

**GRANT AGREEMENT
ECONOMIC DEVELOPMENT AUTHORITY OF YORK COUNTY, VIRGINIA
AND
T-REX VENTURES, LLC**

THIS GRANT AGREEMENT (this “Agreement”), dated this _____ day of June, 2020, and entered into by and between the ECONOMIC DEVELOPMENT AUTHORITY OF YORK COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (EDA), the COUNTY OF YORK, VIRGINIA, (the COUNTY), and T-REX VENTURES, LLC, a Delaware limited liability company (T-REX), recites and provides as follows:

WHEREAS, T-REX desires to purchase a parcel of real property located in York County, Virginia (the Property), containing approximately 23.64 acres, having a street address of 700 Old York Hampton Highway, York County GPIN Number R08a-1960-3271, currently owned by Virginia Electric and Power Company (VEPCO), for the purpose of constructing thereon a high-density, hyper-compressed, software designed data center (“the Project”) on the Property, which Project the EDA deems will be beneficial to economic development within York County; and

WHEREAS, in order to assist T-REX in purchasing the Property and completing the Project, the EDA is willing to provide a financial grant (the Grant) to T-REX in the total amount not to exceed One Million Four Hundred Eighty Thousand Eight Hundred Ninety-Nine Dollars (\$1,480,899.00). The EDA is also willing to assign to T-REX the credit in the amount of \$378,140.00 (the Dominion Credit) due to be paid to the County

by Dominion Virginia Power Company (Dominion), previously known as Virginia Electric and Power Company under an Infrastructure Development Agreement between Dominion, the County, and the EDA, dated December 15, 1997 and subsequently modified by an amendment dated May 11, 2006 (the Dominion Agreement), upon sale of the Property by Dominion. The Grant and the assignment of the Dominion Credit (the assignment of the Dominion Credit to be included in the term “the Grant” as used hereafter) shall be for the purpose of supporting the costs to be incurred by T-REX for the land purchase and site preparation for the construction of the Project, such Grant to be in the form of reimbursements for local taxes assessed against any buildings or other improvements constructed on the Property, and any local taxes assessed against any business personal property placed on the Property in connection with the construction and operation of the Project, according to the terms and conditions set out herein; and

WHEREAS, the EDA agrees to provide the Grant to be applied only for costs of purchasing the Property, and costs of site development for the Project in conformance with a site plan relative to the development of the Property approved by agents of the County of York last revised December 29, 2004, by Landmark Design Group, titled “York County Virtual Shell, York County IDA, 700 Old York Hampton Highway”, or as subsequently revised and approved by agents of York County as appropriate for the contemplated Project (the Site Plan); and

WHEREAS, in order to receive the EDA Grant, the EDA must enter into this agreement with T-REX to define the terms and conditions whereby the Grant may be paid and the Dominion Credit made available.

NOW, THEREFORE, the parties to this Agreement agree as follows:

1. Provided that T-REX shall close upon the purchase of the Property from VEPCO, which closing must occur no later than January 31, 2021, the EDA shall provide a grant (“the Initial Grant Amount”) in the amount of Six Hundred Eighty Thousand Eight Hundred Ninety-Nine Dollars (\$680,899.00), such Initial Grant Amount, together with the Additional Grant Amount as defined below, to be paid to T-REX in the form of reimbursements for local taxes assessed against any buildings or other improvements constructed on the Property, and any local taxes assessed against any business personal property placed on the Property in connection with the construction and operation of the Project, according to the terms and conditions set out below. In addition, the County and the EDA shall enter into an agreement with Dominion to assign the amount of the Dominion Credit to T-REX at closing to be applied as a credit against the purchase price.

2. Following closing on the sale of the Property to T-REX, T-REX shall begin site development of the Property (the “Site Development Work”) in accordance with the Site Plan. T-REX shall provide the EDA with copies of paid invoices for all such work, and the EDA shall provide grants to T-REX in the amount paid for such Site Development Work (the “Additional Grant Amount”), provided that the Additional Grant Amount shall not exceed the sum of Eight Hundred Thousand Dollars (\$800,000.00) based upon such invoices. For purposes of this paragraph, the Site Development Work shall consist of (i) removing the designated stands of trees, (ii) mass-grading and stabilizing the Property and rough grading and stabilization of the building site, (iii)

excavation and stabilization of required stormwater management ponds and installation of stormwater water pipes and culverts, installing all site sediment controls and (iv) preparation of on-site stormwater management plans to support the Project, all as shown on the Site Plan, but no other work.

3. It shall be a further condition of this Grant Agreement that T-REX shall construct on the Property, and receive a certificate of occupancy therefor from the York County building official, a shell building containing approximately 161,890 square feet of gross area and completion of Initial Tenants spaces of not less than 20,000 square feet (the Improvements), for use in connection with the Project, at a total cost (including the Site Development Work) of not less than Sixty Million (\$60,000,000) Dollars.

4. Upon completion of the Site Development Work as confirmed by a certificate of completion by T-REX's site contractor, a certificate by T-REX's architect or engineer appropriately licensed by the Commonwealth of Virginia, and (if applicable) inspection and approval of the Site Development Work by an appropriate York County inspector or other official, and the issuance of a certificate of occupancy for the Improvements (collectively "the Work"), the EDA shall pay to T-REX the Additional Grant Amount on the terms and conditions set out herein.

5. The payment of the Initial Grant Amount and the Additional Grant Amount (collectively the "Grant Amount") shall be paid to T-REX in the following fashion: Following completion of the Work, T-REX shall submit annually to the EDA tax invoices showing the amount of real property tax levied by York County on all Improvements constructed on the

Property, and any business personal property taxes levied by York County on any such personal property installed or located on the Property and used in connection with the Project, and the EDA shall reimburse T-REX in the amount of such annual taxes until the total amount of the Grant shall have been paid. The total of such reimbursements shall not exceed, in total, the sum of the Initial Grant Amount plus the Additional Grant Amount.

6. It shall be a condition of the assignment of the Dominion Credit to T-REX that T-REX shall comply fully with its performance obligations as set forth in paragraphs 2, 3, and 4, above, no later than the end of 18 months following closing on the purchase of the Property from VEPCO, in default of which T-REX shall be obligated to pay to the County the full amount of the Dominion Credit within 60 days of a written demand by the County. T-REX shall be liable to the County for all costs and attorney fees incurred by the County in seeking collection of the Dominion Credit amount.

7. Whenever performance is required of any party hereunder, such party must use all due diligence to perform and take all necessary measures in good faith to perform, but if completion of performance is delayed at any time by reason of acts of God, pandemic, war, terrorist acts, civil commotion, riots, strikes, picketing, or other labor disputes, unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or causes beyond the reasonable control of a party (each, a “**Force Majeure Event**”), then the time for performance as herein specified will be appropriately extended by the time of the delay actually caused.

8. The parties agree and acknowledge that the obligations of the EDA hereunder are contingent upon the annual appropriation by the York County Board of Supervisors, and the

transfer to the EDA, of funds sufficient to satisfy the EDA's obligations. Therefore, the York County Board of Supervisors has executed this Agreement to pledge its good faith in annually appropriating and transferring to the EDA sufficient funds for the EDA to satisfy its obligations hereunder, and moreover to acknowledge its moral obligation to do so, as evidenced by the adoption of its Resolution R20-90 adopted on June 16, 2020 and its signature hereto. T-REX acknowledges and agrees that a failure by the York County Board of Supervisors to make such appropriations and transfers to the EDA, and the consequent failure of the EDA to make payments of any installment of the Grant, shall not be deemed a default by either York County Board of Supervisors or of the EDA, and that this Agreement does not constitute debt of wither the County of York, Virginia, or of the EDA.

9. The obligations of T-REX under this Grant Agreement shall not be assignable by T-REX without the express written consent of the County and of the EDA. Any such assignment shall provide that T-REX shall remain jointly obligated with the assignee for the repayment of the Dominion Credit.

10. This Agreement shall be binding on both the parties, their successors, or assigns in interest or title, to the extent stated herein.

(Signature Page Follows)

WITNESS the following signatures and seals:

ECONOMIC DEVELOPMENT AUTHORITY
OF YORK COUNTY, VIRGINIA

By _____
Chairman

T-REX VENTURES, LLC

By _____
Title _____

COUNTY OF YORK, VIRGINIA

By _____
Neil A. Morgan, County Administrator

Approved as to form:

County Attorney