INDUSTRIAL DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

4TH FLOOR CONFERENCE ROOM

January 14, 2025

10:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. MEETING MINUTES

1. 12-10-2024 Regular IDA Meeting Minutes

D. FINANCIAL REPORT

1. IDA Statement of Accounts as of 12-31-24

E. STAFF UPDATES

F. ACTION ITEMS

1. Residential Development Incentives
2. Request to authorize interior construction at 406 Jefferson Street to accommodate a new tenant.
3. Approval of Lease Agreement at 208 N Union St. Suite 101 between the Industrial Development Authority and Downtown Danville Association D/B/A River District Association.
4. MEP- Loan Term Extension Renewal

5. Enter into a Loan Agreement with the Virginia Small Business Financing Authority to refinance loan with Union Bank secured by 1350 Barker Road.

G. CLOSED MEETING

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

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

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

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

H. NEW BUSINESS

I. ADJOURN

INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA
MINUTES OF MEETING
DECEMBER 10, 2024

PURSUANT TO A WRITTEN NOTICE, A COPY OF WHICH IS ATTACHED HERETO, A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA WAS HELD IN THE CITY COUNCIL CONFERENCE ROOM, FOURTH FLOOR OF THE MUNICIPAL BUILDING ON TUESDAY, DECEMBER 10, 2024, AT 10:30 A.M.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT:	T. NEAL MORRIS, CHAIRMAN
	RUSSELL REYNOLDS, VICE CHAIRMAN
	JOHN LARAMORE, SECRETARY
	KRISTEN BARKER
	ROBERT WOODALL
	PHILIP HALL
ABSENT:	DAVE CUMBO
ALSO PRESENT:	W. CLARKE WHITFIELD, JR., CITY ATTORNEY
	MICHAEL ADKINS, CHIEF FINANCIAL OFFICER
	KELVIN PERRY, ECONOMIC DEVELOPMENT
	KEN LARKING, CITY MANAGER
	MADISON WHITTLE, COUNCILMAN
	TERRI MCDANIEL, LEGAL SECRETARY

T. NEAL MORRIS, CHAIRMAN, CALLED THE MEETING TO ORDER AT 10:31 A.M.

ROLL CALL

MINUTES

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

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

FINANCES

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

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

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

BEFORE ACTION ITEMS WERE ADDRESSED BY THE BOARD, MR. ED WALKER SPOKE BEFORE THE BOARD REGARDING HIS PERSPECTIVE AS AN ENTREPRENEUR AND THE WORK THAT THE IDA DOES. MR. WALKER COMPLIMENTED THE BOARD ON ITS VISION TO ADVANCE DANVILLE'S IMAGE THROUGH REPURPOSING PROPERTIES AND THINKING TOWARD THE FUTURE. HE STATED THAT THE STANCE OF THE BOARD AND THE MEMBERS OF ECONOMIC DEVELOPMENT UNDER THE LEAD OF CORRIE BOBE GAVE HIM CONFIDENCE TO INVEST IN DANVILLE. MR. WALKER WAS THANKED FOR HIS THOUGHTS.

RESOLUTIONS

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING CAESAR'S VIRGINIA TO USE THE PARKING LOT ON BISHOP ROAD, DANVILLE, VIRGINIA, PARCEL 60539, FOR FIREWORKS AND DRONE DISPLAY FOR THEIR GRAND OPENING CELEBRATION.

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

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MR. LARAMORE	- AYE

MRS. BARKER	- AYE
MR. WOODALL	-AYE
MR. HALL	-AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND MICHAEL W. CHEEK FOR THE PROPERTY IDENTIFIED AS 208 NORTH UNION STREET, SUITE 202.

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

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE- AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW (VIRGINIA LD # 02502268), A VIRGINIA LIMITED LIABILITY COMPANY FOR THE PROPERTY IDENTIFIED AS PARCEL #20204 LOCATED ON PATTON STREET, DANVILLE, VIRGINIA

MOTION WAS MADE BY MR. WOODALL; SECONDED BY MS. BARKER

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE- AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND CARTER CRAIG, BASS, BLAIR & KUSHNER, P.C. DBA CARTER CRAIG, ATTORNEYS AT LAW, A VIRGINIA LIMITED LIABILITY COMPANY FOR THE PROPERTY IDENTIFIED AS 126 S UNION STREET PARCEL #20219.

MOTION WAS MADE BY MR. LARAMORE; SECONDED BY MS. BARKER

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE PURCHASE OF PROPERTY MANAGEMENT SOFTWARE FROM Re-LEASED SOFTWARE INC.

KELVIN PERRY OF ECONOMIC DEVELOPMENT EXPLAINED THAT THIS SOFTWARE IS USED TO TRACK RENT PAYMENTS, RENEWAL OF RENTAL AGREEMENTS, ETC.

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

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, APPROVING AND AUTHORIZING THE DISPOSITION, REMOVAL, AND/OR SALE OF STRUCTURES ON PARCELS #75418 AND #52643, HAVING A STREET ADDRESS OF 188 STOKESLAND AVENUE EXTENSION.

MR. REYNOLDS QUESTIONED IF THE BUILDING REMOVALS INCLUDED THE CLUB HOUSE. STEPHEN GOULD EXPLAINED THAT IT DOES INCLUDE THE CLUB HOUSE.

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

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

A RESOLUTION APPROVING AND AUTHORIZING THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA TO REPLACE THE ROOF LOCATED AT 527 BRIDGE STREET DANVILLE, VIRGINIA THROUGH AN AGREEMENT WITH GARLAND/DBS INC. TO USE LEE-KESLER ROOFING IN AN AMOUNT NOT TO EXCEED $689,788.00.

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

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

A RESOLUTION APPROVING AND AUTHORIZING THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA TO OBTAIN FINANCING WITH FIRST NATIONAL BANK FOR ROOF REPAIRS AT 527 BRIDGE STREET DANVILLE, VIRGINIA.

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

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT FOR AND THE ACTUAL PURCHASE OF PARCELS 22329, 21745, AND 21746 FROM SHELTON STREET LLC.

CITY MANAGER KEN LARKING EXPLAINED THAT THESE PARCELS WOULD BE USED FOR PARKING STRUCTURES WHICH WOULD BENEFIT DOWNTOWN AREA RESIDENTS AND BUSINESSES AS PARKING IS AN ISSUE.

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

MR. MORRIS	-AYE

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

A RESOLUTION OF ACTION BY UNANIMOUS WRITTEN CONSENT OF THE MEMBERS AND MANAGER OF 424 MEMORIAL DRIVE MANAGING MEMBER, LLC.

CITY MANAGER KEN LARKING EXPLAINED THAT THIS RESOLUTION WOULD ALLOW THE DEVELOPERS OF 424 MEMORIAL DRIVE TO TAKE ADVANTAGE OF THE HISTORIC TAX CREDIT WHICH WILL AID IN THE CONTINUED DEVELOPMENT OF THIS PARCEL.

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

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING THE ATTACHED COMMENCEMENT DATE NOTICE.

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

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AUTHORIZING AND APPROVING RIVER DISTRICT EVENTS LLC TO USE THE VACANT LOT AT THE CORNER OF MAIN AND CRAGHEAD STREETS FOR A NEW YEAR'S EVE CELEBRATION.

MOTION WAS MADE BY MR. WOODALL; SECONDED BY MS. BARKER

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

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

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

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

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

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

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

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

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

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

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

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

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

UPON RECONVENING, THE BOARD ADDRESSED THE FOLLOWING RESOLUTIONS:

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LOAN NOT TO EXCEED A PRINCIPAL AMOUNT OF $750,000 TO LANSING MELBOURNE GROUP, LLC, AND ITS MEMBERS IN THEIR PERSONAL CAPACITY.

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

MR. MORRIS	- AYE
MR. LARAMORE	-AYE
MR. REYNOLDS	- AYE

MRS. BARKER	- RECUSED HERSELF PURSUANT TO THE VIRGINIA CONFLICT OF INTEREST ACT
MR. HALL	- AYE
MR. WOODALL	- AYE

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING A TERM SHEET FOR A LOAN FROM LOCUS IMPACT.

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

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

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING 300 LYNN STREET TO ENTER INTO AN OPTION AGREEMENT WITH RENEWAL3 LLC FOR AN OPTION AGREEMENT TO PURCHASE PARCEL NUMBERS 25198 (300 LYNN STREET), PARCEL 22862 (411 LOYAL STREET), AND PARCEL 22861 (417 LOYAL STREET), DANVILLE, VIRGINIA.

MOTION WAS MADE BY MR. LARAMORE; SECONDED BY MS. BARKER

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

ADJOURN AT 11:35

JOHN LARAMORE
SECRETARY

T. NEAL MORRIS
CHAIRMAN

Industrial Development Authority
Statement of Accounts
As of December 31, 2024

Regular Checking		$ 499,914.37
USDA Loan Account		$ 80,548.13
City Funded Loan Account		$ 4,837,506.06
North Union Properties/Master Tenant		$ 27,748.43
Reserve Account		$ 8,079,098.72
Reserve Account Details		
Hold for IDA Debt Svc	*765,502.71*	
Hold for Imperial Warehouse	*650,000.00*	
Hold for Enterprise Zone	*692,032.47*	
Hold for Int'l. Recruitment	*100,000.00*	
Hold for Parking Debt Svc	*504,000.00*	
Hold for Coleman Site	*96,925.00*	
Hold for Dan River Falls	*772,954.29*	
Hold for FY22 Edev Incentives	*1,962,612.00*	
Hold for FY23 Edev Incentives	*898,395.58*	
Hold for 217 N Union	*37,000.00*	
Hold for 121/123 N Union	*500,000.00*	
Avail for DR Falls Capital	*1,099,676.67*	
	8,079,098.72	

City Funded Loans:

Beginning Balance December 1, 2024	$ 2,116,344.96
The Bee - Final Payment	2,720,460.32
Uncle Al's Diner	566.14
Interest /Bank Fees	134.64
Ending Balance December 31, 2024	$ 4,837,506.06

Industrial Development Authority
Statement of Account - Regular Checking
For the month ended December 31, 2024

Beginning Balance at December 1, 2024		$540,006.16
RECEIPTS:		
Rent:		93,782.62
Utility/Insurance Reimbursement:		
DR Foundation	1,089.27	
Averett	3,267.82	4,357.09
City of Danville Support		290,595.83
Real Estate Tax Reimbursements		10,047.77
CDE Program Income		60,411.45
Pittsylvania County IDA - Shell Bldg		6,169.96
Interest Income/Wire Fees/Checks		6.41
DISBURSEMENTS:		
AUB Loan - Lockett Drive	(11,566.62)	
AUB - 500 Stinson Drive #1	(4,887.77)	
AUB - 500 Stinson Drive #2	(5,717.03)	
AUB - 512 Bridge Street	(16,467.81)	
AUB - Barker Road	(2,500.00)	
AUB Loan - Old Belt One	(6,721.18)	
VSBFA Bank - 500 Cane Creek	(9,251.38)	
VSBFA - MEP Equip Loan	(318.90)	
Locus Bank - Shell Building	(12,315.20)	
Locus Bank - Ecomnets Bldg	(5,943.45)	
First National - Gaither Rd Prop	(3,136.84)	
Movement Bank - Monument	(2,651.24)	
US Bank - Bond Interest	(13,666.67)	
Dan River Falls Lease Payment	(142,385.00)	
Kent Shelton - Dan River Falls	(2,520.00)	
Architectural Partners - DR Falls	(9,620.10)	
Real Estate Consultants - Apprais	(10,800.00)	
Deposit on Shelton St Parcels	(53,101.00)	
Deposit on Patton St Parking	(50,000.00)	
Deposit on Stokesland Ave	(8,500.00)	
Cherry Bekaert - CDE	(53,911.45)	
Solex Architecture - 624 N Main	(41,125.00)	
Beechgrove Design - 231 Main St	(7,739.77)	
Novogradac - CDE	(6,500.00)	
Elliott Electric - Parking lights	(1,670.60)	
Stantec - DR Falls	(1,090.00)	
Site Collaborative - DR Falls	(2,735.00)	
Utility Bills/Elevator Maint	(14,221.48)	
Insurance	(4,399.43)	(505,462.92)
PASS THROUGHS:		
From City for Incentives		34,063.37
Enterprise Zone Payments		(34,063.37)
Ending Balance at December 31, 2024		**$ 499,914.37**

125 N Union	250.00	
Alexander Company	-	11/6
Averett	11,390.00	
Barry Smith	260.00	
Belk	7,102.50	
City - Gang Prev.	3,000.00	
City - IT Dept.	11,360.00	
DR Foundation	5,610.00	
Launch Place	3,000.00	
Link's Café	6,000.00	
MEP	-	1/2
Michael Cheek	1,316.00	
Mind Body Wellness	900.00	
Morrisette Paper	6,762.61	
Overfinch	12,587.80	
Revive Nutrition	-	11/26
River District Assoc	3,170.00	
Riverside Running	2,812.48	
Robert Stephens	500.00	
Sth VA Legal	1,575.00	
Vintages	1,347.00	
Walraven	14,839.23	
	93,782.62	

Industrial Development Authority
Statement of Account
USDA Loan Funds

For the month ended December 31, 2024

Beginning Balance at December 1, 2024			$ 80,278.65
RECEIPTS:			
	Dry Fork Fruit Dist.	266.07	
	River City Escapes	-	
	Interest	3.41	
			269.48
DISBURSEMENTS:		-	
			-
Ending Balance at December 31, 2024			**$ 80,548.13**

Reconciliation to original USDA grant of $99,000

ORIGINAL USDA FUNDS			$ 99,000.00
LESS OUTSTANDING LOANS:			
	River City Escapes	12,043.59	
	Dry Fork Fruit Dist.	8,017.03	(20,060.62)
INTEREST EARNED			21,016.45
DEFAULTED LOANS			(19,457.70)
PENALTIES EARNED			50.00
BALANCE IN ACCOUNT			**$ 80,548.13**

Industrial Development Authority of Danville

A/R Aging Summary

As of December 31, 2024

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
127 North Union					10,710.00	$10,710.00
424 Memorial Drive			25,069.74			$25,069.74
A La Carte					533.00	$533.00
Alexander Company, Inc			-1,900.00			$ -1,900.00
Averett University		-11,390.00				$ -11,390.00
Belk United Electronic Services	-7,102.50					$ -7,102.50
Ecomnets1					0.00	$0.00
Lou's Antiques Co					22,000.00	$22,000.00
Making Everything Possible, LLC	418.90		408.62	429.18		$1,256.70
Noblis					0.00	$0.00
Pemberton Lofts Parking	6,000.00					$6,000.00
River District Association		-1,585.00				$ -1,585.00
Robert Stephens		250.00	32.00			$282.00
Southern Virginia Legal PLLC		-1,575.00				$ -1,575.00
Unison Tube, LLC					54,865.83	$54,865.83
Walraven		-14,839.23				$ -14,839.23
TOTAL	**$ -683.60**	**$ -29,139.23**	**$23,610.36**	**$429.18**	**$88,108.83**	**$82,325.54**

Industrial Development Authority of Danville

Balance Sheet

As of December 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Loans (City Funded)	4,837,506.06
North Union Master Tenant LLC	7,166.18
North Union Properties, LLC	20,582.25
Regular Checking	499,914.37
Reserve Account	8,079,098.72
USDA Checking	80,548.13
Total Bank Accounts	**$13,524,815.71**
Accounts Receivable	
Real Estate Tax AR	31,897.26
Rent Receivable	50,428.28
Total Accounts Receivable	**$82,325.54**
Other Current Assets	
Accounts Receivable	295,919.17
Allowance for Rent	-87,163.83
Due from City/County	12,408,000.00
Lease Interest Rec. - GASB 87	27,632.83
ST Lease Rec. - GASB 87	897,410.91
Total Other Current Assets	**$13,541,799.08**
Total Current Assets	**$27,148,940.33**
Fixed Assets	
Accumulated Depreciation	-6,143,851.44
Buildings	**26,580,470.51**
Construction In Progress	**26,622,156.98**
Equipment	**75,000.00**
Land	**6,091,209.09**
Land Improvements	**2,630,260.66**
Total Fixed Assets	**$55,855,245.80**
Other Assets	
Allowance for Doubtful Accounts	-26,393.33
LT Lease Rec. - GASB 87	6,661,674.01
Notes Receivable	
Dry Fork Distillery N/R	8,775.79
Eng Biopharmaceut Inc.	150,000.00
Note Rec - Uncle Al's Diner LLC	25,504.10
River City Escapes Note Receiva	12,043.59
Southside Ice	14,193.51
Total Notes Receivable	**210,516.99**
Total Other Assets	**$6,845,797.67**

Industrial Development Authority of Danville

Balance Sheet

As of December 31, 2024

	TOTAL
TOTAL ASSETS	**$89,849,983.80**
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accounts Payable Other	1,588,609.50
Accrued Interest	48,715.68
Retainage Payable	1,076,855.14
Security Deposits	101,255.78
Total Other Current Liabilities	**$2,815,436.10**
Total Current Liabilities	**$2,815,436.10**
Long-Term Liabilities	
Bonds Payable	2,114,000.00
Deferred Lease Rev - GASB 87	7,016,488.68
Lease Revenue Note - 2021A	10,000,000.00
Notes Payable	
AUB - 1350 Barker Road	828,776.02
AUB - 206/208 N Union Loan	670,903.90
AUB - 500 Stinson Drive	691,665.51
AUB - 512 Bridge Loan	1,371,673.67
AUB - Dan River Falls	17,843,626.58
AUB Loan - 500 Stinson #2	99,490.58
AUB Loan - Locket Drive	897,399.11
AUB Loan - Old Belt 1 Upfit	508,634.73
FNB - Gaither Rd Parcels	470,181.25
Locus - Cyber Prk Shell Bldg	943,998.56
Locus Bank - 1 Ecomnets Way	1,426,427.46
Movement Bank - 816 Monument	465,659.69
VSBFA - 500 Cane Creek	1,300,322.22
VSBFA - MEP Loan	68,278.50
Total Notes Payable	**27,587,037.78**
Revolving Loan Fund - USDA	99,000.00
Total Long-Term Liabilities	**$46,816,526.46**
Total Liabilities	**$49,631,962.56**
Equity	
Contributed Capital	150,000.00
Opening Bal Equity	4,856,400.56
Retained Earnings	33,229,546.39
Net Income	1,982,074.29
Total Equity	**$40,218,021.24**
TOTAL LIABILITIES AND EQUITY	**$89,849,983.80**

Industrial Development Authority of Danville

Profit and Loss

July - December, 2024

	TOTAL
Income	
Grants	
Grants - City of Danville	2,439,570.16
Grants - Commonwealth of VA	1,374,324.10
Total Grants	**3,813,894.26**
Parking Space Rental Income	29,424.00
Program Fees	89,738.40
Reimbursed Expenses	36,945.60
Rental Income	536,443.04
Sales	418.90
Total Income	**$4,506,864.20**
GROSS PROFIT	**$4,506,864.20**
Expenses	
Bank Service Charges	180.00
Dues and Subscriptions	17.50
Incentive Payments	747,849.87
Insurance	80,780.13
Interest Expense	800,044.10
Licenses and Permits	2,187.71
Loan Fees	7,547.49
Office Supplies	424.17
Professional Fees	25,542.00
Accounting	40,138.40
Consulting	271,767.35
Legal Fees	372.00
Total Professional Fees	**337,819.75**
Rental Expense	142,385.00
Repairs	
Building Repairs	52,829.42
Total Repairs	**52,829.42**
Taxes	12,975.96
Telephone	1,769.93
Utilities	31,244.30
Total Expenses	**$2,218,055.33**
NET OPERATING INCOME	**$2,288,808.87**
Other Income	
Interest Income	182,425.75
Total Other Income	**$182,425.75**
Other Expenses	
Loss on Sale of Property	239,160.33

Industrial Development Authority of Danville

Profit and Loss

July - December, 2024

	TOTAL
Return of Grant Funds to City	250,000.00
Total Other Expenses	**$489,160.33**
NET OTHER INCOME	**$ -306,734.58**
NET INCOME	**$1,982,074.29**

Industrial Development Authority

STAFF REPORT

DATE: January 14, 2025

TO: Industrial Development Authority

FROM: Susan McCulloch, Division Director of Housing & Development

RE: Residential Development Incentives

Residential Development Incentives for large-scale new construction were adopted by the Industrial Development Authority on June 13, 2023. After working with developers and learning more about their needs, additions and some modifications are requested. The recommendation for the current incentives (RETG and Reimbursement Tax Grant) is to specify that site-built homes would be incentivized.

Two new programs are recommended, which are the Single-Family Real Estate Construction Grant (RECG) and the partnership with the developer to apply for a loan for model home construction.

ATTACHMENTS

1. 1785_RES_ Financial Residential Program Amendments and Creations

PRESENTED: ______JANUARY 14, 2025_

ADOPTED: ________JANUARY 14, 2025_

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE CREATION AND AMENDING OF GRANT PROGRAMS TO HELP STIMULATE NEW CONSTRUCTION OF HOUSING WITHIN THE CITY OF DANVILLE.

WHEREAS, the Industrial Development Authority of Danville, Virginia (IDA), was created to promote economic development in the City of Danville; and

WHEREAS, the City of Danville, Virginia faces a housing shortage crisis which impacts the industrial and commercial growth of the City; and

WHEREAS, the IDA desires to help with this critical need, within the authority and powers granted by the Industrial Development and Revenue Bond Act 15.2-4900 et seq.; and

WHEREAS, Developers are requesting additional types of assistance for residential development.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia that it does hereby create, approve, and authorize the following grant programs:

1. **Conditional Real Estate Tax Grant Program (RETG):** This local discretionary incentive for site-built homes is based on the new construction of single-family (attached or detached) or multifamily, meeting the minimum capital investment and unit requirements shown below.

   a. **Single Family:** Developers may receive up to a 15-year incentive which continues to the next owner when the property is sold. The tax grant is 100% of the increase value of taxes paid on the property based on assessment in assessment Year 1, and then 50% of the increase in value in years two through 15. There must be a minimum investment of $5M and 50 or more houses (Single family detached or Townhomes) for sale.

b. **Multifamily:** Developers may receive up to a 10-year incentive which continues to the next owner if the property is sold. The tax grant is 100% of the increase in value of taxes paid on the property based on assessment Year 1, 50% of the increase in value years two through 10. There must be a minimum investment of $6M and 60 or more units**.**

c. Base tax must be paid and received by the City; and

d. Projects must meet City Criteria as shown in the Danter Report.

2. **Fee Reimbursement Grant:** Each development is reviewed on a case-by-case basis and requires a minimum of $5M for single-family homes for sale (attached or detached, site-built homes) with a minimum of 50 homes and $6M for multifamily developments and a minimum of 60 units. The development must be completed in 5 years. The reimbursements vary based on the project but may include City permit and tap fees.

3. **Single-Family Real Estate Construction Grant (RECG)*:*** To encourage new construction of middle income and above subdivisions, grants in a lump sum may be issued to a qualifying project. A minimum capital investment of $5M for single-family, site-built (stick-built) homes with a minimum of 50 homes is required.

A. **Detached Single Family Homes:**

1. **Speculative single family detached homes:** Up to $18,000 per house may be granted for highly qualified projects, after the final CO is issued, if built on a speculative basis.

2. **Custom-built single family detached homes:** Up to $14,000 per house may be granted for highly qualified projects after the final CO is issued, if built with a buyer secured. The developer is required to build the street and utility infrastructure necessary to serve a subdivision that is estimated to meet the minimum capital investment, once homes are built.

B. **Attached Single Family Homes:**

1. **Speculative single family attached homes:** Up to $14,400 per house/living unit may be granted for highly qualified projects, after the final CO is issued, if built on a speculative basis.

2. **Custom-built single family attached homes:** Up to $11,200 per house/living may be granted for highly qualified projects, after the final CO has been issued, if built with a buyer secured. The developer is required to build the street and utility infrastructure necessary to

serve a subdivision that is estimated to meet the minimum capital investment, once homes are built.

4. **Predevelopment Studies:** For qualifying projects, the City of Danville may help fund and/or assist with acquiring outside funding sources to pay for certain predevelopment costs at no more than 50% for projects that have the potential to qualify for any of the discretionary grant funds described above. The City of Danville must receive a copy of all reports and have the rights to their use. Typical reports include environmental studies, preliminary engineering reports, site plans, etc.

5. **Model Home Loan Fund Application Support**. The City may provide a zero-interest loan and/or work with partners to provide a loan to pay for the construction of a model home in a qualifying subdivision.

BE IT FURTHER RESOLVED, that the staff will implement and offer the above listed incentives within budget and in a fiscally responsible manner; and

BE IT FINALLY RESOLVED, that the Industrial Development Authority of Danville, Virginia does hereby authorize its Chairman, or in his absence, any Officer, to execute all documents necessary to complete the above listed transactions.

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Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

Industrial Development Authority

STAFF REPORT

DATE: January 14, 2025

TO: Industrial Development Authority

FROM: Renee Burton, Division Director of Planning

RE: Request to authorize interior construction at 406 Jefferson Street to accommodate a new tenant.

In September 2024, IDA approved Resolution 2024-06-04 to engage Diversified Services to complete an upfit that would create a first floor marketable space at 406 Jefferson Street. Resolution 2024-06-04 restricted the construction costs to $350,000.00. Construction costs will exceed this amount due to circumstances that lead to the need for demolition and installation of a new concrete floor, the addition of a second bathroom that was not in the original quote, the need for additional stabilization measures for the second floor, reconfiguration of the HVAC system and the installation of a hood suppression system over the range that was not in original quote.

The total cost is estimated at $450,000 to $475,000. Our request is for a Resolution allowing construction costs no greater than $500,000 to support any incidentals that may arise as we complete construction.

ATTACHMENTS

1. 1827_RES_Diversified Services_Const_406 Jefferson st

PRESENTED: ______JANUARY 14, 2025_

ADOPTED: ________JANUARY 14, 2025_

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE CITY OF DANVILLE TO ENTER INTO A CONSTRUCTION SERVICES AGREEMENT WITH DIVERSIFIED SERVICES FOR CONSTRUCTION AT 406 JEFFERSON STREET IN AN AMOUNT NOT TO EXCEED $500,000 TO FUND SUCH CONSTRUCTION.

WHEREAS, The Industrial Development Authority of Danville, Virginia (IDA) is the owner of 406 Jefferson Street further identified as Parcel ID #24730; and

WHEREAS, this parcel is part of a set of properties commonly known as Five Forks and is historically a commercial corner serving the Old West End Historic District and surrounding areas; and

WHEREAS, staff is requesting that the City of Danville (City) be approved and authorized to engage Diversified Services to provide construction services to complete the construction of 406 Jefferson Street to make the first floor of the property marketable for potential new business prospects; and

WHEREAS, staff is further requesting the IDA to appropriate $500,000 to assist with the construction.

NOW THEREFORE, BE IT RESOLVED by the IDA that they hereby approve and authorize the City to enter into a construction services agreement with Diversified Services for 406 Jefferson Street; and

BE IT FURTHER RESOLVED that IDA authorizes the expenditure of an amount not to exceed $500,000 to fund the construction activities in the agreement; and

BE IT FURTHER RESOLVED that the City will provide a Certificate of Insurance and Policy Endorsement evidenced at least One Million Dollars ($1,000,000) in liability insurance naming the IDA as an additional insured; and

BE IT FINALLY RESOLVED by the IDA that it does hereby authorize its Chairman, or in his absence any Officer, to execute any and all required documents and perform any other duties needed to complete the above-mentioned transaction.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

Industrial Development Authority

STAFF REPORT

DATE: January 14, 2025

TO: Industrial Development Authority

FROM: Samantha Bagbey, Project Manager

RE: Approval of Lease Agreement at 208 N Union St. Suite 101 between the Industrial Development Authority and Downtown Danville Association D/B/A River District Association.

Approval of Lease Agreement at 208 N Union St. Suite 101 between the Industrial Development Authority and Downtown Danville Association D/B/A River District Association.

ATTACHMENTS

1. 1828_RES_Lease Agmt IDA and RDA
2. 1828 RDA Lease Agreement_FINAL
3. RDA - Maintenance Check Sheet - 2025

PRESENTED: JANUARY 14, 2025

ADOPTED: JANUARY 14, 2025

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LEASE- AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND DOWNTOWN DANVILLE ASSOCIATION D/B/A RIVER DISTRICT ASSOCIATION (SCCID # S05423058) FOR THE PROPERTY IDENTIFIED AS 208 N. UNION STREET STE 101 AND BEARING TAX PARCEL ID NUMBER #24488.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes a Lease-Agreement between the Industrial Development Authority of Danville, Virginia and Downtown Danville Association D/B/A River District Association, substantially in the form attached hereto and made a part hereof; and

BE IT FURTHER RESOLVED, by the IDA that it hereby approves and authorizes a lease term of twelve months (12) months at a lease rate of One Thousand Five Hundred Eighty-five dollars ($1,585.00) per month; and

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

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is entered into and effective as of this **14th** day of **JANUARY**, 2025, between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Landlord"), **and DOWNTOWN DANVILLE ASSOCIATION D/B/A RIVER DISTRICT ASSOCIATION (SCCID # S05423058) ("Tenant").**

WITNESSETH

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

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

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

"Building" shall mean all of the building or other structure located on, or hereafter placed upon, **208 N. UNION STREET STE 101 and bearing tax Parcel ID number #24488.**

"Commencement date" shall mean **FEBRUARY 1, 2025.**

"Premises" shall mean SUITE 101 OF THE BUILDING (approximately 1,642SQFT) known as 208 N. UNION STREET STE 101 and bearing tax Parcel ID number #24488.

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

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

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

B. Tenants are **DOWNTOWN DANVILLE ASSOCIATION D/B/A RIVER DISTRICT ASSOCIATION**

C. The Landlord desires to lease the Premises to the Tenants and the Tenants desires to lease the Premises from the Landlord for the primary purpose of operating **AS A PROFESSIONAL NON-PROFIT OFFICE** in the **RIVER DISTRICT**.

3. Lease of Premises:

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

4. Term:

A. Initial Term:
The initial term of this Lease ("Term") shall begin upon the commencement date of this Lease by the parties hereto and shall extend for **TWELVE MONTHS** **(12) MONTHS** after the Commencement Date to the Termination Date.

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

5. Rent:

A. Tenant shall pay as rent to Landlord during the Initial term **ONE THOUSAND FIVE HUNDRED EIGHTY-FIVE DOLLARS ($1,585.00)** per month for the first **TWELVE (12) MONTHS** of the lease beginning on **FEBRUARY 1, 2025**. Rent is payable and due in advance on the first day of each calendar month during the Lease term to Landlord in-person or by mail at **427 Patton Street, Danville, Virginia, 24541, Suite 203 – The Office of Economic Development and Tourism**. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis.

B. The rental rate for any Renewal Lease term, if exercised by the Tenants as permitted under this Lease, shall be as follows. Tenant's rent will increase to **ONE THOUSAND SIX HUNDRED SIXTY FIVE DOLLARS** (5% increase from initial lease term) per month for two - twelve (12) month renewals of the lease term.

C. If Rent is not paid by the fifth (5th) day of each calendar month (or if such day is a Non-Business Day, the immediately preceding day that is not a Non-Business Day), Tenant shall pay to Landlord, as Additional Rent, a late payment fee equal to five percent (5%) of the amount due plus interest accruing on the delinquent amount owed until paid, equal to the then applicable judgment rate of interest set forth in Virginia Code § 6.2-302 as amended, currently at six percent (6%) per annum.

D. A previous deposit of **ONE THOUSAND FIVE HUNDRED DOLLARS** **($1,510.00)** was paid previously and shall remain the deposit for this agreement. Said deposit shall be applied to the last month's rent subject to deduction for any damage beyond normal wear and tear and/or failure to perform any Tenant responsibility under this lease.

6. Maintenance, Improvement and Repairs:

A. Tenants shall make, at Tenant's expense, all necessary improvements to the Premises including floors, walls, ceilings, plumbing, and lighting.

B. Routine on-going repairs of interior areas not defined as the Premises and the exterior of the building including the roof, walls, foundation, gutters, downspouts, drainage systems, (signage excepted) shall be responsibility of the Landlord. See attachment A.

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

D. Tenants are responsible for their own trash disposal, janitorial, any needed security services, and any routine maintenance and inspections of necessary items listed in attachment A.

7. Alterations and Improvements:

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

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

8. Use.

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

B. Tenants shall use Premises for the operation of **A PROFESSIONAL NON-PROFIT OFFICE.** In the event that Tenants no longer uses Premises as described, this Lease shall end upon thirty (30) days' notice by Landlord.

9. Taxes.

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

B. Real Estate Taxes: Tenants shall be responsible for paying all real estate taxes for the Premises **(approximately 1,642SQFT) known as 208 N. UNION STREET STE 101 and bearing tax Parcel ID number #2448.**

C. Tenant will receive separate invoice(s) for respective property tax from The City of Danville Finance Department.

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10. Insurance.

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

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

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

11. Utilities.

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

12. Signs.

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

13. Entry

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

14. Damage and Destruction.

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

15. Default.

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

16. Quiet Possession.

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

17. Condemnation.

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

18. Subordination.

Tenants accept this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Premises, or upon the

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

19. Notice.

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

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

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

If to Tenants:

Downtown Danville Association
208 N. Union Street STE 101
Danville, VA 24541

20. Brokers.

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

21. Waiver.

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

22. Headings.

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

23. Successors.

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

24. Consent.

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

25. Performance.

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

26. Compliance with Law.

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

27. Applicable Law and Entire Agreement.

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

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

(SIGNATURES ON NEXT PAGE)

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

Landlord:

Industrial Development Authority
of Danville, Virginia

By: ________________________________

Name: T. Neal Morris
Its: Chairman

Tenant:

Name: Downtown Danville Association d/b/a
River District Association
(SCC ID#05423058)

By: __________________________________

Name: Diana Schwartz

Title: Executive Director

MAINTENANCE CHECKLIST

PROPERTY ADDRESS: 208 N Union - Suite 101 - RDA

Building Upkeep	Tenant	Landlord
HVAC	☐	✔
Roof	☐	✔
Elevator	☐	☐
Plumbing *(Routine upkeep, i.e. clogs, loose handles/fixtures)*	☐	✔
Facade* *(if in the River District, must be approved prior by RDDC)*		
-Improvement/Changes	☐	☐
-Repairs	☐	✔
Fire Spinkler	☐	☐
Building Services		
-Gas	✔	☐
-Electricity	✔	☐
-Water/Sewer	✔	☐
-Grease Trap	☐	☐
-Hood System	☐	☐
-Internet	✔	☐
-Pest Control	☐	✔
-Snow Removal	☐	✔
-Lawn Care	☐	✔
-Trash Removal/Dumpster	☐	☐
Taxes		
-Personal Property	✔	☐
-Real Estate	✔	☐

If tenant cannot provide documentation for routine maintenance services, Tenant will be responsible for replacement costs. **Initial:** ______

"I have read and understand the tenant and landlord responsibilities as listed above."

Tenant Signature:______________________________ **Date:**______________

IDA Chairman Signature:______________________________ **Date:**______________

Industrial Development Authority

STAFF REPORT

DATE: January 14, 2025

TO: Industrial Development Authority

FROM: Kelvin Perry, Assistant Director of Economic Development and Tourism

RE: MEP- Loan Term Extension Renewal

Request approval to extend the interest only period of outstanding loan between Danville Industrial Development Authority; Make Everything Possible (MEP), LLC. and Virginia Small Business Finance Authority for an additional nine months.

ATTACHMENTS

1. 1807-RES_Extension Interest Period MEP_ VA Sm Bus Financing_IDA
2. 1807_RES Attachment_First Amendment_ Note_ Loan Agreement_Danville

PRESENTED: ______January 14, 2025_____

ADOPTED: ________January 14, 2025_____

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AN EXTENSION OF THE INTEREST ONLY PERIOD WITH MAKE EVERYTHING POSSIBLE, LLC (MEP) AND THE VIRGINIA SMALL BUSINESS FINANCING AUTHORITY FOR AN ADDITIONAL NINE (9) MONTHS IN AN AMOUNT NOT TO EXCEED $984,000 FOR THE FINANCING OF COMMERCIAL BUSINESS EQUIPMENT.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves the extension of the interest only period for nine (9) months with Make Everything Possible, LLC (MEP) and The Virginia Small Business Financing Authority in an amount not to exceed Nine Hundred, Eighty-four Thousand dollars ($984,000) for the financing of commercial business equipment per the agreement substantially in the form attached hereto; and

BE IT FINALLY RESOLVED, by the Industrial Development Authority of Danville, Virginia, that the Chairman, or in his absence any Officer, be, and hereby is, authorized to execute any and all documents necessary for this Commitment Letter and any other documents necessary to complete the transaction described in this resolution.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

FIRST AMENDMENT
TO
PROMISSORY NOTE AND LOAN AGREEMENT

THIS FIRST AMENDMENT TO PROMISSORY NOTE AND LOAN AGREEMENT (the “Amendment”), dated as of December 31, 2024, by and among the **Industrial Development Authority of the City of Danville, Virginia,** a political subdivision of the Commonwealth of Virginia (the “**Authority**”), **Making Everything Possible, LLC,** a Virginia limited liability company (the “**Company**”; the Authority and the Company are, individually, and collectively, “**Borrower**”); and the **Virginia Small Business Financing Authority**, a public body corporate and a political subdivision of the Commonwealth of Virginia (“**Lender**”), provides:

R-1. Borrower is indebted to Lender pursuant to the terms of that certain Promissory Note [MEP Project] dated December 12, 2023 in the original principal amount of $984,000.00 (as the same may from time to time heretofore have been or hereafter be amended or modified, the “Note”).

R-2. The Note was issued pursuant to that certain Loan Agreement dated as of December 12, 2023 (as the same may from time to time heretofore have been or hereafter be amended or modified, the “Loan Agreement”), pursuant to which Lender agreed to make Advances to Borrower in an aggregate principal amount not to exceed $984,000.00 (the “Loan”). As of the date hereof, the unpaid principal balance of the Loan is $____________.

R-3. Borrower and Lender have agreed to make certain changes to the Note and Loan Agreement in order to extend the interest-only period during which Borrower may request Advances under the Note and Loan Agreement, all as set forth herein.

NOW, THEREFORE, in consideration of the Recitals and the covenants and agreements contained herein, Borrower and Lender agree as follows:

SECTION 1. Definitions. Unless otherwise defined herein, each term used herein which is defined in the Loan Agreement has the meaning assigned to such term in the Loan Agreement.

SECTION 2. Amendments to Loan Agreement.

2.1 Section 1(d) of the Loan Agreement is amended by substituting “September 30, 2025” for “December 1, 2024”.

2.2 Except as amended and supplemented hereby, all of the terms of the Loan Agreement shall remain and continue in full force and effect and are hereby confirmed in all respects.

SECTION 3. Amendments to Note.

3.1 The second paragraph of the Note is amended and restated to read as follows:

“No Advances will be made hereunder after September 30, 2025.”

3.2 In paragraph of the Note which commences with the words "This Note shall be payable as follows:", subparagraphs (a) and (b) thereof are amended and restated to read as follows:

> (a) In consecutive monthly installments of interest accrued on the unpaid principal balance hereof, due on the first (1st) day of each month until and including September 1, 2025, with the first payment due on January 1, 2024.
>
> (b) Commencing October 1, 2025, and on the same day of each month thereafter until this Note is paid in full, Borrower shall make monthly installments of principal and interest each in an amount of **$8,041.86**, <u>provided, however</u>, the unpaid principal balance of the Loan and all accrued and unpaid interest thereon shall be due and payable on December 1, 2033 (the "Maturity Date"), unless the Loan shall be accelerated sooner pursuant to any provision hereof.

3.3 Except as amended and supplemented hereby, all of the terms of the Note shall remain and continue in full force and effect and are hereby confirmed in all respects.

SECTION 3. <u>Representations and Warranties</u>. Each Borrower represents and warrants that:

3.1 it has the power, authority and capacity to enter into and perform this Amendment, to execute and deliver all other documents relating thereto, and to incur the obligations provided for in this Amendment, all of which have been duly authorized and approved in accordance with its applicable constituent documents; and

3.2 this Amendment, together with any other document executed pursuant hereto, shall constitute when executed the valid and legally binding obligations and agreements of Borrower, enforceable in accordance with their terms.

SECTION 4. <u>Effectiveness</u>. This Amendment shall become effective on the date when the following conditions shall have been satisfied:

4.1 this Amendment shall have been executed by each of the parties hereto, and Borrower shall have delivered executed counterparts hereof to Lender; and

4.2 Lender shall have received such instruments, documents or opinions as it may reasonably request.

SECTION 5. <u>No Novation; Confirmation; Obligations Secured</u>. Borrower hereby confirms and agrees that the property subject to the Loan Agreement and the Loan Documents shall remain subject to the lien, charge and encumbrance of the Loan Agreement, and nothing contained in this Amendment or done pursuant hereto shall affect or be construed to affect such lien, charge and encumbrance or the priority thereof, or affect or be construed to affect any of the provisions of the Loan Agreement, or release or diminish in any manner whatsoever the liability of any party or parties whomsoever who may now or hereafter be liable under or on account of the Note, this Amendment, or the Loan Agreement. It is the specific intent of the parties hereto that the modifications to the Note and Loan Agreement set forth in this Amendment shall not constitute a novation, nor shall it extinguish, terminate or impair Borrower's obligations under the Loan Documents.

SECTION 6. **Waiver of Claims.** BORROWER, FOR GOOD AND VALUABLE CONSIDERATION INCLUDING, WITHOUT LIMITATION, LENDER SIMULTANEOUSLY EXECUTING THIS AGREEMENT, EACH HEREBY (A) WAIVES ANY DEFENSES OF EVERY NATURE WHATSOEVER BORROWER MAY HAVE WITH RESPECT TO THE LOAN DOCUMENTS; AND (B) REMISES, RELEASES, AND FOREVER DISCHARGES LENDER AND EACH OF LENDER'S PRESENT, FUTURE AND FORMER OFFICERS, DIRECTORS, EMPLOYEES, ATTORNEYS, AND AGENTS FROM ANY AND ALL CLAIMS, LOSSES, DEFENSES, LIABILITIES, DEMANDS AND CAUSES OF ACTION OF ANY KIND WHATSOEVER, IF ANY, WHETHER ABSOLUTE OR CONTINGENT, KNOWN OR UNKNOWN, MATURED OR UNMATURED THAT BORROWER (OR ANY ONE OF THEM) MAY NOW HAVE OR EVER HAD, IN WHATEVER CAPACITY, AGAINST LENDER OR ANY OF LENDER'S OFFICERS, DIRECTORS, ATTORNEYS, AND AGENTS.

SECTION 8. **Miscellaneous.** This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard to the conflicts of law principles thereof.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

THE AUTHORITY:

INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF DANVILLE, VIRGINIA

By: ______________________________ (SEAL)
Name: T. Neal Morris
Title: Chairman

ATTEST:

By: ______________________________ (SEAL)
Name: John Laramore
Title: Secretary

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF _____________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _________________, 202___, by T. Neal Morris, the Chairman of the Industrial Development Authority of the City of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, for and on behalf of the Authority.

____
Notary Public

My commission expires _________________.

Notary Registration Number: ___________________.

COMMONWEALTH OF VIRGINIA

CITY/COUNTY OF _____________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _________________, 202___, by John Laramore, the Secretary of the Industrial Development Authority of the City of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, for and on behalf of the Authority.

____
Notary Public

My commission expires _________________.

Notary Registration Number: ____________________.

[Signature page to First Amendment to Note and Loan Agreement]

THE COMPANY: **MAKING EVERYTHING POSSIBLE, LLC,**
a Virginia limited liability company

By: ______________________________ (SEAL)
Name: Phil Hart
Title: President

STATE OF _____________________________________

CITY/COUNTY OF _____________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _________________, 202___, by Phil Hart, the President of **MAKING EVERYTHING POSSIBLE, LLC**, a Virginia limited liability company, for and on behalf of the company.

____
Notary Public

My commission expires ________________.

Notary Registration Number: ___________________.

[Signature page to First Amendment to Note and Loan Agreement]

LENDER: **Virginia Small Business Financing Authority**

By: ____
Name: Linda Kay Tackett
Title: Regional Lending Manager

4926-0683-5211

[Signature page to First Amendment to Note and Loan Agreement]

Industrial Development Authority

STAFF REPORT

DATE: January 14, 2025

TO: Industrial Development Authority

FROM: W. Clarke Whitfield Jr., City Attorney

RE: Enter into a Loan Agreement with the Virginia Small Business Financing Authority to refinance loan with Union Bank secured by 1350 Barker Road.

Staff is requesting that the Industrial Development of Danville, Virginia ("IDA") be authorized to enter into a loan agreement with the Virginia Small Business Financing Authority for a loan of up to $2,891,534, the proceeds of which will be used to refinance the IDA's indebtedness to Union Bank secured by a lien on commercial property located at 1350 Barker Road, Cane Creek Centre Industrial Park, Ringgold, Virginia and provide additional financing for approved Project renovations.

ATTACHMENTS

1. 1835_RES_IDA Refi Loan_Union Bank_to VSBFA_no bold text

PRESENTED: ______JANUARY 14, 2025_

ADOPTED: ________JANUARY 14, 2025_

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

WHEREAS, the Industrial Development Authority of Danville, Virginia (the "Authority") has agreed to (i) enter into a loan agreement (the "Loan Agreement") with the Virginia Small Business Financing Authority ("VSBFA") for a loan of up to $2,981,534.00 (the "Loan"), the proceeds of which will be used to refinance the Authority's indebtedness to Union Bank secured by a lien on commercial property located at 1350 Barker Road, Cane Creek Centre Industrial Park, Ringgold, Virginia and to provide additional financing for approved Project renovations and more particularly described in the Loan Agreement (the "Project"), (ii) enter into a promissory note in a principal amount not to exceed the amount of the Loan for a term of approximately ten (10) years earning interest at 5.5% (the "Note"), and (iii) pay the costs of issuance of the Note from the proceeds of the Loan, all to accomplish certain purposes of the Virginia Industrial Development and Revenue Bond Act (the "Act"); and

WHEREAS, the City Council of the City of Danville, Virginia (the "City") has agreed to enter into a moral obligation support agreement to pledge its moral obligation to provide funds for the repayment of the Note should the Authority be called upon to pay the Note; and

WHEREAS, repayment of the Note is secured, among other things, by a Deed of Trust and an assignment of leases and rents on the Project (the "Security Documents"); and

WHEREAS, there have been presented to this meeting drafts of the following loan documents (the "Loan Documents") which the Authority proposes to execute, copies of which shall be filed with the records of the Authority:

(a) the Loan Agreement among the Authority and VSBFA providing for the issuance of the Note and the loan of the monies from the sale of the Note to the Authority to pay a portion of the costs of the Project;

(b) the Note in the original principal amount of $2,981,534.00 payable to VSBFA, earning interest at 5.5% per annum and due and payable in full over a term of approximately ten (10) years; and

(c) a Support Agreement of the City providing for the moral obligation of the City to provide funds subject to annual appropriation to pay the amounts due on the Note (the "Support Agreement").

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE THAT:

1. The Authority finds and determines that the undertaking of the Loan, the financing of the Project and the issuance of the Note will be consistent with the purposes of the Act and promote industry and increase commerce in the City and the Commonwealth of Virginia.

2. All costs and expenses in connection with the financing of the Project and the issuance of the Note, including the Authority's expenses, VSBFA's expenses, and the fees and expenses of Authority Counsel for the sale of the Note, shall be paid from the proceeds of the Note or other funds of the Authority.

3. The following plan for financing the Project is approved. The Authority shall use the proceeds from the issuance of the Note to finance the Project. The Authority will sell the Note to VSBFA and agree to repay the same pursuant to the terms of the Note and the Loan Agreement. The issuance of the Note earning interest at 5.5% per annum and due and payable in full over a term of approximately ten (10) years is hereby approved.

4. The Authority hereby authorizes the issuance of the Note pursuant to the Loan Agreement upon terms to be agreed upon and approved by VSBFA and the Authority.

5. The Chairman or Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to agree, acknowledge and consent to the provisions of such other agreements, instruments, certificates or other documents as are necessary in their sole discretion in connection with the issuance of the Note, including designating and confirming the final provisions and other terms of the Note and the Loan.

6. The Chairman or Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Note, the Loan Agreement and the other Loan Documents by manual or facsimile signature, and the Secretary or Assistant Secretary, either of whom may act, are hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Note and attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Note to VSBFA for authentication and delivery upon the terms provided in the Loan Agreement.

7. The Loan Documents and the Security Documents shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions, changes and revisions as may be approved by the officer executing them in his sole and absolute discretion, his execution

thereof to constitute conclusive evidence of his approval of any such completions, omissions, insertions, changes and revisions.

8. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.

9. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Note are hereby approved, ratified, and confirmed.

10. This resolution shall take effect immediately.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

ADOPTED: This ____ day of _____________, 2024.

____
Chairman,
Industrial Development Authority of Danville, Virginia

ATTEST:

____
Secretary,
Industrial Development Authority of Danville, Virginia

Approved as to
Form and Legal Sufficiency:

____
City Attorney