibit A

(License Agreement)

________________, 2024

Strata Solar, LLC
800 Taylor Street, Suite 200
Durham, NC 27701
Attn: General Counsel

Re: LICENSE AGREEMENT; STRATA SOLAR, LLC

Dear __________________:

This letter sets forth the license agreement (the "**License Agreement**") by and between Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**"), a political subdivision of the Commonwealth of Virginia, and Strata Solar, LLC, a North Carolina limited liability company ("**Strata**") with respect to the matters set forth herein.

The Authority is the owner of real property located in Pittsylvania County, Virginia, as more particularly described on **Exhibit "A"** (hereinafter called "**RIFA Property**"). Strata has requested to use a portion of the RIFA Property for the purpose of access to an existing electrical easement, which easement is described in that certain Agreement for Purchase and Sale of Utility Easement between the RIFA and Berry Hill Solar, LLC dated July 29, 2021 (the "**Easement Area**"). Access will be located at a location more particularly shown on **Exhibit "B"** (hereinafter called "**License Area**").

The Authority hereby grants to Strata, in accordance with all of the terms and conditions of this License Agreement, a non-exclusive right of access over, under and across the License Area to allow Strata to construct, reconstruct, replace, repair, operate and maintain electrical lines, together with appurtenant facilities and fixtures for use in connection therewith, for the transmission and distribution of electricity (said electrical and telecommunication lines, facilities and fixtures collectively herein called "**Strata's Facilities**") in the Easement Area. This License Agreement is solely for the purposes identified above.

As consideration for the use of the License Area during the term of this License Agreement, Strata agrees to pay to RIFA the monthly sum of One Thousand Five Hundred and No/100 Dollars ($1,500.00) (the "**Monthly Fee**") to be paid to RIFA promptly upon the execution of this License Agreement and due on the first day of each month throughout the term of this License Agreement (including any term extension as provided herein). The Monthly Fee for any period of less than one month shall be apportioned based on the number of days in that month. Strata shall pay the Monthly Fee to RIFA at 427 Patton Street, Room 428, P.O. Box 3300 (Zip 24543), Danville, Virginia 24541, Attention: Susan M. DeMasi, Authority Secretary, or such other person or at such other place as RIFA may designate in writing.

Strata's Facilities shall consist of overhead electric lines and appurtenant facilities, located within the Easement Area. Strata shall have the right of ingress and egress to and along the License Area for the purposes herein specified. The right of ingress and egress is limited to the License Area and not the entirety of the RIFA Property.

During the term of this License Agreement, the Authority shall not locate, erect or construct, or permit to be located, erected or constructed, any building or other structure that shall materially and adversely interfere with Strata's right to access the Strata Facilities. The Authority and its agents shall, at all times, have free and full access to the License Area.

Strata may not use the License Area for the storage of construction-related materials or to park or store construction-related vehicles or equipment except in an emergency, or (after notifying the property manager of the RIFA Property) on a temporary basis to construct, reconstruct, replace, repair, operate, or maintain the Strata Facilities.

Strata shall exercise reasonable care to avoid damage to the RIFA Property and all improvements thereon and agrees that following any installation, excavation, maintenance, repair, or other work by Strata, the affected area, including without limitation, all pavement, cement, and other improvements permitted pursuant to this License Agreement will be restored by Strata to as close to original condition as is reasonably possible, at the expense of Strata (except that restoration and repair expenses pertaining to excavations performed at the request of the RIFA or associated with the extension of new facilities pursuant to the Authority's request, shall be at the Authority's expense). Strata shall be responsible for any damage to the Authority's facilities or property caused by Strata, its employees, contractor or agent of Strata, the Strata Facilities or otherwise caused by Strata's use of the RIFA Property. Strata further agrees to indemnify, defend, protect and hold harmless the Authority, its directors, officers, employees, agents and contractors, from and against any and all liabilities, claims, damages, demands, obligations, expenses, costs, including reasonable attorneys' fees and court costs, and causes of action resulting from, arising out of or relating to any construction, operation, maintenance, repair, replacement, removal, use, by Strata or any employee, contractor, or agent of Strata, or any other activities conducted on, or other use of, the RIFA Property by Strata or any employee, contractor, or agent of Strata.

Strata, at its sole expense, shall comply with all existing and subsequently enacted Federal, State and local laws, ordinances, and codes and regulations that are, or become, applicable to this License Agreement.

This License Agreement constitutes the entire understanding between the parties regarding Strata's use of the License Area, and this License Agreement supersedes any prior understanding or representation of any kind not memorialized herein, and no such prior representation shall be binding or enforceable. This License Agreement shall not be recorded in the records of Pittsylvania County. The Authority does not intend to, and does not hereby, grant or convey any right, title, interest or estate in or to any portion of the RIFA Property to Strata by this License Agreement, except those privileges specifically set forth and described in this License Agreement.

The privileges granted to Strata by this Agreement are personal to Strata, its employees, agents and contractors, and shall not be assigned or transferred to any other person, firm, corporation, or other entity without the prior written consent of the Authority, which consent shall not be unreasonably withheld, conditioned, or delayed. However, this License Agreement shall be at all times subject to appropriations as provided by state law.

This License Agreement shall automatically expire at 11:59 p.m. local time in Pittsylvania County, Virginia on the day immediately preceding the first anniversary of this License Agreement, provided, however, that Strata shall have the option to extend the term for one (1) additional year upon written notice delivered to Authority prior to the expiration of the term.

This License Agreement shall be binding on the parties upon Strata's acknowledgment and acceptance hereof, as evidenced by the signatures and dates below. This License Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. The transmission of a signed counterpart of this License Agreement by telecopy or PDF shall have the same force and effect as delivery of an original counterpart and shall constitute valid and effective delivery for all purposes.

Thank you for your prompt attention to this matter.

Very truly yours,

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY,
a political subdivision of the Commonwealth of Virginia

By: ________________________________
Kenneth F. Larking
City Manager Officer

By: ________________________________
Dave Arnold
County Administrator Officer

REVIEWED, ACKNOWLEDGED AND AGREED TO BY:

STRATA SOLAR, LLC, a North Carolina limited liability company

By its manager: Strata Manager, LLC

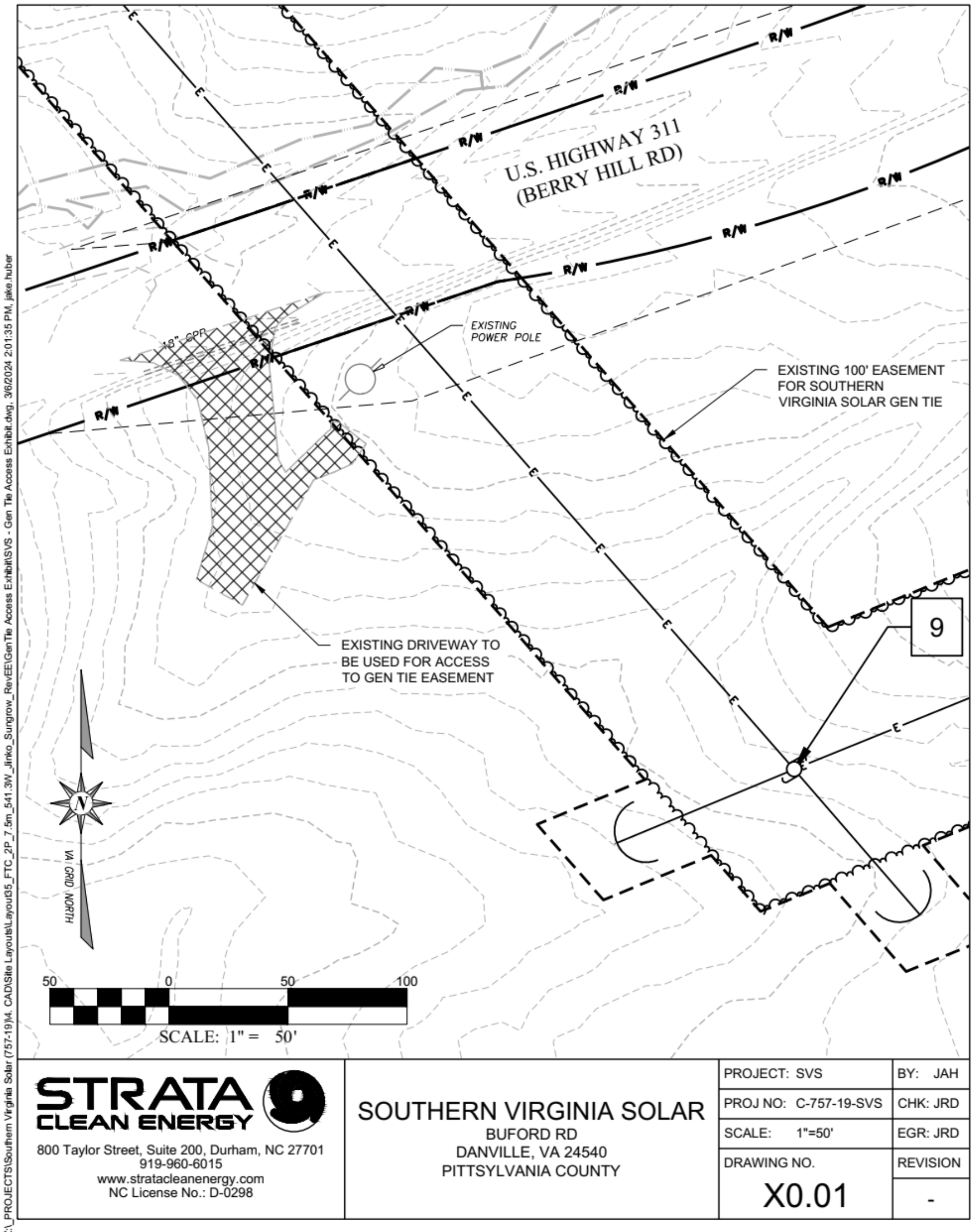
By: ______________________________
Name: ______________________________
Title: ______________________________
Date: _________________________, 2024

[*Signature Page to License Agreement – Strata Solar*]

EXHIBIT "A"
LEGAL DESCRIPTION OF RIFA PROPERTY

BEING that certain lot, piece or parcel of land, lying and being in Pittsylvania County, Virginia, known and designated as "**Tract AB**", containing 520.003 acres, more or less, as shown on that certain plat entitled "Boundary Exhibit Showing Berry Hill Industrial Park for Danville-Pittsylvania Regional Industrial Facility Authority, Westover Magisterial District, Pittsylvania County, Virginia", dated May 3, 2017, made by Dewberry Engineers Inc., and duly recorded in the Clerk's Office, Circuit Court, Pittsylvania County, Virginia, in Map Book 44, Page 232K.

EXHIBIT "B"
Depiction of License Area Cross-Hatched



DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.B.

DATE: September 9, 2024

FROM: Matt Rowe | Pittsylvania County Director of Economic Development

RE: Consideration of Resolution No. 2024-09-09-5B, authorizing the execution and delivery of that certain Contract of Sale between the Authority, as buyer, and Waller S. Hairston, William Hunt Hairston, Allen Waller Hairston, Anne Bartlett Hairston-Strang, and Sallie Hairston Miller, collectively as sellers, for the Authority's purchase of certain real property located in Pittsylvania County, Virginia, consisting of approximately 289.47 acres (GPIN 1366-12-5834), commonly known as Berry Hill Rd/863 Dan River-Oak Hill Tr., provided however that the Authority shall only be authorized to deliver a non-refundable deposit equal to $50,000.00 allowing the Authority to initiate a review period in order to conduct due diligence on property for period of 90 days, and where the Authority has the option to extend the review period for two consecutive extensions of 30 days each subject to an extension fee $16,500.00 per extension – Mr. Rowe and Michael C. Guanzon, Esq., Christian & Barton, L.L.P., Authority Legal Counsel

ATTACHMENTS
1. Resolution
2. Exhibit A

Resolution No. 2024-09-09-5B

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF THAT CERTAIN CONTRACT OF SALE BETWEEN THE AUTHORITY, AS BUYER, AND WALLER S. HAIRSTON, WILLIAM HUNT HAIRSTON, ALLEN WALLER HAIRSTON, ANNE BARTLETT HAIRSTON-STRANG, AND SALLIE HAIRSTON MILLER, COLLECTIVELY AS SELLERS, FOR THE AUTHORITY'S PURCHASE OF CERTAIN REAL PROPERTY LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, CONSISTING OF APPROXIMATELY 289.47 ACRES (GPIN 1366-12-5834), COMMONLY KNOWN AS BERRY HILL RD/863 DAN RIVER-OAK HILL TR., PROVIDED HOWEVER THAT THE AUTHORITY SHALL ONLY BE AUTHORIZED TO DELIVER A NON-REFUNDABLE DEPOSIT EQUAL TO $50,000.00 ALLOWING THE AUTHORITY TO INITIATE A REVIEW PERIOD IN ORDER TO CONDUCT DUE DILIGENCE ON PROPERTY FOR PERIOD OF 90 DAYS, AND WHERE THE AUTHORITY HAS THE OPTION TO EXTEND THE REVIEW PERIOD FOR TWO CONSECUTIVE EXTENSIONS OF 30 DAYS EACH SUBJECT TO AN EXTENSION FEE $16,500.00 PER EXTENSION

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority has identified certain real property, containing approximately 289.47 acres (GPIN 1366-12-5834) located in Pittsylvania County, Virginia, commonly known as Berry Hill Road/863 Dan River-Oak Hill Tr. (the "**Property**"), for part of its continued development of the Authority's Southern Virginia Megasite at Berry Hill project (the "**SVM**"), located in Pittsylvania County, Virginia; and

WHEREAS, the Authority desires to purchase the Property pursuant to a contract of sale ("**Contract of Sale**") with the owners of the Property (as identified in the Contract of Sale), substantially in the form attached hereto as **Exhibit A**, and incorporated herein by this reference, under the following minimum business terms:

(i) the purchase price of $1,895,000.00;

(ii) the Authority will make a deposit of $50,000.00 (the "**Deposit**") for a minimum study period of 90 days in which the Authority may conduct due diligence investigations to determine the feasibility of this property for the further development of the SVM (the "**Review Period**"); and the Authority will have the right to extend the Review Period for two (2) consecutive extension periods of 30 days each (each, an "**Extension Period**"), where each Extension Period is subject to an extension fee equal to $16,500.00, which, if paid, shall be added to and become part of the Deposit;

(iii) the Deposit will be applied to purchase price at closing of the transaction; and

(iv) the Authority may terminate the Contract of Sale during the Review Period, provided, however, the sellers shall retain the Deposit, except in the event of a Noncompliance Termination (as defined in the Contract of Sale);

and

WHEREAS, the Authority has reviewed and desires to enter into that certain Contract of Sale with sellers, for the acquisition of the Property, in substantially the form shown on **Exhibit A**, attached hereto and incorporated herein by this reference; provided, however that the Authority shall only be authorized to direct payment of the Deposit, and nothing in this Resolution shall be deemed to authorize the appropriation of funds for the balance of the purchase price under the Contract of Sale; and

WHEREAS, the Authority desires that the Contract of Sale may only be executed and the right to each Extension Period may only be exercised upon certification by the Authority's Treasurer that funds for the Deposit and the additional deposit for each Extension Period are within the appropriate funding sheet of the Authority's budget for such purposes; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the citizens of the City and the County, and in furtherance of the development of the SVM, for the Authority to approve, to negotiate, to execute and to deliver the Contract of Sale, as applicable, consistent with this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby approves the negotiation, execution and delivery of the Contract of Sale substantially in the form of **Exhibit A**; provided, however, the Contract of Sale may only be executed and the right to exercise each Extension Period may only be executed upon certification by the Authority's Treasurer that funds for the Deposit and the additional deposit for each Extension Period are within the appropriate funding sheet of the Authority's budget for such purposes; and further provided, that nothing in this Resolution authorizes the appropriation of funds for the balance of the purchase price under the Contract of Sale. Notwithstanding the foregoing, the Authority hereby confirms the authorization to expend funds for the reasonable costs of due diligence investigations of the Property.

2. The Authority hereby authorizes the City Manager Officer and the County Administrator Officer to execute and deliver any extensions of the Review Period, subject to certification by the Authority's Treasurer that funds for the extension fee are within the appropriate funding sheet of the Authority's budget for such purposes.

3. The Authority hereby authorizes and directs the City Manager Officer, the County Administrator Officer, and the Authority's staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Contract of Sale, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Contract of Sale, and the matters contemplated therein or related thereto on before the date of this Resolution is adopted.

5. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on September 9, 2024, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 9th day of September 2024.

____

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

(SEAL)

Exhibit A

(Form of Contract of Sale)

THIS CONTRACT OF SALE (this "**Contract**") is dated as of __________________, 2024, by and between **WALLER S. HAIRSTON**, life tenant of the Property (defined below), **WILLIAM HUNT HAIRSTON**, holder of remainderman ¼ interest in the Property, **ALLEN WALLER HAIRSTON**, holder of remainderman ¼ interest in the Property, **ANNE BARTLETT HAIRSTON-STRANG**, holder of remainderman ¼ interest in the Property, and **SALLIE HAIRSTON MILLER**, holder of remainderman ¼ interest in the Property (together, "**Seller**"); and **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**Purchaser**").

AGREEMENT:

In consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
The Property

Section 1.1. Agreement to Sell and Purchase the Property. Subject to the terms and conditions of this Contract, Seller agrees to sell, assign and transfer, or cause to be sold, assigned and transferred, to Purchaser, and Purchaser agrees to purchase, acquire, and accept from Seller, (a) all that certain lot, piece or parcel of land situate in Pittsylvania County, Virginia, consisting of approximately **289.47** acres, being **GPIN 1366-12-5834**, commonly known as **Berry Hill Rd/863 Dan River-Oak Hill Tr**, together with all easements, rights-of-way and appurtenances thereunto belonging (the **"Land"**), (b) the buildings, structures, improvements and fixtures on the Land (the **"Improvements"**), and (c) all rights to use, for ingress and egress, any private road or right-of-way adjacent to or contiguous to the Land, if any, to the extent assignable. The Land, Improvements and any other rights appurtenant or related thereto, as described in this Section 1.1, are collectively referred to herein as the **"Property"**.

ARTICLE II
Purchase Price

Section 2.1. Payment of Purchase Price. The purchase price of the Property is **ONE MILLION EIGHT HUNDRED NINETY FIVE THOUSAND AND 00/100 DOLLARS ($1,895,000.00)** (the "**Purchase Price**"), to be allocated as set forth on the attached **Schedule 2.1**, incorporated herein by this reference. The Purchase Price is subject to prorations and adjustments as set forth herein, payable by Purchaser to Seller at the closing of the transactions contemplated hereunder (the "**Closing**"). The Purchase Price shall be payable in cash, by certified check, or by federal wire transfer, or other immediately available funds at Closing. The net proceeds of sale shall be distributed among the Sellers as described in Schedule 2.2.

Section 2.2 Deposit. In consideration of the grant of the Review Period as laid out in the below Article III of this Contract, Purchaser shall, within five (5) business days of the Effective Date (defined below), pay to Seller a non-refundable Deposit in the sum of **FIFTY THOUSAND AND 00/100 DOLLARS ($50,000.00)** (the "**Deposit**"). Deposit shall be paid to Waller Hairston c/o Sallie Hairston Miller, 233 Lurgan Lane, Centreville, Maryland 21617. If Purchaser proceeds to Closing, the parties agree that the Deposit shall be applied to the Purchase Price at Closing.

ARTICLE III
Review Period

Section 3.1. Access to Property. Beginning on the Effective Date (as hereafter defined), and ending on a date that is ninety (90) calendar days after the Effective Date (as hereafter defined), at 11:59 P.M. (the "**Review Period**"), unless this Contract is terminated prior to the end of the Review Period, at all times reasonably approved by Seller during the Review Period, with Purchaser having notified Seller at least twenty-four (24) hours prior thereto, Purchaser, its agents, employees, representatives and contractors, at Purchaser's sole cost and expense, shall have the right, after the execution of this Contract, to enter upon the Property to perform such tests, inspections and examinations of the Property as Purchaser deems advisable (collectively, the "**Investigations**"), including all matters of survey, flood plain of the Property, the availability of utilities, zoning and building code and other applicable governmental regulation compliance in connection with the Property and the use thereof. Without limiting the foregoing, Purchaser shall have the right to conduct any environmental testing and inspection of the Property that Purchaser deems advisable during the Review Period, including without limitation any testing or examination for the presence in, on, or under the Property of any Hazardous Materials (as hereafter defined) or any underground storage tanks or facilities, which tests and inspections shall be included within the definition of "**Investigations**". For such purposes, Purchaser, its agents, employees, representatives and contractors, may enter upon the Property and do all things necessary in connection therewith, provided they do not materially damage the Property and provided the Property is restored to the substantially the same condition that existed prior to such Investigations.

Purchaser shall have the right to a maximum of two (2) consecutive extensions of the Review Period of thirty (30) days each. For each extension, Purchaser shall pay to Seller an Extension Fee equal to **SIXTEEN THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($16,500.00**), on or before the expiration of the Review Period (or as applicable, the Review Period as last extended). Each Extension Fee paid shall be added to and become part of the Deposit.

"**Effective Date**" shall mean the date upon which the last of the parties hereto affixes their signature to this Contract.

"**Hazardous Materials**" shall mean and include, but shall not be limited to, any oil, petroleum product and any hazardous or toxic wastes or substances, any substances which because of their quantitative concentration, chemical, radioactive, flammable, explosive, infectious or other characteristics, constitute or may reasonably be expected to constitute or contribute to a danger or hazard to public health, safety or welfare or to the environment, including without limitation, asbestos (whether or not friable) and any asbestos containing materials, lead paint, waste oils, solvents and chlorinated oils, polychlorinated biphenals (PCB's), toxic metals, pickling and plating wastes, explosives, reactive metals and compounds, pesticides, herbicides, radon gas, urea formaldehyde foam insulation, and chemical, biological and radioactive wastes, or any other similar materials which are included under or regulated by any applicable federal, state, or local law, rule or regulation (whether now existing or hereafter enacted or promulgated, as they may be amended form time to time) pertaining to environmental regulations or laws.

Section 3.2. Right to Terminate During Review Period. If Purchaser is not satisfied in its sole discretion with the condition of the Property, Purchaser shall have the right, upon written notice to Seller given prior to the end of the Review Period, time being of the essence, to terminate this Contract, in which event both Seller and Purchaser shall thereafter be relieved from any and all liability under this Contract except as otherwise provided in this Contract;

provided, however, that Seller shall retain the Deposit, except in the event of a Noncompliance Termination (defined below).

Section 3.3. Application of the Deposit. The Deposit shall be applied to the Purchase Price at Closing. Except for a Noncompliance Termination (defined below) by Purchaser, the parties agree that the Deposit shall be nonrefundable as consideration for the grant to Purchaser of the Review Period. If a Noncompliance Termination by Purchaser occurs, which may occur at any time prior to Closing, Seller shall promptly return the Deposit to Purchaser upon such termination. "**Noncompliance Termination**" shall mean any termination by Purchaser which results from (a) any material breach of this Contract by Seller and all applicable cure periods have expired; (b) Seller's inability to convey to Purchaser good, insurable and marketable title to the Property, subject only to the Permitted Exceptions (as hereafter defined); (c) Purchaser's inability to obtain an owner's title insurance policy at standard rates, subject to the Permitted Exceptions (as hereafter defined), after good faith efforts to obtain such a policy; or (d) the presence of any Hazardous Materials on or in the Property in violation of any applicable federal, state, or local laws or regulations, which violation(s) is not cured by Seller, at Seller's option, within ninety (90) days after receipt by Seller of written notice from Purchaser of the nature and location of such Hazardous Materials on or in the Property.

ARTICLE IV
Conditions to the Parties' Obligations

Section 4.1. In General. If any one or more of the conditions to a party's obligations listed in this Article are not satisfied within the period of time specified, such party may (i) waive the condition and proceed to the Closing, subject to any other conditions which may be required to be satisfied thereafter, (ii) terminate this Contract by written notice to the other party, or (iii) if the condition relates to the failure of the other party to perform its obligations hereunder, pursue its legal rights and remedies available on account of such nonperformance. If a party terminates this Contract, neither party thereafter shall have any further liability hereunder except as otherwise provided in this Contract. Unless the parties otherwise agree in writing, the satisfaction or waiver of a condition to a party's obligations shall not affect the liability of the other party with respect to any of its representations or warranties relating to the same subject matter.

Section 4.2. Conditions to Purchaser's Obligations. Purchaser's obligation to proceed to Closing under this Contract is subject to the satisfaction of the following conditions on or before the Closing:

(a) Seller's Representations and Warranties. Except as otherwise stated in the representations and warranties, all of the representations and warranties of Seller set forth in this Contract shall be true and correct in all material respects as of the Closing.

(b) Closing Documents. All of the documents required under this Contract to be executed and/or delivered by Seller on or before Closing shall have been so executed and delivered.

(c) Advisory Agreement. Seller and Purchaser shall negotiate in good faith and reduce to writing an agreement between such parties for provision during a defined period of time of certain advisory input from Seller to Purchaser on the planned use or development of the Property containing such reasonable terms as Seller and Purchaser shall mutually agree upon prior to Closing, (the "**Advisory Agreement**"). Such terms shall include, without limitation, the following:

(i) Provisions creating a "**Hairston Family Advisory Team**" upon the Closing of the transaction contemplated by this Contract and defining the number and qualifications of its members, scope of its limited powers, and procedures for providing comments on Purchaser's future master planning as it may materially affects the Property;

(ii) Provisions specifying that the Hairston Family Advisory Team shall exist for the purpose of providing information, advice, and written comments relevant to the protection and preservation of certain historical and ecological assets that may be located on portions of the Property, as such may be affected by Purchaser's future master development plans;

(iii) Provisions requiring Purchaser or its staff to meet in good faith with the Hairston Family Advisory Team in advance of Purchaser's adopting a development or use plan for the Land, subject, however, to Hairston Family Advisory Team executing a non-disclosure agreement in the form required by Purchaser's legal counsel, consistent with Virginia Code § 2.2-3712.F, as amended;

(iv) Limitations clarifying that the Hairston Family Advisory Team shall not be empowered with any decision making, consent, or veto powers with respect to Purchaser's development plans or the execution thereof;

(v) Protective covenants on the Land imposed by Purchaser to prohibit certain industrial uses for the Property, or some portion thereof,

(vi) Provisions for Purchaser to use commercially reasonable efforts to pursue the rezoning of the Property, or some portion thereof, consistent with conservation, protection, and possibly enhancement of the historical and ecological assets that may be located on portions of the Property; and

(vii) Such other provisions as Seller and Purchaser may then agree.

(d) License Agreement. Seller and Purchaser shall negotiate in good faith and reduce to writing a revocable, non-exclusive, and non-transferable license agreement between such parties providing Waller S. Hairston, his children, and certain other individuals or groups to be specifically identified in such agreement (the "**Licensees**") reasonably limited access certain portions of the Property for the purpose of visiting and maintaining, at the sole expense of the Hairston Family Advisory Team, identified ancestral grave sites that may be located on the Property, and for other recreational purposes to be specifically defined in such agreement (the "**License Agreement**"). The License Agreement shall contain such reasonable terms as Seller and Purchaser shall mutually agree upon prior to Closing, including, but not limited to, the following:

(i) A provision prohibiting any trespass upon those portions of the Property to which access is not specifically granted under the License Agreement;

(ii) Provisions defining the specific portions of the Property to which access is granted; uses permitted within such areas; reasonable times for access; requirements for Licensees to notify Purchaser at least two (2) business days prior to each exercise of their rights under such License Agreement; obligation to use reasonable care to protect the Property from damage or destruction at all times;

(iii) Provisions expressly stating that Waller S. Hairston, or such other appropriate party as Seller and Purchaser shall agree in the License Agreement, shall assume any and all risk, responsibility, and liability for any and all property damage or personal injury whatsoever arising out of or resulting from the exercise of the rights and privileges granted under the License Agreement;

(iv) An indemnification provision whereby Waller S. Hairston, or such other appropriate party as Seller and Purchaser shall agree in the License Agreement, agrees to indemnify and hold harmless Purchaser from any loss, damage, expense or costs, including court costs and attorneys' fees, incurred by Purchaser as a result of any such property loss or personal injury; and

(v) An "AS IS" provision stating that Purchaser makes no representations, covenants, or warranties as to the conditions of the Property or its suitability for the purposes contemplated by the License Agreement.

(e) Performance by Seller. Seller shall have performed in all material respects all of its other obligations required to have been performed hereunder on or before the Closing.

(f) Title. Purchaser, at its expense, shall be able to obtain, from a title insurance company doing business in the Commonwealth of Virginia, a commitment for an owner's policy of title insurance for the property (the "**Title Commitment**"). The Title Commitment shall contain, as exceptions to title, only those exceptions (a) any utility easements located on the Property which do not adversely affect Purchaser's intended use of the Property, (b) any other exceptions that do not materially affect the use of, or marketability of title to, the Property as reasonably determined by Purchaser, and (c) any other exceptions agreed by the parties (collectively, the "**Permitted Exceptions**"). If Purchaser fails to object to any exception to title (other than the Permitted Exceptions) before the end of the Review Period, all exceptions shall be deemed to be satisfied. If Purchaser objects to any exception (other than the Permitted Exceptions), Seller shall be under no obligation to cause such exception to be removed. If, in such case, Seller is unable or unwilling to cause such exception to be removed, Purchaser may either terminate this Contract prior to the end of the Review Period, or accept the exception and proceed to Closing.

(g) Monetary Liens. Seller shall pay or otherwise discharge as a monetary lien against the Property all mortgages, deeds of trust and other consensual monetary liens against the Property, which can be satisfied by payment of a fixed amount prior to or at the Closing. In the event of such a payment at Closing, payment may be evidenced by a payment from the sale proceeds shown on the settlement statement signed by the parties on or before Closing.

Section 4.3. Conditions to Seller's Obligations. Seller's obligation to proceed to Closing under this Contract is subject to the satisfaction of the following conditions on or before the Closing:

(a) Closing Obligation. Purchaser shall have delivered the Purchase Price at Closing in accordance with this Contract.

(b) Performance by Purchaser. Purchaser shall have performed in all material respects all of its obligations required to have been performed hereunder on or before the Closing.

(c) Advisory Agreement. In addition to the foregoing, Seller and Purchaser shall, as a condition precedent to Closing, negotiate in good faith and reduce to writing the Advisory Agreement, as such term is defined in the above Section 4.2(c) of this Contract.

ARTICLE V
Representations and Warranties

Section 5.1. Representations and Warranties of Seller. Seller represents and warrants to Purchaser as follows:

(a) As of the Effective Date, the individuals named above as Seller, collectively hold fee simple ownership the Property. The undersigned individual, as representative and agent for the individuals named above as Seller, has been or duly authorized and empowered by the appropriate powers of attorney or other documentation required to authorize, empower, and direct such individual to, acting as Seller, enter into this Contract to convey and transfer to Purchaser fee simple ownership of the Property. Prior to Closing, Seller will provide satisfactory evidence to Purchaser, as determined in Purchaser's sole discretion, to confirm either (a) that fee simple ownership of the Property has been consolidated, by waivers or conveyances of any remainderman interests, into a single individual or entity for the purposes of conveying title, or (b) that the Deed (defined below) purported to convey title to the Property at Closing is in a form effective to transfer and convey fee simple ownership of the Property to Purchaser once signed by the life tenant and holders of all remainderman interests. Seller has good, marketable and insurable title in the Property, free and clear of all liens and encumbrances except Permitted Exceptions. No other party has any right, title or interest in the Property or to occupy the Property except those disclosed to Purchaser and accepted thereby prior to Closing. There are no oral or written leases affecting or relating to the Property except those disclosed to Purchaser and accepted thereby in writing prior to Closing. Between the date Seller executes this Contract and Closing, Seller shall not subject the Property to or consent to any leases, liens, encumbrances, covenants, conditions, restrictions, easements, rights of way, or agreements, or take any other action affecting or modifying the status of title or otherwise affecting the Property, without the written consent of the Purchaser.

(b) The individual executing this Contract on behalf of Seller

(c) As of Closing, with the exception of any items disclosed to Purchaser and approved thereby during the Review Period, there will be no parties, other than Seller, in possession of any portion of the Property as lessees, and as of Closing, there will be no leases applicable to or affecting the Property. There are no mortgages or other liens on or affecting the Property, except for the following: None. .

(d) As of Closing, there are no unpaid charges, debts, liabilities, claims or obligations arising from the construction, occupancy, ownership, use or operation of the Property, or any portion thereof, which could give rise to any mechanics' or materialmen's or other statutory lien against the Property, or any part thereof, or for which Purchaser will be responsible.

(e) To its knowledge, Seller has neither caused nor does Seller have any knowledge of any Hazardous Materials having been placed, held, stored, located, dumped or disposed of on the Property in a manner which violates applicable law. If such knowledge becomes available, Seller shall immediately notify Purchaser in writing.

(f) Seller is not a "**foreign person**" within the meaning of Section 1445 of the Internal Revenue Code of 1954, as amended.

(g) To the best of Seller's knowledge, there are no unrecorded easements or claims of lien affecting the Property.

(h) Seller is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "**Specially Designated National and Blocked Person**" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and Seller is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation.

Section 5.2. <u>Representations and Warranties of Purchaser</u>. Purchaser represents and warrants to Seller that Purchaser is a political subdivision of the Commonwealth of Virginia. As such, this transaction is exempt from any disclosures, if applicable, that would otherwise be required by Seller under the Virginia Residential Property Disclosure Act pursuant to Section 55-518(A)(8) thereof.

ARTICLE VI
<u>Special Provisions</u>

Section 6.1. <u>Default by Purchaser</u>. In the event the Closing does not take place as set forth in this Contract, on account of a default by Purchaser in the performance of its obligations under this Contract or the failure of Purchaser to close as set forth herein, Seller shall be entitled, as its sole remedy, to retain the Deposit as liquidated damages for such breach by Purchaser, the parties asserting that damages would be difficult of determination and that the Deposit is a reasonable pre-estimate of the probable loss to Seller, and the parties agree that, thereafter, the Contract shall be terminated and of no further force and effect.

Section 6.2. <u>Default by Seller</u>. In the event the Closing does not take place on account of a default by Seller in the performance of its obligations under this Contract, Purchaser shall be entitled to the return of the Deposit by Seller and to pursue all legal and equitable remedies available to it, including, without limitation, specific performance.

Section 6.3. <u>Assignment of Contract</u>. Purchaser may assign this Contract and/or its interest hereunder. Seller may not assign this Contract and/or its interest hereunder without the prior written consent of Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 6.4. <u>Real Estate Commissions</u>. No commissions are due and owing any real estate broker or salesperson in connection with this transaction. Seller and Purchaser (to extent allowed by law) hereby each indemnify, save and hold harmless the other from and against any claim for any other real estate or sales commission or similar fee, which claim results from an allegation that the indemnifying party employed any broker or agent or agreed to compensate such broker or agent in connection with this transaction.

Section 6.5. <u>Fire or Casualty</u>. The risk of loss prior to Closing shall be borne by Seller. If, prior to the Closing, any of the Improvements on the Property are destroyed or damaged by fire or other casualty, Purchaser, at Purchaser's option may, by notice to Seller on or before the earlier of (i) the Closing Date or (ii) the date which is within twenty (20) days after the date of the casualty, elect to: (1) terminate this Contract, in which case Purchaser will be entitled to a refund of the Deposit, and upon such termination neither party shall be under any further obligation to the other, except as otherwise provided in this Contract; or (2) accept the Property in its damaged condition and proceed to Closing. If Purchaser does not exercise Purchaser's right, if any, to terminate this Contract, Seller shall assign or credit to Purchaser at Closing the net proceeds of all applicable insurance payable with respect to any insured casualty affecting the Improvements on the Property which occurs prior to the Closing.

ARTICLE VII
Closing

Section 7.1. Date and Place of Closing. The Closing shall take place within thirty (30) days after the expiration of the Review Period, **TIME BEING OF THE ESSENCE**, at the Administrative Offices of Pittsylvania County in Chatham, Virginia, or on such other date as Seller and Purchaser shall mutually agree.

Section 7.2. (a) Deliveries by Seller. Seller, or Seller's duly authorized representative, shall execute as appropriate and deliver to Purchaser the following documents:

(i) An appropriate general warranty deed (the "**Deed**") conveying title to the Property to Purchaser. If Purchaser surveys the Property, the property description shall be based upon such survey. However, to the extent there is a discrepancy between Seller's source deed description and such survey, Seller shall also convey such discrepancy in description to Purchaser by quitclaim;

(ii) Seller's affidavit or lien waiver satisfactory for the purpose of removing any mechanics' lien exception from any title insurance policy to be issued in connection with the purchase;

(iii) A certificate to the effect that it is not a foreign entity subject to the withholding requirements of the Foreign Investment in Real Property Tax Act;

(iv) Virginia Department of Taxation Form R-5 or R-5E, as applicable;

(v) A copy of the Advisory Agreement, as such term is defined in the above Section 4.2(c) of this Contract, fully executed by Seller; and

(vi) Such other documents as may be reasonably required by a title company to insure good and marketable title, but in any case, subject to the Permitted Exceptions.

(b) Deliveries by Purchaser. At the Closing, Purchaser shall deliver the following:

(i) The Purchase Price by certified check or by federal wire transfer, or other immediately available funds;

(ii) A copy of the Advisory Agreement, as such term is defined in the above Section 4.2(c) of this Contract, fully executed by Purchaser or its assignee; and

(iii) Any other certificate, document, or statement as may be reasonably necessary in order to consummate the transactions contemplated.

Section 7.3. Prorations. Rents, real estate taxes and assessments, and such other matters as are customarily apportioned in transactions similar to the transaction contemplated by this Contract shall be prorated between Seller and Purchaser on a per diem basis as of the Closing.

Section 7.4. Closing Costs. Purchaser shall pay all costs incurred in consummating the transactions contemplated hereunder, including, without limitation, the cost of Purchaser's title insurance policy, the cost of the Investigations, the cost of any surveys and all recording taxes and fees for the Deed and all other recorded documents, other than any grantor's tax on recordation of the Deed which shall be paid by Seller. Each party shall pay its respective attorneys' fees. Purchaser shall be responsible for the cost of preparation of the Deed.

ARTICLE VIII
Miscellaneous

Section 8.1. Survival. The provisions of Contract shall survive the Closing or earlier termination of this Contract, and the representations and warranties of Seller set forth herein shall not be merged into the Deed.

Section 8.2. Successors and Assigns. This Contract shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

Section 8.3. Notices. Any notice required or contemplated to be given to a party by the other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

(i) To Seller:

Waller S. Hairston
c/o Sallie H. Miller
233 Lurgan Lane
Centerville, MD 21617

(ii) To Purchaser:

Danville-Pittsylvania Regional Industrial Facility Authority
Attn: Director of Finance, City of Danville
Post Office Box 3300
Danville, VA 24541 (for mailing)

or

427 Patton Street
Danville, VA 24541 (for hand-delivery or courier service)

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Rejection or other refusal to accept or the inability to deliver because of a changed address of which no notice was given shall not invalidate the effectiveness of any notice, demand, request, or other communication.

Section 8.4. Consents and Approvals. All consents and approvals required or permitted by this Contract shall be in writing, shall be signed by the party from whom the consent or approval is sought and, unless otherwise provided herein, may be withheld by such party in its sole discretion.

Section 8.5. Amendments. This Contract may only be amended, supplemented or terminated in writing, signed by the parties hereto.

Section 8.6. Counterparts. This Contract may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument. A facsimile or scanned copy (*.pdf) signature to this Contract shall have the same effect as an original for all purposes.

Section 8.7. Governing Law. This Contract shall be governed by the laws of the Commonwealth of Virginia. The parties hereby submit to the exclusive jurisdiction of the state court located in Pittsylvania County, Virginia, or the U.S. District Court for the Western District of Virginia (Danville Division), in any action or proceeding arising out of, or related to this Contract, and the parties hereby agree that all claims in respect of any action or proceeding shall be heard or determined only in either of these courts. The parties agree that a final judgment in any action or proceeding shall, to the extent permitted by applicable law, be conclusive and may be enforced in other jurisdictions by suit on the judgment, or in any other manner provided by applicable law related to the enforcement of judgments. If any ambiguity or question of intent or interpretation arises, this Contract shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Contract.

Section 8.8. Further Assurances. After the Closing, each party to this Contract shall, upon the request of the other party, execute and deliver such other documents and take such further action as may be necessary or proper to carry out the purposes of this Contract.

Section 8.9. Interpretation. For purposes of construing this Contract, unless the context otherwise indicates, words in the singular number shall include words in the plural number, and vice versa, and words in one gender shall be deemed to include words in the other genders. The titles to articles and headings for sections and paragraphs in this Contract are for convenience only and neither limit nor amplify the provisions of this Contract.

Section 8.10. Subject to Annual Appropriations. Seller understands that Purchaser is a political subdivision of the Commonwealth of Virginia. Accordingly, notwithstanding anything to the contrary set forth herein, as provided under Virginia law, the obligations of Purchaser under this Contract are subject to and dependent upon annual and other appropriations being made from time to time by the governing body of Purchaser, for such purpose.

[***SIGNATURES TO APPEAR ON FOLLOWING PAGE***]

WITNESS the following signatures to this **CONTRACT OF SALE**:

SELLER:

Date:____________________

____
WALLER S. HAIRSTON by Sallie Hairston Miller his attorney-in-fact

Date:____________________

____
WILLIAM HUNT HAIRSTON

Date:____________________

____
ALLEN WALLER HAIRSTON

Date:____________________

____
ANNE BARTLETT HAIRSTON-STRANG

Date:____________________

____
SALLIE HAIRSTON MILLER

PURCHASER:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

Date:____________________

By:_________________________________
William V. Ingram, Chairman

SCHEDULE 2.1
Purchase Price Allocations

ITEM:	ALLOCATION
Uplands Property (150 acres @ $10,000/acre)	$1,500,000.00
Flood Plain Property (140 acres @ $1,500/acre)	$210,000.00
Tower Lease (5 yrs. @ $1,750/mo. w/ 2% annual increase)	$105,000.00
Loblolly Pine Area (100 acres @ $800/acres)	$80,000.00
PURCHASE PRICE:	$1,895,000.00

SCHEDULE 2.2
Purchase Price Allocations

Waller S. Hairston 32.262%
William H. Hairston 16.935%
Allen W. Hairston 16.935%
Anne Hairston-Strang 16.934%
Sallie Miller 16.934%

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.C.

DATE: September 9, 2024

FROM: Corrie Bobe |Danville Director of Economic Development + Tourism

RE: Consideration of Resolution 2024-09-09-5C, approving that certain Local Performance Agreement with RBW Sports & Classics, Inc. (the "Company"), a Delaware corporation and an affiliate of RBW Classic Cars Ltd., a United Kingdom private limited company, under which the Company will establish and operate an electric car manufacturing facility at 1350 Barker Road, Ringgold, Virginia, at the Authority's Cane Creek Centre Industrial Park, under a lease with the Industrial Development Authority of Danville, Virginia, including without limitation an option to purchase, and the City of Danville, Virginia, and the County of Pittsylvania, Virginia, would provide certain tax rebates and the waiver of certain permit fees and connection fees, in exchange for, among other things, the creation by the Company of 144 new jobs with an average annual wage of at least $53,514.67, excluding standard fringe benefits, and certain minimum capital investment of $7,951,000.00, over a performance period of 5 years – Mr. Rowe and Corrie T. Bobe, Director of Economic Development, City of Danville

ATTACHMENTS

1. Resolution
2. Exhibit A

Resolution No. 2024-09-09-5C

A RESOLUTION APPROVING THAT CERTAIN LOCAL PERFORMANCE AGREEMENT WITH RBW SPORTS & CLASSICS, INC. (THE "COMPANY"), A DELAWARE CORPORATION AND AN AFFILIATE OF RBW CLASSIC CARS LTD., A UNITED KINGDOM PRIVATE LIMITED COMPANY, UNDER WHICH THE COMPANY WILL ESTABLISH AND OPERATE AN ELECTRIC CAR MANUFACTURING FACILITY AT 1350 BARKER ROAD, RINGGOLD, VIRGINIA, AT THE AUTHORITY'S CANE CREEK CENTRE INDUSTRIAL PARK, UNDER A LEASE WITH THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, INCLUDING WITHOUT LIMITATION AN OPTION TO PURCHASE, AND THE CITY OF DANVILLE, VIRGINIA, AND THE COUNTY OF PITTSYLVANIA, VIRGINIA, WOULD PROVIDE CERTAIN TAX REBATES AND THE WAIVER OF CERTAIN PERMIT FEES AND CONNECTION FEES, IN EXCHANGE FOR, AMONG OTHER THINGS, THE CREATION BY THE COMPANY OF 144 NEW JOBS WITH AN AVERAGE ANNUAL WAGE OF AT LEAST $53,514.67, EXCLUDING STANDARD FRINGE BENEFITS, AND CERTAIN MINIMUM CAPITAL INVESTMENT OF $7,951,000.00, OVER A PERFORMANCE PERIOD OF 5 YEARS

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority, the City of Danville, Virginia (the "**City**"), and the County of Pittsylvania County, Virginia (the "**County**"), in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity; and

WHEREAS, RBW Sports & Classics, Inc. (the "**Company**"), a Delaware corporation and an affiliate of RBW Classic Cars Ltd., a United Kingdom private limited company, has agreed to establish and operate an electric car manufacturing facility at 1350 Barker Road, Ringgold, Virginia, at the Authority's Cane Creek Centre Industrial Park ("**Cane Creek**"), under a lease with the Industrial Development Authority of Danville, Virginia, including without limitation an option to purchase; and

WHEREAS, the Authority desires to execute and deliver a local performance agreement with the Company (the "**LPA**"), as more particularly set forth on **Exhibit A**, attached hereto and incorporated herein by this reference, where the City and the County would provide certain tax rebates and the waiver of certain permit fees and connection fees, in exchange for, among other things, the creation by the Company of one hundred forty four (144) new jobs with an average annual wage of at least Fifty Three Thousand Five Hundred Fourteen and 67/100 Dollars ($53,514.67), excluding standard fringe benefits, and certain minimum capital investment of Seven Million Nine Hundred Fifty One Thousand and 00/100 Dollars ($7,951,000.00), over a performance period of five (5) years; and

WHEREAS, the Authority's Board of Directors has determined that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to ratify the LPA.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby authorizes and approves the execution and delivery of the LPA with the Company, as described in this Resolution and substantially in the form of **Exhibit A**, each of the Authority's Chairman and Vice Chairman, in consultation with the other, is authorized to further modify a LPA on such terms and conditions as the Chairman or Vice Chairman, in consultation with the other, determines to be reasonable, appropriate and consistent with this Resolution and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver a LPA, and all other related documents to consummate the transaction, on behalf of the Authority, such execution of a LPA, and related documents by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any modifications as consulted by and between the Chairman and Vice Chairman.

2. The Authority hereby authorizes and directs the City Manager Officer, the County Administrator Officer, and the Authority's staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the LPA, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the LPA and the matters contemplated therein or related thereto on or before the date of this Resolution is adopted.

4. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on September 9, 2024, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 9th day of September 2024.

____
SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)

Exhibit A

(Local Performance Agreement)

LOCAL PERFORMANCE AGREEMENT

THIS LOCAL PERFORMANCE AGREEMENT (this "**Agreement**"), made and entered into as of the _____ day of __________________________ 2024, by and among **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**RIFA**"); the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA,** a political subdivision of the Commonwealth of Virginia (the "**City IDA**"); the **COUNTY OF PITTSYLVANIA, VIRGINIA,** a political subdivision of the Commonwealth of Virginia (the "**County**"); the **CITY OF DANVILLE, VIRGINIA**, a Virginia municipal corporation (the "**City**"); and **RBW SPORTS & CLASSICS, INC.**, a Delaware corporation (the "**Company**"), an affiliate of RBW Classic Cars Ltd., a United Kingdom private limited company;

W I T N E S S E T H :

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

<u>Section 1. - Recitals</u>. The parties recite the following facts:

a. RIFA, the City IDA, the County and the City, in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity.

b. The Company has agreed to locate and to establish a manufacturing operation on that certain real property commonly known as 1350 Barker Road, Ringgold, Virginia 24586 in the Cane Creek Centre Industrial Park in Pittsylvania County, Virginia (the "**Project Site**"). The Project Site is owned by the City IDA and is more particularly described in **<u>Schedule 1(b)</u>**, attached hereto and incorporated herein by this reference. During the Performance Period described below, the Company plans to make capital equipment investments of at least Seven Million Nine Hundred Fifty One Thousand and 00/100 Dollars ($7,951,000.00) and to create one hundred forty four (144) full-time jobs with an average yearly base wage of at least Fifty Three Thousand Five Hundred Fourteen and 67/100 Dollars ($53,514.67), as set forth in this Agreement. In addition, the Company intends to acquire the Project Site, containing an aggregate of approximately 10 acres, commonly known as Lot 1A (Tax GPIN 2348-30-5836) (collectively, the "**Adjacent Land**"), for the manufacture of new electric sports vehicles, electric vehicle integration services, battery assembly, and commercial vehicle rentals.

c. Each of RIFA, the City IDA, the County and the City is willing to provide those certain incentives to the Company summarized in **<u>Schedule 1(c)</u>**, attached hereto and incorporated herein by this reference, provided that the Company satisfies certain criteria relating to employment projections and capital investment as described below.

d. Each of RIFA, the City IDA, the County and the City finds that the provisions of this Agreement and the commitments of the Company will promote the expansion of industry by inducing industrial development within Cane Creek Centre Industrial Park, and that such development will promote the safety, health, welfare, convenience and prosperity of the citizens of Pittsylvania County and Danville, Virginia.

Section 2. - Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

a. ***"Adjacent Land"*** shall have the same meaning as the Project Site and as that term in Section 1(b) above. The stated value of the Adjacent Land is Three Hundred Thousand and 00/100 Dollars ($300,000.00).

b. ***"Agreement"*** shall mean this Local Performance Agreement and shall have the same meaning as set forth in the header paragraph.

c. ***"Affiliated Operations Entity"*** shall have the same meaning as in Section 3 below.

d. ***"AL Purchase Option"*** shall have the same meaning as in Section 4(b) below.

e. ***"Building"*** shall mean that certain building containing approximately twenty seven thousand square feet (27,000 $ft.^2$) of space located on the Project Site.

f. ***"Capital Investment"*** means a capital expenditure by or on behalf of the Company in taxable real property, taxable tangible personal property, or both, at the Facility. A capital expenditure related to a leasehold interest in real property will be considered to be made "**on behalf of the Company**" if a lease between a developer and the Company is a capital lease, or is an operating lease having a term of at least ten (10) years, and the real property would not have been constructed or improved but for the Company's interest in leasing some or all of the real property. Only the capital expenditures allocated to the portion of the real property to be leased by the Company will count as Capital Investment. The purchase or lease of furniture, fixtures, machinery and equipment, including under an operating lease, will qualify as Capital Investment hereunder.

g. ***"City"*** shall have the same meaning as that term in the header paragraph of this Agreement.

h. ***"City IDA"*** shall have the same meaning as that term in the header paragraph of this Agreement.

i. ***"Company"*** shall have the same meaning as that term in the header paragraph of this Agreement.

j. ***"County"*** shall have the same meaning as that term in the header paragraph of this Agreement.

k. ***"Event of Default"*** shall have the same meaning as that term is used in Section 10 below.

l. ***"Event of Force Majeure"*** shall mean without limitation, any of the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the Commonwealth of Virginia or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Company; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company.

m. ***"Facility"*** shall collectively mean the Project Site along with the Building and any other improvements thereon.

n. ***"Facility Lease"*** shall mean that certain ten (10) year lease between the Company, as tenant, and the City IDA, as landlord, for the Facility, as more particularly described in Section 4 below.

o. ***"Facility Delivery Date"*** shall mean the date that the Facility is first made available by the City IDA for possession by the Company under the Facility Lease.

p. ***"Government Party"*** *or* ***"Government Parties"*** shall mean any one or more of RIFA, the City IDA, the County and the City.

q. ***"Maintain"***, as it pertains to a New Job, shall mean that the New Job will continue without interruption from the date of creation through the Performance Date. Positions for the New Jobs will be treated as Maintained during periods in which such positions are not filled due to (i) temporary reductions in the Company's employment levels (so long as there is active recruitment for open positions), (ii) strikes and (iii) other temporary work stoppages not to exceed sixty (60) days.

r. ***"New Job"*** shall mean new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are provided by the Company for the employee, and for which the Company pays an average annual wage of at least Fifty Three Thousand Five Hundred Fourteen and 67/100 Dollars ($53,514.67), excluding standard fringe benefits. Each New Job must require a minimum of either (i) thirty-five (35) hours of an employee's time per week for the entire normal year of the Company's operations, which "**normal year**" must consist of at least forty-eight (48) weeks, or (ii) one thousand six hundred eighty (1,680) hours per year. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth of Virginia, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs.

s. ***"Performance Date"*** shall mean the date that is five (5) years after the date of this Agreement. The Performance Date shall be extended one (1) day for each day after the Facility Delivery Date that the Facility is not made available by the City IDA for possession by the Company under the Facility Lease. The City IDA and the Company shall give written notice to RIFA of any extension of the Performance Date.

t. ***"Performance Period"*** shall mean that period of time commencing on the date of this Agreement and ending on the Performance Date.

u. ***"Project Site"*** shall have the same meaning as that term is used in Section 1(b) above.

v. ***"Recruitment Documents"*** shall mean any one or more of this Agreement, the Facility Lease, and any and all performance grant agreements executed by the Company pertaining to State Grants and any other document(s) executed, at the request of RIFA, by the Company in connection with this Agreement.

w. ***"RIFA"*** shall have the same meaning as that term in the header paragraph of this Agreement.

x. ***"State Grants"*** shall mean the Commonwealth Opportunity Fund Grant; the Virginia State Enterprise Zone Job Creation Grant; the Virginia State Enterprise Zone Real Property Investment Grant; and the Virginia Jobs Investment Program Grant.

Section 3. - Domestication to Virginia. The Company shall change its state of domestication from the State of Delaware to the Commonwealth of Virginia within one hundred twenty (120) days after the date of this Agreement and then shall maintain a Virginia domicile for the remainder of the Performance Period. The Company shall promptly provide to RIFA written evidence of its Virginia domestication. In the event that an affiliated entity controlled by the Company will actively support the Company's operations at the Facility (the "**Affiliated Operations Entity**"), the Company shall cause the Affiliated Operations Entity to execute a joinder certificate in the form reasonably satisfactory to RIFA's counsel, under which the Affiliated Operations Entity joins this Agreement as a party and agrees to be bound by the same terms and conditions of this Agreement to the same extent as the Company is bound. The Company and the Affiliated Operations Entity, if any, shall be in good standing with the Virginia State Corporation Commission and authorized to transact business in Virginia throughout the balance of the Performance Period.

Section 4. - Location of Manufacturing Operations in the Facility; the Facility Lease.

a. Generally. Upon the Company's execution of this Agreement, the Company shall execute a Facility Lease in substantially the form set forth in **Schedule 4**, attached hereto and incorporated herein by this reference. During the Performance Period, the Company shall locate its manufacturing operations, along with its marketing and sales offices, in the Facility. Under the Facility Lease, at any time after the first five (5) years of the lease term, the Company shall have the right to terminate the Facility Lease upon giving at least ninety (90) days written notice to the City IDA and to RIFA and payment of any outstanding amounts owed to landlord under the Facility Lease. Such right of termination by the Company is more particularly described in the Facility Lease. In the event of a conflict between this Section 4(a) and the Facility Lease, the provisions of the Facility Lease shall control to the extent necessary to resolve such conflict.

b. Option to Purchase the Facility and Adjacent Land. So long as the Company is not then in default of this Agreement, the Facility Lease or both, during the initial ten (10) year term of the Facility Lease, the Company shall have the option to purchase the Facility and the Adjacent Land from the City IDA (the "**AL Purchase Option**") at the Option Purchase Price (as defined in the Facility Lease). In no event shall the Option Purchase Price be less than One and 00/100 Dollar ($1.00). To exercise such option, the Company must provide written notice to the City IDA and to RIFA on or before the end of the initial term of the Facility Lease. In the event of a conflict between this Section 4(b) and the Facility Lease, the provisions of the Facility Lease shall control to the extent necessary to resolve such conflict.

Section 5. - Capital Investment and Job Creation by the Company.

a. $7,951,000.00 Capital Investment. On or before the Performance Date, the Company shall make Capital Investment in the minimum aggregate amount of Seven Million Nine Hundred Fifty One Thousand and 00/100 Dollars ($7,951,000.00) on or for the Facility. Notwithstanding the foregoing, it shall not constitute an Event of Default under Section 10 below if the Company shall make a Capital Investment of at least Seven Million One Hundred Fifty Five Thousand Nine Hundred and 00/100 Dollars ($7,155,900.00) on or before the Performance Date.

b. 144 New Jobs. The Company shall create and employ one hundred forty four (144) New Jobs on or before the Performance Date and shall Maintain these New Jobs until at least the Performance Date. On May 1 and November 1 of each year during the Performance Period, the Company shall produce and deliver to RIFA a New Jobs roster itemizing, at a minimum, each New Job and the base pay (excluding fringe benefits), as described in Section 2(r) above and any other information pertaining to New Jobs as may be reasonably requested by RIFA. The Company shall redact from the New Jobs roster any personally identifiable information of its employees. The Company hereby authorizes each of the County's Economic

Development Director, the City Economic Development Director and the RIFA Treasurer or his respective designees to obtain and to verify the information contained in the New Jobs roster from the Virginia Employment Commission. Notwithstanding the foregoing, it shall not constitute an Event of Default under Section 10 below if the Company shall create and Maintain at least one hundred thirty (130) New Jobs on or before the Performance Date.

c. Financial Report. On May 1 and November 1 of each year during the Performance Period, the Company shall produce and deliver to RIFA a general financial report on the status of the Company's business since the date of its opening at the Facility.

Section 6. - Funds Extended to or for the Company.

a. Long-Term/High Impact 50% Real Estate Tax Rebate for Year 1 through Year 5 (estimated at $72,674.00). Subject to appropriations, each of the County and the City shall rebate to the Company fifty percent (50%) of the real estate taxes imposed upon the Facility that are paid by the Company and actually received by the County and the City, respectively, during the first five (5) tax years after the execution of this Agreement.

b. Long-Term/High Impact 50% Machinery and Tools Tax Rebate for Year 1 through Year 5 (estimated at $27,270.00). Subject to appropriations, each of the City and the County shall rebate to the Company fifty percent (50%) of the machinery and tools tax imposed upon the Company that are paid by the Company and actually received by the County and the City, during the first five (5) tax years after the execution of this Agreement.

c. Up to $72,000.00 Danville-Pittsylvania County Enterprise Zone Jobs Grant. The City and the County acknowledge that under the City-County's Enterprise Zone program, the Company's Capital Investment for the Facility and creation of New Jobs as contemplated in this Agreement could qualify for up to Seventy Two Thousand and 00/100 Dollars ($72,000.00) in value in the form of one-time cash payments of Five Hundred and 00/100 Dollars ($500.00) per job (the "**D-P Enterprise Zone Jobs Grant**"). The City and the County shall disburse such grant according to the terms and conditions of their Enterprise Zone program. After this grant is disbursed, this grant is not subject to recapture by the City, the County or any other Government Party in the event the Company fails to make the Capital Investment and/or create and Maintain the New Jobs on or before the Performance Date.

d. Waiver of Building Zoning and Land Disturbance Permit Fees, and Water, Sewer and Natural Gas Connection Fees: Estimated Value of $100,000.00. The County and/or City will waive one hundred percent (100%) of the cost of building zoning and land disturbance permit fees for eligible new construction and expansions in the enterprise zone. Water, sewer and natural gas connection fees paid by the Company will be reimbursed for new construction, and Danville utilities would run all necessary water and sewer lines to the New Facility at its cost. Water and sewer connection fees are reimbursed by Pittsylvania County for new construction and expansions and the Pittsylvania County Service Authority will run necessary water and sewer lines to the

Facility at no charge to the Company. The waivers under this Section 6(d) shall be subject to all the enterprise zone terms and conditions.

e. AL Purchase Option: Land Value of $300,000.00. As part of the Facility Lease, the City IDA shall grant to the Company the AL Purchase Option as more particularly described in Section 4(b) above, and where the Company shall receive a land value grant equal to Three Hundred Thousand and 00/100 Dollars ($300,000.00) in the form of a reduction in the net purchase price. In the event of a conflict between this Section 6(e) and the Facility Lease, the provisions of the Facility Lease shall control to the extent necessary to resolve such conflict.

f. State Grant Applications. RIFA or other Government Parties may apply for and accept State Grants as follows:

i. $500,000.00 Commonwealth Opportunity Fund Grant. As a condition to and as a part of the application for the Commonwealth Opportunity Fund Grant, RIFA and the Company shall enter into a performance grant agreement with the Virginia Economic Development Partnership. If the application for such grant is approved, RIFA shall disburse the funds upon the Company's satisfaction or achievement of certain performance metrics as set forth in such performance grant agreement.

ii. $281,800.00 job creation and $100,000.00 real property improvement: Virginia State Enterprise Zone Grant. The Facility is located in a Virginia Enterprise Zone. RIFA or the County shall apply for a Virginia State Enterprise Zone Grant from the Virginia Department of Housing and Community Development, estimated at up to Two Hundred Eighty One Thousand Eight Hundred and 00/100 Dollars ($281,800.00) for job creation and up to One Hundred Thousand and 00/100 Dollars ($100,000.00) for real property improvements to the Facility. If such application for such grant is approved, RIFA or the County shall disburse the grant according to the terms and conditions of the Virginia Enterprise Zone program.

iii. $127,260.00 Virginia Manufacturing Sales and Use Tax. The Company may realize a savings from sales and use tax exemptions of up to One Hundred Twenty Seven Thousand Two Hundred Sixty and 00/100 Dollars ($127,260.00), subject to the Company's compliance with all applicable rules, regulations, and requirements for claiming such exemptions.

iv. $129,600.00 Virginia Jobs Investment Program Grant. RIFA shall assist the Company in applying for grants under the Virginia Economic Development Partnership's Virginia Jobs Investment Program, estimated at One Hundred Twenty Nine Thousand Six Hundred and 00/100 Dollars

($129,600.00). If such application for such grant is approved, the Virginia Economic Development Partnership (or if allowed by the program, RIFA) shall disburse the grant according to the terms and conditions of the Virginia Jobs Investment Program.

The Company shall reasonably cooperate with the Government Parties in connection with the applications for the State Grants, including without limitation providing financial information about the Company, the Company's planned Capital Investments, and the creation schedule of the New Jobs.

The Government Parties acknowledge that one or more advances of the State Grants could be made by RIFA or other Government Party applying for such grants, provided that the advanced disbursements are adequately secured in the sole and absolute determination of such applicant Government Party, in the event that the Company does not meet the performance metrics or other requirements for such State Grant.

Section 7. - Capital Investment Report and Unaudited Annual Financial Statements. The Company shall provide a signed report to RIFA annually, beginning January 1, 2025, documenting the Company's progress in Capital Investment and in maintenance of the Capital Investment. The Company further agrees that each of the County's Economic Development Director, the City Economic Development Director and the RIFA Treasurer or his respective designees are authorized to verify all taxable Capital Investment and related information through the Office of the Commissioner of Revenue for the County. Along with the report in this Section, the Company shall provide to RIFA (i) unaudited financial statements covering the previous twelve (12) month period, prepared under generally accepted accounting principles (GAAP) as used in the United States of America and (ii) documentation or other information reasonably satisfactory to RIFA demonstrating the Company’s plans to have sufficient working capital to operate its business for at least the next eighteen (18) months and to meet its required Capital Investment as set forth in this Agreement.

Section 8. - Affiliation with RBW Sports and Classics Limited, U.K. At all times during the Performance Period, the Company shall maintain its current affiliation with RBW Sports and Classics Limited, U.K. The Company shall give immediate written notice to RIFA in the event of a change in the Company's affiliation with RBW Sports and Classics Limited, U.K. or in the ownership of the Company.

Section 9. - Representations and Warranties of the Company. As of the date of this Agreement and continuing until the Performance Date, the Company hereby represents and warrants to each Government Party the following:

a. The Company is a limited liability company duly organized, validly existing, and in good standing under the laws of the Commonwealth of Virginia as of the date of this Agreement and after the Company performs under Section 3 above, and is authorized to transact business in all jurisdictions in which it is required by law.

b. This Agreement, the transactions contemplated herein, and the other Recruitment Documents to be executed by the Company have been or shall have been approved by all necessary corporate action by the Company; and the persons executing this Agreement and any of the other Recruitment Documents to be executed by the Company have or shall have full and complete authority to execute and deliver the same for and on behalf of the Company.

c. The execution, delivery, and performance of this Agreement, the other Recruitment Documents, and the consummation of the transactions contemplated hereby and thereby by the Company will not violate, conflict with, or result in any default under, or cause any acceleration of any obligation under, any (i) Articles of Incorporation, Shareholders' Agreement, or other organizational documents of the Company; (ii) any existing contract, agreement, note, or other document to which the Company is a party, or by which the Company is bound; or (iii) any orders, decrees, or laws of any jurisdiction applicable to and binding upon the Company.

d. This Agreement and all other Recruitment Documents constitute the legal, binding and enforceable obligations of the Company in accordance with the terms contained herein or therein.

e. Except as is set forth in **Schedule 9**, there is no pending or threatened litigation or proceeding against the Company or RBW Sports and Classics Limited, U.K. which may materially adversely affect the financial condition, business operations, or business prospects of the Company.

f. Neither the Company nor RBW Sports and Classics Limited, U.K. is in material default with respect to any existing indebtedness incurred by either of them.

g. All financial statements, certificates, resolutions, and other information or documentation furnished to any one or more of the Government Parties prior to the date of this Agreement by the Company or RBW Sports and Classics Limited, U.K. are true, correct, and accurate, and no such information fails to disclose or misrepresents any information which could materially or adversely affect the transactions contemplated in this Agreement; and neither the Company nor RBW Sports and Classics Limited, U.K. has failed to disclose any information which could materially and adversely affect the business or financial condition of the Company.

Section 10. - Event of Default. It shall be an Event of Default upon the occurrence of any one or more of the following events:

a. The occurrence of any default under this Agreement, or any other Recruitment Document which is not cured within sixty (60) days after written notice to the Company of such default (or if such default cannot reasonably be cured within such sixty (60) day period, then if the Company fails to substantially begin such cure within such sixty (60) day period or fails thereafter to diligently pursue such cure);

b. The Company discontinues business for a period of sixty (60) days or more, or materially changes the nature of the Company's business;

c. The Company (i) files a petition or has a petition filed against it under the Bankruptcy Code or any proceeding for the relief of insolvent debtors which is not dismissed within sixty (60) days of such filing; (ii) is subject to the entry of an order for relief by any court of insolvency; (iii) makes an admission of insolvency seeking the relief provided in the Bankruptcy Code or any other insolvency law; (iv) makes an assignment for the benefit of creditors; (v) has a receiver appointed, voluntarily or otherwise, for its property; or (vi) becomes insolvent, however otherwise evidenced;

d. The controlling owner of the Company (i) files a petition or has a petition filed against it under the Bankruptcy Code or any proceeding for the relief of insolvent debtors which is not dismissed within sixty (60) days of such filing; (ii) is subject to the entry of an order for relief by any court of insolvency; (iii) makes an admission of insolvency seeking the relief provided in the Bankruptcy Code or any other insolvency law; (iv) makes an assignment for the benefit of creditors; (v) has a receiver appointed, voluntarily or otherwise, for its property; or (vi) becomes insolvent, however otherwise evidenced;

e. The Company is not in good standing with the Virginia State Corporation Commission after having received at least sixty (60) days written notice; or

f. An officer or controlling owner of the Company (i) is convicted of a felony, or (ii) is convicted of any other crime involving lying, cheating, stealing, fraud, misappropriation, or other similar acts of dishonesty.

<u>Section 11. - Upon Occurrence of an Event of Default</u>. In addition to and not in lieu of any other remedies or relief made available to any one or more of the Government Parties under this Agreement, at law or in equity, upon the occurrence of an Event of Default, irrespective of whether any Government Party has terminated this Agreement, each Government Party (as the case may be) may elect any one or more of the following:

a. The Government Party may immediately cease to disburse any further payments to or for the Company under this Agreement or the Recruitment Documents;

b. The Government Party may give written notice to the Company exercising the right to accelerate the Company's obligation to repay its unpaid indebtedness of the Company to that Government Party, declaring the outstanding balance to be immediately due and payable;

c. The City IDA shall have the right to deem that the Company is in default of the

Facility Lease;

d. Upon giving written notice to the Company, the Government Party shall have the right, but not the obligation, to offset any amounts owed by the Government Party against amounts owed or claimed to be owed by the Company; and/or

e. The Government Party may pursue any and all other remedies available to it under this Agreement, any one or more of the Recruitment Documents or applicable law.

Section 12. - Audit and Guideline Requirements. Upon reasonable prior written request, the Company shall allow each of the County's Economic Development Director, the City Economic Development Director and the RIFA Treasurer (or his respective designees) reasonable access during regular business hours to all records pertaining to the Company's employment and investment at the Facility, and the Company shall cooperate with RIFA in any audit of such records by furnishing all information necessary to verify the Company's performance under this Agreement. In return, each of RIFA, the County and the City agrees to maintain the confidentiality of any and all proprietary, confidential and/or sensitive information, including without limitation personal payroll earnings or similar information that those Government Parties or its designees may receive or access.

Section 13. - Force Majeure. Notwithstanding the foregoing, if the Company does not meet the New Job and Capital Investments requirements because of an Event of Force Majeure, the Performance Date will be extended day-for-day by the delay in meeting the targets caused by the Event of Force Majeure.

Section 14. - Subject to Annual Appropriations. As provided under Virginia law, the obligations of the Government Parties to pay the cost of performing its obligations under this Agreement are subject to and dependent upon annual appropriations being made from time to time by the governing body of such Government Party, for such purpose.

Section 15. - Non-waiver. No waiver of any term or condition of this Agreement by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Agreement.

Section 16. - Attorneys' Fees. Each of the parties shall be solely responsible for their respective attorneys' fees in the negotiating, drafting, and execution of this Agreement and any of the transactions contemplated hereby.

Section 17. - Other Documents. The parties agree that they shall execute, acknowledge, and deliver all such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement.

Section 18. - Default. In the event that a party to this Agreement incurs attorneys' fees and/or costs in pursuing or defending an alleged breach of this Agreement, the non-prevailing party, in addition to any other remedy, shall be responsible for the reasonable attorneys' fees and costs incurred by the prevailing party. The parties retain all rights at law and in equity to enforce the provisions of this Agreement in accordance with applicable law.

Section 19. - Entire Agreement. This Agreement and the schedules hereto contain the entire agreement and understanding of the parties to this Agreement with respect to the transactions contemplated hereby; and this Agreement and the schedules hereto supersede all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 20. - Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 21. - Notices. Any notice required or contemplated to be given to any of the parties by any other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to RIFA:
Danville-Pittsylvania Regional
Industrial Facility Authority
Attn.: Susan M. DeMasi, Secretary
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

With a copy to:
Michael C. Guanzon, Esq.
Christian & Barton, L.L.P.
901 E. Cary Street
Suite 1800
Danville, VA 24541

If to the County:
Attn.: Matthew D. Rowe
Director of Economic Development
1 Center Street
P.O. Box 426
Chatham, VA 24531

With a copy to:
J. Vaden Hunt, Esq.
County Attorney
1 Center Street
P.O. Box 426
Chatham, VA 24531

If to the City IDA or the City:
Attn.: Corrie T. Bobe
Director of Economic Development
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

With a copy to:
W. Clarke Whitfield, Jr., Esq.
City Attorney
427 Patton Street, Room 421
P.O. Box 3300 (zip code 24543)

Danville, VA 24541

<u>If to the Company</u>:
Attn: Ryan J. Morris, CEO
1350 Barker Road
Danville, VA 24541

<u>With a copy to</u>:
Howard Cooper
151-153 Park Road
St. Johns Woods
London, NW8 7HT
United Kingdom

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Copies as set forth in this <u>Section 21</u> are provided as a courtesy and shall not be required to effectuate notice as provided herein.

<u>Section 22. - Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties hereby submit to the exclusive jurisdiction of the state court located in Pittsylvania County, Virginia, or the U.S. District Court for the Western District of Virginia (Danville Division), in any action or proceeding arising out of, or related to this Agreement, and the parties hereby agree that all claims in respect of any action or proceeding shall be heard or determined only in either of these courts. The parties agree that a final judgment in any action or proceeding shall, to the extent permitted by applicable law, be conclusive and may be enforced in other jurisdictions by suit on the judgment, or in any other manner provided by applicable law related to the enforcement of judgments. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

<u>Section 23. - Binding Effect</u>. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

<u>Section 24. - Amendment, Modification and/or Supplement</u>. The parties may amend, modify, and/or supplement this Agreement in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest.

<u>Section 25. - Gender and Number</u>. Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine, and the singular number to include the plural, and vice versa.

Section 26. - Counterparts. This 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.

Section 27. - Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Section 28. - Survival. Any termination, cancellation or expiration of this Agreement notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

Section 29. - No Third-Party Beneficiaries. Nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

[**SIGNATURES ARE ON FOLLOWING PAGES.**]

WITNESS our signature to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

By: ______________________________
William V. Ingram, Chairman

ATTEST:

____
Susan M. DeMasi
Corporate Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 2024, by **WILLIAM V. INGRAM**, in his capacity as Chairman of **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: _______________________________.

____
Notary Public
Registration No. ____________________

WITNESS our signature to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By: ________________________________
T. Neal Morris, Chairman

ATTEST:

____
Print Name: ____________________
Corporate Secretary
Industrial Development Authority of Danville, Virginia

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 2024, by **T. NEAL MORRIS**, in his capacity as Chairman of **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: ________________________________.

____
Notary Public
Registration No. ____________________

<u>List of Schedules</u>
1(b) - The Project Site
1(c) - Summary of Incentives
4 - The Facility Lease

WITNESS our signature to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

COUNTY OF PITTSYLVANIA, VIRGINIA, a political subdivision of the Commonwealth of Virginia

By: ________________________________
Darrell Dalton, Chairman
Board of Supervisors

ATTEST:

____
J. Vaden Hunt
Clerk
Pittsylvania County Board of Supervisors

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of ________________ 2024, by **DARRELL DALTON**, in his capacity as Chairman of the Board of Supervisors of **COUNTY OF PITTSYLVANIA, VIRGINIA,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: __________________________________.

____
Notary Public
Registration No. _____________________

<u>List of Schedules</u>
1(b) - The Project Site
1(c) - Summary of Incentives
4 - The Facility Lease

WITNESS our signature to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

CITY OF DANVILLE, VIRGINIA, a Virginia municipal corporation

By: ________________________________
Kenneth F. Larking
City Manager

ATTEST:

____
Susan M. DeMasi
City Clerk
City of Danville, Virginia

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of ________________ 2024, by **KENNETH F. LARKING**, in his capacity as City Manager of **CITY OF DANVILLE, VIRGINIA,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: __________________________________.

____
Notary Public
Registration No. _____________________

<u>List of Schedules</u>
1(b) - The Project Site
1(c) - Summary of Incentives
4 - The Facility Lease

WITNESS our signature to this **LOCAL PERFORMANCE AGREEMENT** as of the date first above written:

RBW SPORTS & CLASSICS, INC., a Delaware corporation

By: ________________________________
Ryan J. Morris
CEO

<u>List of Schedules</u>
1(b) - The Project Site
1(c) - Summary of Incentives
4 - The Facility Lease

Schedule 1(b)
(The Project Site)

ALL of that certain lot, tract, or parcel of land, together with improvements thereon and appurtenances thereunto belonging, situate in Pittsylvania County, Virginia, and more particularly described as follows:

> **LOT 1A, containing approximately 10 acres**, more or less, fronting on State Road 733 (Barker Road), as shown on "Plat of Survey for Industrial Development Authority of Danville, Virginia showing the Subdivision of Lot 1 Cane Creek Center creating Lot 1A & Lot 1B" by Shanks Associates, P.C., dated April 6, 2022, recorded in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia (the "**Clerk's Office**") as Instrument No. 23-00602; and
>
> **AND BEING, IN FACT**, a portion of the same property conveyed by 22 Stars, Inc., a Texas corporation, to Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, by deed dated October 19, 2019, and recorded in the Clerks' Office as Instrument No. 19-05251, at page 105, to which plat and deed specific reference is here made for a more particular description of the property herein described.
>
> Reference is here made to those certain Cane Creek Centre Declaration of Protective Covenants, dated July 12, 2005, and recorded in the Clerk's Office as Instrument No. 05-06158, in Deed Book 1505, at page 237, as amended by Instrument No. 12-03321, at page 104, and supplemented by Instrument No. 14-00362, at page 1, and Instrument No. 15-00596, at page 1, and as amended by Instrument No. 22-05040, at page 5.
>
> This property is made subject to all easements, conditions, restrictions and agreements of record affecting the real estate hereby described or any part thereof.

Schedule 1(c)

(Summary of Incentives)

LOCAL INCENTIVES*	Value or Max. Value
Long-Term/High Impact 50% Real Estate Tax Rebate for Year 1 through Year 5 (§6(a)) – estimated value	$72,674.00
Long-Term/High Impact 50% Machinery and Tools Tax Rebate for Year 1 through Year 5 (§6(b)) – estimated value	$27,270.00
Danville-Pittsylvania County Enterprise Zone Jobs Grant (§6(c))	$72,000.00
Waiver of Building Zoning and Land Disturbance Permit Fees, and Water and Sewer Connection Fees (§6(d)) – estimated value	$100,000.00
Adjacent Land Purchase Option – Land Value (§6(e))	$300,000.00
Total	**$571,944.00**
STATE INCENTIVES*	Value or Max. Value
Commonwealth Opportunity Fund Grant (§6(f)(i))	$500,000.00
Virginia State Enterprise Zone Grant – job creation (§6(f)(ii))	$281,800.00
Virginia State Enterprise Zone Grant – real property improvements (§6(f)(ii))	$100,000.00
Virginia State Manufacturing Sales and Use Tax Exemption (§6(f)(iii))	$127,260.00
Virginia Jobs Investment Program Grant (§6(f)(iv))	$129,600.00
Total	**$1,138,660.00**

TOTAL LOCAL AND STATE INCENTIVES*	**$1,710,604.00**

*Any and all advances of cash incentives are secured by collateral provided by the Company, in the event that the Company does not meet the performance metrics or other requirements for such cash incentives.

Schedule 4
(The Facility Lease)

See attached.

Schedule 9

(Pending Litigation)

1. *RBW Sports and Classics Limited v. Continental Engineering Services Limited*, Case No._____________, ___________ Court of _______________. Contract litigation initiated in the United Kingdon by RBW Sports and Classics Limited ("RBW"), wherein RBW is seeking recovery of damages occasioned by Continental Engineering Services Limited's (Continental") alleged breach of contract for Continental's provision of mechanical/ software components. No claim or counterclaim has been or is expected to be asserted against RBW by Continental.

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.D.

DATE: September 9, 2024

FROM: Michael Adkins | Authority Treasurer

RE: Financial Status Reports as of August 31, 2024 - Michael L. Adkins, Authority Treasurer.

SUMMARY

A Review of the financial status reports through August 31, 2024 will be provided at the meeting. The financial status reports as of August 31, 2024 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of August 31, 2024 as presented.

ATTACHMENTS

1. Financial Reports

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

Danville-Pittsylvania Regional Industrial Facility Authority

$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 [7]

As of August 31, 2024

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Funds from bond issuance	$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost [7]	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
Cane Creek Parkway [3]		$3,804,576.00	$3,724,241.16	$ -	
Swedwood Drive [2]		69,414.00	69,414.00	-	
Cane Creek Centre entrance [3]		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts [1]		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant [4, 5]		76,986.46	65,559.12	11,427.34	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	247,837.83	-	
CCC - Lots 3 & 9 project - RIFA Local Share [6]		142,190.00	112,464.98	-	
Other expenditures		2,250.00	347,194.30	2,250.00	
Total	$ 7,578,582.12	$ 4,318,495.58	$ 7,564,279.78	$ 13,677.34	**$ 625.00**

Notes:

[1] Dewberry Contracts consist of wetland, engineering, surveying and site preparation

[2] Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

[3] Project completed under budget

[*] In September 2008 the outstanding principal balance of $6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

[4] These contracts were originally to be paid by the $1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

[5] The budget amount decreased $71,279.61 from the 9/30/2010 reports. This amount represented the remaining budget amount carried from the $1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

[6] This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

[7] The $7.3 million bonds were refunded on 8/1/2013 with the issuance of refunding bonds in the amount of $5,595,000.

Road Summary-Cane Creek Parkway:	
English Contract-Construction	$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	**$ 5,271,916.00**

Funding Summary - Cane Creek Parkway	
VDOT	$ 1,467,340.00
Bonds	3,804,576.00
	$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2024
As of August 31, 2024

	Funding	Budget	FY Expenditures	Current Month Expenditures	Encumbered	Unexpended / Unencumbered
Funding						
City Contribution	$ 100,000.00					
County Contribution	100,000.00					
Transfer from Unrestricted Fund Balance	151,324.00					
Contingency						
Miscellaneous contingency items		$ 1,184.54	$ 1,184.54	$ -	$ -	$ -
Total Contingency Budget		1,184.54	1,184.54	-	-	-
Legal		211,779.00	211,779.00	32,798.00	-	-
Accounting		27,400.00	27,400.00	-	-	-
Marketing		41,732.53	41,732.53	-	-	-
Meals		5,187.44	5,187.44	-	-	-
Utilities		1,924.49	1,924.49	-	-	-
Insurance		3,436.00	3,436.00	-	-	-
Maintenance		58,680.00	58,680.00	-	-	-
Total	$ 351,324.00	$ 351,324.00	$ 351,324.00	$ 32,798.00	$ -	**$ -**

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2025

As of August 31, 2024

	Funding	Budget	FY Expenditures	Current Month Expenditures	Encumbered	Unexpended / Unencumbered
Funding						
City Contribution	$ 125,000.00					
County Contribution	125,000.00					
Transfer from Unrestricted Fund Balance	40,500.00					
Contingency						
Miscellaneous contingency items		$ 4,000.00	$ 112.00	$ 15.00	$ -	$ 3,888.00
Total Contingency Budget		4,000.00	112.00	15.00	-	3,888.00
Legal		150,000.00	-	-	-	150,000.00
Accounting		28,000.00	-	-	-	28,000.00
Marketing		40,000.00	-	-	-	40,000.00
Postage & Shipping		100.00	-	-	-	100.00
Meals		4,500.00	501.36	501.36	-	3,998.64
Utilities		1,900.00	129.21	129.21	-	1,770.79
Insurance		3,000.00	-	-	-	3,000.00
Maintenance		59,000.00	9,780.00	4,890.00	-	49,220.00
Total	$ 290,500.00	$ 290,500.00	$ 10,522.57	$ 5,535.57	$ -	**$ 279,977.43**

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of August 31, 2024

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
City contribution	$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property [1, 4]	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion [5]	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 [6]	11,854.39				
TIC #2264 Berry Hill Industrial Park - Phase II Land and Engineering	2,700,000.00				
TIC #2264 Berry Hill Industrial Park - Phase II Land and Engineering deobligated	(699,873.73)				
TIC #2264 Local Match for Property & Improvements (County)	500,000.00				
TIC #2264 Local Match for Property & Improvements (City)	500,000.00				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
Virginia Resources Authority - TRRF Loan #3658	4,500,000.00				
VBRSP Site Development Grant from VEDP FY2023	1,500,000.00				
Transfer from Unrestricted Funds - "Other Income"	592,590.86				
Land					
Klutz property		$ 8,394,553.50	$ 8,394,553.50	$ -	
Canter property [2]		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
401 Buford Road		246,082.96	246,082.96	-	
Off State Road 1055		181,890.19	181,890.19	-	
604 Buford Road		361,896.60	361,896.60	-	
ROW purchase for connector road		832,300.25	832,300.25	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis[3]		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney [7]		115,000.00	103,796.85	-	
Dewberry Engineers (related to #2264)		160,500.00	160,500.00	-	
Dewberry Engineers		1,644,380.00	1,486,430.00	157,950.00	
Appalachian Power Company		5,178,500.00	5,178,500.00	-	
Banister Bend Farm, LLC		199,064.00	199,064.00	-	
Virginia Department of Transportation (VDOT)		279,399.00	279,399.00	-	
Transcontinental (Williams Transco)		40,000.00	40,000.00	-	
Stantec Consulting Services Inc.		2,400.00	2,400.00	-	
Troutman, Pepper, Hamilton, Sanders LLP		75,000.00	58,100.00	16,900.00	
Dewberry Engineers		153,250.00	13,750.00	139,500.00	
HGS LLC		483,000.00	483,000.00	-	
Sellers Brothers		24,500.00	24,500.00	-	
Froehling & Robertson		2,500.00	2,500.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project [8]		-	11,203.15	-	
Total	$ 24,401,745.10	$ 24,096,187.83	$ 23,778,867.12	$ 317,320.71	**$ 305,557.27**

[1] This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled $144,150.41.

[2] Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

[3] This contract was originally for $814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. $740,000 was covered by the FY09 Tobacco Allocation. $162,928 was covered by the FY10 Tobacco Allocation. $87,922 will be covered with RIFA Funds.

[4] RIFA paid the City back for all advances on 1/3/2012.

[5] The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately $65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

[6] Due to the expiration of the Tobacco Comission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize $11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

[7] Unencumbered the remaining $11,203.15 due to termination of contract.

[8] As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Lot 4 Site Development
As of August 31, 2024

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
Tobacco Commission FY12 Megasite Allocation	$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion [1]	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion [1]	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion [2]	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget[3]	11,203.15				
Transfer to Other Income - Unrestricted Funds	152,170.40				
Transfer from SVM Berry Hill Lots 1 & 2	138,000.00				
Expenditures					
Dewberry Engineers Inc.		1,707,562.81	1,707,562.81	-	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	12,000.00	-	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		77,027.64	77,027.64	-	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		11,860.00	11,860.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,243,151.21	4,243,151.21	-	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		1,679,616.89	1,679,616.89	-	
Haymes Brothers, Inc. - Phase 1 Development		290,500.00	290,500.00	-	
Transfers to "General Expenditures Fiscal Year 2015" Contingency [3]					
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	(12,000.00)	-	
Total	$ 8,190,526.55	$ 8,190,526.55	$ 8,190,526.55	$ -	**$ -**

[1] *$300,000 of this was received from each locality 6-2014. $450,000 received 8-2014. $450,000 received 9-2014.*

[2] *The RIFA Board approved on 2/11/2013 to transfer the remaining funds of $175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of $5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.*

3 As approved by RIFA Board on 10/16/2014 ($108,603.35 of expenditures for Dewberry Engineers, Inc. was also transferred from remaining unexpended and unencumbered costs under Amendment #4)

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lots 1&2 Site Development

As of August 31, 2024

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
TIC #3358 Berry Hill Industrial Park - Site Improvements for Project Lignum	$ 2,292,856.56				
TIC #3358 Local Match (County)	970,707.92				
TIC #3358 Local Match (City)	970,707.92				
VBRSP Site Development Grant from VEDP	1,312,400.00				
VBRSP Site Development Grant from VEDP (City)	216,546.00				
VBRSP Site Development Grant from VEDP (County)	216,546.00				
Transfers to/from other funding sheets	(1,669,212.10)				
Expenditures					
Dewberry Engineers Inc.		413,540.00	407,040.00	6,500.00	
Virginia Nutrient Bank		84,420.00	84,420.00	-	
Jimmy R. Lynch & Sons, Inc.		3,716,936.30	3,482,831.18	234,105.12	
Treasurer of Virginia		6,100.00	6,100.00	-	
Fifth Mountain Engineering		30,000.00	27,720.00	2,280.00	
Total	$ 4,310,552.30	$ 4,250,996.30	$ 4,008,111.18	$ 242,885.12	**$ 59,556.00**

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of August 31, 2024

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
TIC #2641 Phase I Sanitary Sewer					
Tobacco Commission Grant 2641	$ 4,840,977.86				
Local Match for Contractual Services	274,926.43				
Local Match for Property & Imp.	262,960.00				
TIC #3011 Water System Improvements Phase II					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Imp.	224,160.00				
City of Danville Utilities	3,716,897.35				
Expenditures					
Dewberry Engineers Inc.		912,309.99	888,109.99	24,200.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
Haymes Brothers, Inc. - Phase I Sanitary Sewer (City)		3,210,312.35	3,210,312.35	-	
C.W. Cauley & Son - Phase 1 Water		1,843,540.00	1,021,345.00	822,195.00	
Norfolk Southern Railway Company		22,300.00	22,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		7,900.00	7,900.00	-	
AECOM		5,000.00	5,000.00	-	
BH Media Group, Inc.		296.00	296.00	-	
Danville Register & Bee		600.00	600.00	-	
Total	$ 11,561,488.64	$ 11,096,401.64	$ 10,250,006.64	$ 846,395.00	**$ 465,087.00**

G

Danville-Pittsylvania Regional Industrial Facility Authority

Cyber Park Site Development

As of August 31, 2024

		Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding						
MEP TROF Loan	$	270,000.00				
Transfer from Other Income		152,090.00				
Transfer from SVM at BH Lots 1& 2		1,988,100.25				
Expenditures						
Dewberry Engineers Inc.			114,250.00	114,250.00	-	
Making Everything Possible LLC (Incentives)			270,000.00	270,000.00	-	
Virginia Nutrient Bank			37,840.00	37,840.00	-	
Sellers Brothers			1,988,100.25	1,888,695.24	99,405.01	
Total	$	2,410,190.25	$ 2,410,190.25	$ 2,310,785.24	$ 99,405.01	**$ (0.00)**

H

Danville-Pittsylvania Regional Industrial Facility Authority
Rent, Interest, and Other Income Realized for Fiscal Year 2025
As of August 31, 2024

	Funding				
Source of Funds	**Carryforward from FY2024**	**Receipts Current Month**	**Receipts FY2025**	**Expenditures FY2025**	**Unexpended / Unencumbered**
Carryforward	$ 3,415,979.07				
Current Lessees					
Institute for Advanced Learning and Research (IALR) [1]		$ 23,342.11	$ 46,684.22		
Mountain View Farms of Virginia, L.C.		-	-		
Osborne Company of North Carolina, Inc.		-	-		
Capital Outdoor, Inc.		-	2,000.00		
American Electric Power		1,500.00	6,000.00		
Total Rent		$ 24,842.11	$ 54,684.22		
Interest Received [2]		$ 12,063.55	$ 12,063.55		
Miscellaneous Income		$ 271,177.65	$ 627,275.40		
Expenditures					
Hawkins Research Bldg. Property Mgmt. Fee				$ 46,684.22	
Incentive Disbursements to Morgan Olson, LLC				$ 875,641.44	
Incentive Disbursements to MEP LLC				$ -	
Transfers to other funding sheets				$ 568,895.75	
Totals	$ 3,415,979.07	$ 308,083.31	$ 694,023.17	$ 1,491,221.41	$ 2,618,780.83
				Restricted [1]	$ 336,168.81
				Unrestricted	$ 1,300,739.14
				Committed	$ 981,872.88

[1] *Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions*

[2] *Please note that this is only interest received on RIFA's general money market account.*

Danville-Pittsylvania Regional Industrial Facility Authority

Monthly Disbursements

August 2024

Check Number	Date	Vendor Name	Paid Amount
	8/1/2024	Atlantic Union Bank	15.00
WIRE	8/4/2024	City of Danville	65.91
WIRE	8/4/2024	City of Danville	22.80
2665	8/12/2024	Dewberry Engineers	16,400.00
2666	8/12/2024	IALR	23,342.11
2667	8/12/2024	IALR	501.36
2668	8/12/2024	Fifth Mountain Engineering	17,010.00
2669	8/12/2024	Jimmy Lynch & Sons	39,262.19
2670	8/12/2024	Sellers Brothers	4,890.00
2671	8/12/2024	Troutman Pepper Hamilton Sanders	5,880.00
2672	8/12/2024	Christian & Barton	32,798.00
WIRE	8/20/2024	City of Danville	40.50

Danville-Pittsylvania Regional Industrial Facility Authority

Statement of Net Position [1, 2]

August 31, 2024*

	Unaudited FY 2025
Assets	
Current assets	
Cash - checking	$ 483,753
Cash - money market	3,419,406
Total current assets	3,903,159
Noncurrent assets	
Restricted cash - project fund CCC bonds	20,802
Restricted cash - debt service fund CCC bonds	234,142
Capital assets not being depreciated	23,076,605
Capital assets being depreciated, net	20,080,266
Construction in progress	34,283,295
Total noncurrent assets	77,695,110
Total assets	81,598,269
Liabilities	
Current liabilities	
Retainage payable	99,405
Accrued interest	211,685
Accounts Payable	-
Unearned income	-
Economic development payable - current portion	147,000
Total current liabilities	458,090
Noncurrent liabilities	
Bonds payable - less current portion	205,000
Loans payable - less current portion	4,500,000
Total noncurrent liabilities	4,705,000
Total liabilities	5,163,090
Net Position	
Net investment in capital assets	77,255,968
Restricted - debt reserves	234,142
Unrestricted	(1,054,931)
Total net position	$ 76,435,179

[1] Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

[2] Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note these statements are for the period ended August 31, 2024 as of August 29, 2024, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
August 31, 2024*

	Unaudited FY 2025
Operating revenues	
Rental income	56,159
Other Income	271,178
Total operating revenues	327,337
Operating expenses [4]	
Mega Park expenses [3]	23,310
Cane Creek Centre expenses [3]	3,480
Cyber Park expenses [3]	23,342
Professional fees	-
Other operating expenses	4,178
Total operating expenses	54,310
Operating income (loss)	273,027
Non-operating revenues (expenses)	
Interest income	12,064
Total non-operating expenses, net	12,064
Net income (loss) before capital contributions	285,091
Capital contributions	
Contribution - City of Danville	231,097
Contribution - Pittsylvania County	231,097
Total capital contributions	462,194
Change in net position	747,285
Net position at July 1, 2024	75,687,894
Net position at August 31, 2024	$ 76,435,179

[3] A portion or all of these expenses may be capitalized at fiscal year-end.

[4] Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*August 31, 2024**

		Unaudited FY 2025
Operating activities		
Receipts from grant reimbursement requests	$	-
Receipts from leases		54,684
Other receipts		733,372
Payments to suppliers for goods and services		(1,045,625)
Net cash used by operating activities		(257,569)
Capital and related financing activities		
Capital contributions		-
Interest paid on bonds		-
Principal repayments on bonds		-
Net cash provided by capital and related financing activities		-
Investing activities		
Interest received		12,064
Net cash provided by investing activities		12,064
Net increase (decrease) in cash and cash equivalents		(245,505)
Cash and cash equivalents - beginning of year (including restricted cash)		4,403,607
Cash and cash equivalents - through August 31, 2024 (including restricted cash)	$	4,158,102
Reconciliation of operating loss before capital contributions to net cash used by operating activities:		
Operating income (loss)	$	273,027
Adjustments to reconcile operating loss to net cash used by operating activities:		
Changes in assets and liabilities:		
Change in prepaids		3,436
Change in other receivables		462,194
Change in accounts payable		(994,751)
Change in unearned income		(1,475)
Net cash used by operating activities	$	(257,569)

Components of cash and cash equivalents at August 31, 2024:		
American National - Checking	$	483,753
American National - General money market		3,419,406
Wells Fargo - $7.3M Bonds CCC Debt service fund		234,142
Wells Fargo - $7.3M Bonds CCC Project fund		20,802
	$	4,158,102