



INDUSTRIAL DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

4TH FLOOR CONFERENCE ROOM

July 8, 2025

10:30 AM

A. CALL TO ORDER

1. Election of Officers

B. ROLL CALL

C. MEETING MINUTES

1. Minutes for the IDA Meeting held May 13, 2025
2. Minutes for the IDA Meeting held June 10, 2025

D. FINANCIAL REPORT

1. IDA Statement of Accounts as of June 30, 2025
2. Affirmation of Write-off Uncollectible Accounts

E. STAFF UPDATES

F. ACTION ITEMS

1. Resolution to amend the bylaws of the Industrial Development Authority
2. Resolution for a Lease Agreement between the Industrial Development Authority of Danville and the City of Danville Virginia
3. Resolution for use of property located on Lynn Street by Atlantic Coast Dismantling,

LLC.

4. Resolution authorizing the use of vacant lot located 531 Lynn Street for construction staging.
5. Resolution for the sale and purchase of Parcel No. 20432 and No. 21690 for the construction, ownership, and operation of a downtown parking project.
6. Resolution for a development agreement between the IDA and Rivermont Danville LLC for a downtown parking project

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
May 13, 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, May 13, 2025, at 10:30 a.m.

The following members were present:

Present: T. Neal Morris, Chairman
Russell Reynolds, Vice Chairman
John Laramore, Secretary
Kristin Barker
Phillip Hall
James Bebeau
Robert Woodall

Also present: W. Clarke Whitfield, Jr., City Attorney
Kimberly Gibson, City Attorney's Office
Ken Larking, City Manager
Michael Adkins, Chief Financial Officer
Corrie Bobe, Director of Economic Development
Kelvin Perry, Economic Development
Samantha Bagby, Economic Development
John Crane, News Media

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

Roll call

Minutes

Minutes for the April 8, 2025, 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. Mrs. Barker seconded the motion with the members present voting as follows:

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mrs. Barker	-Aye
Mr. Bebeau	-Aye
Mr. Hall	-Aye
Mr. Woodall	-Aye

Finances

Michael Adkins, the Chief Financial Officer and Director of Finance, provided the members of the IDA Board a packet of the current financial statements of the IDA.

A motion was made by Mr. Reynolds 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. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Staff reports

Resolutions

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.

Motion was made by Mr. Bebeau; seconded by Mr. Hall

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

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.

Motion was made by Mr. Hall; seconded by Mr. Laramore

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

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. Bebeau

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-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 508 Memorial Drive (Parcel #21768) from Edward Dale and Ellen Haskins Whitlow.

Motion was made by Mr. Hall; seconded by Mr. Reynolds

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mrs. Barker	-Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving a plan to finance certain Economic Development projects through the issuance of lease revenue notes.

Motion was made by Mr. Laramore; seconded by Mrs. Barker

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye

Mrs. Barker	-Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Closed Meeting

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. Bebeau

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Mr. Reynolds moved the meeting immediately reconvened into an open meeting. The motion was seconded by Mrs. Barker and carried with the members present voting as follows:

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-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. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Adjourned at 12:00 pm with all in favor

John Laramore
Secretary

T. Neal Morris
Chairman



Industrial Development Authority of Danville, Virginia
Minutes of Meeting
June 10, 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, June 10, 2025, at 10:58 a.m.

The following members were present:

Present: T. Neal Morris, Chairman
Russell Reynolds, Vice Chairman
John Laramore, Secretary
Kristin Barker
Phillip Hall
James Bebeau
Robert Woodall

Also present: W. Clarke Whitfield, Jr., City Attorney
Terri McDaniel, City Attorney's Office
Ken Larking, City Manager
Michael Adkins, Chief Financial Officer
Kelvin Perry, Economic Development
Samantha Bagby, Economic Development
Kenny Gillie, Director of Community Development

T. Neal Morris, Chairman, called the meeting to order at 10:58 a.m.

Roll call

Minutes

Minutes for the May 13, 2025 meeting will be considered and approved at the July 8, 2025 meeting.

Finances

Michael Adkins, the Chief Financial Officer and Director of Finance, provided the members of the IDA Board a packet of the current financial statements of the IDA.

A motion was made by Mr. Laramore to approve the financial report. The motion was seconded by Mr. Woodall and carried with members present voting as follows:

- Mr. Morris - Aye
- Mr. Reynolds - Aye
- Mr. Laramore - Aye
- Mrs. Barker - Aye
- Mr. Hall - Aye
- Mr. Bebeau -Aye
- Mr. Woodall -Aye

Staff reports

Samantha Bagby reported that the City was awarded monies from Inclusive Innovations which helps support ethnic and women-founded businesses. She also introduced three interns that Economic Development has with them for the summer months.

Kelvin Perry, the Assistant Director of Economic Development reported that on June 17, 2025, a group of potential renters will tour available properties at various sites. Mr. Perry also stated that the Coleman site work is coming along smoothly.

Resolutions

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing a letter of intent between the IDA and Blue Cow Inc. d/b/a Blue Cow Ice Cream, Co. for the property identified at Dan River Falls as the "Guard Shack" and "Clinic", 424 Memorial Drive, tax parcel ID #21344.

Motion was made by Mr. Woodall; seconded by Mr. Bebeau

- Mr. Morris - Aye
- Mr. Reynolds - Aye
- Mr. Laramore - Aye
- Mrs. Barker - Aye
- Mr. Hall - Aye
- Mr. Bebeau -Aye
- Mr. Woodall -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 508 Memorial Drive (Parcel #21768) from Edward Dale and Ellen Haskins Whitlow.

Motion was made by Mr. Woodall; seconded by Mr. Bebeau

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing the City of Danville to construct a millings parking lot at Dan River Falls on Memorial Drive, Parcel ID #21322.

Motion was made by Mr. Reynolds; seconded by Mr. Laramore

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

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.

Kelvin Perry gave the Board a handout on this transaction which outlined the special projects this loan would fund.

Motion was made by Mr. Hall; seconded by Mr. Laramore

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mrs. Barker	-Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving a plan to finance certain Economic Development projects through the issuance of lease revenue notes.

Ken Larking explained that these notes would be used to address parking issues in the downtown area, specifically the parking deck planned for Spring Street.

Motion was made by Mrs. Barker; seconded by Mr. Bebeau

Mr. Morris	-Aye
Mr. Reynolds	-Aye

Mr. Laramore	-Aye
Mrs. Barker	-Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing Geotech services between the IDA and Diversified Services Construction for the property identified as 121-127 North Union Street, tax Parcel ID #21982 and #21983.

Motion was made by Mrs. Barker; seconded by Mr. Reynolds

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mrs. Barker	-Aye
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

The Resolution listed on the original agenda as item #7 was disposed of during a meeting of the Airside Development Review Committee who met prior to this meeting of the IDA

A Resolution of the Industrial Development Authority of Danville, Virginia approving and authorizing the conveyance of an easement on Parcel ID #22078 to the City of Danville, Virginia.

It was discussed that this area would be converted into a City park which necessitates all parcels to be owned by the City of Danville, Virginia.

Motion was made by Mr. Hall; seconded by Mr. Reynolds

Mr. Morris	-Aye
Mr. Reynolds	-Aye
Mr. Laramore	-Aye
Mrs. Barker	-Abstained from voting due to conflict of interest, form included in the originals agenda packet
Mr. Hall	-Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Closed Meeting

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. Hall

Mr. Morris	- Aye
Mr. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Mr. Reynolds moved the meeting immediately reconvened into an open meeting. 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. Hall	- Aye
Mr. Bebeau	-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. Reynolds	- Aye
Mr. Laramore	- Aye
Mrs. Barker	- Aye
Mr. Hall	- Aye
Mr. Bebeau	-Aye
Mr. Woodall	-Aye

Adjourned at 11:57 am with all in favor

John Laramore
Secretary

T. Neal Morris
Chairman

**Industrial Development Authority
Statement of Accounts
As of June 30, 2025**

Regular Checking	\$ 1,166,628.28
USDA Loan Account	\$ 82,164.73
City Funded Loan Account	\$ 3,405,183.95
North Union Properties/Master Tenant	\$ 29,399.39
US Bank - 2025A Bond Account	\$ 865,415.86
First National Bank - Money Market	\$ 35,008.63
Reserve Account	\$ 7,786,933.34

Reserve Account Details

<i>Hold for IDA Debt Svc - Bonds</i>	<i>387,151.89</i>
<i>Hold for IDA Debt Svc - Cyber</i>	<i>63,420.10</i>
<i>Hold for Enterprise Zone</i>	<i>736,138.98</i>
<i>Hold for Int'l. Recruitment</i>	<i>54,062.83</i>
<i>Hold for Parking Debt Svc</i>	<i>504,000.00</i>
<i>Hold for Coleman Site</i>	<i>615,225.00</i>
<i>Hold for Dan River Falls</i>	<i>217,369.08</i>
<i>Hold for Incentives</i>	<i>3,465,176.65</i>
<i>Hold for 217 N Union</i>	<i>37,000.00</i>
<i>Hold for 121/123 N Union</i>	<i>485,134.75</i>
<i>Available (CDE Funds)</i>	<i>1,222,254.06</i>
	7,786,933.34

City Funded Loans:

Beginning Balance June 1, 2025	\$ 3,404,474.03
Uncle Al's Diner	570.00
Interest /Bank Fees	139.92
Ending Balance June 30, 2025	\$ 3,405,183.95

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

Beginning Balance at June 1, 2025 \$631,938.77

RECEIPTS:

Rent: 109,820.86

Utility/Insurance Reimbursement:

DR Foundation -

Averett 4,225.62

City of Danville Support 251,355.00

Transfer in from Reserve 664,629.44

IRF Grant - Final Payment 693,080.57

Real Estate Tax Reimbursements 1,674.54

Pittsylvania County IDA - Shell Bldg 6,169.94

Interest Income/Wire Fees/Checks 508.26

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)

VSBA Bank - 500 Cane Creek (9,251.38)

VSBA - MEP Equip Loan (361.13)

VSBA - Barker Rd Loan (13,927.44)

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 Prin/Interest (13,666.67)

Dan River Falls Lease Payment (142,385.00)

Architectural Partners - DR Falls (16,956.42)

First American Title - DR Falls (507,624.50)

Beechgrove Design - 231 Main (7,735.22)

Site Collaborative - DR Falls (1,718.00)

Masonic Towers Development (123,182.73)

Crews Construction - Parking Lot (78,422.56)

Brown Edwards - Audit Fee (3,520.00)

High Impact - Credit Reports (6,000.00)

Gates Flag & Banner (45,937.17)

Enterprise Zone Rebates (6,275.25)

Deposit on 508 Memorial Drive (50,000.00)

US Bank - Trustee Fees (6,000.00)

Stantec - Brownfields (55,802.85)

Re-Leased Software (2,192.70)

Hurt & Proffitt - Coleman Site (15,100.00)

Kent Shelton - Dan River Falls (546.00)

Utility Bills/Elevator Maint (16,301.76)

Insurance (10,983.87)

(1,196,774.72)

Ending Balance at June 30, 2025

\$ 1,166,628.28

125 N Union	250.00	
Abdul Rasheed	-	7/1
Alexander Co - Prkg	9,000.00	
Averett	11,390.00	
Barry Smith	260.00	
Belk	-	5/30
City - Gang Prev.	1,500.00	
City - IT Dept.	11,360.00	
DR Foundation	5,610.00	
Launch Place	3,000.00	
Link's Café	3,000.00	
MEP	77.51	
Michael Cheek	2,400.00	
Mind Body Wellness	900.00	
Morrisette Paper	6,762.61	
Overfinch	12,587.80	
Revive Nutrition	600.00	
River District Assoc	1,585.00	
Riverside Running	2,812.48	
Robert Stephens	250.00	
Stephen Bass	2,175.00	
Sth VA Legal	1,575.00	
The Bee - Parking	1,700.00	
Vintages	1,347.00	
Walraven	29,678.46	
	<u>109,820.86</u>	

**Industrial Development Authority
Statement of Account
USDA Loan Funds**

For the month ended June 30, 2025

Beginning Balance at June 1, 2025 \$ 81,895.29

RECEIPTS:

Dry Fork Fruit Dist.	266.07	
River City Escapes	-	
Interest	<u>3.37</u>	
		269.44

DISBURSEMENTS:

-

Ending Balance at June 30, 2025 \$ 82,164.73

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.	<u>6,584.23</u>	(18,627.82)

INTEREST EARNED 21,200.25

DEFAULTED LOANS (19,457.70)

PENALTIES EARNED 50.00

BALANCE IN ACCOUNT \$ 82,164.73

Industrial Development Authority of Danville

A/R Aging Summary

As of June 30, 2025

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
424 Memorial Drive			25,069.74			\$25,069.74
Averett University	3,178.21					\$3,178.21
Danville Honey Bee LLC & Old Bee LLC			8,500.00			\$8,500.00
Danville Regional Foundation	1,059.40	1,408.54				\$2,467.94
J&W Associated LLC dba Links Cafe			229.91			\$229.91
Making Everything Possible, LLC	461.13					\$461.13
Michael W Cheek		-2,400.00				\$ -2,400.00
Robert Stephens		250.00	32.00			\$282.00
Stephen G. Bass		-2,175.00				\$ -2,175.00
Walraven	-14,839.23	-14,839.23				\$ -29,678.46
TOTAL	\$-10,140.49	\$-17,755.69	\$33,831.65	\$0.00	\$0.00	\$5,935.47

Industrial Development Authority of Danville

Balance Sheet As of June 30, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
First National Bank - Money Market	35,008.63
Loans (City Funded)	3,405,183.95
North Union Master Tenant LLC	7,166.18
North Union Properties, LLC	22,233.21
Regular Checking	1,166,628.28
Reserve Account	7,786,933.34
US Bank - 2025A Project Fund	865,415.86
USDA Checking	82,164.73
Total Bank Accounts	\$13,370,734.18
Accounts Receivable	\$5,935.47
Other Current Assets	
Accounts Receivable	295,919.17
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	\$13,628,962.91
Total Current Assets	\$27,005,692.56
Fixed Assets	
Accumulated Depreciation	-6,143,851.44
Buildings	28,663,316.22
Construction In Progress	33,446,980.16
Equipment	75,000.00
Land	7,588,205.74
Land Improvements	2,580,260.66
Total Fixed Assets	\$66,209,911.34
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	7,342.99
Eng Biopharmaceut Inc.	150,000.00
Masonic Temple Note Receivable	1,650,000.00
Note Rec - Uncle Al's Diner LLC	23,648.51
River City Escapes Note Receiva	12,043.59
Southside Ice	14,193.51
Total Notes Receivable	1,857,228.60
Total Other Assets	\$8,492,509.28
TOTAL ASSETS	\$101,708,053.18

LIABILITIES AND EQUITY

Liabilities

Industrial Development Authority of Danville

Balance Sheet

As of June 30, 2025

	TOTAL
<hr/>	
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	1,820,000.00
2025A Master Lease Bonds	2,575,000.00
Total Bonds Payable	4,395,000.00
Deferred Lease Rev - GASB 87	7,016,488.68
Deferred Revenue	175,312.48
Lease Revenue Note - 2021A	10,000,000.00
Notes Payable	
AUB - 206/208 N Union Loan	657,693.22
AUB - 500 Stinson Drive	677,069.95
AUB - 512 Bridge Loan	1,288,062.71
AUB - Dan River Falls	21,000,000.00
AUB Loan - 500 Stinson #2	67,036.74
AUB Loan - Locket Drive	860,329.38
FNB - Gaither Rd Parcels	460,321.41
FNB - 527 Bridge Street Loan	1,217,000.00
Locus - Cyber Prk Shell Bldg	911,068.34
Locus Bank - 1 Ecomnets Way	1,426,427.46
Movement Bank - 816 Monument	454,349.49
VSBFA - 500 Cane Creek	1,280,055.43
VSBFA - Barker Road Loan	840,712.70
VSBFA - MEP Loan	82,639.71
Total Notes Payable	31,222,766.54
Revolving Loan Fund - USDA	99,000.00
Total Long-Term Liabilities	\$52,908,567.70
Total Liabilities	\$55,724,003.80
Equity	\$45,984,049.38
TOTAL LIABILITIES AND EQUITY	\$101,708,053.18
<hr/>	

Industrial Development Authority of Danville

Profit and Loss

July 2024 - June 2025

	TOTAL
Income	
Grants	
Grants - City of Danville	10,426,533.21
Grants - Commonwealth of VA	2,303,680.26
Total Grants	12,730,213.47
Miscellaneous Income	4,125.00
Parking Space Rental Income	61,357.30
Program Fees	164,336.45
Reimbursed Expenses	73,891.20
Rental Income	1,077,370.36
Sales	418.90
Total Income	\$14,111,712.68
GROSS PROFIT	\$14,111,712.68
Expenses	
Bank Service Charges	240.00
Bond Issue Costs	110,616.39
Dues and Subscriptions	6,258.77
Incentive Payments	2,197,848.14
Insurance	189,435.53
Interest Expense	1,379,016.55
Licenses and Permits	4,387.13
Loan Fees	34,260.80
Office Supplies	424.17
Professional Fees	161,478.38
Accounting	67,681.45
Consulting	694,838.25
Legal Fees	413.00
Total Professional Fees	924,411.08
Rental Expense	996,695.00
Repairs	124,359.73
Building Repairs	140,636.66
Total Repairs	264,996.39
Taxes	19,783.32
Telephone	3,732.92
Utilities	76,684.53
Total Expenses	\$6,208,790.72
NET OPERATING INCOME	\$7,902,921.96
Other Income	
Interest Income	334,340.80
Total Other Income	\$334,340.80

Industrial Development Authority of Danville

Profit and Loss

July 2024 - June 2025

	TOTAL
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	\$-154,819.53
NET INCOME	\$7,748,102.43



Industrial Development Authority

STAFF REPORT

DATE: July 8, 2025
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
RE: Resolution to amend the bylaws of the Industrial Development Authority

Staff is requesting the IDA to amend the bylaws to allow for the City Manager to execute non-disclosure agreements, letters of intent, and license agreements with prospects and other parties. In addition, staff is requesting that, in consultation with the City Attorney, the City Manager may execute "ordinary contracts" on behalf of the IDA for routine matters. If approved, this will improve the efficiency of the IDA's work to further the economic development of the City of Danville.

ATTACHMENTS

1. Res -IDA Bylaws Amendment (2)
2. Proposed 2025 bylaws
3. 7-8-2025 Bylaws Amendment Regular Meeting Notice
4. Certificate for Bylaws Amendment

PRESENTED: JULY 8, 2025

ADOPTED: JULY 8, 2025

RESOLUTION NO. 2025-____.____

A RESOLUTION TO AMEND THE BYLAWS OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

WHEREAS, on April 25, 1967, bylaws for the Industrial Development Authority of Danville, Virginia were adopted; and

WHEREAS, these bylaws were amended on September 15, 1976; and

WHEREAS, these bylaws were amended on October 13, 1988; and

WHEREAS, the Board of Directors of the Industrial Development Authority of Danville, Virginia have reviewed the bylaws and have determined that certain changes are advisable and necessary.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Industrial Development Authority of Danville, Virginia, that new bylaws, substantially in the form attached hereto, be, and they are hereby, adopted for the Industrial Development Authority of Danville, Virginia; and

BE IT FURTHER RESOLVED that these bylaws shall supersede and replace the bylaws adopted April 25, 1967, amended September 15, 1976, and amended again on October 13, 1988; and

BE IT FINALLY REOLVED that any and all actions taken by the Board of Directors of the Industrial Development Authority of Danville, Virginia, the Chairman, or any other officer or any member of the Industrial Development Authority of Danville, Virginia from its creation on November 17, 1966, to the present, are hereby in all respects ratified, approved, and confirmed.

Approved:

Chairman

Attest:

Secretary

Approved as to
Form and Legal Sufficiency:

City Attorney

**BYLAWS
OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY
OF DANVILLE, VIRGINIA**

ARTICLE I. PURPOSES AND POWERS

The Industrial Development Authority of Danville, Virginia (Authority) shall fulfill all the purposes and intents of the General Assembly of Virginia, as expressed in Chapter 651, Acts of Assembly, 1966, as amended (Chapter 49 of Title 15. 2 Code of Virginia, 1950, as amended, Sections 15. 2-4900 through 15. 2-4920) and by any other enactment that may hereinafter be adopted. Said Authority shall also fulfill all purposes and intents of the Council of the City of Danville, Virginia, as may hereinafter be provided and the general purpose of the Authority shall be the fostering and stimulating of the development of industry in the City Danville for the general good of its people and the Commonwealth of Virginia, as evidenced by the City Manager's signature on certain grant agreements and contracts from time to time. The Industrial Development Authority of Danville, Virginia shall have any and all powers that have been granted to it by Chapter 651, Acts of Assembly, 1966, as amended, and the powers that may hereinafter be granted to it by any enactment of the General Assembly and also that may be granted to it by any delegation of authority hereinafter granted by the Council of the City of Danville, Virginia.

ARTICLE II. OFFICES

1. The principal offices of the Industrial Development Authority shall be located in the City of Danville, Virginia.

2. Except as otherwise required by resolution of the Authority, or as the business of the Authority may require, all of the books and records of the Authority shall be kept at the office to be designated as hereinabove provided. The minutes of the Authority shall be open and available for inspection by all citizens of Danville, Virginia, during the normal business hours, and copies of the said minutes may be ordered by any such citizen upon submission of a written request and upon paying in advance the cost of duplicating such copies.

ARTICLE III. AUTHORITY

1. The Industrial Development Authority of Danville, Virginia shall be governed by a Board of Directors appointed by the Council of the City of Danville. All powers and duties of the Authority shall be exercised and performed by the Board of Directors, acting by majority vote of those directors present at a meeting at which a quorum is present, except that no facilities owned by the Authority shall be leased or disposed of in any manner without a majority vote of the members of the board of directors.

2. The Board of Directors shall have the right to prepare, or delegate the preparation of, confidential reports for submission to any person, governmental body or agency consistent with the purposes and powers stated in Article I; and the right to receive from any source confidential reports consistent with the purposes and powers stated in Article I; but no action binding the Authority may be taken respecting such reports except as provided in Paragraph 1 of this Article.

ARTICLE IV. DIRECTORS

Each director shall, before entering on his duties, take and subscribe the oath prescribed by Section 49-1 of the Code of Virginia, which is: "I do solemnly swear (or affirm) that I will support the Constitution of the United States, and the Constitution of the Commonwealth of Virginia, and that I will faithfully and impartially discharge all the duties incumbent upon me as Director of the Industrial Development Authority of Danville, Virginia, according to the best of my ability, (so help me God)." Said oath shall be administered by the Clerk of the Circuit Court or the City Clerk for the City of Danville and filed with the City Clerk.

ARTICLE V. OFFICERS

1. The Board of Directors shall elect from its membership a chairman and vice-chairman, and also from its membership or not, as it desires, a secretary and a treasurer, which two offices may be combined in and held by one person.

2. The terms of office for the officers shall be for the fiscal year in which they are elected, and shall continue until their successors are elected.

3. The duties of the chairman shall be to preside at meetings of the Authority, and of the Executive Committee; to approve the agenda for any and all meetings, and to assure a copy of the said agenda is made available to the secretary for the purpose of providing adequate notice of special meetings as hereinafter provided; to call special meetings; to call special elections; to be ex officio a member of all committees; to sign, with the secretary or any other proper officer of the Authority thereunto authorized by the Board, any documents or instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer of the Authority, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of chairman and such other duties as may be prescribed by the Board from time to time. In addition to those documents or instruments which the Board has authorized to be executed, the chairman, or in his absence the vice-chairman, is also authorized to sign the following: grant agreements, performance agreements, grant applications; contracts for Phase 1 and Phase 2 environmental reports; documents identifying the Authority as the property owner; checks; and invoices and contracts on behalf of the Authority not exceeding ten thousand dollars (\$10,000).

The chairman shall have an equal vote with the other directors, and shall not have a second, tie-breaking vote on any question.

4. The duties of the vice-chairman shall be to preside at meetings on request of the chairman, or in the absence of the chairman; and in case of the death or resignation of the chairman shall become chairman for the remainder of the term for which the chairman was elected. In the absence of the chairman, the vice-chairman shall perform the duties of the chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the chairman. The vice-chairman shall perform such other duties as may be assigned by the Board from time to time.

5. The secretary shall be responsible for the preparation of the minutes of meetings of the Board and the Executive Committee, kept in a record book and made available for public inspection at all times; to have custody of all important records of the Authority; to have custody of the Seal of the Authority and to see that the Seal of the Authority is affixed to all documents or instruments, the execution of which on behalf of the Authority under its Seal is duly authorized by the Board; to sign with the chairman or vice-chairman any documents or

instruments which the Board has authorized to be executed; to see that all notices are duly given as required by law, these Bylaws or by the Board; to call meetings of the Board to order in the absence of the chairman and vice-chairman and thereupon to conduct an election for a temporary presiding officer for that meeting; and in general to perform all the duties incident to the office of secretary and such other duties as from time to time may be assigned by the Board. In the absences of the secretary, the chairman shall appoint a director to be responsible for the preparation of detailed minutes of the meeting. The secretary shall preside at meetings in the absence or unavailability of both the chairman and vice-chairman. The Authority may also elect or appoint an assistant Secretary who need not be a member of the Board of Directors and, with the exception of presiding at meetings, may perform the functions and duties of the Secretary in the secretary's absence or unavailability.

6. The treasurer shall be responsible for the keeping of suitable records of all financial transactions of the Authority; to have such records audited annually, to furnish a copy of such audit to the Council of the City of Danville; to make available for public inspection at all times each such annual audit; to have charge and custody of all funds and be responsible for their investment and deposit in the name of the Authority when authorized by the Board; and in general to perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the Board. The City Chief Financial Officer/Director of Finance shall serve as the Assistant treasurer and may perform all of the functions and duties of the treasurer. The Board hereby waives surety for both the treasurer and assistant treasurer.

ARTICLE VI. ELECTIONS

1. Regular elections shall be held at the first regular meeting of the fiscal year.
2. Special elections shall be held at a regular meeting or at a meeting designated by the chairman of the Board in order to fill vacancies or to fill newly created offices, but only after specific notice, as hereinafter provided for, has been given.

ARTICLE VII. MEETINGS

1. Regular meetings of the Board shall be held upon call of the chairman or as otherwise provided for in this article, using the procedure set forth in Paragraph 3 of this Article.

All meetings shall be held only in the City of Danville, Virginia. At a meeting called as a regular meeting, any business may be brought before the Board, whether or not that business is set forth in the notice of meeting.

2. Special meetings of the Board may be called by or at the request of the chairman or of any two directors. Whenever any two directors, not including the chairman, request a special meeting, they shall provide the secretary with a statement of the business to be considered for the purpose of providing adequate notice.

3. Notice of any special meeting shall be given at least three business days prior thereto by written notice, stating the business to be considered, delivered personally or mailed or sent by electronically or by email to each director at his business or home address, at whichever he is most likely to receive it. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid. If notice is given electronically or by email once the sender has pressed the send button. Any director may waive notice of any meeting. The attendance of a director at a meeting shall constitute waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4. Four (4) members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Authority.

5. At all meetings of the Authority the following order of business shall be observed, as far as consistent with the purpose of the meeting:

- a. Call to Order
- b. Roll Call
- c. Approval of the minutes.
- d. Financial Report.
- e. Staff Updates.
- f. Action Items.
- g. Closed Meeting.
- h. New business.

i. Adjourn.

6. The vote on the adoption of every resolution, any proposals creating a liability, or for the appropriation or expenditure of funds shall be by yeas or nays, and the names of members voting for and against shall be entered upon the minutes of the meeting.

7. Unless otherwise provided, procedure at meetings shall follow the then most current edition of Robert's Rules of Order.

8. When approved, all minutes shall be signed by the secretary and the presiding officer of the particular meeting.

ARTICLE VIII. COMMITTEES

1. The Executive Committee shall be composed of the chairman, vice-chairman, secretary and treasurer of the Authority. The Executive Committee shall meet at such times and such places as the chairman may designate. The Executive Committee shall keep detailed minutes of its meetings, which shall be preserved along with the minutes of the Board and read to the Board at its next meeting. Three (3) members of the Executive Committee shall constitute a quorum. In the absence of any member of the Executive Committee, the chairman may appoint a director to act on the Executive Committee pro tempore, and such appointment shall be recorded in the record of the Authority.

2. The chairman may, with the advice and consent of the Board of Directors, appoint such special committee as may be deemed appropriate to carry out the intents and purposes of the Authority.

ARTICLE IX. STAFF

1. The City Attorney or his designee shall be the legal advisor and counsel to the Industrial Development Authority.

2. The City Manager or his/her designee shall serve as the staff and employees of the Authority.

a. The City Manager is authorized to execute and to deliver, on behalf of the Authority, Confidentiality and Non-Disclosure Agreements ("NDAs"), Letters of Intent ("LOIs") and License Agreements ("LAs") for investigations and examinations of real property owned by the Authority, with potential business and

industry recruits in connection with the Authority's recruitment and marketing efforts; however, (i) nothing in any such NDAs, LOIs and LAs shall legally bind the Authority to make appropriations, (ii) the LAs shall be of a term of one (1) year or less, and (iii) legal counsel to the Authority shall approve the form of any such NDA, LOI and/or LAs LA.

b. In addition to the authority to execute NDAs, LOIs and LAs, as granted under paragraph 7(c) of this Article, the City Manager is authorized and empowered to execute, on behalf of the Authority, certain contracts entered in the ordinary course of business of the Authority in support of and/or in accordance with the resolutions of the Board of the Authority and these Bylaws.

c. For the purposes of this article, "Ordinary Contracts" shall include without limitation.

(i) service contracts or permit terms and conditions between the Authority and the City (or a division thereof) pertaining to services provided or offered by the City (or a division thereof) to a resident of such City or a commercial enterprise conducting business within the City (or division thereof) (e.g., stormwater management contracts, utility service contracts, zoning applications, etc.);

(ii) permit applications and agreement terms to a governmental entity of competent jurisdiction (e.g., environmental permits from the Virginia Department of Environmental Quality, the U.S. Environmental Protection Agency, etc.);

(iii) extensions or renewals of a lease or license in which the Authority is a lessor, sublessor, licensor or sublicensor, that do not exceed an extension or renewal period of thirteen (13) months; and;

(iv) such other contracts that are designated by legal counsel to the Authority to be in the ordinary course of business in the Authority and in support of and/or in accordance with the resolutions of the Board of the Authority and these Bylaws.

d. The City Manager shall be entitled to rely upon the designation by legal counsel to the Authority of an Ordinary Contract. All such designations shall be conclusive and final, except for those made arbitrarily and capriciously by legal counsel to the Authority.

3. The staff and employees of the Authority may prepare and submit confidential reports and recommendations to the Board, but no action binding on the Authority shall be taken respecting such reports except as provided in Article III.

ARTICLE X. OFFICIAL SEAL

The official seal of the Authority shall consist of a disc with an inner circle bearing the words "Seal – of Danville, Virginia," and an outer ring bearing the name "Industrial Development Authority."

ARTICLE XI. FISCAL YEAR

The fiscal year of the Industrial Development Authority of Danville, Virginia shall be from July 1 until June 30 of the following year.

ARTICLE XII. AMENDMENTS

Except as otherwise provided by law, these Bylaws may be amended, added to, altered or repealed in whole or in part by the Board of Directors at any meeting of the Board, provided that notice of the proposed amendment, addition, alteration or repeal is given in the notice of such meeting, and such notice is delivered as provided in Article VII, Paragraph 3, at least one week in advance. Any director may waive written notice.

These Bylaws shall supersede all other Bylaws adopted by this Board including but not limited to those adopted on April 25, 1967, amended on September 15, 1976, - amended on October 13, 1988, amended on November 14, 2023.

KNOW ALL MEN BY THESE PRESENTS that we, the undersigned, a majority of the Board of Directors of the Industrial Development Authority, do hereby certify that the above Bylaws were unanimously adopted at a meeting of the Board held the ____ day of _____, 2025, in the City of Danville, Virginia, at which meeting _____ directors were present.

T. Neal Morris

Russell D. Reynolds

John Larmore

Kristen Barker

James Bebeau

Philip Hall

Robert M. Woodall, III



P.O. Box 3300
Danville, Virginia 24543

June 30, 2025

NOTICE OF BYLAW AMENDMENTS

TO: T. Neal Morris, Board Chairman
Russel Reynolds, Board Vice Chairman
John Laramore, Board Secretary/Treasurer
Kristen Barker, Board Member
James Bebeau, Board Member
Philip Hall, Board Member
Robert Woodall, Board Member

Please take notice that a regular meeting of the Industrial Development Authority of Danville, Virginia has been called by the Chairman for Tuesday, July 8, 2025 at 10:30 a.m. on the Fourth Floor in the City Council Conference Room of the Municipal Building 427 Patton Street **at which time amended bylaws shall be presented for consideration and adoption.**

Pursuant to, Article XII of the BYLAWS for Industrial Development Authority of Danville, Virginia, **NOTICE IS HEREBY GIVEN** that the current IDA Bylaws are in need of updating and amended bylaws shall be presented for the Boards review and consideration. Should said amended bylaws be adopted by the Board of Directors, said Bylaws as amended shall supersede the Bylaws adopted by this Board on April 25, 1967, amended on September 15, 1976, amended on October 13, 1988, amended November 14, 2018, and again amended November 14, 2023.

This is an **important meeting**, and your attendance is respectfully urged. If you cannot attend, please call the City Attorney's Office at (434) 799-5122, as soon as possible.

W. Clarke Whitfield, Jr.
City Attorney

Cc: Ken Larking, City Manager
Earl Reynolds, Deputy City Manager
Corrie Bobe, Economic Development Director
Michael Adkins, Director of Finance

CERTIFICATE

I, the undersigned secretary of the Industrial Development Authority of Danville, Virginia, hereby certify that the foregoing is a true, correct and complete copy of the Resolution duly adopted by the Board of Directors of the Industrial Development Authority of Danville, Virginia at a regular meeting duly called and held on July 8, 2025, and that such Resolution has not been repealed, revoked, rescinded, nor amended, but is in full force and effect as of the date hereof.

WITNESS my hand as Secretary of the Industrial Development Authority of Danville, Virginia this 8th day of July 2025.

John Laramore, Secretary
Industrial Development Authority of
Danville, Virginia

(SEAL)



**Industrial Development
Authority**

STAFF REPORT

DATE: July 8, 2025
TO: Industrial Development Authority
FROM: Samantha Bagbey, Project Manager
RE: Resolution for a Lease Agreement between the Industrial Development Authority of Danville and the City of Danville Virginia

Lease agreement between the Danville Industrial Development Authority and the City of Danville Virginia for property identified at 527 Bridge Street Suite 221 with an initial term of 36 months.

ATTACHMENTS

1. Res 2184 - IT Lease Bridge Street
2. IT Lease - 527 Bridge St 221 - 2025 Original

PRESENTED: JULY 8, 2025

ADOPTED: JULY 8, 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 THE CITY OF DANVILLE, VIRGINIA FOR THE PROPERTY IDENTIFIED AS 527 BRIDGE STREET, DANVILLE, VA 24541, SUITE 221 AND BEARING TAX PARCEL ID #26821.

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 the City of Danville, Virginia for the property identified as 527 Bridge Street, Danville, VA 24541, Suite 221 and bearing tax parcel ID #26821, substantially in the form attached hereto and made a part hereof, as if fully setout herein; 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 JULY, 2025, between the **INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (“Landlord”), and **THE CITY OF DANVILLE, VIRIGNIA (“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, **527 BRIDGE STREET, DANVILLE, VA 24541 SUITE 221 and bearing tax Parcel ID number #26821.**

"Commencement date" shall mean **JUNE 10, 2025.**

"Premises" shall mean **the third floor of the building (approximately 2,640sqft) known as 527 BRIDGE STREET, DANVILLE, VA 24541 SUITE 221 and bearing tax Parcel ID number #26821.**

"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 **THE CITY OF DANVILLE, VIRGINIA – IT DEPT**

C. The Landlord desires to lease the Premises to the Tenants and the Tenants desire to lease the Premises from the Landlord for the primary purpose of operating **government IT needs.**

3. Lease of Premises:

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

4. Term:

A. Initial Term:

The initial term of this Lease ("Term") shall begin upon the commencement date of this Lease by the parties hereto and shall extend for **THIRTY-SIX (36) MONTHS** after the Commencement Date to the Termination Date.

B. Renewal Lease Term:

If the Lease is still in full force and effect, Tenant, with written approval by Landlord, may renew the lease. 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 **TWO THOUSAND SIX HUNDRED FORTY DOLLARS (\$2,640)** per month for the first **THIRTY-SIX (36) MONTHS** of the lease beginning on **JULY 08, 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.

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 government IT offices. 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 **2,640sqft**) **known as 527 BRIDGE STREET, DANVILLE, VA 24541 SUITE 221 and bearing tax Parcel ID number #26821.**
- C. Tenant will receive separate invoice(s) for respective property tax from The City of Danville Finance Department.

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:

City of Danville, Virginia
C/O City Manager's Office
P.O. Box 3300
Danville, VA 24541

With a copy to:

City Attorney's Office
P.O. Box 3300
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: **City of Danville, Virginia**

By _____

Name: **Kenneth F. Larking**

Title: **City Manager**



Industrial Development Authority

STAFF REPORT

DATE: July 8, 2025
TO: Industrial Development Authority
FROM: Kelvin Perry, Assistant Director of Economic Development and Tourism
RE: Resolution for use of property located on Lynn Street by Atlantic Coast Dismantling, LLC.

Request the approval and authorization by the Danville Industrial Development Authority to allow for the temporary use of the property identified as parcel 21745 to Atlantic Coast Dismantling, LLC. located on Lynn Street for the sole use of construction staging.

ATTACHMENTS

1. Res 2186 -Atlantic Coast Dismantling LLC to use IDA Parcel
2. ACD COI Danville vacant land 06302025

PRESENTED: July 8, 2025

ADOPTED: July 8, 2025

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING ATLANTIC COAST DISMANTLING, LLC. TO USE THE VACANT LOT AT ON LYNN STREET IDENTIFIED AS PARCEL #21745.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia (IDA) that it hereby approves and authorizes Atlantic Coast Dismantling LLC to use the vacant lot on Lynn Street, identified as parcel #71245 for the purpose of construction staging; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that Atlantic Coast Dismantling, LLC must present the IDA with a certificate of liability insurance in the amount of One Million Dollars (\$1,000,000.00) and naming the IDA as an additional insured no later than July 31, 2025 or before use of the property; and

BE IT FINALLY RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or in his absence any Officer, be, and is hereby, authorized to sign any 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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/1/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 145 Otis Street Northboro MA 01532	CONTACT NAME: Clare Downey PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: Clare_Downey@AJG.com		
	INSURER(S) AFFORDING COVERAGE		
INSURED Atlantic Coast Dismantling, LLC ACD Leasing Co., Inc. 63 Salem Turnpike Saugus MA 01906	40514	INSURER A : Nautilus Insurance Company INSURER B : Great Divide Insurance Company INSURER C : Hanover Insurance Co INSURER D : Commerce Insurance Company INSURER E : _____ INSURER F : _____	NAIC # 17370 25224 22292 34754

COVERAGES

CERTIFICATE NUMBER: 372857604

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> PROF \$25,000 Ded GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: \$5M MAX Agg			ECPO152683326	1/31/2025	1/31/2026	EACH OCCURRENCE \$ 5,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 5,000,000 PRODUCTS - COMP/OP AGG \$ 5,000,000 Prof Liab \$ 5,000,000 Ea CL
D	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> 2000 Ded Com <input checked="" type="checkbox"/> 2000 Ded Col			L15625	1/31/2025	1/31/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			FFX201380320	1/31/2025	1/31/2026	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	WCA152683625	1/31/2025	1/31/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A A C	Contractors Pollution Contractors Excess Pollution Leased/Rented Equipment			ECPO152683326 FFX201380320 IHNJ29961101	1/31/2025 1/31/2025 1/31/2025	1/31/2026 1/31/2026 1/31/2026	\$5,000,000/\$25K Ded \$10,000,000 \$1,500,000 Each poll conditio Each poll conditio \$10,000 DED

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

REF: Vacant Land, Lynn St., Danville VA (Parcels 21745,21746) If required by written contract, Industrial Development Authority of Danville is named additional insured for general liability.

CERTIFICATE HOLDER**CANCELLATION**

Industrial Development Authority of Danville

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**Industrial Development
Authority**

STAFF REPORT

DATE: July 8, 2025
TO: Industrial Development Authority
FROM: Kelvin Perry, Assistant Director of Economic Development and Tourism
RE: Resolution authorizing the use of vacant lot located 531 Lynn Street for construction staging.

Request the approval and authorization by the Danville Industrial Development Authority to allow for the temporary use of the property identified as parcel 22078 to AOSS Ventures LLC. for the sole use of construction staging.

ATTACHMENTS

1. Res 2189 531 Lynn Street Construction Staging

PRESENTED: July 8, 2025

ADOPTED: July 8, 2025

RESOLUTION NO. 2025-____.____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA APPROVING AND AUTHORIZING AOSS VENTURES LLC TO USE THE VACANT LOT AT 531 LYNN STREET IDENTIFIED AS PARCEL #22078.

NOW THEREFORE, BE IT RESOLVED by the Industrial Development Authority of Danville, Virginia (IDA) that it hereby approves and authorizes AOSS Ventures LLC to use the vacant lot at 531 Lynn Street, identified as parcel # 22078 for the purpose of a construction staging; and

BE IT FURTHER RESOLVED by the Industrial Development Authority of Danville, Virginia, that AOSS Ventures LLC must present the IDA with a certificate of liability insurance in the amount of One Million Dollars (\$1,000,000.00) and naming the IDA as an additional insured no later than July 31, 2025 or before use of the property; and

BE IT FINALLY RESOLVED by the Industrial Development Authority of Danville, Virginia, that the Chairman, or in his absence any Officer, be, and is hereby, authorized to sign any 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: July 8, 2025
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
RE: Resolution for the sale and purchase of Parcel No. 20432 and No. 21690 for the construction, ownership, and operation of a downtown parking project.

The Industrial Development Authority of Danville, Virginia desires to purchase the Property from Belk Leggett Real Estate Holdings, LLC, located at the corner of North Union and Spring Streets and further identified as Parcel No. 20432 and No. 21690 for the construction, ownership and operation of a downtown parking project. Staff requests approval of the attached resolution.

ATTACHMENTS

1. Res Agreement and Sale Parking Garage Property
2. Parking Garage Purchase and Sale Agreement_Clean

PRESENTED: July 8, 2025
ADOPTED: July 8, 2025

RESOLUTION NO. 2025 - _____._____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, AUTHORIZING AND APPROVING AN AGREEMENT OF PURCHASE AND SALE BETWEEN THE AUTHORITY AND RIVERMONT DANVILLE, LLC, A NORTH CAROLINA LIMITED LIABILITY COMPANY.

WHEREAS, Belk Leggett Real Estate Holdings, LLC, (Seller) a Virginia Limited Liability Company is the owner of certain parcels of real property containing approximately 0.7396 acres, more or less, located at the corner of North Union and Spring Streets and further identified as Parcel No. 20432 and No. 21690; and

WHEREAS, the Industrial Development Authority of Danville, Virginia desires to purchase the property from Seller, subject to the terms and conditions of an Agreement of Purchase and Sale for the purpose of the construction, ownership and operation of a downtown parking project which will likely have a significant effect on the revitalization of the Downtown Central Business District of the City of Danville.

NOW THEREFORE IT BE RESOLVED, by the Industrial Development Authority of Danville, Virginia that it hereby authorizes and approves the Agreement of Purchase and Sale by and between Belk Leggett Real Estate Holdings, LLC and the Industrial Development Authority of Danville, Virginia, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED, that the IDA chairman or in his absence the Vice-Chairman is hereby authorized to execute said Agreement of Purchase and Sale and is further authorized to sign any other contracts or documents necessary to complete this 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 [REDACTED] day of July, 2025, between Belk Leggett Real Estate Holdings, LLC, a Virginia Limited Liability Company (VSCC Entity ID # S5521598), whose address is 512 Bridge St., Suite 100, Danville, VA 24541 (hereinafter called “Seller”), and Industrial Development Authority of Danville, Virginia, a political subdivision of the Commonwealth of Virginia, whose address is P.O. Box 3300, Danville, VA 24543 (hereinafter called “Purchaser”).

WITNESSETH:

WHEREAS, Seller is the owner of that certain parcel of real property containing approximately 0.7396 acres, more or less, located at the corner of N. Union and Spring Streets and further identified as Parcel No. 20432 and 21690, along with all improvements, in the City of Danville, Virginia, more particularly described on Exhibit “A” attached hereto and incorporated herein, which acreage and PINs may be updated pursuant to the recordation of a revised plat of survey (and shall hereinafter be referred to collectively as the “Property”); and

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

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

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

2. Purchase Price. The purchase price to be paid by Purchaser to Seller for the Property (“Purchase Price”) shall be Ten Dollars and no/100s (\$10.00) to be paid by check or wire transfer in United States currency.

3. Closing Agent and Deposit. Seller shall name a closing agent at least ten (10) business days prior to the Closing Date (as defined below). No deposit is required as a part of this sale.

4. Utility Easement. In addition to payment of the Purchase Price, Purchaser hereby agrees to provide to Seller, in conjunction with the Closing (as defined below), a utility easement from the Property for the benefit of Seller’s remaining adjacent parcels. The specific details of such easement are to be agreed upon by the parties.

5. Representations and Warranties of Seller. Seller, to induce Purchaser to enter into this Agreement and to complete Closing, makes the following representations and warranties to Purchaser, which representations and warranties are true and correct as of the date of this Agreement, and shall be true and correct at and as of the Closing Date, as such term is defined in Section 11 below and used throughout this Agreement, in all respects as though such representations and warranties were made both at and as of the date of this Agreement, and at and as of the Closing Date:

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

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

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

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

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

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

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

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

6. Inspections.

(a) Seller and Purchaser hereby acknowledge that, as of the date of the execution of this Agreement, (1) Seller has provided to Purchaser the results of all environmental tests, examinations, and inspections prepared by or on behalf of Seller with respect to the Property (the “Studies”) and (2) Purchaser has had an opportunity to review and evaluate the Studies and desire to proceed with this transaction.

(b) Within ten (10) days of the Date of this Agreement and upon reasonable prior notice to Seller, Purchaser, its agents, employees, and representatives shall have access to the Property at all reasonable times to inspect the Property and to conduct reasonable tests thereon including, but not limited to, soil and groundwater borings and hazardous waste studies, and to make such other examinations with respect thereto as Purchaser, its counsel, licensed engineers, surveyors, or other representative(s) may deem reasonably necessary. Seller reserves the right to be present, or have its agent or representative present, during Purchaser’s investigations of the Property. Any tests, examinations, or inspections of the Property by Purchaser and all costs and expenses in connection with Purchaser’s inspection of the Property shall be at the sole cost of Purchaser and shall be performed in a manner not to unreasonably interfere with the Seller’s ownership of the Property. Further, Purchaser shall be responsible for any and all damage caused by such inspections, examinations, testing, and disposal of all waste produced at the Property as a result of such investigations and shall sign, as generator, all forms necessary for such disposal. Purchaser shall immediately remove any lien of any type which attaches to the Property by virtue of any of such inspections, examinations or tests. Upon completion of any such inspection, examination, or test, Purchaser shall restore any damage to the Property caused by such inspection, examination, or test.

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

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

7. Environmental Studies and Soil Tests. Purchaser acknowledges that prior to the Closing Date, Purchaser may conduct any environmental and soils tests with respect to the Property which Purchaser may deem necessary or advisable, and Purchaser shall rely upon such tests as well as Seller’s Representations and Warranties contained in Section Five above, in electing whether or not to purchase the Property.

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

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

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

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

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

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

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

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

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

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

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

Purchaser hereby expressly waives its rights to seek damages in the event of Seller's default hereunder.

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

11. 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.

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

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

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

13. Closing. The "Closing" shall be held no later than July 31, 2025, unless otherwise agreed upon by the parties to this Agreement (the "Closing Date"). It is expressly agreed by Seller and Purchaser that time is of the essence with respect to the parties' obligations to close this transaction on the Closing Date. For the avoidance of doubt, Seller and Purchaser acknowledge that any adjournment of the Closing Date pursuant to any right of adjournment granted hereunder, then time shall be of the essence with respect to Seller's and Purchaser's obligation to close this transaction on such adjourned Closing Date.

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

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

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

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

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

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

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

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

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

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:

Belk Leggett Real Estate Holdings, LLC
Attn: Michael Lemanski
P.O. Box 1173
Danville, VA 24543

With a copy to:

PLDR Law, PC

Attn: Steven P. Gould, Esq.
P.O. Box 47
Danville, VA 24543

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

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

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

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

18. Miscellaneous.

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

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

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

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

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

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

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

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

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

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

[SIGNATURES FOLLOW ON NEXT PAGE]

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

SELLER:

Belk Leggett Real Estate Holdings, LLC

By: _____

Name: Michael Lemanski

Title: Real Estate Officer

PURCHASER:

**Industrial Development Authority of
Danville, Virginia**

By: _____

Name: T. Neal Morris

Title: Chairman

Exhibit “A”

SEE NEXT PAGE



**Industrial Development
Authority**

STAFF REPORT

DATE: July 8, 2025
TO: Industrial Development Authority
FROM: W. Clarke Whitfield Jr., City Attorney
RE: Resolution for a development agreement between the IDA and Rivermont Danville LLC for a downtown parking project

The Industrial Development Authority of Danville, Virginia is requesting authority to participate in the construction, ownership and operation of a downtown parking project which will be located on the southeast corner of the intersection of North Union Street and Spring Street and also identified as parcel numbers 20432 and 21690 with Rivermont Danville, LLC, a North Carolina Limited Liability Company. Staff requests the IDA adopt the attached Resolution.

ATTACHMENTS

1. Res Development Agreement Parking Garage
2. Parking Garage Development Agreement_Final

RESOLUTION NO 2025 _____._____

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA, AUTHORIZING AND APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA AND RIVERMONT DANVILLE, LLC , A NORTH CAROLINA LIMITED LIABILITY COMPANY FOR THE CONSTRUCTION, OWNERSHIP AND OPERATION OF A DOWNTOWN PARKING PROJECT.

WHEREAS, the Industrial Development Authority of Danville, Virginia (IDA) desires to participate in the construction, ownership and operation of a downtown parking project which will likely have a significant effect on the revitalization of the Downtown Central Business District of the City of Danville with Rivermont Danville, LLC, a North Carolina Limited Liability Company (Developer); and

WHEREAS, IDA will acquire 0.7396 acres of property in Downtown Danville, located on the southeast corner of the intersection of North Union Street and Spring Street and also identified as parcel numbers 20432 and 21690 for the public purpose of redevelopment; and

WHEREAS, IDA and Developer desire to redevelop the Property for public and commercial uses, which will primarily include parking spaces for 434 vehicles, and is further described in the Garage Drawings; and

WHEREAS, Belk Leggett Real Estate Holdings LLC (“BLREH”) is the current owner of the property and has agreed to transfer the Property to the IDA subject to a Purchase and Sale Agreement.

NOW THEREFORE BE IT RESOLVED, that the Industrial Development Authority of Danville, Virginia hereby approves and authorizes the Development Agreement between the IDA and Rivermont Danville, LLC, substantially in the form attached hereto; and

BE IT FURTHER RESOLVED, that the IDA chairman or, in his absence, the Vice-Chairman is hereby authorized to execute said Development Agreement and is further authorized to sign any other contract or document necessary to complete this transaction.

Approved:

Chairman

Attest:

Secretary

Approved as to
Form and Legal Sufficiency:

City Attorney

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT, (the “Agreement”) made as of the ___day of _____, 20__ (the “Effective Date”) between the Industrial Development Authority of Danville, Virginia, a Political Subdivision organized and existing under the laws of the Commonwealth of Virginia (“IDA”) and Rivermont Danville, LLC , a North Carolina limited liability company (the “Developer”).

RECITALS:

WHEREAS, IDA desires to participate in the acquisition, construction, ownership and operation of a downtown parking project which will likely have a significant effect on the revitalization of the Downtown Central Business District of the City of Danville;

WHEREAS, IDA will acquire 0.7396 acres of property in Downtown Danville, located on the southeast corner of the intersection of North Union Street and Spring Street and also identified as parcel numbers 20432 and 21690, which is more particularly described as in Exhibit A attached hereto and incorporated herein and which acreage and PINs may be updated pursuant to the recordation of a revised plat of survey (the “Property”), for the public purpose of redevelopment;

WHEREAS, IDA and Developer desire to redevelop the Property for public and commercial uses, which will primarily include parking spaces for 434 vehicles, and is further described in the Garage Drawings (as defined below), attached hereto as Exhibit B and incorporated herein by reference; and

WHEREAS, Belk Leggett Real Estate Holdings LLC (“BLREH”) is the current owner in fee simple of the property and has agreed to transfer the Property to the IDA subject to a Purchase and Sale Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, IDA and the Developer agree as follows:

ARTICLE I The Developer Obligation and Exclusions

1.1 The Developer shall redevelop the Property into a public parking garage (the “Parking Garage”) in accordance with the Issued for Construction set of drawings and specifications from Built from Architecture dated 10-7-24, as such may be updated from time to time (“Garage Drawings”) and with further approval of the IDA as may be required under this Agreement. Developer shall redevelop the Property by contracting for design and construction of the Parking Garage as described in the following sentences. The Developer shall seek bids for the construction of the parking structure and shall enter negotiations with selected and approved General Contractor for a Guaranteed Maximum Price Contract (the “GMP”) for the construction of the parking structure. The total development costs shall include the GMP and soft costs including a fee of four percent (4%) as compensation for the Developer’s services to deliver the

Parking Garage (“Garage Budget”). Once a GMP is approved by the IDA and executed by the Developer, the risk of construction cost increases to the GMP shall be borne by the Developer.

1.2 The IDA hereby approves of the Garage Drawings and agrees that the Parking Garage will be developed and constructed in substantial conformity therewith.

1.3 If requested by the City or the IDA, the Developer will design and construct certain public infrastructure including but not limited to sidewalks, utilities, rights of way and streetscapes related to the Parking Garage (the “Infrastructure”). Before the Developer will do any work related to the Infrastructure, the parties will enter into an amendment to this Agreement or a separate development agreement related to the Infrastructure to set forth the rights, cost and obligations related thereto.

1.4 The Developer's obligations related to the Parking Garage under this Agreement expressly do not include anything related to the following (the "Excluded Work and Equipment"):

1.4.1 The Infrastructure (unless agreed to in an amendment to this Agreement or separate development agreement).

1.4.2 Any technology, security, communications items, infrastructure or equipment not included in the Garage Drawings.

ARTICLE II IDA Obligations

2.1 Except as it may be adjusted as described below, the Garage Budget for the Parking Garage (and excluding any Excluded Work and Equipment) shall not exceed Sixteen Million Seven Hundred and Sixty-five thousand and No/100 Dollars (\$16,765,000) (the “IDA Costs”).

2.2 Provided that the other requirements of this Agreement are met, the IDA shall disburse payments of the IDA Costs (the “Payment”) upon the written request of (i) any officer, partner, or manager of the Developer or (ii) any person designated in writing by the Developer. As a condition to the disbursement of any Payment the proper execution and delivery to the IDA of (i) such written forms requesting disbursement of Payment as the IDA may reasonably request, and (ii) such evidence satisfactory to the IDA of completion of the work for the Parking Garage. The IDA requires at least ten (10) days’ notice prior to disbursement of a Payment. The IDA shall disburse Payments directly to Developer.

ARTICLE III Public Development

3.1 BLREH shall convey to IDA the Property under the procedures described in the Purchase and Sale Agreement.

3.2 Garage Budget. Attached as Exhibit C is the budget for the development and construction of the Parking Garage, which is hereby acknowledged and approved. If the IDA fails to demonstrate that it has available funds in an amount equal to at least the IDA Costs on

or before July 16, 2025, the Developer shall provide the IDA with a new budget based on the new costs of construction. The Developer is authorized to update Exhibit C with the new budget after providing it to the IDA. As set forth on Exhibit C, upon the IDA's acquisition of the Property, the IDA shall disburse to the Developer within five (5) business days the amounts indicated on Exhibit C as previously incurred predevelopment and development costs.

3.3 Garage Construction. The Developer and the IDA agree that Developer shall provide for the construction of the Parking Garage on the Property in substantial conformity with the Garage Drawings. Should the Developer achieve project savings reducing the actual construction cost below the IDA Costs, either through its own effort, through agreed value engineering design changes, or limiting the use of contingency funds included in the amount of the IDA Costs, then the Developer and the IDA will allocate any savings with 75% being provided to the Developer and with 25% being provided to the IDA.

3.4 Key development covenants.

3.4.1 The Developer shall commence the development and construction of the Parking Garage no later than 30 days after the IDA demonstrates that it has available funds in the amount of the IDA Costs.

3.4.2 The IDA shall demonstrate that it has available funds in the amount of the IDA Costs no later than July 16, 2025;

3.4.3 If the IDA is unable to demonstrate that it has available funds in the amount of the IDA Costs by July 31, 2025, then the amount of the IDA Costs will be adjusted by the parties by no less than the actual amount of the Developer's increased costs (if any) associated with constructing the Parking Garage, plus 4%.

3.4.4 The Developer shall obtain and maintain the insurance required under Section 3.9;

3.5 No later than the substantial completion of the Parking Garage, the Developer, and the IDA will agree to execute parking licenses for parking spaces (the "Parking Spaces" defined below) in and around the Parking Garage (the "Parking Space Licenses") from the IDA. The Parking Space Licenses will contain terms as are reasonable and customary for such parking licenses and will include approximately 100 parking spaces to Developer or assignee for use by the occupants of the proposed apartments and retail spaces.

3.6 The designation of parking rights attributable under the Parking Space Licenses and shared parking elements of the Parking Garage will be determined and agreed upon by both parties prior to construction with an amendment to the GMP and will be based on lender requirements and further design criteria proposed by third party consultants working with Developer and IDA on the Parking Garage.

3.6 The Parking Space Licenses will be for terms of at least 20 years (or such longer term as lender(s) may require), with renewal options. The term under each of the Parking Space License will begin upon issuance of the certificate of occupancy for the project component served by each such license.

3.7 A component of the payment to the Developer hereunder shall be used by the Developer to acquire builder's risk insurance and under which the City and the IDA will be named as additional insureds.

ARTICLE IV
Intentionally Omitted

ARTICLE V
Development Standards

5.1 Developer shall perform the work in accordance with the standard of care and expertise normally employed by development firms, consultants and contractors performing similar services in metropolitan areas in Virginia, and all duties under this Agreement shall be measured and interpreted in accordance with such standard of performance.

5.2 Developer hereby warrants to IDA that the materials and equipment furnished in accordance with this Agreement will be of good quality, that the work will be free from defects, and that the work will conform with the requirements of project Garage Drawings. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Developer hereby represents, warrants, and covenants that neither it nor its affiliates shall file a mechanic's lien, materialmen's lien, or other lien against any assets of IDA, and hereby waives and releases any right it may have or may hereafter acquire to file a lien against the any assets of IDA.

5.3 Developer shall indemnify and hold harmless IDA from any losses, damages, and/or liabilities, to or because of a breach of this provision.

5.4 Developer shall pay all fees levied by the IDA or any other governmental entity, including, but not limited to, all tap fees, water & sewer fees, and permit fees. Developer shall plan for all utility services required for the private development components of the Parking Garage and negotiate all necessary agreements with the appropriate municipal authorities and Utility companies related to access, traffic, utilities, zoning and other design and construction elements. Developer shall obtain and pay for all Construction related permits and all certificates of occupancy. IDA shall cooperate with Developer as is reasonably necessary for Developer to obtain such approvals, permits and certificates of occupancy.

5.5 Developer shall apply for and maintain in full force and effect any and all governmental permits and approvals required for the lawful construction of the Parking Garage and comply with all the terms and conditions applicable to the Parking Garage contained in any governmental permit or approval required or obtained for the lawful

construction of the Parking Garage, or in any insurance policy affecting or covering the Parking Garage.

Article VI Conditions Precedent

6.1 The obligations of Developer and IDA hereunder to consummate the transaction contemplated herein shall in all respects be conditioned upon the satisfaction of each of the following conditions prior to or simultaneously with the Closing, any of which may be waived by written notice to the other Party at or prior to Closing:

6.1.1 Conditions Precedent to Developer's Obligations:

- 6.1.1.1 Issuance to Developer of all governmental permits and licenses requisite for the construction of the Parking Garage in accordance with established procedures;
- 6.1.1.2 IDA's acquisition of the Property;
- 6.1.1.3 IDA having demonstrated that it has available funds in an amount equal to at least the IDA Costs; and
- 6.1.1.4 No default by IDA.

6.1.2 Conditions Precedent to IDA's Obligations:

- 6.1.2.1 IDA's acquisition of the Property;
- 6.1.2.2 No default by Developer.

Article VII Representations

7.1 As additional consideration and inducement to enter into this Agreement, Developer represents as follows:

- 7.1.1 The Developer is a duly organized and validly existing legal entity legally registered to conduct business under the laws of the Commonwealth of Virginia and has all requisite power and authority for the making of this Agreement.
- 7.1.2 The execution and delivery of this Agreement, compliance with provisions hereof, and the consummation of the transaction contemplated hereby, will not result in any breach or violation of, or constitute a default under, the organizational documents of the Developer or any agreement, contract, or

other instrument to which the Developer is a party, or by which Developer is bound.

- 7.1.3 The individual(s) signing on behalf of the Developer have, and will at closing, all necessary authority to bind the Developer to this Agreement, and no additional approvals and/or signatures are required to make this Agreement fully binding on the Developer in all respects.
- 7.1.4 The Developer and its principals are experienced in the purchase, sale, financing, and management of commercial real estate, and are fully capable of evaluating the risks and benefits of undertaking the transaction contemplated by this Agreement. The Developer has voluntarily entered into this Agreement and the transaction contemplated hereunder without relying in any manner on any representations, statements, opinions, or actions of the IDA or any person or entity purporting to be acting on behalf of the IDA except as set forth in this Agreement. The Developer has had full opportunity to investigate the Property and has obtained all information necessary for the Developer to make an informed decision with respect to the transaction contemplated by this Agreement.

ARTICLE VIII Term; Termination

- 8.1 The term of this Agreement shall commence on the Effective Date of this Agreement and shall expire at the earlier of three (3) years from the Effective Date of this Agreement or the Developer releasing control of the completed Parking Garage to the IDA, which release shall be documented in writing by the parties; provided, however, if the parties agree in writing at least ninety (90) days prior to the expiration of the term, this Agreement may be extended for additional and consecutive periods of six (6) months each.
- 8.2 Notwithstanding anything contained herein to the contrary, any party hereto may terminate this Agreement upon not less than ninety (90) days written notice to each other party hereunder if all the obligations of both the Developer and IDA under this Agreement have been fulfilled.

ARTICLE IX Books and Records

The Developer, its successors, assigns and grantees, shall prepare and maintain, or cause to be prepared and maintained, in accordance with generally accepted accounting principles consistently applied, appropriate books and records, reflecting all capital reserves, money received and all money disbursed by the Parking Garage. IDA and its duly appointed representatives shall have the right to examine, audit, and copy such books and records during business hours on fifteen (15) day notice at the office of the Developer.

ARTICLE X

Force Majeure

In the event that any party to this Agreement (the “Delayed Party”) is delayed or prevented from performing any of its respective obligations under this Agreement by reason of strikes, lockouts, labor problems, inability to procure materials, contractors, professionals, inability to obtain utilities or failure of utilities, laws or other governmental requirements, riots, war, epidemics, pandemics or other cause not brought about by the Delayed Party, and not related to any financial liability on the part of the Delayed Party, the time for performance of the obligation shall be extended by a period of time equal to the period of such delay or prevention.

ARTICLE XI

Default

- 11.1 Defaults by Developer. If Developer defaults materially on the performance of its obligations to IDA prior to the expiration of the term of this Agreement, then Developer will have thirty (30) days after the delivery of written notice by IDA of such default to cure such default; however, if such default requires more than thirty (30) days to cure, Developer shall have such additional time as may be reasonably required to cure the default, provided Developer commences such cure within the initial thirty (30) day cure period and thereafter diligently prosecutes such cure to completion (not to exceed sixty (60) days after commencement of the cure). If Developer is not able to cure such material default during the applicable cure period and such period is not extended by mutual written agreement with IDA, then IDA will be entitled to terminate this Agreement and IDA will be entitled to pursue against Developer claims for damages resulting from such breach and such termination in addition to any other remedies as may be provided by law or in equity, the right to specific performance that would require Developer to perform fully and on a timely basis all of its obligations under this Agreement.
- 11.2 Defaults by IDA. If IDA defaults materially on the performance of its obligations to Developer under this Agreement, then IDA will have thirty (30) days after the delivery of written notice by Developer of such default to cure such default; however, if such default requires more than thirty (30) days to cure, IDA shall have such additional time as may be reasonably required to cure the default, provided IDA commences such cure within the initial thirty (30) day cure period and thereafter diligently prosecutes such cure to completion. If IDA is not able to cure such default during the applicable cure period and such period is not extended by mutual written agreement with Developer, then Developer will be entitled to pursue any remedy available at law or equity, including the termination of this Agreement and claims for damages resulting from such breach and such termination.
- 11.3 Other Defaults. A Party will be in default of its obligations under this Agreement in the event that it is adjudicated bankrupt or insolvent, makes an assignment for the benefit of creditors or enters into a composition for creditors, or will file a voluntary

bankruptcy petition or an answer admitting the material allegations of an involuntary bankruptcy petition; or if an order is entered appointing a receiver or trustee for that Party or for a substantial portion of the assets of that Party and the same is not vacated within sixty (60) days after entry, or if that Party applies for or consents to the appointment of any such receiver or trustee. In the event of a default specified in this Section then the other Party may immediately pursue all remedies available to it by law or in equity, including specific performance and the termination of this Agreement.

ARTICLE XII

Miscellaneous

- 12.1 The rights and obligations of the parties under this Agreement shall inure to the benefit of and be binding upon the parties hereto and all persons who succeed to their respective rights and obligations.
- 12.2 This Agreement cannot be changed nor can any provision of this Agreement, or any right or remedy of any party, be waived orally. Changes and waivers can only be made in writing and the change or waiver must be signed by the party against whom the change or waiver is sought to be enforced. Any waiver of any provision of this Agreement, or any right or remedy, given on any one or more occasions shall not be deemed a waiver with respect to any other occasion.
- 12.3 This Agreement is signed by the parties as a final expression of all the terms, covenants, and conditions of their agreement and as a complete and exclusive statement of its terms, covenants, and conditions and is intended to supersede all prior agreements and understandings concerning the subject matter of this Agreement.
- 12.4 This Agreement may be signed in one or more counterparts or duplicate signature pages with the same force and effect as if all required signatures were contained in a single original instrument. Any one or more such counterparts or duplicate signature pages may be removed from any one or more original copies of this Agreement and annexed to other counterparts or duplicate signature pages to form a completely executed original instrument.
- 12.5 The captions contained in this Agreement were inserted for the convenience of reference only. They do not in any manner define, limit, or describe the provisions of this Agreement or the intentions of the parties.
- 12.6 Whenever masculine, feminine, neuter, singular, plural, conjunctive, or disjunctive terms are used in this Agreement, they shall be construed to read in whatever form is appropriate to make this Agreement applicable to all the parties and all circumstances, except where the context of this Agreement clearly dictates otherwise.
- 12.7 This Agreement was prepared, negotiated, and delivered in the Commonwealth of Virginia. In the event of any dispute concerning or arising out of this Agreement, the laws of the Commonwealth of Virginia shall govern and control the construction and enforcement of

this Agreement. 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 in the City of Danville, Virginia.

- 12.8 The Developer may assign this Agreement to another developer or developers and/or its lender(s) in the form of a collateral assignment only with the written consent of the IDA, which consent shall not be unreasonably withheld. Any assignment of this Agreement shall be made in writing and duly executed by the parties. Any such assignee shall be entitled to the same rights and be bound by the same terms and obligations to which the Developer is entitled and bound under this Agreement.
- 12.9 The IDA may assign this Agreement to another entity related to the City of Danville or only with the written consent of the Developer, which consent shall not be unreasonably withheld. Any assignment of this Agreement shall be made in writing and duly executed by the parties. Any such assignee shall be entitled to the same rights and be bound by the same terms and obligations to which the Developer is entitled and bound under this Agreement.
- 12.10 The Developer will not permit any mechanic's or materialman's liens to be placed upon the Property; provided, however, that Developer shall not be in default under this Section if Developer discharges such lien by bonding or otherwise within a reasonable period after the imposition of such lien.
- 12.11 Neither this Agreement nor any agreement entered into pursuant to this Agreement shall be interpreted or construed to create an association, joint venture, or partnership between Developer and IDA, or to impose any partnership obligation or liability upon the Parties. Neither Party shall have any right, power, or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent of representative of, or to otherwise bind, the other Party.
- 12.12 The Agreement is not intended to and does not confer any right or benefit on any third party that is not a Party.
- 12.13 The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.
- 12.14 If any term or provision herein shall be judicially determined to be void or of no effect, such determination shall not affect the validity of the remaining terms and provisions. The Participating Parties agree that if any provision of this Agreement is judicially determined to be invalid because it is inconsistent with a provision of state or federal law, this Agreement shall be amended to the extent necessary to make it consistent with state or federal law and the balance of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date set forth in the first paragraph of this Agreement.

**Industrial Development Authority of the City of
Danville, Virginia**

By: _____
Chairman

DEVELOPER

**By: Rivermont Danville, LLC, a North Carolina
limited liability company**

By: _____
**Michael Lemanski
Authorized Signatory**

Exhibit A

LEGAL DESCRIPTION OF PROPERTY

PINS 20432 and 21690

Being all the Property shown on the southeast corner of Spring Street and N. Union Street in Danville, Virginia.

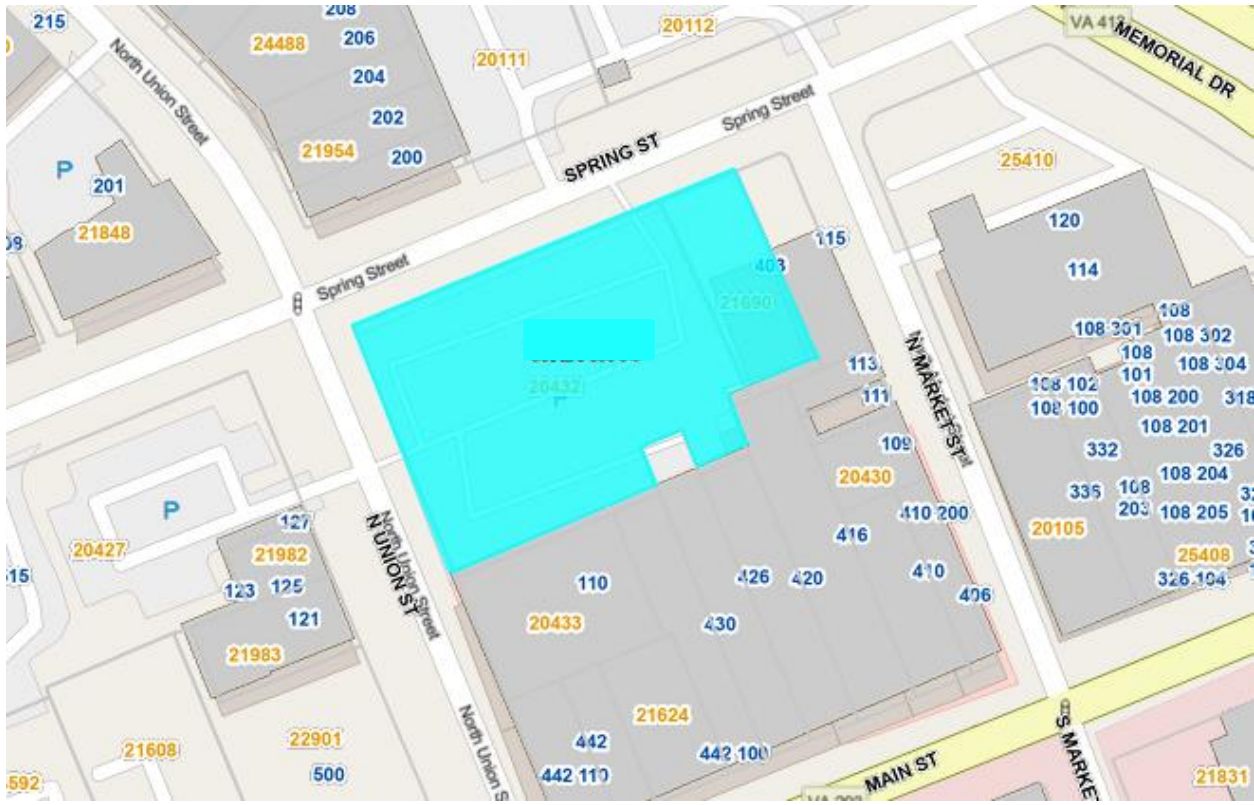


Exhibit B

GARAGE DRAWINGS

Exhibit C

GARAGE BUDGET