

Economic Development Agreement – Summary & Deal Points

Overview

- Welcome Venture Park is a 157-acre industrial/business park (“Site”) under construction in North Durham along Hamlin Road, approximately between Old Oxford Road and Industrial Drive. The Site was annexed into the City of Durham in 2022 and is serviced by City water and sewer. (*Please see Exhibit A: Context Map*).
- Upon completion, it is estimated that the Site will collectively produce approximately \$270M in new taxable value and support 305 new jobs. The Site is being developed in three phases (*please see Exhibit B: Site Phase Map*):

	Completion Date	New Construction (\$)	Tenant Upfit (\$)*	Buildings	Square Footage	Tenant Jobs*
Phase 1	2025	\$60 M	\$36.7 M*	(4) D, E, F, G	394,800 SF	110*
Phase 2	2026	\$30 M	\$18.3 M*	(2) C, H	201,450 SF	50*
Phase 3	2029	\$110 M	\$34.2 M*	(4) A, B, I, J	700,000 SF	145*
	--	\$200 M	\$69.2 M*	--	--	--
TOTAL		\$269.2 M*		10 buildings	1,296,250 SF	305*

Source: RV2 Ventures; * = estimated

- Construction of Phase 1 is complete, and pre-leasing is close to 100%. Phase 2 is undergoing sitework and construction, with expected delivery in 2026. Both Phase 1 and Phase 2 have adequate utility capacity. However, Phase 3 does not have adequate sewer capacity, as the Lutravil Pump Station, located approximately 0.75 miles north of the Site, cannot accommodate additional development. Water and sewer to the site is provided by the City of Durham.
- The Company projects that the average wage of the positions are likely to be between \$45,000 to \$75,000 and many are not likely to require a college degree.

Part One: Sewer Improvements (\$1,000,000)

- The Lutravil Pump Station is operated by the City of Durham but built on land owned by Durham County. The Developer is planning to increase the capacity of this pump station beyond what is needed for Phase 3, which could support additional development in the basin. Additional reserve capacity could also be used for more sewer intensive projects at the Site, such as large biomanufacturing projects referred to Durham County by the Economic Development Partnership of North Carolina (EDPNC).
- The total cost of the necessary sewer upgrades is approximately \$2,700,000. Developer states that all permits and approvals are in hand for the sewer improvements, which could begin as soon as possible. The sewer upgrades would increase the basin’s wastewater capacity from 314,280 gallons per day to 889,920 gallons per day.
- The Developer requested the County’s financial support of \$1,000,000 to construct the necessary Phase 3 sewer upgrades to the Lutravil Pump Station. It would only be paid out upon satisfactory completion of the sewer upgrades.

Part Two: Real Estate Option & Acquisition (\$1,000,000)

- The Company also owns 1420 Old Oxford Road [7.81 acres; REID of 177731], an undeveloped parcel adjacent to the proposed Durham-Roxboro Rail Trail (shown on *Exhibit D: Durham-Roxboro Rail Trail Map*). County Transportation has determined that this location is well-suited for a future trailhead due to its position along the planned corridor and its potential to serve as a connection and through-route to Sandy Ridge Elementary on the western side.
- The Company is providing the County with a six-month option to purchase the property for a sale price of \$1,000,000. The market value of the fee simple interest in the property as of June 2025 was

assessed by Analytical Consultants to be \$1,090,000. The County could ultimately either acquire the property at the end of this six-month period or decline to for any reason or no reason at all.

- The six-month option functions as a due diligence period. The most important issue to be resolved during the due diligence period is environmental testing. Currently, the Site, as well as the Parcel, are considered brownfields by the North Carolina Department of Environmental Quality (“NCDEQ”). However, limited testing has been done on the Parcel itself. If this item is approved by the Board, the Company, County, and NCDEQ will proceed with testing and other environmental due diligence for the site, paid for by the Company. If the testing determines that the Parcel is suitable and safe to be used as a trailhead or similar public use, then the County, Company, and NCDEQ would need to amend the approved brownfield agreement prior to closing.

Part Three: Community Benefits

The Company, or their agent, commits to making a good faith effort to:

- Offer one (1) paid internships annually in real estate development or construction management to eligible students at North Carolina Central University or Durham Tech Community College.
- Promote local hiring or workforce development initiatives with Durham Public Schools to their tenants and contacts.
- Facilitate introductions between County staff and industrial park tenants to evaluate workforce development partnerships and opportunities.

The above items will be codified in the Economic Development Agreement.

Additionally, the Company would like to highlight that they have previously made a \$30,000 contribution to the Durham Tech Scholarship Fund and continue to donate \$3,000 annually to Sandy Ridge Elementary for school supplies and expenses.

Exhibit A: Context Map



Boundaries are approximate and conceptual

Exhibit B: Site Phase Map

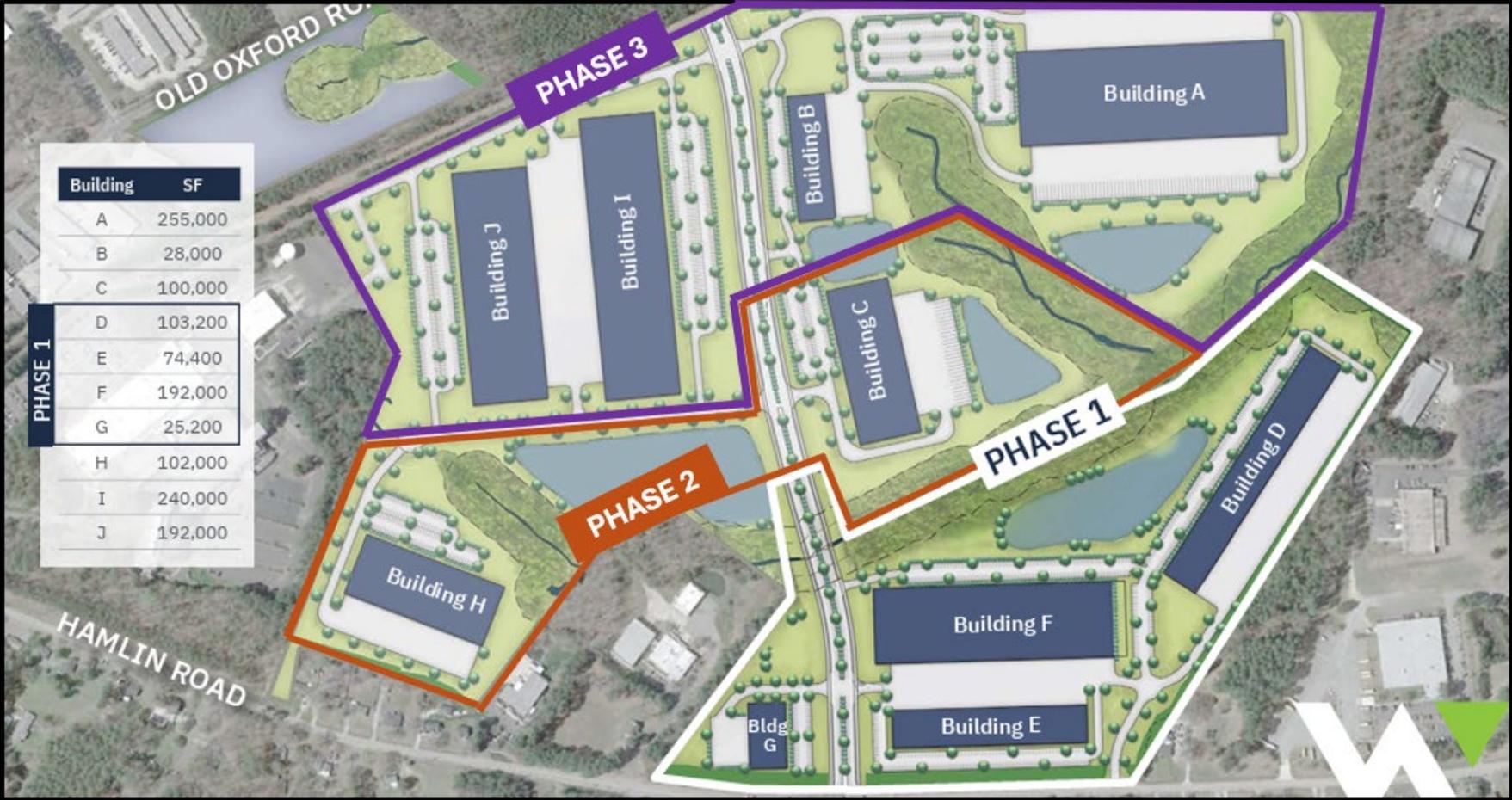


Exhibit D: Durham-to-Roxboro Rail Trail Plan (p. 113)

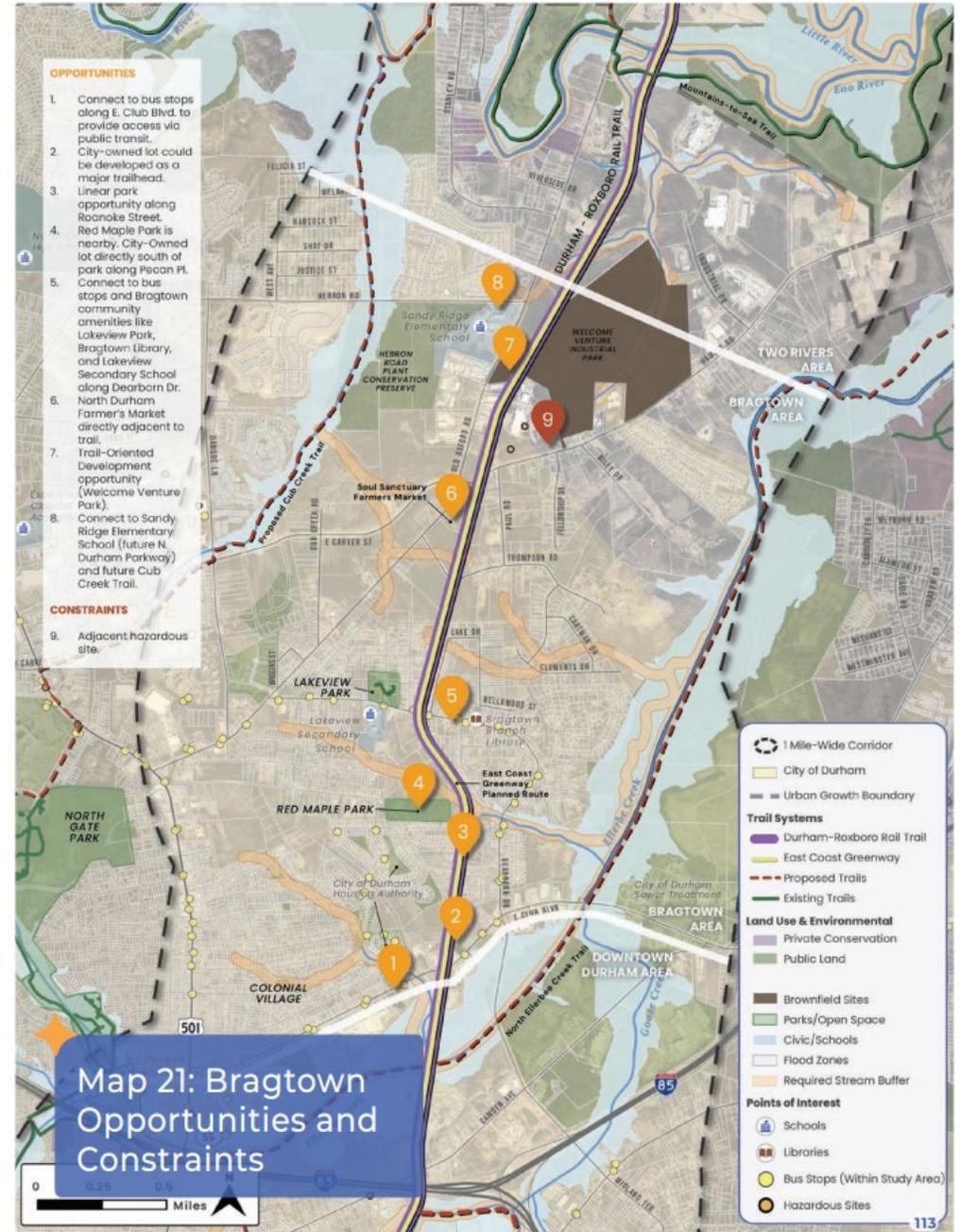
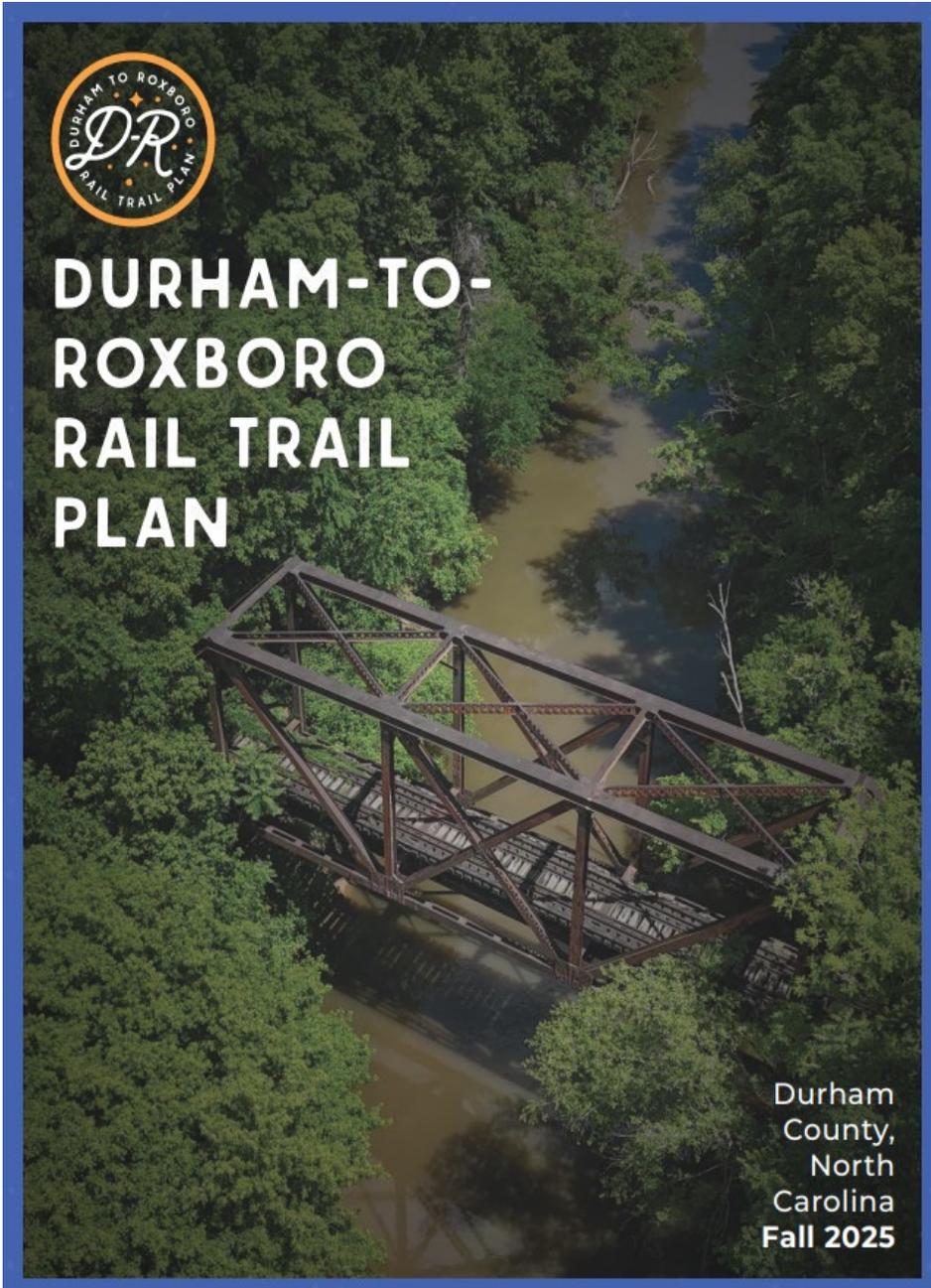


Exhibit E: Trailhead Sketch (*CONCEPTUAL*)

