INDUSTRIAL DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

4TH FLOOR CONFERENCE ROOM

May 13, 2025

10:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. MEETING MINUTES

1. Minutes for the IDA Meeting held Tuesday, April 8, 2025.

D. FINANCIAL REPORT

1. IDA Financial Statment as of 04-30-2025

E. STAFF UPDATES

F. ACTION ITEMS

1. A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a Lease Agreement between the Authority and At-Taqwa Islamic Center, Inc, at 120 S. Union St.

2. A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a Letter of Intent between the Lester Group and the Authority for parcels #60585 and #54629.

3. A Resolution of the Industrial Development Authority of Danville, Virginia authorizing and approving a loan not to exceed a principal amount of $750,000 to Lansing Melbourne Group, LLC and its members in their personal capacity.

4. 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 508 Memorial Drive (Parcel # 21768) from Edward Dale and Ellen Haskins Whitlow.

5. A Resolution of the Industrial Development Authority of Danville, Virginia, approving a plan to finance certain economic development projects through the issuance of a Lease Revenue Bond.

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
APRIL 8, 2025

PURSUANT TO A WRITTEN NOTICE, A COPY OF WHICH IS ATTACHED HERETO, A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA WAS HELD IN THE FOURTH FLOOR CONFERENCE ROOM OF THE MUNICIPAL BUILDING ON TUESDAY, APRIL 8, 2025, AT 10:30 A.M.

THE FOLLOWING MEMBERS WERE PRESENT AND ABSENT:

PRESENT:	T. NEAL MORRIS, CHAIRMAN KRISTEN BARKER JAMES BEBEAU RUSSELL REYNOLDS, VICE CHAIRMAN PHILLIP HALL
ABSENT:	JOHN LARAMORE, SECRETARY ROBERT WOODALL
ALSO PRESENT:	W. CLARKE WHITFIELD, JR., CITY ATTORNEY KIMBERLY GIBSON, CITY ATTORNEY'S OFFICE MICHAEL ADKINS, CHIEF FINANCIAL OFFICER CORRIE BOBE, ECONOMIC DEVELOPMENT KELVIN PERRY, ECONOMIC DEVELOPMENT KEN LARKING, CITY MANAGER

T. NEAL MORRIS, CHAIRMAN, CALLED THE MEETING TO ORDER AT 10:35 A.M.

ROLL CALL

MINUTES

COPIES OF THE MINUTES OF MARCH 11, 2025, REGULAR CALLED MEETING OF THE IDA WERE DISTRIBUTED TO THE MEMBERS WITH THEIR AGENDA PACKETS. A MOTION WAS MADE BY MR. BEBEAU TO APPROVE THE MINUTES AS PRESENTED. THE MOTION WAS SECONDED BY MR. HALL AND CARRIED WITH THE MEMBERS PRESENT VOTING AS FOLLOWS:

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

FINANCES

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

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

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

RESOLUTIONS

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING THE CHAIRMAN TO SIGN ALL DOCUMENTS NECESSARY FOR THE DEDICATION OF RIGHT-OF-WAY TO THE CITY OF DANVILLE FROM PARCEL IDENTIFICATION NUMBERS 21322, 23568, 23263, 22028, 23110, AND 26621 FOR THE RECONSTRUCTION OF PUBLIC SIDEWALKS ALONG MEMORIAL DRIVE.

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

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. BEBEAU	- AYE

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

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

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

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

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. BEBEAU	- AYE

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

MR. MORRIS	- AYE
MR. REYNOLDS	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. BEBEAU	- 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. REYNOLDS	- AYE
MRS. BARKER	- AYE
MR. HALL	- AYE
MR. BEBEAU	- AYE

ADJOURN

JOHN LARAMORE
SECRETARY

T. NEAL MORRIS
CHAIRMAN

Industrial Development Authority
Statement of Accounts
As of April 30, 2025

Regular Checking		$	530,313.55
USDA Loan Account		$	81,625.75
City Funded Loan Account		$	3,404,329.46
North Union Properties/Master Tenant		$	38,849.07
Reserve Account		$	7,219,487.50
Reserve Account Details			
Hold for IDA Debt Svc	*760,321.29*		
Hold for Enterprise Zone	*765,673.78*		
Hold for Int'l. Recruitment	*100,000.00*		
Hold for Coleman Site	*699,025.00*		
Hold for Incentives	*2,440,681.00*		
Hold for 217 N Union	*37,000.00*		
Hold for 121/123 N Union	*490,200.00*		
Avail for Dan River Falls	*1,926,586.43*		
	7,219,487.50		

City Funded Loans:

Beginning Balance April 1, 2025	$ 3,403,056.59
Uncle Al's Diner	1,133.00
Interest /Bank Fees	139.87
Ending Balance April 30, 2025	$ 3,404,329.46

Industrial Development Authority
Statement of Account - Regular Checking
For the month ended April 30, 2025

Beginning Balance at April 1, 2025		$103,607.26
RECEIPTS:		
Rent:		88,811.72
Utility/Insurance Reimbursement:		
DR Foundation	3,997.34	
Averett	5,484.99	9,482.33
City of Danville Support		622,930.12
Transfer in from Reserve		3,246,410.00
CDE Program Fees		3,223.05
VBAF Grant		50,000.00
Pittsylvania County IDA - Shell Bldg		6,169.87
Interest Income/Wire Fees/Checks		30.04
DISBURSEMENTS:		
AUB Loan - Lockett Drive	(11,566.62)	
AUB - 500 Stinson Drive #1	(4,887.77)	
AUB - 500 Stinson Drive #2	(5,717.03)	
AUB - 512 Bridge Street	(16,467.81)	
AUB Loan - Old Belt One	(13,442.36)	
VSBFA Bank - 500 Cane Creek	(9,251.38)	
VSBFA - MEP Equip Loan	(378.79)	
VSBFA - Barker Rd Loan	(12,579.62)	
Locus Bank - Shell Building	(12,315.20)	
Locus Bank - Ecomnets Bldg	(6,141.56)	
First National - Gaither Rd Prop	(3,136.84)	
Movement Bank - Monument	(2,651.24)	
US Bank - Bond Interest	(13,666.67)	
Dan River Falls Lease Payment	(142,385.00)	
Architectural Partners - DR Falls	(16,563.67)	
Loan Draw - MEP	(6,376.47)	
Richard Morris Architecture NU	(9,800.00)	
SKA Consulting	(15,270.50)	
Cherry Bekaert - CDE	(3,223.05)	
Solex Architecture - 624 N Main	(19,250.00)	
Hurt & Proffitt - Coleman Site	(11,450.00)	
Dan River Falls - Capital Invest	(3,225,160.00)	
Utility Bills/Elevator Maint	(6,616.36)	
Insurance	(32,052.90)	(3,600,350.84)
Ending Balance at April 30, 2025		**$ 530,313.55**

125 N Union	250.00	
Alexander Co - Prkg	13,500.00	
Averett	11,390.00	
Barry Smith	-	3/28
Belk	7,102.50	
City - Gang Prev.	-	3/25
City - IT Dept.	-	3/25
DR Foundation	5,610.00	
Launch Place	3,000.00	
Link's Café	3,000.00	
MEP	850.10	
Michael Cheek	-	3/25
Mind Body Wellness	900.00	
Morrisette Paper	6,762.61	
Overfinch	12,587.80	
The Bee Parking	850.00	
Revive Nutrition	600.00	
River District Assoc	1,585.00	
Riverside Running	2,812.48	
Robert Stephens	250.00	
Sth VA Legal	1,575.00	
Vintages	1,347.00	
Walraven	14,839.23	
	88,811.72	

Industrial Development Authority
Statement of Account
USDA Loan Funds

For the month ended April 30, 2025

Beginning Balance at April 1, 2025			$ 81,356.33
RECEIPTS:			
	Dry Fork Fruit Dist.	266.07	
	River City Escapes	-	
	Interest	3.35	
			269.42
DISBURSEMENTS:		-	
			-
Ending Balance at April 30, 2025			**$ 81,625.75**

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.	7,065.01	(19,108.60)
INTEREST EARNED			21,142.05
DEFAULTED LOANS			(19,457.70)
PENALTIES EARNED			50.00
BALANCE IN ACCOUNT			**$ 81,625.75**

Industrial Development Authority of Danville

A/R Aging Summary

As of April 30, 2025

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
Alexander Company, Inc		4,500.00				$4,500.00
Averett University		-11,390.00				$ -11,390.00
City of Danville IT	11,360.00					$11,360.00
Making Everything Possible, LLC	57.82					$57.82
Michael W Cheek			-1,600.00			$ -1,600.00
Robert Stephens		250.00	250.00	32.00		$532.00
Walraven		-14,839.23				$ -14,839.23
TOTAL	**$11,417.82**	**$ -21,479.23**	**$ -1,350.00**	**$32.00**	**$0.00**	**$ -11,379.41**

Industrial Development Authority of Danville

Balance Sheet

As of April 30, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Loans (City Funded)	3,404,329.46
North Union Master Tenant LLC	7,166.18
North Union Properties, LLC	31,682.89
Regular Checking	530,313.55
Reserve Account	7,219,487.50
USDA Checking	81,625.75
Total Bank Accounts	**$11,274,605.33**
Accounts Receivable	
Real Estate Tax AR	-24,850.64
Rent Receivable	13,471.23
Total Accounts Receivable	**$ -11,379.41**
Other Current Assets	
Accounts Receivable	295,919.17
Allowance for Rent	945.00
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	**$13,629,907.91**
Total Current Assets	**$24,893,133.83**
Fixed Assets	
Accumulated Depreciation	-6,143,851.44
Buildings	**28,275,065.48**
Construction In Progress	**29,975,550.23**
Equipment	**75,000.00**
Land	**7,588,205.74**
Land Improvements	**2,580,260.66**
Total Fixed Assets	**$62,350,230.67**
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	7,823.77
Eng Biopharmaceut Inc.	150,000.00
Masonic Temple Note Receivable	1,650,000.00
Note Rec - Uncle Al's Diner LLC	24,118.01
River City Escapes Note Receiva	12,043.59
Southside Ice	14,193.51
Total Notes Receivable	**1,858,178.88**
Total Other Assets	**$8,493,459.56**
TOTAL ASSETS	**$95,736,824.06**

Industrial Development Authority of Danville

Balance Sheet

As of April 30, 2025

	TOTAL
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
Deferred Revenue	192,843.74
Lease Revenue Note - 2021A	10,000,000.00
Notes Payable	
AUB - 206/208 N Union Loan	662,103.05
AUB - 500 Stinson Drive	681,943.59
AUB - 512 Bridge Loan	1,312,146.55
AUB - Dan River Falls	18,036,194.57
AUB Loan - 500 Stinson #2	77,929.51
AUB Loan - Locket Drive	872,780.05
AUB Loan - Old Belt 1 Upfit	502,339.38
FNB - Gaither Rd Parcels	463,065.57
Locus - Cyber Prk Shell Bldg	922,049.29
Locus Bank - 1 Ecomnets Way	1,426,427.46
Movement Bank - 816 Monument	458,123.73
VSBFA - 500 Cane Creek	1,285,962.22
VSBFA - Barker Road Loan	840,712.70
VSBFA - MEP Loan	82,672.74
Total Notes Payable	**27,624,450.41**
Revolving Loan Fund - USDA	99,000.00
Total Long-Term Liabilities	**$47,046,782.83**
Total Liabilities	**$49,862,218.93**
Equity	**$45,874,605.13**
TOTAL LIABILITIES AND EQUITY	**$95,736,824.06**

Industrial Development Authority of Danville

Profit and Loss

July 2024 - April 2025

	TOTAL
Income	
Grants	
Grants - City of Danville	9,293,665.20
Grants - Commonwealth of VA	1,610,599.69
Total Grants	**10,904,264.89**
Miscellaneous Income	4,125.00
Parking Space Rental Income	50,924.00
Program Fees	159,586.45
Reimbursed Expenses	61,576.00
Rental Income	901,612.51
Sales	418.90
Total Income	**$12,082,507.75**
GROSS PROFIT	**$12,082,507.75**
Expenses	
Bank Service Charges	240.00
Dues and Subscriptions	4,066.07
Incentive Payments	1,276,602.07
Insurance	161,108.35
Interest Expense	1,232,144.50
Licenses and Permits	2,437.71
Loan Fees	8,547.49
Office Supplies	424.17
Professional Fees	639,215.44
Rental Expense	711,925.00
Repairs	132,280.01
Taxes	12,975.96
Telephone	3,076.42
Utilities	46,056.28
Total Expenses	**$4,231,099.47**
NET OPERATING INCOME	**$7,851,408.28**
Other Income	
Interest Income	276,410.23
Total Other Income	**$276,410.23**
Other Expenses	
Loss on Sale of Property	239,160.33
Return of Grant Funds to City	250,000.00
Total Other Expenses	**$489,160.33**
NET OTHER INCOME	**$ -212,750.10**
NET INCOME	**$7,638,658.18**

Industrial Development Authority

STAFF REPORT

DATE: May 13, 2025

TO: Industrial Development Authority

FROM: Samantha Bagbey, Project Manager

RE: A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a Lease Agreement between the Authority and At-Taqwa Islamic Center, Inc, at 120 S. Union St.

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a Lease Agreement between the Authority and At-Taqwa Islamic Center, Inc, at 120 S. Union St.

ATTACHMENTS

1. 2037_RES_Approve Lease Authority_Islamic_Center_FINAL;
2. 2037_FINAL_Attachment_120 S Union-Islamic-Center

PRESENTED: MAY 13, 2025

ADOPTED: MAY 13, 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, ABDUL RASHEED (IN HIS PERSONAL AND INDIVIDUAL CAPACITY), AND AT-TAQWA ISLAMIC CENTER INC FOR THE PROPERTY IDENTIFIED AS 120 S. UNION STREET AND BEARING TAX PARCEL ID NUMBER # 20219.

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, Abdul Rasheed (in his personal and individual capacity), and Virginia and At-Taqwa Islamic Center Inc. substantially in the form attached hereto; and

BE IT FURTHER RESOLVED, by the IDA that it hereby approves and authorizes a lease term of Twelve (12) Months at a lease rate of Two Hundred Eighty Dollars ($280) 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 **8th day of APRIL, 2025**, between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Landlord"), **and ABDUL RASHEED (in his personal and individual capacity), AND At-Taqwa Islamic Center Inc ("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, **120 S UNION STREET and bearing tax Parcel ID number # 20219**

   "Commencement date" shall mean **May 21, 2025.**

   "Premises" shall mean the 120 S Union (approximately 1,200sqft)

   "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 **ABDUL RASHEED (in his personal and individual capacity), AND At-TAQWA ISLAMIC CENTER, INC (Virginia lD # 75-3140833) ("Tenant").**

   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 **AN ISLAMIC CENTER** in the **CBC Central Business District**.

3. Lease of Premises:

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

4. Term:

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

5. Rent:

A. Tenant shall pay as rent to Landlord during the term **TWO HUNDRED EIGHTY DOLLARS** (**$280)** per month for **TWELVE (12) MONTHS** of the lease beginning on **MAY 21, 2025**. Rent is payable and due in advance on the first day of each calendar month during the Lease term. The rental payment amount for any partial calendar months included in the Lease term shall be prorated on a daily basis.

B. Payment Options:

a. Auto-Draft
b. Dropped off: **Danville Office of Economic Development and Tourism**
427 Patton Street
Danville, VA 24541
c. Mailed to: **Danville Office of Economic Development and Tourism**
P.O. Box 3300
Danville, VA 24543-3300.

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 security deposit is not required of the tenant due to the purchase agreement of the entire building.

6. Maintenance, Improvement and Repairs:

A. Tenants shall make, at Tenant's expense, all necessary improvements to the

Premises including floors, walls, ceilings, plumbing, electrical, and lighting.

B. The exterior of the building including the roof, walls, foundation, gutters, downspouts, drainage systems, (signage excepted) shall be responsibility of the Landlord.

C. 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 **AN ISLAMIC CENTER.** 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 **1,200 SQFT**) known as **120 S UNION STREET**

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. <u>Entry.</u>

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

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

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

15. <u>Default.</u>

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

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenants of its obligations hereunder, Landlord will keep and maintain Tenants in exclusive, quiet, 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:
At-Taqwa Islamic Center Inc
Abdul Rasheed
117 E. Thomas Street
Danville, VA. 24540

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.

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: Abdul Rasheed (in his personal and individual capacity)

By: __________________________________
Name: Abdul Rasheed

Tenant:

At-Taqwa Islamic Center, Inc
(Virginia lD #75*3140833)

By ______________________________________
Name: Abdul Rasheed
Title: Imam

Industrial Development Authority

STAFF REPORT

DATE: May 13, 2025

TO: Industrial Development Authority

FROM: Samantha Bagbey, Project Manager

RE: A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a Letter of Intent between the Lester Group and the Authority for parcels #60585 and #54629.

Approval of a Letter of Intent between the Lester Group and the Industrial Development Authority for parcels #60585 and #54629.

ATTACHMENTS

1. 2047_Lester Group Resolution - LOI
2. LOI - Lester Group - Bishop Rd Site

PRESENTED: MAY 13, 2025

ADOPTED: MAY 13, 2025

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING A LETTER OF INTENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND THE LESTER GROUP INC. FOR THE PROPERTY IDENTIFIED AT BISHOP ROAD BEARING TAX PARCEL #ID # 60585 AND WEST MAIN STREET BEARING TAX PARCEL ID # 54629.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia (IDA), that it hereby approves and authorizes a Letter of Intent between the Industrial Development Authority of Danville, Virginia and The Lester Group substantially in the form attached hereto and made a part hereof, as if fully setout herein; and

BE IT FURTHER RESOLVED, by the IDA that it hereby approves and authorizes a term of Ninety (90) days; 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

April 29th, 2025

ATTN: Samantha L. Bagbey
Economic Development Project Manager

Subject: ***West Main Street Danville VA***
Community Way Site
2.096 acres

Dear Ms. Bagbey,

It was a pleasure meeting with you regarding the possibility of purchasing the Community Way Site space in Downtown Danville. I have outlined the terms and conditions for completing a PSA at this location.

1. ***Purchaser:*** The Lester Group Inc.

2. ***Seller:*** Danville Industrial Development Authority

3. ***Due Diligence:*** 90 days from execution

4. ***Guarantee:*** Purchaser shall submit complete set of financials to seller upon execution of this LOI

5. ***Use of Property:*** The Lester Group plans to construct a 9000 SF +/- building on the site that would be a mixed-use building. The building will consist of Retail, Restaurant and Medical Office Space. As shown on Exhibit "A" Attached.

6. ***Construction:*** The Lester Group would plan to use Blair Construction to build the premises.

Purchaser and Seller acknowledge that this proposal is not a contract, and that it is intended only as a basis for the preparation of a PSA. The PSA shall be subject to Seller and Purchaser approval, and only a fully executed contract shall constitute a binding agreement between the parties. Please review the proposal carefully. The proposal is subject to IDA approval. If you have any questions, please do not hesitate to give me a call at (276) 656-3121. If this proposal accurately describes the terms which you would like to have a PSA for your review, please sign below and return one copy to me. I look forward to working with you to complete a PSA for this location.

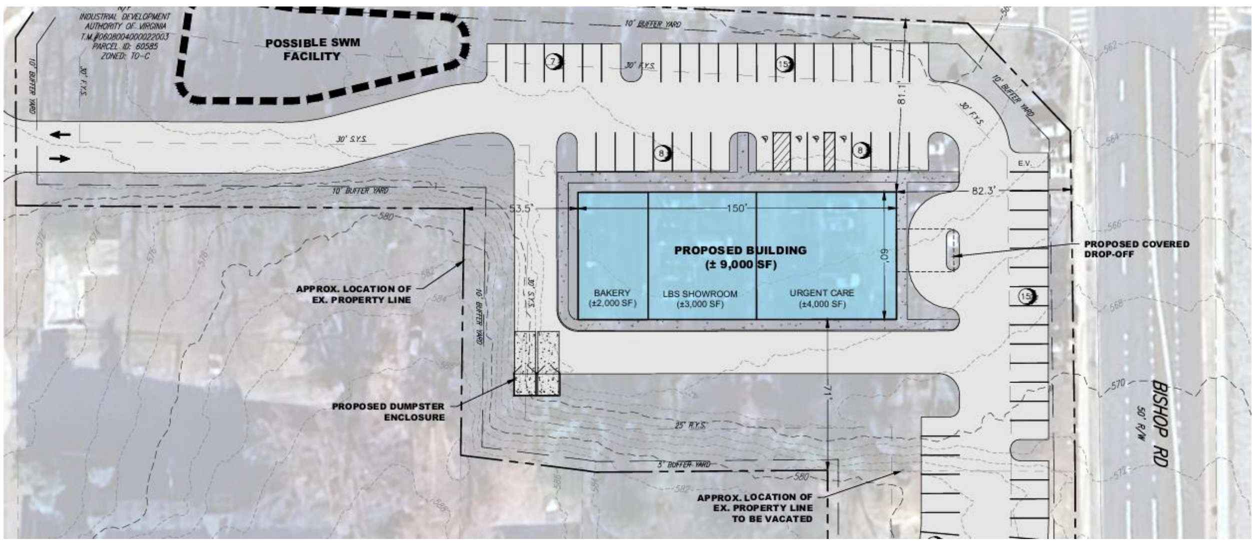
Very truly yours,
The Lester Group Inc.

Andrew C. Palmer
Vice President

PROPOSAL ACCEPTED:

____ Date: ____________________

EXHIBIT A


INDUSTRIAL DEVELOPMENT
AUTHORITY OF VIRGINIA
PARCEL ID: 60585
ZONED: TO-C
POSSIBLE SWM
FACILITY
10' BUFFER YARD
30' F.Y.S.
30' S.Y.S.
PROPOSED BUILDING
(± 9,000 SF)
BAKERY
(±2,000 SF)
LBS SHOWROOM
(±3,000 SF)
URGENT CARE
(±4,000 SF)
150'
60'
53.5'
81.1'
82.3'
71'
E.V.
PROPOSED COVERED
DROP-OFF
APPROX. LOCATION OF
EX. PROPERTY LINE
PROPOSED DUMPSTER
ENCLOSURE
25' R.Y.S.
5' BUFFER YARD
APPROX. LOCATION OF
EX. PROPERTY LINE
TO BE VACATED
BISHOP RD
50' R/W

Industrial Development Authority

STAFF REPORT

DATE: May 13, 2025

TO: Industrial Development Authority

FROM: Corrie Bobe, Director of Economic Development and Tourism

RE: A Resolution of the Industrial Development Authority of Danville, Virginia authorizing and approving a loan not to exceed a principal amount of $750,000 to Lansing Melbourne Group, LLC and its members in their personal capacity.

The IDA has a City Funded Loan Program that can be accessed to assist businesses with expanding or aid in the redevelopment of real estate. Although the IDA has already approved a loan for the Hyatt Studios project, there has been a request to extend the term of the loan from a two-year period to seven years to align with its New Markets Tax Credits financing. After review by High Impact Financial Analysis, LLC, staff recommend approval for the following:

Borrower: Lansing Melbourne Group, LLC and its members in their personal capacity
Property: 100 River Street, & 150 (Parcel 01078)
Collateral Position: Cash Reserve Account
Loan Amount: $750,000
Interest: 75% of WSJ Prime on Date of Approval
Loan Origination: 0.25% of Total Loan Amount Term
Interest-Only Period: 24 months
Term of Loan: 7 Years

ATTACHMENTS

1. 2058_RES_LMG Loan_for_Hyatt-Studios

PRESENTED: ________________________

ADOPTED:__________________________

RESOLUTION NO. 2025-____.____

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

WHEREAS, it is the purpose and intent of the Industrial Development Authority of Danville, Virginia (IDA) to aid in the promotion of economic development within the City of Danville; and

WHEREAS, in order to facilitate the promotion of economic development within the City of Danville, the IDA may have to aid in funding for such purposes; and

WHEREAS, Lansing Melbourne Group, LLC, has requested a loan from the IDA for Seven Hundred Fifty Thousand Dollars ($750,000) at an interest rate equal to Seventy Five Percent (75%) of the Wall Street Journal Prime Rate posted the date of approval and to be paid back in Eighty-Four (84) months; interest only during the first Twenty-Four (24) Months of the loan term; and

WHEREAS, the Industrial Development Authority Loan Committee has reviewed the application and is recommending a loan to Lansing Melbourne Group, LLC, a principal amount not to exceed Seven Hundred Fifty Thousand Dollars ($750,000) at an interest rate equal to Seventy Five Percent (75%) of the Wall Street Journal Prime Rate posted the date of approval and to be paid back in Eighty-Four (84) months; interest only during the first Twenty-Four (24) Months of the loan term.

NOW THEREFORE, BE IT RESOLVED, by the Industrial Development Authority of Danville, Virginia that it hereby authorizes and approves a loan in amount not to exceed Seven Hundred Fifty Thousand Dollars ($750,000) to Lansing Melbourne Group, LLC; and

BE IT FURTHER RESOLVED that the Industrial Development Authority does hereby authorize and approve its' Chairman, or in his absence any officer, to execute any and all documents necessary to complete the transaction pertaining to said loan.

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

Industrial Development Authority

STAFF REPORT

DATE: May 13, 2025

TO: Industrial Development Authority

FROM: Corrie Bobe, Director of Economic Development and Tourism

RE: 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 508 Memorial Drive (Parcel # 21768) from Edward Dale and Ellen Haskins Whitlow.

A Resolution for the purchase of 508 Memorial Drive (Parcel 21768) from Edward Dale and Ellen Haskins Whitlow for an amount not to exceed $875,000.

ATTACHMENTS

1. 2059_RES_IDA_Purchase_ Agmt_and_Acutal_ Purchasle_508 Memorial
2. 2059_IDA_RES_ATTACHMENT-Whitlow-Purchase_Agmt_Final 3-28-25

PRESENTED: ______________________

ADOPTED:________________________

RESOLUTION NO. 2025-____.____

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 508 MEMORIAL DRIVE (PARCEL 21768) FROM EDWARD DALE AND ELLEN HASKINS WHITLOW.

NOW THEREFORE, BE IT RESOLVED by The Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize the execution of a Purchase Agreement for 508 Memorial Drive (Parcel 21768) from Edward Dale and Ellen Haskins Whitlow at a cost not to exceed Eight Hundred and Seventy-Five Thousand Dollars ($875,000), plus closing costs, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED by The Industrial Development Authority of Danville, Virginia, that it does hereby approve and authorize the actual purchase of 508 Memorial Drive (Parcel 21768) between the Industrial Development Authority of Danville, Virginia and Edward Dale and Ellen Haskins Whitlow; and

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

Approved:

____
Chairman

Attest:

____
Secretary

Approved as to
Form and Legal Sufficiency:

____
City Attorney

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE ("Agreement") is made and entered into this ____ day of May 2025, between Edward Dale and Ellen Haskins Whitlow (hereinafter called "Seller"), and the Industrial Development Authority of Danville, Virginia whose address is City of Danville, Industrial Development Authority, C/O City Attorney's Office, P. O. Box 3300, Danville, VA 24543 (hereinafter "Purchaser").

W I T N E S S E T H:

WHEREAS, Seller is the owner of those certain parcel of real property described as Parcel Number 21768 (508 Memorial Drive), located in the City of Danville, Virginia and shall hereinafter be referred to collectively as the "Property"; and

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

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

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

2. Purchase Price. (a) The purchase price ("Purchase Price") to be paid by Purchaser to Seller for the Property shall be Eight Hundred Seventy Five Thousand Dollars ($875,000).

(b) At "Closing", the Purchase Price payable by Purchaser to Seller shall be paid by cash, or wire transfer. At Closing, the "Deposit" (hereinafter defined) shall be delivered by the Closing Agent to Seller and shall be credited against the Purchase Price.

3. Deposit. Purchaser shall deliver ______________________ (the "Closing Agent"), as escrow agent, a deposit in the sum of Fifty Thousand Dollars ($50,000) within ten (10) business days of the date set forth in the first paragraph above. In the event Closing does not occur, the Deposit shall be refunded to Purchaser, except as set forth in Section 5(a) of this Agreement, or otherwise set forth in this Agreement.

4. Representations and Warranties of Seller. Seller, to induce Purchaser to enter into this Agreement and to complete Closing, makes the following representations and warranties to Purchaser, which representations and warranties are true and correct as of the date of this

Agreement, and shall be true and correct at and as of the Closing Date in all respects as though such representations and warranties were made both at and as of the date of this Agreement, and at and as of the Closing Date:

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

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

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

(d) Seller is and on the closing date shall have full power and authority to enter into and perform this Agreement and all documents, instruments and contracts entered into or to be entered into by it pursuant to this Agreement and to carry out the transactions contemplated hereby. This Agreement is, and all documents to be executed by Seller and delivered to Purchaser at the Closing will be on the Closing Date, duly authorized, executed and delivered by Seller and all consents and approvals of third parties have been obtained.

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

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

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

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

5. Inspections. (a) Seller and Purchaser hereby acknowledge that as of the Effective Date (as that term is defined in paragraph 17(g) hereinafter) of this Agreement, Purchaser has not yet had an opportunity to fully review and evaluate this transaction. Purchaser shall have sixty (60) days from the Effective Date, (, of this agreement to inspect the property ("Purchaser Inspection Period"). If on or before 5:00 p.m. (Eastern Standard Time) on a date which is seventy-five (75) days from the Date of this agreement ("Inspection Completion Date"), Purchaser determines, in its sole and absolute discretion, that Purchaser does not desire to purchase the Property, then Purchaser shall have the right to give written notice to Seller electing to terminate this Agreement, provided such notice is delivered to Seller prior to 5:00 p.m. (Eastern Standard

Time) on the Inspection Completion Date. In the event such notice of termination is delivered on or before 5:00 p.m. (Eastern Standard Time) on the Inspection Completion Date, then the Closing Agent will deliver to Purchaser the Deposit, and the parties shall be released from all further obligations each to the other under this Agreement. In the event that the Purchaser does not terminate this Agreement as set forth in this Section 5, then Purchaser's right to terminate this Agreement shall be deemed waived by Purchaser and Purchaser's deposit shall be forfeited.

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

Purchaser's access to, and inspection of, the Property shall be at Purchaser's sole risk and expense and Seller shall have no responsibility therefor. Purchaser hereby waives any and all claims against Seller for any damage or injury incurred by Purchaser or its representatives, agents, contractors or invitees while on the Property. All inspections, tests or examinations of the Property shall be conducted in such a manner as not to interfere with Seller's use and occupancy of the Property.

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

(d) Purchaser shall review the Commitment, the Survey and the Environmental Assessment, and such other inspection results, and shall within ninety (90) days of the Date of this Agreement, notify Seller in writing ("Objection Notice") of any matters ("Defects") evidenced by the Commitment, the Survey, the Environmental Assessment or other test results that adversely affect the marketability of the Property. Any such matters not specified as Defects in the Objection Notice or any Defects waived (or deemed waived) by Purchaser pursuant to the terms hereof shall be deemed Acceptable Exceptions. Upon receipt of the Objection Notice, Seller may, but shall not be obligated to, cure such Defects. In the event that Seller is unwilling or unable to cure any Defect(s) on or before the Inspection Completion Date ("Cure Period"), Purchaser, at Purchaser's option, may within ten (10) days thereof: (i) elect to accept title to the Property subject to the Defects without any adjustment to the Purchase Price (in which event the remaining Defects shall be deemed Acceptable Exceptions); or (ii) terminate this Agreement by written notice thereof to Seller, whereupon this Agreement shall be terminated, the Deposit shall be returned to Purchaser and both parties shall thereafter be released from all further obligations hereunder. In the event Purchaser fails to elect to terminate the Agreement as provided above within such 10-day period, Purchaser shall be deemed to have elected clause (i) above.

6. Environmental Studies and Soil Tests.

Purchaser acknowledges that prior to the Closing Date, Purchaser may, within the time frames set forth in Section 5, conduct any environmental and soils tests with respect to the Property which Purchaser may deem necessary or advisable, and Purchaser shall rely upon such tests as well as Seller's Representations and Warranties contained in Section above, in electing whether or not to purchase the Property.

7. Covenants by Seller. Between the date hereof and the Closing or earlier termination of this agreement by its terms, Seller agrees that:

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

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

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

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

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

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

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

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

8. Seller's Defaults; Purchaser's Remedies. In the event that Seller shall be in material default hereunder for any reason other than Purchaser's default, Purchaser may deliver a written notice to Seller stating with particularity the alleged default of Seller, the action required by Seller to cure such default, and Purchaser's intent to exercise its remedies provided below if the default is not cured. Seller shall have twenty-five (25) business days after receipt of such notice to cure the alleged default to Purchaser's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such twenty-five (25) business day period). In the event such default is not cured within such twenty-five (25) business day period, then Purchaser may elect, as its sole and exclusive remedy, to seek to enforce specific performance only for failure to cause the Property to be conveyed with marketable title he terms and provisions hereof or to terminate this Agreement by written notice to Seller and the Closing Agent, whereupon Purchaser shall be entitled to a full refund of the Deposit. It is expressly understood and agreed that the remedy of specific performance shall not be available to enforce any other obligation of Seller hereunder other than a failure to cause the Property to be conveyed in accordance with the terms and provisions hereof. Purchaser hereby expressly waives its rights to seek damages in the event of Seller's default hereunder. Purchaser shall be deemed to have elected to terminate this Agreement if Purchaser fails to file suit for specific performance against Seller in a court having jurisdiction in the City on or before sixty (60) days following the date upon which the Closing was to have occurred.

9. Purchaser's Default; Seller's Remedies. In the event that Purchaser shall be in default hereunder for any reason other than Seller's default, Seller may deliver a written notice to Purchaser stating with particularity the alleged default of Purchaser, the action required by Purchaser to cure such default and Seller's intent to terminate this Agreement if the default is not cured. Purchaser shall have twenty-five (25) business days after receipt of such notice to cure the alleged default to Seller's reasonable satisfaction (and the Closing Date shall be delayed, if necessary, until the end of such twenty-five (25) business day period). In the event such default is not cured within such twenty-five (25) business day period, then Seller may, as Seller's sole and exclusive remedy for such default, terminate this Agreement by written notice to Purchaser and the Closing Agent, and the Seller shall be entitled to retain the Purchaser's deposit. Seller hereby expressly waives its rights to seek damages in the event of Purchaser's default hereunder.

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

11. Closing Costs.

(a) Seller shall be responsible for the (i) costs of preparing the Deed (ii) the Grantor's Tax on the Deed and (iii) the cost of curing any Title Defects.

(b) Purchaser shall be responsible for all other closing costs, including, but not limited to (i) the cost to obtain the Commitment, (ii) all premiums, and other charges on the owner's title policy issued to Purchaser pursuant to the Commitment (the "Title Policy") and any endorsements to the Title Policy, (iii) all documentary stamps, taxes and transfer taxes on the Deed, with the exception of the Grantor's Tax, (iv) documentary stamps and intangible costs on any deed of trust and notes, and (v) the recording costs on the Deed.

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

12. Closing. The "Closing" shall be held no later than thirty (30) days from the Inspection Completion Date. Notwithstanding the foregoing provisions of this Section 12, Purchaser shall have the right to adjourn the Initial Scheduled Closing Date for any reason one (1) time (for not more than thirty (30) days) to a date specified by Purchaser (the "Purchaser Adjourned Closing Date") by (i) delivering notice to Seller on or before the Initial Scheduled Closing Date and (ii) depositing the amount of ten thousand Dollars ($10,000) (the "Closing Extension Deposit"), by wire transfer of immediately available federal funds to the order of the Closing Agent, as escrow agent, which Closing Extension Deposit shall be, non-refundable and payable to the Seller if the Contract fails to close, but be deemed part of the Deposit and held by the Closing Agent in escrow pursuant to the provisions of Section 3 of this Agreement and applied to the Purchase Price at Closing. As used herein, the term "Closing Date" shall mean the Initial Scheduled Closing Date and the Purchaser Adjourned Closing Date, as applicable.

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

(i) A general warranty deed ("Deed"), in fee simple with English covenants of title, subject only to the Acceptable Exceptions;

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

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

(b) At Closing, Purchaser shall deliver the Purchase Price (subject to prorations and adjustments, including, but not limited to, a credit for the Deposit)

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

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

13. Post Purchase Lease Agreement. The Purchaser agrees that within fifteen (15) business days of the Effective Date, as defined in Section 18 (g), Purchaser will provide to Seller a draft copy of a commercial lease agreement for review by the Seller and subsequent negotiations between the parties.

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

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

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

If to Seller:

Edward Dale and Ellen Haskins Whitlow
508 Memorial Drive
Danville, VA 24541

With a copy to:

Mary Scott Swyers, Esq.
Fisk & Gregory, PLC
2 N. Main Street
P.O. Box 459
Chatham, VA 24531

<u>If to Purchaser</u>:

Industrial Development Authority of Danville, VA
C/O City Attorney's Office
P.O. Box 3300
Danville, VA 24541

<u>With a copy to</u>:

City Attorney's Office
P.O. Box 3300
Danville, VA 24541

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

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

18. <u>Miscellaneous</u>.

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

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

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

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

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

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

(g) The term "<u>Effective Date</u>" of such other similar term, shall mean the date on which Seller and Purchaser have both executed and delivered this Agreement.

(h) The parties agree that in the event that any date on which performance is to occur falls on a Saturday, Sunday or City of Danville, state or national holiday, then the time for such performance shall be extended until the next business day thereafter occurring.

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

(j) The Purchaser agrees that the terms set forth in this Agreement, all written materials obtained by Purchaser from Seller with respect to the Property, and all information obtained by Purchaser from sources other than Seller with respect to the Property, shall remain totally and completely confidential and shall not be revealed or disclosed to any person or party whatsoever, except: (i) with the prior written consent of Seller; (ii) as may be disclosed to Purchaser's attorneys, accountants and other representatives that are involved in connection with the consummation of this transaction, and then only to the extent necessary to accomplish the transactions set forth herein, after having directed each such recipient of such information to maintain the confidentiality of such information; (iii) as may be required by applicable law; (iv) as may be necessary in connection with assisting Purchaser in obtaining necessary governmental approvals; and (v) in connection with any litigation between the parties. If for any reason the Closing does not occur, Purchaser shall (x) return to Seller all materials and other information regarding the Property, and (y) immediately deliver to Seller all written studies, analyses, reports and assessments relating to any of the Purchaser's investigations.

{Signatures appear on the following pages}

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

SELLER:
Edward Dale and Ellen Haskins Whitlow

By: ________________________________
Name: Edward Dale Whitlow

By: ________________________________
Name: Ellen Haskins Whitlow

PURCHASER:
Industrial Development Authority of Danville, Virginia

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

Industrial Development Authority

STAFF REPORT

DATE: May 13, 2025

TO: Industrial Development Authority

FROM:

RE: A Resolution of the Industrial Development Authority of Danville, Virginia, approving a plan to finance certain economic development projects through the issuance of a Lease Revenue Bond.

The Industrial Development Authority of the City of Danville, Virginia secured funding through Huntington Bank, Columbus, Ohio, to acquire various parcels of real estate located within the City. Specifically, proceeds from the loan will be used to purchase the following parcels of real estate: Parcel Number 20204 (Patton Street), Parcel Number 22131 (Patton Street), Parcel Number 20219 (118-132 South Union Street), Parcel Number 21768 (508 Memorial Drive), and Parcel Numbers 20218 and 20215 (530 Patton Street). The bank will hold a first lien position on the properties
being acquired.

The loan from Huntington Bank for up to $2,600,000. The loan features a ten-year amortization schedule with a fixed rate of interest of 5.95%. Interest is due semi-annually on the loan with an annual required principal reduction. There is no prepayment penalty and the note may be paid off at any time. The bank will hold a first lien position on the properties being purchased with proceeds from this loan.

ATTACHMENTS

1. 2069_RES_IDA-Lease Bond_ 2025-Resolution of Authority

PRESENTED: MAY 13, 2025

ADOPTED: MAY 13, 2025

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, APPROVING A PLAN TO FINANCE CERTAIN ECONOMIC DEVELOPMENT PROJECTS THROUGH THE ISSUANCE OF A LEASE REVENUE BOND.

WHEREAS, the Industrial Development Authority of Danville, Virginia (the "Authority"), was created by the City of Danville, Virginia (the "City"), pursuant to the provisions of the Industrial Development and Revenue Bond Act (the "Act"), Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Virginia Code"), and empowered to exercise all the powers set forth in the Act, which include, among other things, the power to make loans to, among others, the City in furtherance of the Act; to finance or refinance and lease facilities for use by, among others, the City; to enter into financing arrangements by which the Authority may accept contributions, grants and other financial assistance from any political subdivision of the Commonwealth of Virginia, including the City; to purchase real property in furtherance of the purposes of promoting economic development; to issue revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans, leasing or other financial arrangements or from any source as security for the payment of principal of and premium, if any, and interest on any such obligations; and

WHEREAS, at the request of the City, the Authority proposes to acquire the following parcels located within the City: Parcel Number 20204 (Patton Street); Parcel Number 22131 (Patton Street); Parcel Number 20219 (118-132 South Union Street); Parcel Number 21768 (508 Memorial Drive); and Parcel Numbers 20218 and 20215 (530 Patton Street) (collectively, the "Parcels"); all for the purposes of increasing or enhancing the commercial economic base, providing additional public parking and providing parks and recreational facilities (collectively, the "Series 2025 Project"); and

WHEREAS, the Authority proposes to issue a revenue bond (as hereinafter described, the "Series 2025 Bond") and use the proceeds thereof to finance costs of the Series 2025 Project and pay related costs of issuance; and

WHEREAS, the Authority proposes to issue the Series 2025 Bond as an additional bond under an existing financing structure with the City that is secured by certain rental payments appropriated from time to time by the Council and payable to the Authority in accordance with the terms of the Financing Lease (as hereinafter defined); and

WHEREAS, the City's financial advisor, Davenport & Company LLC (the "Financial Advisor"), has solicited bids, on behalf of the City and the Authority, from financial institutions for a loan to the Authority, to be evidenced by the Series 2025 Bond; and

WHEREAS, the Financial Advisor, together with the City and the Authority, has reviewed the bids, and recommends that the City and the Authority accept the bid of Huntington National Bank (the "Lender") as the proposal most advantageous to the City and the Authority; and

WHEREAS, the City administration has recommended that Hunton Andrews Kurth LLP, Richmond, Virginia, be approved as bond counsel; and

WHEREAS, there have been made available at this meeting drafts of the following documents (collectively, the "Documents"), proposed in connection with the issuance and sale of the Series 2025 Bond:

(a) a Third Supplemental Agreement of Trust, supplementing an Agreement of Trust dated as of March 1, 2017, as previously supplemented (collectively, the "Trust Agreement"), all between the Authority and U.S. Bank Trust

Company, National Association, as successor trustee (the "Trustee"), pursuant to which the Authority may issue Bonds (as defined therein) from time to time, including the Series 2025 Bond, and which is to be acknowledged and consented to by the City; and

(b) a Second Supplemental Deed and Agreement of Financing Lease (the "Supplemental Financing Lease"), supplementing a Deed and Agreement of Financing Lease dated as of March 1, 2017, as previously supplemented (collectively, the "Financing Lease"), between the Authority and the City, pursuant to which the Authority has conveyed a subleasehold interest in the Property (as defined in the Financing Lease) to the City and agreed to finance various Projects (as described therein), and, in exchange, the City will undertake to make rental payments in amounts sufficient to pay the principal of and premium, if any, and interest on the Bonds (including the Series 2025 Bond), subject to appropriation by the Council from time to time of sufficient amounts for such purposes.

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

1. The Authority hereby accepts the proposal of the Lender and approves the following plan of financing of the Series 2025 Project. The Authority will issue a federally taxable lease revenue bond in a principal amount not to exceed $2,600,000 (the "Series 2025 Bond"). The Authority will use the proceeds of the Series 2025 Bond to finance the costs of the Series 2025 Project and pay related costs of issuance. Pursuant to the terms of the Financing Lease, the Authority will continue to lease the Property to the City and the City will undertake to make certain rental payments to the Authority in amounts sufficient to pay the principal of and premium, if any, and interest on the outstanding Bonds issued under the Trust Agreement (including the Series 2025 Bond), to pay the fees or expenses of the Authority and the Trustee, and to pay certain other related costs. The obligation of the Authority to pay principal of and premium, if any, and interest on the Bonds (including the Series 2025 Bond) will be limited to the rental payments received from the City. The Bonds (including the Series 2025 Bond) will be secured by an assignment of such rental payments to the Trustee for the benefit of the holders of all outstanding Bonds (including the Series 2025 Bond). The undertaking by the City to make such rental payments will be subject to the appropriation by the Council from time to time of sufficient amounts for such purposes.

The plan of financing of the Series 2025 Project shall contain such additional requirements and provisions as may be approved by the City Manager and the Chairman or Vice Chairman of the Authority.

2. The Authority hereby authorizes the issuance of the Series 2025 Bond pursuant to the Trust Agreement; provided that the Series 2025 Bond shall (a) be issued in a principal amount (or in aggregate principal advances) not to exceed the amount set forth in Section 1, (b) mature no later than December 31, 2035, (c) have an initial interest rate not to exceed 5.61% per year, (d) be subject to prepayment terms in accordance with the bid submitted by the Lender, and (e) be sold to the Lender at a price not less than 100% of the principal amount thereof. Subject to the foregoing limitations, the Chairman and Vice Chairman of the Authority, either of whom may act, are also hereby authorized to approve, in collaboration with the City Manager, the final terms of the Series 2025 Bond, all as such officers shall determine to be in the best interests of the Authority and the City.

3. The Chairman and Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Documents, which shall be in substantially the forms made available at this meeting. Such forms of the Documents are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them. Such officer's execution and delivery thereof shall constitute conclusive evidence of such officer's approval of any such completions, omissions, insertions and changes.

4. The Chairman and Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Series 2025 Bond by manual or facsimile signature, the Secretary of the Authority is hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Series 2025 Bond and to attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Series 2025 Bond to the Trustee for authentication and delivery to the purchaser thereof upon payment therefore.

5. All costs and expenses in connection with the financing of the Series 2025 Project and the issuance of the Series 2025 Bond, including but not limited to the Authority's fees and expenses and the related fees and expenses of bond counsel, counsel for the Authority, the Financial Advisor, the Lender and its counsel, and the Trustee and its counsel, shall be paid from the proceeds of the Series 2025 Bond or other legally available funds of the City. If for any reason the Series 2025 Bond is not issued, it is understood that all such fees and expenses shall be paid by the City from its legally available funds and that the Authority shall have no responsibility, therefore.

6. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Series 2025 Bond and the financing of the Series 2025 Project.

7. The Authority consents to the recommendation by the City that Hunton Andrews Kurth LLP serve as bond counsel for the issuance and sale of the Series 2025 Bond.

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

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 Series 2025 Bond and the financing of the Series 2025 Project are hereby approved and ratified
.

10. This Resolution shall take effect immediately.

Approved:

____
Chairman

Attest:

____
Secretary

APPROVED AS TO
FORM AND LEGAL SUFFICIENCY:

____
City Attorney