

INTRODUCED: July 27, 2015

AN ORDINANCE No. 2015-159-171

To declare surplus and to direct the conveyance of City-owned real estate located at 3101 West Clay Street for the price of \$395,000 to Summit Stables LLC for the purpose of facilitating the private development of the property as an urban farm cidery.

Patron – Mayor Jones

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: SEPT 14, 2015 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. The real estate owned by the City of Richmond located at 3101 West Clay Street and identified as Tax Parcel No. N000-1712/008 in the 2015 records of the City Assessor hereby is declared surplus real estate and is directed to be conveyed for the price of \$395,000 to Summit Stables LLC for the purpose of facilitating the private development of the property as an urban farm cidery in accordance with the applicable provisions of Chapter 26 of the Code of the City of Richmond (2004), as amended, the Charter of the City of Richmond (2010), as amended, the Code of Virginia (1950), as amended, and the Constitution of Virginia.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: SEPT 14 2015 REJECTED: _____ STRICKEN: _____

§ 2. That, pursuant to section 26-86(b) of the Code of the City of Richmond (2004), as amended, the Chief Administrative Officer is hereby directed to execute, on behalf of the City, the deed and such other documents, all of which must first be approved as to form by the City Attorney, as may be necessary to consummate the conveyance of such property.

§ 3. This ordinance shall be in force and effect upon adoption.

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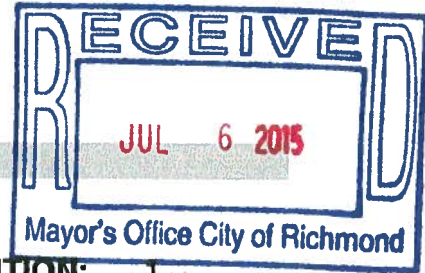
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Chief Administration Office
City of Richmond



OFFICE OF CITY ATTORNEY
CITY OF RICHMOND
INTRACITY CORRESPONDENCE



O&R REQUEST

DATE: June 26, 2015

EDITION: T

TO: THE HONORABLE MEMBERS OF CITY COUNCIL

THROUGH: THE HONORABLE DWIGHT C. JONES, MAYOR *[Signature]*

THROUGH: SELENA CUFFEE-GLENN, CHIEF ADMINISTRATIVE OFFICER *[Signature]*

THROUGH: NORMAN BUTTS, DEPUTY CHIEF FINANCIAL OFFICER, FINANCE & ADMINISTRATION *[Signature]*

THROUGH: JAY A. BROWN, DIRECTOR, BUDGET AND STRATEGIC PLANNING *[Signature]*

THROUGH: PETER L. DOWNEY, INTERIM DEPUTY CHIEF ADMINISTRATIVE OFFICER, ECONOMIC DEVELOPMENT & PLANNING *[Signature]*

FROM: DOUGLAS C. DUNLAP, INTERIM DIRECTOR, ECONOMIC & COMMUNITY DEVELOPMENT *[Signature]*

RE: TO DECLARE AS SURPLUS AND AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER TO CONVEY THE CITY-OWNED PROPERTY LOCATED AT 3101 W. CLAY STREET

ORD. OR RES. No. _____

PURPOSE: To declare as surplus and authorize the conveyance of the City-owned property located at 3101 W. CLAY STREET (Tax Parcel #N0001712008 to SUMMIT STABLES, LLC a Virginia limited liability company (Purchaser).

REASON: This property was formerly the City stables and is now owned and maintained by the Department of Parks, Recreation and Community Facilities (DPR&CF). Currently, the property is underutilized and DPR&CF stores a small amount of old equipment. The building is in need of significant repairs and alterations. DPR&CF reports that the property is not being actively used and agrees that selling the property is in the best interest of the City. A viable offer has been made to acquire and develop

O & R Request

this property as more fully described below. By selling this property the City will stimulate private investment, job creation and economic development in the area.

RECOMMENDATION: The City Administration, and Economic Development and Community Development recommend approval of the proposed transaction and development concept.

BACKGROUND:

The property is located in the Scott's Addition neighborhood which has recently experienced significant redevelopment with residential, craft brewery and retail uses. The 3101 W. Clay Street property consists of a 0.351 acre parcel and includes existing stone buildings estimated at 8,550 square feet plus an 850 square foot basement.

Blue Bee Cidery (trading as Summit Stables LLC) was selected as the preferred offer based on the recommendation of the of a multi-disciplined committee of City comprised of staff from Economic Development, Planning and Development Review, and DPR-CF. The Committee reviewed and evaluated eight (8) unsolicited offers received on the property. The proposed use is an Urban Farm Cidery including cider production, distribution and retail. In addition, Blue Bee Cidery proposes to include lab space for developing new cider blends, a commercial catering kitchen, on-site parking, an outdoor tasting and event area as well as a small on-site orchard in its redevelopment plans

The purchaser has offered \$395,000 for the property. The property including existing improvements is currently assessed at \$395,000.

It is recommended that the City accept the offer to purchase from Summit Stables, LLC and convey the property with a development agreement that stipulates the terms and development plans. The project will stimulate private investment, job creation and economic development in the area.

FISCAL IMPACT/COST TO CITY: The sale of this property will result in \$395,000 in sales proceeds which will be allocated to the Reserved for Public Improvement (RPI) Fund and the property will be placed on the tax rolls.

REVENUE TO CITY: The City will receive sale proceeds in the amount of \$395,000, which will be deposited into the RPI Fund. In addition, the property will become taxable real estate on the City's real estate tax rolls. Funds will be earmarked in a special reserve assigned to fund improvements, enhancements and upgrades to parks, recreation and community facilities properties as related to ordinance 2013-180-224

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: July 27, 2015

CITY COUNCIL PUBLIC HEARING DATE: September 14, 2015

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REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Planning Commission, September 8, 2015

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Mayor, Chief Administrative Officer, Parks Recreation & Community Facilities, Public Utilities, Finance, Budget, Public Works, Economic Development and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: 2013-180-224

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Purchase & Sale & Development Agreement;

STAFF: Lee Downey, Economic Development & Planning 646-7646
Doug Dunlap, Economic & Community Development 646-6822
Jane Ferrara, Economic & Community Development 646-6737
Paul McClellan, Economic & Community Development 646-6031

PURCHASE & SALE & DEVELOPMENT AGREEMENT

THIS PURCHASE AND SALE AND DEVELOPMENT AGREEMENT (“Agreement”) is made as of this _____ day of _____, 2015 by and between the **City of Richmond**, a municipal corporation of the Commonwealth of Virginia (“Seller”) and **SUMMIT STABLES LLC**, an active Virginia limited liability company in good standing with the Virginia State Corporation Commission, with its principal address at 301 Virginia Street, #1212, Richmond, VA 23219 (“Purchaser”).

RECITALS

A. The Seller owns fee simple title to certain real property located in the City of Richmond, Virginia, known as **Tax Parcel No. N0001712008**, more specifically referred to as **3101 W. Clay Street, Richmond, Virginia** together with all improvements thereon and all rights, easements and appurtenances now or hereafter belonging thereto, and which will be more particularly described by a current survey to be obtained by Purchaser prior to Closing, as hereinafter defined, (collectively, the “Property”).

B. The Seller desires to sell the Property to Purchaser and requires that the Purchaser develop the Property pursuant to certain terms and conditions set out herein; and Purchaser, in order to induce the Seller to sell the Property to the Purchaser, desires to purchase the Property subject to said terms and conditions set out herein and to develop the property pursuant to certain terms and conditions set out herein.

C. The Seller’s required development is defined as follows (the “Development”):

(i) The Purchaser shall rehabilitate and renovate the Property into an urban farm cidery, including both production and product-tasting space, substantially in accordance with those preliminary plans prepared by Johannas Design, entitled “Blue Bee Cidery”, and dated 10/2014, attached hereto as Exhibit A (the “Preliminary Plans”), the Plans as defined in section 7(a) (vi) of this Agreement, and in accordance with the terms and conditions of this Agreement.

(ii) The Purchaser shall rehabilitate and renovate the Property pursuant to the Secretary of the Interior’s Standards for Rehabilitation, which is required in order to receive historic tax credit financing. In the event that Purchaser’s development of the property will not be subject to The Secretary of the Interior’s Standards for Rehabilitation due to the Purchaser’s decision not to pursue historic tax credit financing or for any other reason, the Purchaser shall rehabilitate and renovate the Property subject to a plan approved by the City of Richmond’s Commission of Architectural Review (“CAR”). The Purchaser and Seller agree that CAR’s approval or disapproval may not be appealed, but agree that Seller may determine whether the Purchaser has developed the Property pursuant to the plan approved by CAR in its sole discretion.

(iii) The Purchaser shall rehabilitate and renovate the Property and operate and use the Property incorporating environmental sustainability and conservancy measures whenever

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possible; and

D. Seller and Purchaser desire that the Development be ensured and enforced through this Agreement and in the deed transferring the Property from the Seller to the Purchaser which shall fully incorporate this Agreement and shall be in the form attached hereto as "Exhibit B" (the "Deed").

The following terms and conditions apply.

AGREEMENT

NOW, THEREFORE, in consideration of the Deposit defined in Section 2 herein, paid simultaneously herewith by the Purchaser to the Seller, the promise of the Development, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Purchaser hereby agrees to purchase and develop, and the Seller hereby agrees to sell, the Property on the following terms and conditions:

1. Recitals. The Recitals above are incorporated herein by reference.
2. Purchase Price. The "Purchase Price" for the Property shall be **Three Hundred and Ninety-five Thousand and 00/100 Dollars (\$395,000.00)**.
3. Deposit. The Purchaser has provided the Seller with an earnest money deposit ("Deposit") in the amount of **Thirty-nine Thousand Five Hundred and 00/100 Dollars (\$39,500.00), (10% of purchase price,)** which shall be held in Escrow by Seller in an interest – bearing FDIC insured account. The Deposit with accrued interest will be credited to the Purchase Price at Closing, as hereinafter defined, at which time the Purchaser will provide the balance of the Purchase Price in the form of a wire transfer of funds or by certified or cashier's check. The Deposit with accrued interest shall be returned within a reasonable time to the Purchaser if this Agreement terminates without a breach of this Agreement by the Purchaser.
4. Effective Date. The date upon which this Agreement is fully executed by the Seller and the Purchaser shall be the Effective Date of this Agreement. The Effective Date shall be confirmed by both Seller and Purchaser in writing.
5. Assignment.
 - (a) The Purchaser shall not transfer or assign this Agreement nor title to the Property after Closing, as hereinafter defined, prior to completion of the Development without the prior written approval of Seller, which shall not be unreasonably withheld. Notwithstanding the foregoing, Purchaser may assign or transfer the Property without prior approval if the Purchaser's assignment or transfer is for the sole purpose of assigning or transferring the Property to an entity formed by the Purchaser for the limited purpose of owning and/or developing the Property under the terms of this Agreement. If the Purchaser chooses to assign or

transfer the Property without the Seller's approval in accordance with the foregoing sentence, Purchaser shall provide the Seller a copy of all organizational documents of the transferee or assignee prior to completion of the transaction to verify Purchaser's compliance with this provision. Except as otherwise provided herein, in the event that Purchaser assigns or transfers this Agreement or title to the Property after Closing, as hereinafter defined, but before the completion of the Development, without Seller's written approval, Purchaser shall forfeit Property back to Seller at Seller's sole discretion.

(b) The Seller's right to assert forfeiture shall be subordinate to the lien if any and all financing obtained by Purchasers for the purchase of the property and the renovation thereon. Seller agrees to execute any document deemed necessary by Purchaser's lender or lenders to accomplish this subordination.

6. Right of Access. In connection with the Due Diligence as hereinafter defined, Purchaser and its contractors, representatives, agents, and employees shall have the right to access the Property, provided that Purchaser hereby indemnifies and holds harmless the Seller for any acts of negligence that occur on Seller's property during said access. Subject to the conditions set out herein, Seller shall have access to the Property between 8:00 AM and 5:00 PM during the Seller's work days to permit the proper performance of the Due Diligence; provided that Purchaser shall, at its sole expense, (i) ensure that Purchaser, any of Purchaser's contractors, and any other party entering the Property on Purchaser's behalf, obtain general liability insurance covering their activities at the Property in the amount of \$1 million per occurrence prior to entering the Property; said policies shall also name the Seller as an additional insured and Purchaser shall provide certificates evidencing said policies to the Seller prior to its contractors and any other party entering the Property on Purchaser's behalf entering the Property; and (ii) return the Property to its previous condition and repair any damage to the Property caused as a result of the access granted herein, all as determined by the Seller in its reasonable discretion, if the Property is not purchased. Purchaser's access as set out herein shall be subject to the requirement that Purchaser's contractors and any other party entering the Property on Purchaser's behalf be accompanied by a representative of the Seller as designated by the Seller in its sole discretion. Seller shall make said representative available to accompany Purchaser's contractors and any other party entering the Property on Purchaser's behalf, upon Purchaser's or its contractor's reasonable prior notice, not to be less than twelve (12) hours.

7. Pre-Closing Conditions.

(a) As part of the consideration inducing Seller to enter into this Agreement, the Purchaser hereby agrees to the following pre-closing conditions (individually a "Pre-Closing Condition" and collectively, the "Pre-Closing Conditions") and to submit a copy or acceptable evidence of same, as determined by the Seller in its sole discretion, to Seller by the dates set forth below:

(i) Purchaser shall perform Due Diligence, as hereinafter defined, on the Property. The Purchaser shall have ninety (90) days from the Effective Date (the "Due Diligence Period") to perform its due diligence on the Property to include but not be limited to, conducting any and all studies, surveys, obtaining a current survey of the Property together with a legal description which is hereby specifically required, tests, evaluations and investigations, including without limitation title, survey, environmental, soil, drainage, utilities and traffic

studies and such other similar work, any other requirements to be undertaken during the Due Diligence Period required elsewhere in this Agreement, and making such inquiries of governmental agencies and utility companies to determine the feasibility of the intended use and development, including the Development, thereof (the "Due Diligence"). If the Due Diligence Period terminates on a Saturday, Sunday or legal holiday, the Due Diligence Period shall be deemed to terminate on the next business day thereafter. Immediately upon receipt of same and without demand, Purchaser shall provide Seller with any and all information Purchaser acquires relating to or resulting from its Due Diligence. If, in the sole opinion of the Purchaser, the results of the Due Diligence make its intended development, including the Development, not feasible, then Purchaser shall so notify the Seller in writing within ten (10) days after the Due Diligence Period has ended; and if said notice is provided, this Agreement shall terminate and the Deposit shall be refunded to the Purchaser. If Purchaser does not provide said notice, this option to terminate due to feasibility concerns shall be forfeited. If the Purchaser does not perform reasonable Due Diligence, as determined by the Seller in its sole discretion, within the timeframe set out herein, the Seller may terminate this Agreement and the Deposit shall be returned to the Purchaser. Any determination or lack of determination by the Seller regarding the Purchaser's Due Diligence shall not operate to warrant or guaranty the condition of the Property or whether the Property is suitable for any development, including the Development, or use thereof and Seller incorporates Section 11 of this Agreement herein by reference.

(ii) This Agreement is contingent upon Purchaser providing internal funds or obtaining a written loan commitment, or a combination of both, for acquisition of the Property in its entirety and the development, including the Development, thereof (the "Necessary Funding"). The Necessary Funding shall be determined by the Seller in its sole discretion. If Purchaser does not have internal funds alone which satisfy the Necessary Funding, Purchaser agrees to make application for financing to obtain the Necessary Funding within thirty (30) days after the satisfaction of the Due Diligence Period and to diligently pursue obtaining same. If Purchaser does not represent that Purchaser has obtained the Necessary Funding and provide Seller with the necessary documentation supporting the same, as determined by the Seller in its sole discretion, and so notify Seller in writing within ninety (90) days after the end of the Due Diligence Period, then this Agreement shall terminate and the Deposit shall be refunded to the Purchaser. The foregoing documentation shall not include the UDSA guaranty, with Seller acknowledges will take a minimum of 6 months to obtain after loan application.

(iii) If applicable, filed application(s) for a Special Use Permit (SUP), or zoning change required in order to undertake planned Development of the Property. Purchaser shall submit application for the necessary SUP or zoning change within thirty (30) days after the end of the Due Diligence Period.

(iv) During the Due Diligence Period, Purchaser shall at its own expense submit an application for a zoning compliance letter for the Development, with the Department of Planning and Development Review for the City of Richmond ("PDR").

(v) Purchaser shall obtain final approval certifying that the Development will meet all necessary zoning requirements prior to the end of the Due Diligence Period. The final approval shall be given in the form of a zoning compliance letter issued by the Zoning Administrator for the City of Richmond or other certification deemed acceptable by the Seller in its sole discretion. If the zoning compliance application is not approved within the timeframe set out herein and if Seller fails to grant an extension of the timeframe as allowed

Real Estate Services

herein, this Agreement may be terminated by the Purchaser or Seller and the Deposit shall be returned to the Purchaser.

(vi) Within ninety (90) days after the issuance of the zoning compliance letter, Purchaser shall provide either (1) architectural and engineering plans and specifications for the Development as demonstrated by fifty percent (50%) complete construction documents or (2) 75% design/build documents for the Development, to Seller for approval (the "Plans"), which approval shall not unreasonably withheld, conditioned or delayed. The Seller may deny approval if the Plans are not substantially in accordance with the Preliminary Plans but Seller may, in its sole discretion, approve Plans that deviate from the Preliminary Plans. This submittal of architectural and engineering plans to Seller for approval, shall not relieve Purchaser of its obligation to submit appropriate applications for approval in order to comply with all applicable federal, state and local laws governing the requirements for obtaining any building permits, Special Use Permits or zoning changes or any other conditions that may be imposed by any governmental body or agency having jurisdiction over the Property including the City of Richmond, Virginia.

(b) In the event any of the Pre-Closing Conditions set forth in this Section 6 are not satisfied within the required timeframe as set out herein, Seller may elect in its sole discretion to extend the timeframe by which Seller must comply.

8. Remedies for Default: Pre-Closing. Purchaser's failure to diligently pursue satisfaction of any of the Pre-Closing Conditions, as determined by the Seller in its sole discretion, shall constitute a default hereunder. If any of the Pre-Closing Conditions are not met by the dates specified herein including any extensions granted by the Seller as allowed herein, Seller may, in its sole discretion, terminate this Agreement and the Deposit shall be returned to the Purchaser.

9. Closing. Provided Purchaser is not in default hereunder and this Agreement has not otherwise been terminated, and contingent upon the Purchaser having met all Pre-Closing Conditions as determined by the Seller in its sole discretion, closing shall take place at the Law Offices of Fleckenstein & Associates, 311 S. Boulevard, Richmond, VA 23220, or such other place as the parties may agree upon, within fifteen (15) days notice from the Purchaser that it is ready to close, and in no event later than sixteen (16) months of Effective Date of this Agreement (the "Closing"). The date of Closing may be extended by mutual agreement between the parties except that any extension of the Closing beyond sixteen (16) months of the Effective Date shall be at the Seller's sole discretion. Exclusive possession of the Property shall be delivered to Purchaser at Closing. At Closing, Seller shall deliver the Deed to Purchaser and any and all other documents, instruments, and agreements required by law to transfer and convey the Property and all interests therein to Purchaser, in accordance with this Agreement.

10. Post-Closing Development Covenants.

(a) Purchaser covenants to diligently pursue and satisfy the following as obligations surviving Closing (individually, a "Post-Closing Covenant" and collectively, the "Post-Closing Covenants"):

(i) Purchaser covenants to complete the Development within sixteen (16) months after Closing.

(ii) Purchaser covenants to complete the Development, develop, construct and maintain the Property in compliance with all applicable federal, state and local laws, rules and regulations, including, without limitation, zoning and building codes, and that all work shall be of good quality and shall be made in a workmanlike manner consistent with industry standards.

(iii) Purchaser covenants to file for a building permit within sixty (60) days after Closing.

(iv) Purchaser covenants to, if necessary, file for a land disturbance permit within sixty (60) days after Closing.

(v) Purchaser covenants to commence the Development within the later of the following dates: 15 days after both a building permit and land disturbance permit, if required, are received or ninety (90) days after Closing;

(b) Seller shall determine whether the Post-Closing Covenants have been diligently pursued and met in its sole discretion. In the event Purchaser fails to satisfy any of the Post-Closing Covenants set forth in this Paragraph 10, Seller shall have all of the rights and remedies set forth in Paragraph 15 of this Agreement entitled "Seller's Remedies." In no event shall the post-closing rights affect the rights or authority of any lender. In the event any of the Pre-Closing Conditions set forth in this Section 6 are not satisfied within the required timeframe as set out herein, Seller may elect in its sole discretion to extend the timeframe by which Seller must comply.

11. No Representations or Warranties. Purchaser warrants and acknowledges to and agrees with Seller that Purchaser is purchasing the Property in an "AS IS" condition "With All Faults" and specifically and expressly without any warranties, representations or guarantees, either express or implied, of any kind, nature, or type whatsoever from or on behalf of the Seller including, without limitation, with respect to the environmental condition of the Property or the availability of tax credits or any other financial assistance in connection with the Property. Without in any way limiting the generality of the preceding, Purchaser specifically acknowledges and agrees that it hereby waives, releases and discharges any claim it has, might have had or may have against Seller with respect to the condition of the Property, either patent or latent, its ability or inability to develop the Property, the actual or potential income or profits to be derived from the Property, the compliance with any federal, state or local environmental protection, pollution or land use laws, rules, regulations or requirements, and any other state of facts which exist with respect to the Property.

12. Pro-rations and Closing Costs. Purchaser shall pay for any recording tax imposed upon grantors as to the Deed, if any.

13. Risk of Loss. The risk of loss or damage to the Property is assumed by Seller until Closing except for loss or damage to the Property caused in any way by Purchaser, or its representatives, agents, employees or contractors, or arising from the aforementioned parties' use of the Property.

14. Purchaser's Remedies. In the event Seller breaches this Agreement or otherwise fails to perform or observe any of the covenants or obligations to be performed or observed by it hereunder, Purchaser shall be entitled to pursue any and all remedies available to it at law or in equity. All rights and remedies of Purchaser hereunder or at law or in equity are expressly declared to be cumulative. The exercise by Purchaser of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. No failure to exercise or delay in the exercise of any such right or remedy shall constitute a waiver of any default by Seller hereunder, any of Purchaser's rights or remedies in connection therewith, or Purchaser's rights to exercise such rights and remedies thereafter in the event of any continuing or subsequent default by Seller. Purchaser shall not be deemed to have waived any default by Seller hereunder unless such waiver is set forth in a written instrument signed by Purchaser. If Purchaser waives in writing any default by Seller, such waiver shall not be construed as a waiver of any covenant, condition or agreement set forth in this Agreement except as to the specific circumstances described in such written waiver.

15. Seller's Remedies.

(a) In the event Purchaser breaches this Agreement or otherwise fails to perform or observe any of the covenants or obligations to be performed or observed by it hereunder, Seller shall be entitled to pursue any and all remedies available to it at law or in equity, including the right to demand and pursue forfeiture of the Property. The Seller's right to assert and pursue forfeiture shall be subordinate to the lien if any and all financing obtained by Purchasers, for the purchase and development of the Property. Seller agrees to execute any document deemed necessary by Purchaser's lender or lenders to accomplish this subordination. Seller also agrees to execute document(s), in a timely fashion, acknowledging Purchaser's satisfaction of Pre-Closing Conditions and Post-Closing Covenants as the result of accomplishing the task or through the passage of time.

(b) In the event Seller receives forfeiture as a remedy and title to the Property is transferred to the Seller at no cost and free of all liens and other encumbrances as determined by the Seller in its sole discretion, Seller agrees to reimburse Purchaser the Purchase Price; provided, however, if the value of the Property, as determined by the most recent assessment of the Richmond City Assessor, is less than the Purchase Price at the time the Seller demands forfeiture then the Seller shall pay Seller the amount of the assessment in lieu of the Purchase Price. Documentation of all costs must be in a form satisfactory to the Seller and transfer must be approved by City Council. In the case of forfeiture, Purchaser agrees to provide the Seller a Special Warranty Deed, in any lawful form required by the City Attorney.

(c) All rights and remedies of Seller hereunder or at law or in equity are expressly declared to be cumulative. The exercise by Seller of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. No failure to exercise or delay in the exercise of any such right or remedy shall constitute a waiver of any default by Purchaser hereunder, any of Seller's rights or remedies in connection therewith, or Seller's rights to exercise such rights and remedies thereafter in the event of any continuing or subsequent default by Purchaser. Seller shall not be deemed to have waived any default by Purchaser hereunder unless such waiver is set forth in a written instrument signed by Seller. If Seller waives in writing any default by Purchaser, such waiver shall not be construed as a waiver

of any covenant, condition or agreement set forth in this Agreement except as to the specific circumstances described in such written waiver.

(d) Notwithstanding the foregoing, if Seller believes Purchaser is in breach of this Agreement, Seller shall give Purchaser written notice of Purchaser's breach, and from the date such notice is given, Purchaser shall have 30 days to cure such breach (the "Cure Period"). If Purchaser fails to cure such breach prior to the expiration of the Cure Period, the Seller shall be entitled to all remedies set forth above. If Purchaser fails to cure such breach prior to expiration of the Cure Period but, in Seller's determination, has taken substantial action in good faith to cure such breach, Seller may, in its sole discretion, extend the Cure Period in writing.

16. Notices. All notices hereunder shall be in writing and shall be hand delivered to the parties or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the parties as follows:

To Seller:

City Attorney
City of Richmond
900 East Broad Street, Room 300
Richmond, Virginia 23219

With a Copy to:

Director, Economic & Community Development
City of Richmond
1500 East Main Street, Suite 400
Richmond, Virginia 23219

To Purchaser:

Summit Stables LLC
c/o Courtney Mailey, Manager
301 Virginia Street, #1212
Richmond, VA 23219

With a Copy to:

Mark A. Fleckenstein, Esquire
Fleckenstein & Associates
311 S. Boulevard
Richmond, VA 23220

Such notices shall be deemed to have been given upon hand delivery or upon deposit in the mail, prepaid, by registered or certified mail as aforesaid. Any change of address shall be provided in the aforesaid manner.

17. Brokerage Commission. Seller and Purchaser each represents unto the other that no real estate broker, finder, agent or other person has acted for or on its behalf in bringing about this Agreement and that there are no fees or commissions payable to any other person or firm on account of this Agreement or the Closing contemplated herein. It is further agreed that should any claim for any commission or fee be asserted by any real estate broker, finder, agent or person as a result of this Agreement, or Closing pursuant hereto, the same shall be the full responsibility of the party whose actions resulted in such a claim for commission.

18. Purchaser's Standing. Purchaser warrants that itself, its partners, members, and managers are in good standing with the City and are current on any and all City taxes, including but not limited to real estate taxes, owed to the City. Furthermore, Purchaser warrants that itself, its partners, members, and managers are not currently under a notice of violation for any building or property maintenance codes with respect to other properties Purchaser itself, its partners, members, or managers, any or all, may own in the City of Richmond.

19. Authority. Purchaser warrants that it has full power, authorization and approval to enter into this Agreement and to carry out its obligations hereunder and the parties executing this Agreement on behalf of Purchaser are fully authorized to do so.

20. Costs. In the event that Seller or Purchaser brings an action or proceeding to enforce the terms and conditions of this Agreement, each party shall bear its own costs and expenses.

21. General Provisions. This Agreement constitutes the entire agreement and supersedes any and all other agreements or correspondence between the parties, and may not be modified or changed except by written instrument executed by the parties. This Agreement shall be construed, interpreted and applied in accordance with the laws of the Commonwealth of Virginia, and shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties. In the event any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and there will be added in lieu of such provision, a provision as similar in terms to such provision as is possible, which is legal, valid and enforceable.

22. Time for Performance. TIME IS OF THE ESSENCE HEREUNDER.

23. Survival. All representations, warranties, covenants, indemnifications and agreements herein shall survive and remain enforceable after the consummation of the transactions contemplated herein and shall survive the filing of the deed and shall not be merged therein.

24. Headings. Headings used in this Agreement are used for convenience only and shall not be considered when construing this Agreement.

25. No Partnership. Nothing in this Agreement shall be construed as making either party hereto a partner or joint venture with any other party hereto.

26. Subject to Appropriation. Notwithstanding any provision of this Agreement to the contrary, the Seller shall be liable under this Agreement, financially and otherwise, only to the extent that funds are appropriated by the City Council of the City of Richmond, Virginia on a no-less-frequent basis than once per Seller's fiscal year.

27. Approval by City Council. Purchaser acknowledges that delivery of this Agreement by Seller unsigned to Purchaser does not constitute an offer and that the City Council of the City of Richmond ("Council") must approve the form of this Agreement before it can be accepted by Seller. Seller shall make a good faith effort to obtain such approval; however, Purchaser acknowledges that no promise or assurance is provided that approval will be obtained. If the aforementioned approval is granted by Council, the Chief Administrative Officer for the Real Estate Services

City of Richmond shall have the authority to execute this Agreement on behalf of the Seller, and the Chief Administrative Officer or her designee shall have the authority to provide any notices or authorizations contemplated in this Agreement.

WITNESS the following signatures and seals:

SELLER:

THE CITY OF RICHMOND, a municipal Corporation of the Commonwealth of Virginia

By: _____

Selena Cuffee-Glenn

Chief Administrative Officer

Under authority granted by Ordinance No. _____ adopted _____

PURCHASER: SUMMIT STABLES LLC, a Virginia limited liability company

By: _____

Courtney Mailey

Title: Its Manager _____

Date: 6-11-15

Approved As To Form:

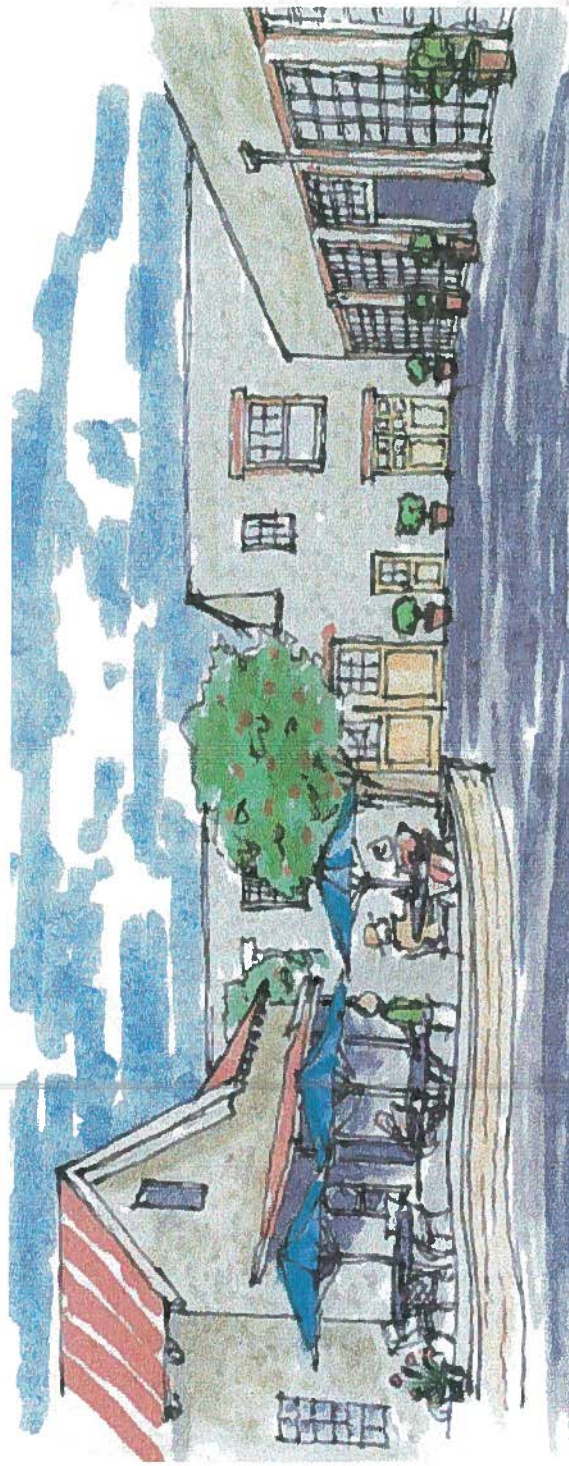
Assistant City Attorney

Approved As To Terms:

Economic and Community Development

Proposed Use: Urban Farm Cidery

Exhibit A - Preliminary Plans

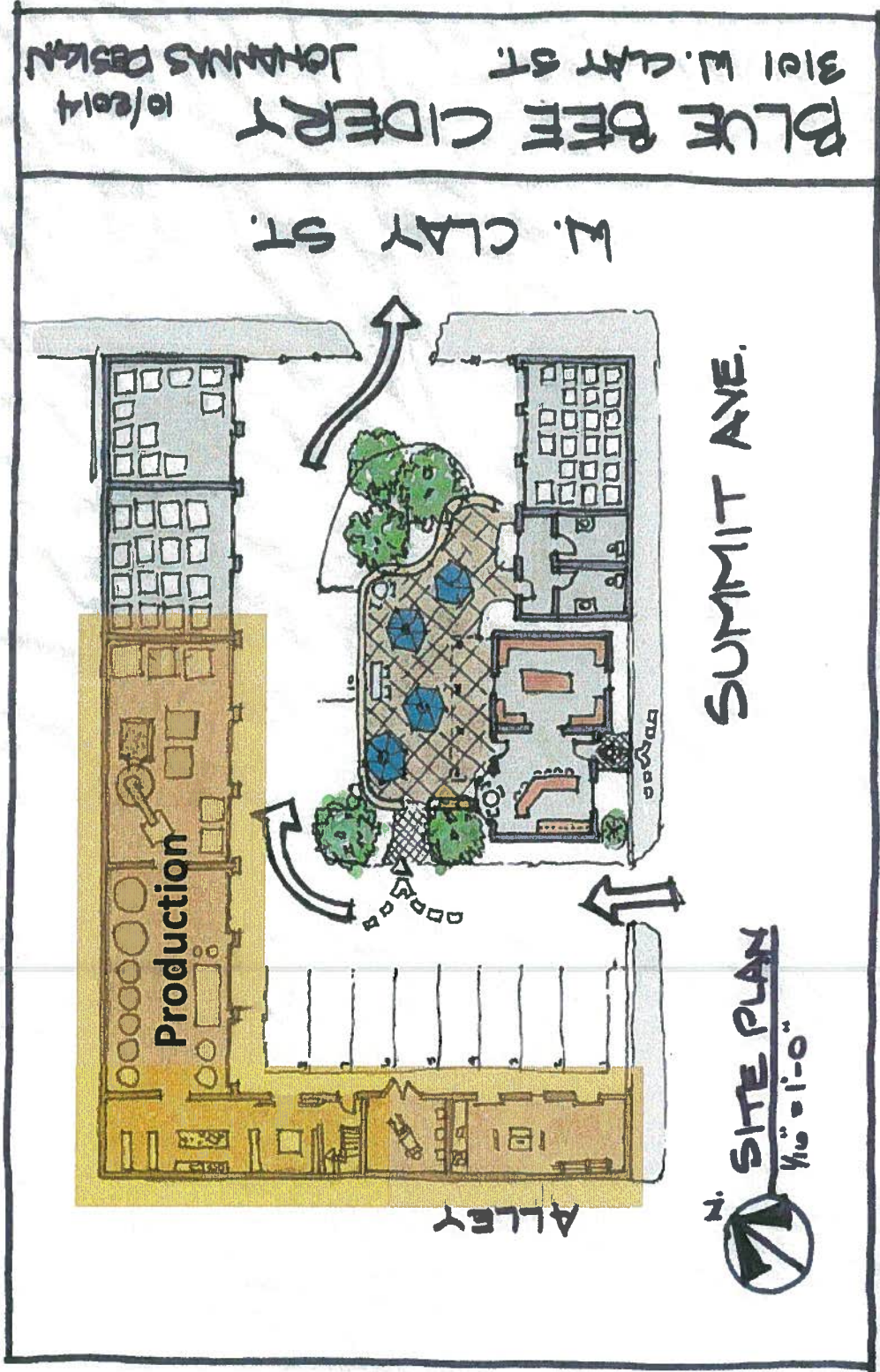


Land Use

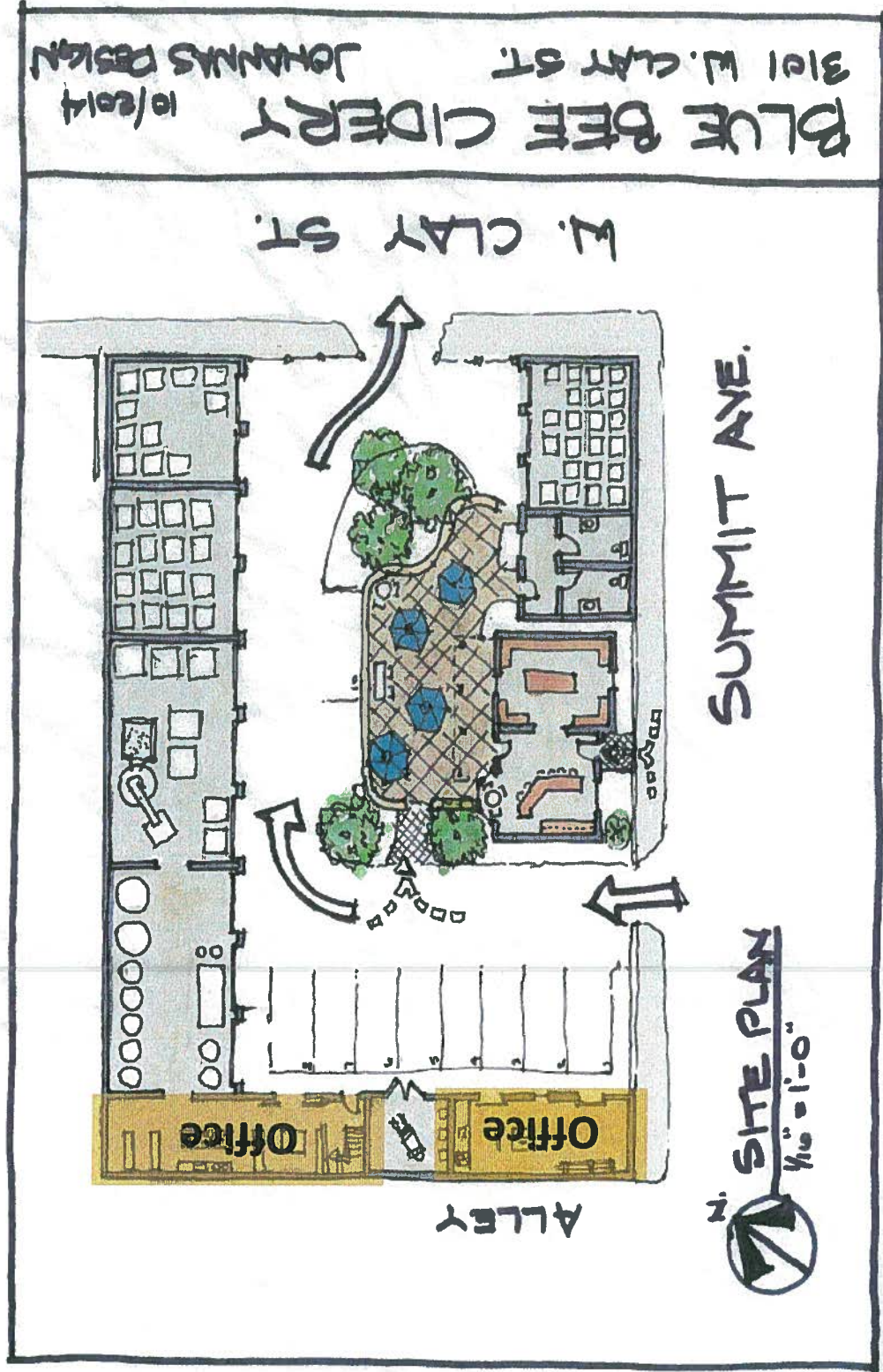
- Full use of the Stables:
 - Cider production space 5660 s.f.
 - Warehousing and storage 1400 s.f.
 - Offices 1360 s.f.
 - Retail tasting room 850 s.f.
 - Bathroom facilities 550 s.f.
- This use currently meets existing zoning of M-1, light industrial



Land Use



Land Use

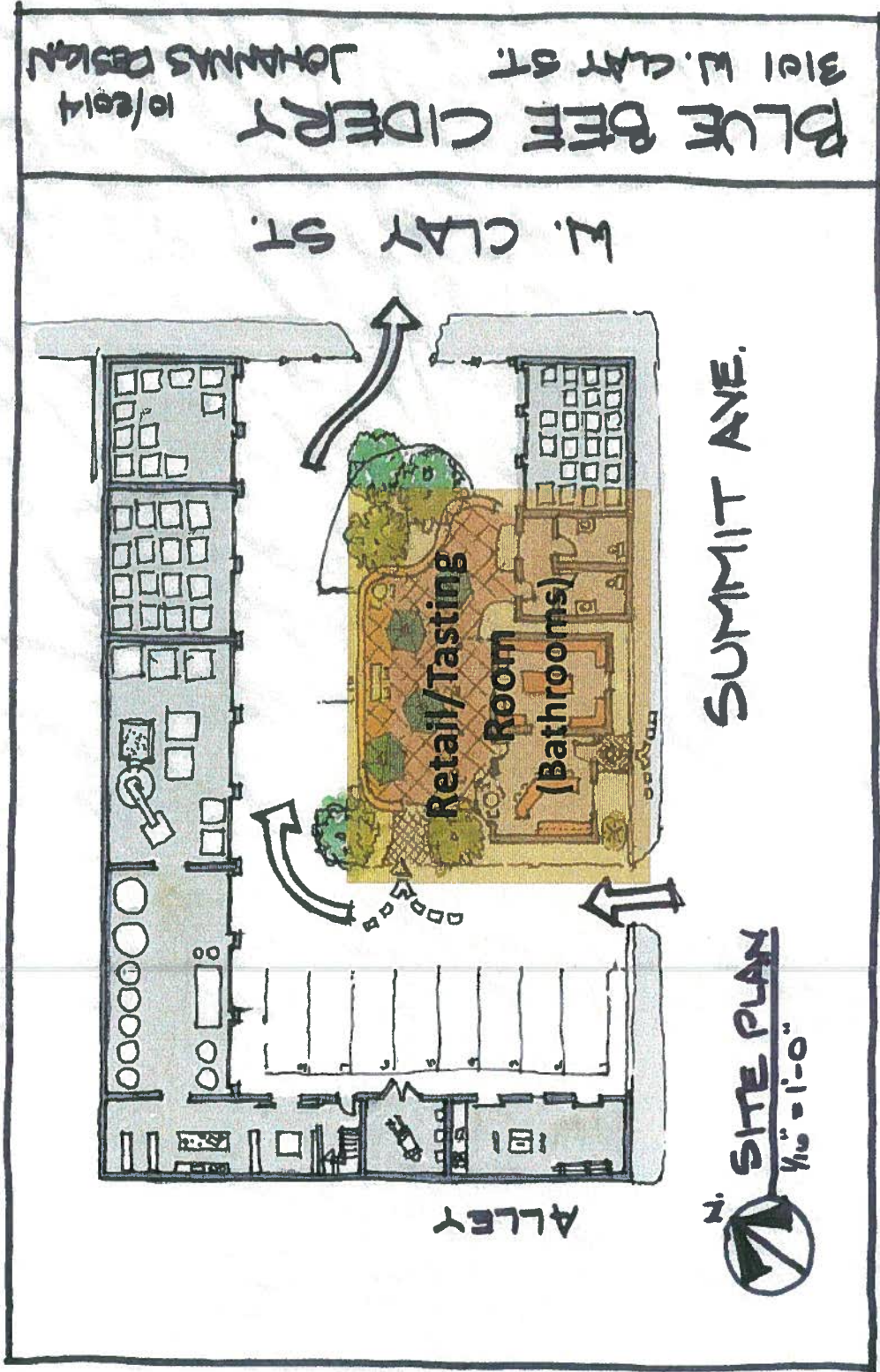


BLUE BEE CIDERERY
10/2014
3101 W. CLAY ST.
JOHANNAS DESIGN



BLUE BEE
CIDER

Land Use

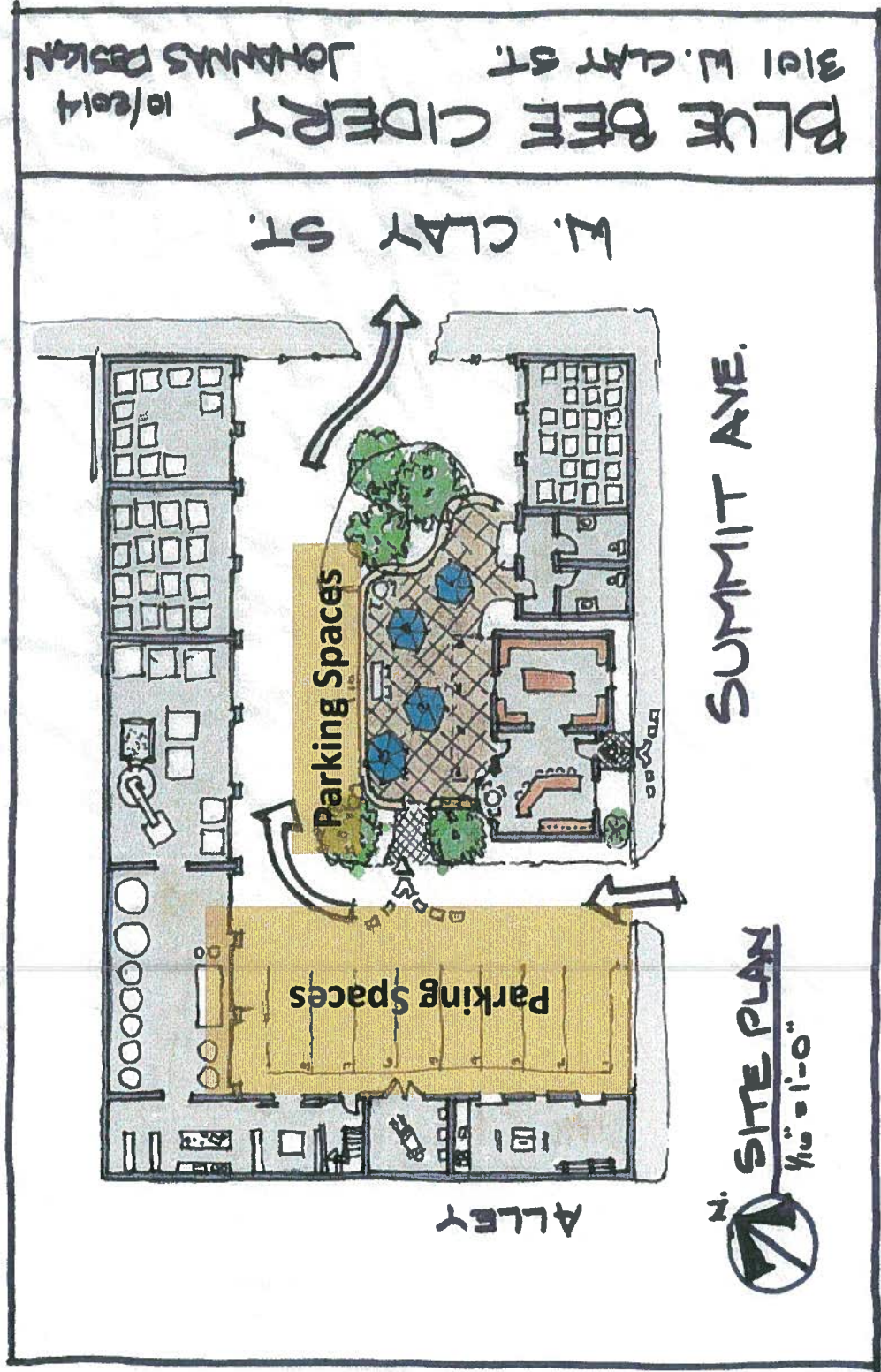


Parking and Circulation

- Parking requirements*
 - Manufacturing for 6 people / 2 = 3 spaces
 - Tasting room 500/100 = 5
 - Mercantile 350/300 = 1
 - Patio seating area 600/100 = 6 spaces
 - TOTAL required = 15 spaces
- Parking provided
 - 10 spaces on site
 - 6 spaces grandfathered in
 - TOTAL provided = 16 spaces

*Johannas Design reviewed the parking requirements for this project with Richmond City Zoning for the development of this slide and prior to preparation of the site plan.

Parking and Circulation



BLUE BEE CIDER
3101 W. CLAY ST.
10/2014
JOHANNAS DESIGN



Redevelopment Plan

Rehabilitation of the Stables according to Sec. of the Interior's Guidelines including:

- New roof on all buildings
- Masonry reinforcement and repair of hayloft and stable walls
- Upgrade and extension of electrical and plumbing systems, including addition of floor drains
- Repair of windows and door frames in keeping with historic materials and treatments as much as possible
- Leveling and hardscaping the interior courtyard
- Addition of pass through doorways between stables
- Bringing passageways of house into compliance with ADA
- Upgrade of production area flooring to food safe standards
- New gateways and fencing at the perimeter of the property
- Planting an apple orchard and tree nursery onsite
- Security system

