



DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

**DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY
AUTHORITY AGENDA**

**City of Danville, Virginia
County of Pittsylvania, Virginia**

**Institute for Advanced Learning and Research
150 Slayton Avenue, Room 206
Danville, Virginia**

July 14, 2025

12:00 PM

REVISED

County of Pittsylvania Members

William V. ("Vic") Ingram, Vice Chairman
Robert M. Tucker, Jr.
Darrell W. Dalton, Alternate

City of Danville Members

J. Lee Vogler, Jr., Chairman
Sherman M. Saunders
Dr. Gary P. Miller, Alternate

Staff

Kenneth F. Larking, City Manager Officer
Vincent Shorter, County Administrator Officer
Christian & Barton, L.L.P., Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments.

[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]

4. APPROVAL OF MINUTES

- A. Consideration of Approval of Minutes from June 9, 2025 Regular Meeting, and June 23, 2025 Special Called Meeting.

5. NEW BUSINESS

- A. Consideration of Resolution No. 2025-07-14-5A, approving a one-year renewal of the lease to the Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Southern Virginia Megasite at Berry Hill project (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia; the lease term shall be subject to a right of landlord to show the demised premises upon at least 24-hours notice and the obligation of tenant to keep the identity of any prospective business recruits confidential until a public announcement is made, if ever, or as otherwise required by law; the Authority shall have the right to early terminate the lease with at least 30-days notice; and the lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of \$1,000.00 – Michael C. Guanzon, Esq., Christian & Barton, L.L.P., Authority Legal Counsel.
- B. Consideration of Resolution No. 2025-07-14-5B, authorizing the Authority to negotiate an amendment to that certain Mitigation Agreement dated as of January 31, 2025, as further amended, between the Authority and HGS, LLC, a wholly-owned subsidiary of Resource Environmental Solutions, LLC, a Louisiana limited liability company, to extend the term until August 15, 2025 for a maximum extension payment of \$1,000.00, in connection with Resolution No. 2024-11-13-5D – Brian K. Bradner, P.E., Senior Vice President, Dewberry Engineers.
- C. Financial Status Reports as of June 30, 2025. Michael L. Adkins, Authority Treasurer.
- D. [See Agenda Item 7C below to be considered after closed meeting]

6. CLOSED MEETING

During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.

- A. *As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended (“Virginia Code”), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business’s interest in locating its facilities in one or more of the Authority’s projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and*
- B. *As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2- 3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and*
- C. *As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and*
- D. *As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; and*
- E. *As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.*

7. RETURN TO OPEN SESSION

A. Confirmation of Motion and Vote to Reconvene in Open Meeting.

B. Motion to Certify Closed Meeting.

C. Consideration of Resolution No. 2025-07-14-7C, approving the form of a Local Performance Agreement to be executed by the Authority and others, where no previous public announcement has been made of the business or industry’s interest in locating its facility in the Authority’s Cyber Park located in Danville, Virginia, under which agreement,

the Authority, the City of Danville, Virginia, and the County of Pittsylvania, Virginia would provide to a company or industry known and recommended by the Authority's staff, certain incentives, in exchange for, among other things, the creation by the company or industry of 36 new jobs with an average annual wage of at least \$77,173.00, excluding standard fringe benefits, and certain minimum capital investment of \$12,503,300.00, over a performance period of 10 years – Corrie T. Bobe, Director of Economic Development, City of Danville, and Matthew D. Rowe, Director of Economic Development, Pittsylvania County

COMMUNICATIONS

A. Authority Board Members

B. Staff

9. ADJOURN



DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 4.A.
DATE: July 14, 2025
FROM: Susan DeMasi | Authority Secretary
RE: Consideration of Approval of Minutes from June 9, 2025 Regular Meeting, and
June 23, 2025 Special Called Meeting.

ATTACHMENTS

1. 06-09-25 Meeting Minutes
2. 06-23-25s Meeting Minutes

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

June 9, 2025

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:08 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Chairman J. Lee Vogler, Jr., Sherman M. Saunders and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Vice Chairman William V. Ingram, Robert Tucker and Alternate Darrell Dalton.

City/County staff members attending were: City Manager Ken Larking, Interim County Administrator Dave Arnold, Authority Treasurer Michael Adkins, City of Danville Accountant Meredith Franklin, City of Danville Director of Public Works Rick Drazenovich, Pittsylvania County Director of Finance Kim Van Der Hyde, Pittsylvania County Treasurer Vincent Shorter, City of Danville Director of Economic Development Corrie Bobe – via zoom, City of Danville Assistant Director of Economic Development Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Pittsylvania County Project Manager Kattie Saunders, Legal Counsel to the Authority Michael Guanzon and Secretary to the Authority Susan DeMasi. Also present were Brian Bradner and Joseph Snead from Dewberry, Linda Green from SVRA, Pittsylvania County Supervisor Ken Bowman, and Danville City Council Member Madison Whittle.

Also present were: JC Sells, CFO of the Danville Regional Foundation, Paul Erwin, Chairman of the Danville Regional Foundation Board, and Dr. Powell, President of Averett University.

Chairman J. Lee Vogler, Jr. presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE MAY 12, 2025, REGULAR MEETING

Upon **Motion** by Mr. Ingram and **second** by Mr. Saunders, Minutes of the May 12, 2025, Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION 2025-06-09-5A APPROVING PLANS FOR BLOCK RETAINING WALLS NEAR THE ATDM BUILDING IN THE CYBER PARK

City Manager Ken Larking explained that part of RIFA's responsibility was to approve things within the park; this was for a retaining wall that will be in front of the ATDM building. According to Renee Burton, Division Director of Planning, this was within the requirements of the covenants, and she recommends the Board approve what has been presented. Legal Counsel to the Authority Michael Guanzon noted RIFA serves as the architectural review committee for the Cyber Park, and this was for them to approve the requirements of the restrictive covenants on the property. It also has to comply with the City Zoning Ordinance, and Ms. Burton indicated it was compliant with both.

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Mr. Saunders **moved** for adoption of *Resolution 2025-06-09-5A, a Resolution approving the proposed plans and specifications for improvements to certain real property owned by the Authority (PIN 76441) in the Authority's Cyber Park Project located in Danville, Virginia, for the installation of three (3) segmental block retaining walls near the entrance of the Accelerated Training in Defense Manufacturing building by the City of Danville's Department of Community Development.*

The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5B. CONSIDERATION OF RESOLUTION 2025-06-09-5B AUTHORIZING AN AMENDMENT TO THE MITIGATION AGREEMENT WITH HGS, LLC

Pittsylvania County Director of Economic Development Matt Rowe explained this item was to extend the RES contract for the mitigation for an additional month, in the amount of \$1,000.

Mr. Tucker **moved** for adoption of *Resolution 2025-06-09-5B, a Resolution authorizing the Authority to negotiate an amendment to that certain Mitigation Agreement dated as of January 31, 2025, between the Authority and HGS, LLC, a wholly-owned subsidiary of Resource Environmental Solutions, LLC, a Louisiana Limited Liability Company, to extend the term until July 31, 2025 for a maximum extension payment of \$1,000.00, in connection with Resolution No. 2024-11-13-5D.*

The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5C. CONSIDERATION OF RESOLUTION 2025-06-09-5C APPROVING AMENDMENT #42 WITH DEWBERRY ENGINEERS

Mr. Rowe explained Item (a) of this Resolution was to amend the property bounds of the Oak Hill property that RIFA recently purchased to encompass the new reconsolidated cemetery area, along with the existing cemetery feature on Lot 10 at the Megasite, as well as an additional smaller cemetery feature on Lot 11 of the Megasite. By doing so, it allows RIFA to put those two important features onto the property RIFA just purchased to ensure that it was outside the Megasite bounds and they were protected in perpetuity; this item was to approve Dewberry doing that work. In addition, every two years, in order for RIFA to stay up to date on the threatened and endangered species requirements, they have to redo the fresh water fish and mussel survey. In the past, they have not found any of the species on site or the habitat of these species, but they still have to check, and this was coming due. The final item was the vegetative buffer relocation; there was a strip of about 75' that has now been reduced significantly due to the powerlines and roadway expansion. With RIFA having acquired the Oak Hill Plantation Property, the plan was to engage with the Virginia Department of Environmental Quality, the Virginia Department of Historical Resources and the Corp to get

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that buffer placed on the property RIFA just purchased, which frees up RIFA property from that encumbrance.

Mr. Ingram moved for adoption of Resolution 2025-06-09-5C, a Resolution approving Amendment No. 42, dated June 3, 2025, with Dewberry Engineers Inc., a New York corporation, for professional engineering and construction administration services for: (a) Lots 1, 10 and 11 in the Authority's Southern Virginia Megasite at Berry Hill Project, located in Pittsylvania County, Virginia, and real property owned by the Authority adjacent to the Southern Virginia Megasite at Berry Hill Project containing approximately 289.47 acres (GPIN 1366-12-5834), commonly known as Berry Hill Rd/863 Dan River-Oak Hill Tr.; (b) freshwater fish and mussel surveys; and (c) vegetative buffer relocation, for a lump sum fee of \$121,370.00.

The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5D. CONSIDERATION OF RESOLUTION 2025-06-09-5D AUTHORIZING THE PROPOSAL FOR SIGN RELOCATION FROM SIGN ENTERPRISE AT SVM AT BERRY HILL

Mr. Rowe noted this item was to relocate the sign where the existing US 311 corridor was being expanded from two lanes to four lanes. This was part of the agreement RIFA had with the Virginia Department of Transportation where RIFA would need to relocate that sign. These funds would be expended by RIFA for the sign relocation and then reimbursed from VDOT; RIFA has already received \$30,500 as an upfront payment from VDOT.

Mr. Saunders moved for adoption of Resolution 2025-06-09-5D, a Resolution authorizing the negotiation, execution and delivery of a proposal for sign relocation services from Sign Enterprise Inc., a Virginia corporation, where Sign Enterprise Inc. will provide sign relocation services at the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, for a fee not to exceed \$70,096.60, where the Virginia Department of Transportation will reimburse the Authority in an amount equal to \$70,096.60, a portion of which has already been delivered to the Authority, in connection with Resolution No. 2024-07-08-5C.

The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5E. CONSIDERATION OF RESOLUTION 2025-06-09-5E AUTHORIZING DISBURSEMENT OF FUNDS FOR CEMETERY REBURIAL AND DESIGN SERVICES

Mr. Rowe noted this was the actual reburial cost for the reconsolidated cemeteries, for vaults, urns, the grave digging fee, and storage fee; this also includes a significant contingency cost. They were looking at about \$199,000 in fees for reburying the 264 remains. The highest value

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was based upon the assumption that the remains would be buried in individual vaults for individual remains which has been consistently requested by the families. Also, at the direction of the administrator and the manager, staff looked at the least expensive option which would be mass vaults and that would be about \$25,500. It was staff's recommendation to approve up to this amount and if the Board directs, staff can go back to the families to let them know this was the value of doing it individually and the value of doing it in the mass vaults. RIFA has a set budget, if they choose the mass vaults, it frees up more money to do more unique things in the cemetery itself. If they choose to go the other way, they will explain how that impacts the overall budget of the project. Mr. Rowe noted the final step they were working on now was getting the actual cemetery plots and concepts done with KEi Architects. They were on site this week, and they were moving through the process. If this was approved, the bodies would start being reinterred almost immediately.

Mr. Saunders noted at the last meeting they had a guest attending regarding the cemetery and Mr. Saunders questioned if they were still moving forward together, was there an update on that. Mr. Rowe stated when they had the meeting bringing in the KEi architects last week, they invited the families as well, including representatives of the Hairston family, Ms. Adams, and a family member from California as well. Staff did not hear anything that was negative; the individual that addressed the board at the last meeting actually made a comment that they need to be understanding that the resources of RIFA were finite and RIFA was trying to do the right thing. Mr. Rowe noted to Mr. Saunders that the family can certainly come and share something they were not happy about that the staff was not aware of. Dr. Miller questioned if the families were on the same page and Mr. Rowe noted it appeared to him that was the case. Staff gave the families the entire day and everybody seemed to be in agreement.

Mr. Tucker **moved** for adoption of *Resolution 2025-06-09-5E, a Resolution authorizing the disbursement of up to \$200,000.00, for cemetery reburial and design services as part of the further development of the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, in connection with Resolution Nos. 2024-10-16-5A and 2025-04-14-5C.*

The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5F. FINANCIAL STATUS REPORTS AS OF MAY 31, 2025

Authority Treasurer Michael Adkins gave a brief Financial Status report as of May 31, 2025, noting RIFA paid their normal monthly invoices. They paid Jones Lang LaSalle \$65,000 for continued work on the market assessment, and paid the first interest payment on the loan that was taken out for the purchase of the Hairston property. RIFA received the expected income this month including another payment for Project Orange, and paid Dewberry \$17,000 for the Regional Economic Development Strategic Plan.

Mr. Ingram **moved** to accept the Financial Report as presented; the Motion was **seconded** by Mr. Tucker and carried by the following vote:

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VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

5G. FISCAL YEAR 2026 GENERAL EXPENDITURES BUDGET

Mr. Adkins noted each year they pass a fiscal year budget for the upcoming year. The biggest changes this year include cost increases, so they have to increase the budget. The funding from the City and County remains flat at \$125,000 from each locality. Staff increased legal fees more to what they experienced over the past few years; that varies widely based on the amount of prospect activity they have. The contract with Sellars Brothers for recurring maintenance at Cane Creek and the Megasite went up recently so that was incorporated into next year's budget. Staff was anticipating needing about \$96,365 from the Unrestricted Fund Balance if these expenditures come to fruition. There were very minimal increases and decreases on other line items.

Mr. Saunders **moved** to accept the Fiscal Year 2026 General Expenditure Budget as presented. The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

6. CLOSED SESSION

At 12:25 p.m. Mr. Ingram **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

- A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in one or more of the Authority's projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and
- B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority's Southern Virginia Megasite at

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Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2- 3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

- C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and
- D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; and
- E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Ingram, Tucker, Saunders, Vogler (4)
NAY: None (0)

7. RETURN TO OPEN SESSION

On **Motion** by Mr. Tucker and **second** by Mr. Saunders and by unanimous vote at 1:35 p.m., the Authority returned to open meeting.

Mr. Tucker **moved** for adoption of the following Resolution:

That the Authority certify that, to the best of each Member's knowledge:

(i) only public business matters lawfully exempted from the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and

(ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by Authority.

The Motion was **seconded** by Mr. Dalton and carried by the following vote:

VOTE: 4-0
AYE: Tucker, Dalton, Saunders, Vogler (4)
NAY: None (0)

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8. COMMUNICATIONS

Board members noted it was a good meeting and commended the staff for the work they all do; they have an amazing team and were doing great things for the region.

Meeting adjourned at 1:38 p.m.

APPROVED:

Chairman

Secretary to the Authority

DRAFT

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

June 23, 2025

Special Called Meeting

A Special Called Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:08 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 207, Danville, Virginia. Present were City of Danville Members Sherman M. Saunders and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Robert Tucker and Alternate Darrell Dalton. Vice Chairman William V. Ingram was absent. Chairman J. Lee Vogler, Jr. attended via zoom.

City/County staff members attending were: City Manager Ken Larking, Interim County Administrator Dave Arnold, Pittsylvania County Treasurer Vincent Shorter, City of Danville Director of Finance Michael Adkins, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe, and Legal Counsel to the Authority Michael Guanzon. Secretary to the Authority Susan DeMasi was absent.

Mr. Guanzon explained because the RIFA Secretary was on vacation, Michael Adkins, the Authority Treasurer would be the Acting Secretary for this meeting. Under the terms of the by-laws they were required to have a special election for a temporary presiding officer for this meeting. Because this was a special meeting, if an item was not on the agenda, the Board cannot make a motion, except for the procedural items. Because Chairman Vogler was attending virtually, his attendance does not count for purposes of a quorum, he can not vote or make motions, however, he can participate in discussions. Mr. Ingram had noted he would also like to participate via Zoom, so he may join the meeting later.

Mr. Adkins called the meeting to order and took the roll call.

Mr. Adkins noted the first order of business was to elect a temporary presiding officer and stated the floor was open for nominations.

Mr. Tucker nominated Mr. Saunders for Temporary Presiding Chair. There were no other nominations. Mr. Adkins noted he would take a motion to close the floor for nominations. Mr. Dalton moved to close the nominations; the Motion was seconded by Mr. Tucker.

The **Motion** to elect Mr. Saunders as temporary presiding officer was carried by the following vote:

VOTE: 4-0
AYE: Tucker, Dalton, Saunders, Miller (4)
NAY: None (0)

PUBLIC COMMENT PERIOD

No one present desired to be heard.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION 2025-06-23-4A APPOINTING VINCENT E. SHORTER AS THE COUNTY ADMINISTRATOR OFFICER OF THE AUTHORITY EFFECTIVE JULY 1, 2025.

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Special Called Meeting

Mr. Guanzon noted the County Board of Supervisors had appointed Mr. Shorter as the County Administrator effective July 1, 2025. Under the by-laws of RIFA, this item was to appoint him as the County Administrator Officer effective July 1, 2025.

Mr. Tucker **moved** for adoption of Resolution No. 2025-06-23-4A, *appointing Vincent E. Shorter, as County Administrator Officer of the Authority, Effective July 1, 2025.*

The Motion was **seconded** by Mr. Dalton and carried by the following vote:

VOTE: 4-0
AYE: Tucker, Dalton, Saunders, Miller (4)
NAY: None (0)

5. CLOSED SESSION

At 12:18 p.m. Mr. Dalton **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

- A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended (“Virginia Code”), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business’s interest in locating its facilities in one or more of the Authority’s projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and
- B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2- 3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and
- C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an

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open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Tucker and carried by the following vote:

VOTE: 4-0
AYE: Tucker, Dalton, Saunders, Miller (4)
NAY: None (0)

6. RETURN TO OPEN SESSION

On **Motion** by Mr. Tucker and **second** by Mr. Dalton and by unanimous vote at 1:20 p.m., the Authority returned to open meeting.

Mr. Tucker **moved** for adoption of the following Resolution:

That the Authority certify that, to the best of each Member's knowledge:

(i) only public business matters lawfully exempted from the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and

(ii) only such public business matters as were identified in the Motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Dalton and carried by the following vote:

VOTE: 4-0
AYE: Tucker, Dalton, Saunders, Miller (4)
NAY: None (0)

Meeting adjourned at 1:22 p.m.

APPROVED:

Chairman

Secretary to the Authority



DANVILLE-PITTSYLVANIA
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ITEM: 5.A.
DATE: July 14, 2025
FROM: Michael Guanzon | Legal Counsel to Authority
RE: Consideration of Resolution No. 2025-07-14-5A, approving a one-year renewal of the lease to the Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Southern Virginia Megasite at Berry Hill project (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia; the lease term shall be subject to a right of landlord to show the demised premises upon at least 24-hours notice and the obligation of tenant to keep the identity of any prospective business recruits confidential until a public announcement is made, if ever, or as otherwise required by law; the Authority shall have the right to early terminate the lease with at least 30-days notice; and the lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of \$1,000.00 – Michael C. Guanzon, Esq., Christian & Barton, L.L.P., Authority Legal Counsel.

ATTACHMENTS

1. Resolution - Osborne Sod Lease Renewal
2. Exhibit A - Osborne Sod Lease Renewal

Resolution No. 2025-07-14-5A

A RESOLUTION APPROVING A ONE-YEAR RENEWAL OF THE LEASE TO THE OSBORNE COMPANY OF NORTH CAROLINA, INC., A NORTH CAROLINA CORPORATION, OF APPROXIMATELY 100 ACRES OF PASTURELAND IN THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL PROJECT (A PORTION OF GPINS 1366-78-4718 AND 1367-70-4519), COMMONLY KNOWN AS 4380 BERRY HILL ROAD, IN PITTSYLVANIA COUNTY, VIRGINIA; THE LEASE TERM SHALL BE SUBJECT TO A RIGHT OF LANDLORD TO SHOW THE DEMISED PREMISES UPON AT LEAST 24-HOURS NOTICE AND THE OBLIGATION OF TENANT TO KEEP THE IDENTITY OF ANY PROSPECTIVE BUSINESS RECRUITS CONFIDENTIAL UNTIL A PUBLIC ANNOUNCEMENT IS MADE, IF EVER, OR AS OTHERWISE REQUIRED BY LAW; THE AUTHORITY SHALL HAVE THE RIGHT TO EARLY TERMINATE THE LEASE WITH AT LEAST 30-DAYS NOTICE; AND THE LEASE SHALL BE FOR THE USE OF HARVESTING GRASS HAY AND INCIDENTAL USES ACCEPTABLE TO THE AUTHORITY, AT A TOTAL RENTAL FEE OF \$1,000.00

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia, duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, The Osborne Company of North Carolina, Inc., a North Carolina corporation ("**Osborne Company**"), entered into that certain Lease Agreement with the Authority, dated May 9, 2011 as amended and renewed (the "**Lease**"), for the lease of one hundred (100) acres, more or less, of pasture land in the Authority's Southern Virginia Megasite at Berry Hill project (formerly the Berry Hill Industrial Park) (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia, for the use of harvesting grass hay and incidental uses acceptable to the Authority, which Lease was subsequently renewed by the parties, at a total rental fee of One Thousand Dollars (\$1,000.00); and

WHEREAS, the current term of the Lease expired on May 15, 2025, where Osborne Company was a holdover tenant for a one-year term commencing on May 15, 2025, for which Osborne Company is obligated to pay to the Authority One Thousand Dollars and 00/100 (\$1,000.00); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to enter into a one-year renewal of the Lease at a total rental fee of One Thousand and 00/100 Dollars (\$1,000.00), subject to (i) a 30-day right of early termination by the Authority, (ii) the right of the Authority upon at least twenty-four (24) hours' notice to Tenant to enter upon and to show the demised premises to prospective business recruits, and (iii) Tenant's agreement to keep in strictest confidence the identity of any such prospective business recruits until a public announcement is made by the Authority, if ever, or as otherwise required by law; and

WHEREAS, the terms of such proposed renewal are set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the "**Renewal**"); and

Resolution No. 2025-07-14-5A

WHEREAS, the Authority finds appropriate and proper that in the event (i) both the Director of Economic Development for Pittsylvania County, Virginia, and the Director of Economic Development for the City of Danville, Virginia, or (ii) both the Authority's City Manager Officer and the Authority's County Administrator Officer (collectively, the "**Authority Staff Leadership**"), recommend that the Lease be terminated early in order to facilitate the orderly and efficient development of the real property covered by the Lease, each of the Chairman and the Vice Chairman should be authorized to exercise the Authority's right of early termination under the Lease.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves execution and delivery of the Renewal as reviewed at this meeting, each of the Authority's Chairman and Vice Chairman, in consultation with the other, is authorized to further modify the Renewal on such terms and conditions as the Chairman or Vice Chairman, in consultation with the other, determines to be reasonable, appropriate and consistent with this Resolution and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Renewal on behalf of the Authority, such execution of the Renewal by the Chairman (or Vice Chairman as the case may be) to conclusively establish the approval of any modifications as consulted by and between the Chairman and Vice Chairman.

2. In the event that the Authority Staff Leadership recommends that the Lease be terminated early in order to facilitate the orderly and efficient development of the real property covered by the Lease, the Chairman and the Vice Chairman, either of whom may act independently of the other, are hereby authorized to exercise the Authority's right of early termination under the Lease.

3. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Renewal, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Renewal and the matters contemplated therein.

5. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on July 14, 2025, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of July 2025.

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial
Facility Authority

(SEAL)

Exhibit A

(Lease Renewal)

THIS 2025 LEASE RENEWAL, made as of the 15th day of May 2025, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“**Landlord**”); and **THE OSBORNE COMPANY OF NORTH CAROLINA, INC.**, a North Carolina corporation (“**Tenant**”);

WITNESSETH :

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated as of May 9, 2011 (the “**Lease**”), which has been subsequently renewed, for that certain real property located in Landlord’s Southern Virginia Megasite at Berry Hill project (formerly the Berry Hill Industrial Park) in Pittsylvania County, Virginia, containing an aggregate of 100 acres, more or less, commonly known as 4380 Berry Hill Road (a portion of GPINs 1366-78-4718 and 1367-70-4519); and

WHEREAS, Landlord and Tenant desire to renew the Lease for an additional one (1) year term, subject to an early termination right by Landlord, and provide for the payment of additional rent during such renewal term, all as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Lease, the parties agree as follows:

1. The “**Renewal Term**” shall be for a term of one (1) year beginning on May 15, 2025, and ending on May 15, 2026. The “**Term**” (as defined in the Lease) shall include the initial Term and any Renewal Term.
2. Prior to the end of the Renewal Term, Landlord shall have the right to terminate the Lease upon giving at least thirty (30) days prior written notice to Tenant, in which event Landlord shall reimburse Tenant for a pro rata portion of the Additional Rent (as hereafter defined) covering the period between the date of termination and May 15, 2026.
3. Tenant agrees to pay to Landlord as additional rent (“**Additional Rent**”) for the Renewal Term set forth herein the amount of One Thousand and 00/100 Dollars (\$1,000.00), due and payable on the first day of the Renewal Term set forth herein. The “**Base Rent**” (as defined in the Lease) shall include the Base Rent payable for the initial Term and any Additional Rent payable for any Renewal Term.
4. At any time during the Renewal Term, Landlord shall have the right, upon at least twenty-four (24) hours’ notice to Tenant (which can be by telephone or by e-mail), to enter upon and to show the demised premises to prospective business recruits (the “**Recruits**”).
5. Tenant agrees to keep in strictest confidence the identity of any Recruits until a public announcement is made by Landlord, if ever, or as otherwise required by law.
6. All other terms and conditions of the Lease not specifically changed herein shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this **2025 LEASE RENEWAL**:

LANDLORD:

**DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY**, a political
subdivision of the Commonwealth of Virginia

By: _____
J. Lee Vogler, Jr., Chairman

TENANT:

**THE OSBORNE COMPANY OF NORTH
CAROLINA, INC.**, a North Carolina corporation

By: _____
Peter F. Osborne, President



DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.B.
DATE: July 14, 2025
FROM: Michael Guanzon | Legal Counsel to Authority
RE: Consideration of Resolution No. 2025-07-14-5B, authorizing the Authority to negotiate an amendment to that certain Mitigation Agreement dated as of January 31, 2025, as further amended, between the Authority and HGS, LLC, a wholly-owned subsidiary of Resource Environmental Solutions, LLC, a Louisiana limited liability company, to extend the term until August 15, 2025 for a maximum extension payment of \$1,000.00, in connection with Resolution No. 2024-11-13-5D – Brian K. Bradner, P.E., Senior Vice President, Dewberry Engineers.

ATTACHMENTS

1. Resolution - RES Mitigation Amendment

Resolution No. 2025-07-14-5B

A RESOLUTION AUTHORIZING THE AUTHORITY TO NEGOTIATE AN AMENDMENT TO THAT CERTAIN MITIGATION AGREEMENT DATED AS OF JANUARY 31, 2025, AS FURTHER AMENDED, BETWEEN THE AUTHORITY AND HGS, LLC, A WHOLLY-OWNED SUBSIDIARY OF RESOURCE ENVIRONMENTAL SOLUTIONS, LLC, A LOUISIANA LIMITED LIABILITY COMPANY, TO EXTEND THE TERM UNTIL AUGUST 15, 2025 FOR A MAXIMUM EXTENSION PAYMENT OF \$1,000.00, IN CONNECTION WITH RESOLUTION NO. 2024-11-13-5D

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority, pursuant to Resolution No. 2024-11-13-5D, entered into that certain Mitigation Agreement, dated January 31, 2025, as amended (the "**Mitigation Agreement**"), with HGS, LLC, a wholly-owned subsidiary of Resource Environmental Solutions, LLC, a Louisiana limited liability company ("**RES**"), under which RES will provide or cause to be provided certain wetland mitigation work in the Authority's Southern Virginia Megasite at Berry Hill project (the "**SVM**"), located in Pittsylvania County, Virginia; and

WHEREAS, the Authority desires to negotiate, execute and deliver a third amendment to the Mitigation Agreement in order to further extend the term of the Mitigation Agreement until August 15, 2025 (the "**Amendment**") in exchange for an extension payment in an amount up to One Thousand and 00/100 Dollars (\$1,000.00) (the "**Extension Fee**"); and

WHEREAS, the Authority's Treasurer, as fiscal agent of the Authority, has determined that Extension Fee is available within a line item previously approved by the Authority as "**Unassigned Fund Balance**" or such other line item subject to certification by the Authority's Treasurer that funds for the Extension Fee are available within a budget line item previously approved by the Authority for such purposes or SVM developments; and

WHEREAS, the Authority has hereby determined, in open session, that the Amendment, in furtherance of the development and marketing of the SVM, serves the purpose of the Authority to enhance the economic base of Pittsylvania County (the "**County**") and the City of Danville, Virginia (the "**City**") by developing, owning, and operating the SVM on a cooperative basis involving the County and the City, and that it is in the best interests of the Authority and the citizens of the County and the City for the Authority to authorize and approve the negotiation, execution and delivery of the Amendment, as applicable, consistent with this Resolution and subject to the approval by legal counsel to the Authority as to legal form.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the negotiation, execution and delivery of the Amendment, subject to the approval by legal counsel to the Authority as to legal form and subject to Authority's Treasurer certification that funds for the Extension Fee are available within a budget line item previously approved by the Authority for such purposes. The Authority hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the

Resolution No. 2025-07-14-5B

other, in consultation with the other, to further negotiate and amend the Amendment, on behalf of the Authority, consistent with this Resolution and as approved by legal counsel to the Authority as to legal form, such execution of any such amendments by the Chairman (or Vice Chairman as the case may be) to conclusively establish the approval of any such amendments.

2. Authority hereby authorizes and directs the City Manager Officer, the County Administrator Officer, and the Authority's staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Amendment, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions; however, such authorization shall be subject to the same approval by legal counsel to the Authority as set forth above.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Amendment and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on July 14, 2025, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 14th day of July 2025.

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)



DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.C.
DATE: July 14, 2025
FROM: Michael Adkins | Authority Treasurer
RE: Financial Status Reports as of June 30, 2025. Michael L. Adkins, Authority Treasurer.

SUMMARY

A review of the financial status reports through June 30, 2025 will be provided at the meeting. The financial status reports as of June 30, 2025 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of June 30, 2025 as presented. Staff also recommends approving the transfer of \$83,805.88 from unrestricted funds to the FY2025 general expenditures.

ATTACHMENTS

1. Financial Reports

**Danville - Pittsylvania Regional Industrial Facility
Authority**

Financial Status

Table of Contents

- A. General Expenditures for FY2025
- B. Mega Park – Funding Other than Bond Funds
- C. SVM at Berry Hill – Lot 4 Site Development
- D. SVM at Berry Hill – Lots 1 & 2 Site Development
- E. SVM at Berry Hill – Water & Sewer
- F. Cyber Park Site Development
- G. Rent, Interest, and Other Income Realized FY2025
- H. Monthly Checks
- I. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority
General Expenditures for Fiscal Year 2025
As of June 30, 2025

	<u>Funding</u>	<u>Budget</u>	<u>FY Expenditures</u>	<u>Current Month Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding						
City Contribution	\$ 125,000.00					
County Contribution	125,000.00					
Transfer from Unrestricted Fund Balance	40,500.00					
Contingency						
Miscellaneous contingency items		\$ 4,000.00	\$ 12,598.81	\$ 218.04	\$ -	\$ (8,598.81)
Total Contingency Budget		4,000.00	12,598.81	218.04	-	(8,598.81)
Legal		150,000.00	232,667.00	-	-	(82,667.00)
Accounting		28,000.00	29,500.00	-	-	(1,500.00)
Marketing		40,000.00	14,030.00	-	-	25,970.00
Postage & Shipping		100.00	-	-	-	100.00
Meals		4,500.00	5,132.70	500.22	-	(632.70)
Utilities		1,900.00	1,702.37	184.31	-	197.63
Insurance		3,000.00	3,665.00	3,665.00	-	(665.00)
Maintenance		59,000.00	75,010.00	-	-	(16,010.00)
Total	\$ 290,500.00	\$ 290,500.00	\$ 374,305.88	\$ 4,567.57	\$ -	\$ (83,805.88)

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of June 30, 2025

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1,4}	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
TIC #2264 Berry Hill Industrial Park - Phase II Land and Engineering	2,700,000.00				
TIC #2264 Berry Hill Industrial Park - Phase II Land and Engineering deobligated	(699,873.73)				
TIC #2264 Local Match for Property & Improvements (County)	500,000.00				
TIC #2264 Local Match for Property & Improvements (City)	500,000.00				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
Virginia Resources Authority - TRRF Loan #3658	4,500,000.00				
VBRSP Site Development Grant from VEDP FY2023	1,500,000.00				
VSBA Loan - (5981 Berry Hill Rd)	1,895,000.00				
Transfer from Unrestricted Funds - "Other Income"	1,804,996.21				
Land					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property ²		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
401 Buford Road		246,082.96	246,082.96	-	
Off State Road 1055		181,890.19	181,890.19	-	
604 Buford Road		361,896.60	361,896.60	-	
ROW purchase for connector road		832,300.25	832,300.25	-	
Berry Hill/863 Dan River-Oak Hill Trail		83,000.00	83,000.00	-	
5981 Berry Hill Rd		1,895,000.00	1,895,000.00	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis ³		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney ⁷		115,000.00	103,796.85	-	
Dewberry Engineers (related to #2264)		160,500.00	160,500.00	-	
Dewberry Engineers		1,644,380.00	1,486,430.00	157,950.00	
Appalachian Power Company		5,178,500.00	5,178,500.00	-	
Banister Bend Farm, LLC		199,064.00	199,064.00	-	
Virginia Department of Transportation (VDOT)		279,399.00	279,399.00	-	
Transcontinental (Williams Transco)		40,000.00	22,873.09	17,126.91	
Stantec Consulting Services Inc.		2,400.00	2,400.00	-	
Troutman, Pepper, Hamilton, Sanders LLP		75,000.00	62,370.00	12,630.00	
Dewberry Engineers		153,250.00	139,750.00	13,500.00	
HGS LLC		533,000.00	533,000.00	-	
Sellers Brothers		24,500.00	24,500.00	-	
Froehling & Robertson		56,500.00	56,500.00	-	
Miller, Long, & Associates		9,625.00	9,625.00	-	
WSP - Cemetery Relocation Services		876,983.30	720,024.52	156,958.78	
WSP - Preliminary Work Hairston Cemetery		5,745.00	5,745.00	-	
WSP - Preliminary Work Adams/Wilson Cemetery		14,745.00	14,745.00	-	
WSP - Cultural Resource Services		17,670.00	2,528.00	15,142.00	
Jones Lang Lasalle		65,000.00	65,000.00	-	
Sellers Brothers		8,510.00	8,510.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
VSBA Loan Interest		27,127.05	27,127.05	-	
Total		\$ 27,509,150.45	\$ 27,203,593.18	\$ 26,827,314.78	\$ 376,278.40
					\$ 305,557.27

¹ This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

² Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

³ This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

⁴ RIFA paid the City back for all advances on 1/3/2012.

⁵ The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

⁶ Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

⁷ Unencumbered the remaining \$11,203.15 due to termination of contract.

⁸ As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Lot 4 Site Development
As of June 30, 2025

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget ³	11,203.15				
Transfer to Other Income - Unrestricted Funds	152,170.40				
Transfer from SVM Berry Hill Lots 1 & 2	138,000.00				
Expenditures					
Dewberry Engineers Inc.		1,707,562.81	1,707,562.81	-	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	12,000.00	-	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		77,027.64	77,027.64	-	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		11,860.00	11,860.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,243,151.21	4,243,151.21	-	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		1,679,616.89	1,679,616.89	-	
Haymes Brothers, Inc. - Phase 1 Development		290,500.00	290,500.00	-	
Transfers to "General Expenditures Fiscal Year 2015" Contingency ³					
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	(12,000.00)	-	
Total	\$ 8,190,526.55	\$ 8,190,526.55	\$ 8,190,526.55	\$ -	\$ -

¹ \$300,000 of this was received from each locality 6-2014. \$450,000 received 8-2014. \$450,000 received 9-2014.

² The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

³ As approved by RIFA Board on 10/16/2014 (\$108,603.35 of expenditures for Dewberry Engineers, Inc. was also transferred from remaining unexpended and unencumbered costs under Amendment #4)

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Lots 1&2 Site Development
As of June 30, 2025

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
TIC #3358 Berry Hill Industrial Park - Site Improvements for Project Lignum	\$ 2,292,856.56				
TIC #3358 Local Match (County)	970,707.92				
TIC #3358 Local Match (City)	970,707.92				
VBRSP Site Development Grant from VEDP	1,312,400.00				
VBRSP Site Development Grant from VEDP (City)	216,546.00				
VBRSP Site Development Grant from VEDP (County)	216,546.00				
Transfers to/from other funding sheets	(1,662,212.10)				
Expenditures					
Dewberry Engineers Inc.		420,540.00	408,090.00	12,450.00	
Virginia Nutrient Bank		84,420.00	84,420.00	-	
Jimmy R. Lynch & Sons, Inc.		3,716,936.30	3,482,831.18	234,105.12	
Treasurer of Virginia		6,100.00	6,100.00	-	
Fifth Mountain Engineering		30,000.00	30,000.00	-	
Total	\$ 4,317,552.30	\$ 4,257,996.30	\$ 4,011,441.18	\$ 246,555.12	\$ <u>59,556.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Water & Sewer
As of June 30, 2025

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
TIC #2641 Phase I Sanitary Sewer					
Tobacco Commission Grant 2641	\$ 4,840,977.86				
Local Match for Contractual Services	274,926.43				
Local Match for Property & Imp.	262,960.00				
TIC #3011 Water System Improvements Phase II					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Imp.	224,160.00				
City of Danville Utilities	3,716,897.35				
Expenditures					
Dewberry Engineers Inc.		912,309.99	888,109.99	24,200.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
Haymes Brothers, Inc. - Phase I Sanitary Sewer (City)		3,210,312.35	3,210,312.35	-	
C.W. Cauley & Son - Phase 1 Water		1,021,345.00	1,021,345.00	-	
Norfolk Southern Railway Company		22,300.00	22,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		7,900.00	7,900.00	-	
AECOM		5,000.00	5,000.00	-	
BH Media Group, Inc.		296.00	296.00	-	
Danville Register & Bee		600.00	600.00	-	
City of Danville - Reimburse from Grant #3011		1,220,222.00	1,220,222.00	-	
Total	\$ 11,561,488.64	\$ 11,494,428.64	\$ 11,470,228.64	\$ 24,200.00	\$ <u>67,060.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Cyber Park Site Development
As of June 30, 2025

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
MEP TROF Loan	\$ 270,000.00				
Transfer from Other Income	152,090.00				
Transfer from SVM at BH Lots 1& 2	1,988,100.25				
Expenditures					
Dewberry Engineers Inc.		114,250.00	114,250.00	-	
Making Everything Possible LLC (Incentives)		270,000.00	270,000.00	-	
Virginia Nutrient Bank		37,840.00	37,840.00	-	
Sellers Brothers		1,988,100.25	1,988,100.25	-	
Total	\$ 2,410,190.25	\$ 2,410,190.25	\$ 2,410,190.25	\$ -	\$ -

Danville-Pittsylvania Regional Industrial Facility Authority
Rent, Interest, and Other Income Realized for Fiscal Year 2025
As of June 30, 2025

<i>Source of Funds</i>	Funding		Expenditures FY2025	Unexpended / Unencumbered
	Carryforward from FY2024	Receipts Current Month		
<i>Carryforward</i>	\$ 3,415,979.07			
<i>Current Lessees</i>				
Institute for Advanced Learning and Research (IALR) ¹		\$ 23,342.11	\$ 280,105.32	
Axxor N.A. LLC		-	1,500.00	
Mountain View Farms of Virginia, L.C.		-	1,200.00	
Osborne Company of North Carolina, Inc.		-	-	
Capital Outdoor, Inc.		-	2,000.00	
American Electric Power		-	12,000.00	
<i>Total Rent</i>		\$ 23,342.11	\$ 296,805.32	
<i>Interest Received</i> ²		\$ 40,522.12	\$ 149,130.48	
<i>Miscellaneous Income</i>		\$ 1,906,420.00	\$ 12,020,455.04	
Expenditures				
Hawkins Research Bldg. Property Mgmt. Fee			\$ 280,105.32	
Incentive Disbursements to Morgan Olson, LLC			\$ 875,641.44	
Incentive Disbursements to Aerofarms			\$ 200,000.00	
Incentive Disbursements to Tyson			\$3,482,615.48	
Economic Leadership LLC - Strategic Plan Development			\$ 100,000.00	
Dewberry Engineers - Strategic Plan Development			\$ 47,775.00	
KFH Group - Regional Bus Feasibility Study			\$ 58,909.45	
Sign Enterprise - Sign Relocation			\$ 34,725.00	
Transfers to other funding sheets			\$2,996,462.67	
Pittsylvania County overpayment of incentives			\$ 87,295.64	
Totals	\$ 3,415,979.07	\$ 1,970,284.23	\$ 12,466,390.84	\$ 8,163,530.00
			Restricted ¹	\$ 336,168.81
			Unrestricted	\$ 6,419,019.69
			Committed	\$ 963,651.41

¹ Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

² Please note that this is only interest received on RIFA's general money market account.

Danville-Pittsylvania Regional Industrial Facility Authority
Monthly Disbursements
June 2025

Check Number	Date	Vendor Name	Paid Amount
	6/4/2025	City of Danville	74.98
	6/4/2025	City of Danville	68.83
	6/4/2025	Tyson Farms	1,806,420.00
2746	6/9/2025	Dewberry Engineers Inc	1,050.00
2747	6/9/2025	Economic Leadership LLC	40,000.00
2748	6/9/2025	IALR	23,342.11
2749	6/9/2025	IALR	500.22
2750	6/9/2025	Virginia Risk Sharing Association	3,665.00
2751	6/9/2025	WSP USA Inc	373,049.74
	6/13/2025	Sign Enterprise	34,725.00
2752	6/17/2025	Dewberry Engineers Inc	6,825.00
	6/17/2025	Deluxe	230.96
	6/20/2025	City of Danville	40.50
	6/30/2025	Virginia Small Business Financing	8,566.43

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position^{1,2}
June 30, 2025*

	Unaudited FY 2025
Assets	
<i>Current assets</i>	
Cash - checking	\$ 142,152
Cash - money market	8,431,317
Accounts receivable	394,450
Prepays	3,665
<i>Total current assets</i>	8,971,584
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	20,802
Restricted cash - debt service fund CCC bonds	21,567
Capital assets not being depreciated	24,901,055
Capital assets being depreciated, net	19,233,152
Construction in progress	36,923,354
<i>Total noncurrent assets</i>	81,099,930
Total assets	90,071,514
Liabilities	
<i>Current liabilities</i>	
Accrued interest	243,397
Accounts Payable	410,343
Unearned income	600
Economic development payable - current portion	147,000
<i>Total current liabilities</i>	801,340
<i>Noncurrent liabilities</i>	
Loans payable - less current portion	6,395,000
<i>Total noncurrent liabilities</i>	6,395,000
Total liabilities	7,196,340
Net Position	
Net investment in capital assets	74,683,363
Restricted - debt reserves	21,567
Unrestricted	8,170,244
Total net position	\$ 82,875,174

¹ Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

² Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

*Please note these statements are for the period ended June 30, 2025 as of June 30, 2025, the date of preparation. Due to statement preparation occurring in close proximity to month-end, these statements may not include some pending adjustments for the period.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
June 30, 2025*

	Unaudited FY 2025
Operating revenues	
Reimbursement of grants	1,826,830
Rental income	296,180
Other Income	6,252,265
Total operating revenues	8,375,275
Operating expenses ⁴	
Mega Park expenses ³	1,274,641
Cane Creek Centre expenses ³	2,461,903
Cyber Park expenses ³	271,395
Professional fees	99,599
Other operating expenses	262,640
Total operating expenses	4,370,178
Operating income (loss)	4,005,097
Non-operating revenues (expenses)	
Interest income	149,130
Interest expense	(66,036)
Total non-operating expenses, net	83,094
Net income (loss) before capital contributions	4,088,191
Capital contributions	
Contribution - City of Danville	451,442
Contribution - Pittsylvania County	451,442
Total capital contributions	902,884
Change in net position	4,991,075
Net position at July 1, 2024	77,884,099
Net position at June 30, 2025	\$ 82,875,174

³ A portion or all of these expenses may be capitalized at fiscal year-end.

⁴ Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
June 30, 2025*

	Unaudited FY 2025
Operating activities	
Receipts from grant reimbursement requests	\$ 4,731,183
Receipts from leases	296,180
Other receipts	5,890,026
Payments to suppliers for goods and services	(7,449,732)
Net cash provided (used) by operating activities	3,467,657
Capital and related financing activities	
Purchase/disposal of capital assets	(1,963,117)
Proceeds from long-term debt	1,895,000
Capital contributions	902,884
Interest paid	(34,324)
Principal repayments on bonds	(205,000)
Net cash provided by capital and related financing activities	595,443
Investing activities	
Interest received	149,130
Net cash provided by investing activities	149,130
Net increase (decrease) in cash and cash equivalents	4,212,230
Cash and cash equivalents - beginning of year (including restricted cash)	4,403,608
Cash and cash equivalents - through June 30, 2025 (including restricted cash)	\$ 8,615,838
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ 4,005,097
Adjustments to reconcile operating loss to net cash used by operating activities:	
Non-cash operating in-kind expenses	
Non-cash economic incentive expenses	
Changes in assets and liabilities:	
Change in prepaids	(229)
Change in due from other governments	
Change in other receivables	2,905,228
Change in accounts payable	(3,441,564)
Change in unearned income	(875)
Net cash provided (used) by operating activities	\$ 3,467,657
Components of cash and cash equivalents at June 30, 2025:	
American National - Checking	\$ 142,152
American National - General money market	8,431,317
Wells Fargo - \$7.3M Bonds CCC Debt service fund	21,567
Wells Fargo - \$7.3M Bonds CCC Project fund	20,802
	\$ 8,615,838



DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.D.
DATE: July 14, 2025
FROM: Corrie Bobe [Danville Director of Economic Development + Tourism
RE: [See Agenda Item 7C below to be considered after closed meeting]

ATTACHMENTS

1. Resolution 2025-07-14-7C
2. Exhibit A

A RESOLUTION APPROVING THE FORM OF A LOCAL PERFORMANCE AGREEMENT TO BE EXECUTED BY THE AUTHORITY AND OTHERS, WHERE NO PREVIOUS PUBLIC ANNOUNCEMENT HAS BEEN MADE OF THE BUSINESS OR INDUSTRY'S INTEREST IN LOCATING ITS FACILITY IN THE AUTHORITY'S CYBER PARK LOCATED IN DANVILLE, VIRGINIA, UNDER WHICH AGREEMENT, THE AUTHORITY, THE CITY OF DANVILLE, VIRGINIA, AND THE COUNTY OF PITTSYLVANIA, VIRGINIA WOULD PROVIDE TO A COMPANY OR INDUSTRY KNOWN AND RECOMMENDED BY THE AUTHORITY'S STAFF, CERTAIN INCENTIVES, IN EXCHANGE FOR, AMONG OTHER THINGS, THE CREATION BY THE COMPANY OF 36 NEW JOBS WITH AN AVERAGE ANNUAL WAGE OF AT LEAST \$77,173.00, EXCLUDING STANDARD FRINGE BENEFITS, AND CERTAIN MINIMUM CAPITAL INVESTMENT OF \$12,503,300.00, OVER A PERFORMANCE PERIOD OF 10 YEARS

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority, the City of Danville, Virginia (the "**City**"), and the County of Pittsylvania County, Virginia (the "**County**"), in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity; and

WHEREAS, [*To be disclosed at meeting*] (the "**Company**"), and an affiliate of [*to be disclosed at meeting*], has agreed to establish and operate a wire alloy manufacturing facility in one of the Authority's industrial park projects; provided, however, the Company shall initially enter into a short-term Temporary High Bay Lease at the Main Building of the Institute for Advanced Learning and Research in the Authority's Cyber Park project located in Danville, Virginia (the "**Cyber Park**"); and

WHEREAS, the Authority desires to execute and deliver a local performance agreement with the Company (the "**LPA**"), as more particularly set forth on **Exhibit A**, attached hereto and incorporated herein by this reference, where the Authority, the City or the County would provide to the Company a Danville-Pittsylvania County Industrial Enhancement Grant of up to an estimated \$77,303.00; a Danville-Pittsylvania County Enterprise Zone Jobs Grant of up to an estimated \$36,000.00; and a 6-Month High Bay Lease Reimbursement Grant up to an estimated \$36,000.00, in exchange for capital investments of at least \$12,503,300.00 and the creation of 36 full-time jobs with an average yearly base wage of at least \$77,173.00; and

WHEREAS, the Authority's Board of Directors has determined that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to approve, execute and deliver the LPA.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby authorizes and approves the execution and delivery of the LPA with the Company, as described in this Resolution and substantially in the form of Exhibit A, each of the Authority's Chairman and Vice Chairman, in consultation with the other, is authorized to further modify a LPA on such terms and conditions as the Chairman or Vice Chairman, in consultation with the other, determines to be reasonable, appropriate and consistent with this Resolution and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver a LPA, and all other related documents to consummate the transaction, on behalf of the Authority, such execution of a LPA, and related documents by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any modifications as consulted by and between the Chairman and Vice Chairman.

2. The Authority hereby authorizes and directs the City Manager Officer, the County Administrator Officer, and the Authority's staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the LPA, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the LPA and the matters contemplated therein or related thereto on or before the date of this Resolution is adopted.

4. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on July 14, 2025, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 14th day of July 2025.

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial Facility
Authority

(SEAL)

Exhibit A
(Local Performance Agreement)

LOCAL PERFORMANCE AGREEMENT

THIS LOCAL PERFORMANCE AGREEMENT (this "**Agreement**"), made and entered into as of the 14th day of July 2025, by and among **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**RIFA**"); the **COUNTY OF PITTSYLVANIA, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**County**"); the **CITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the "**City**"); and _____, a _____ company _____ (the "**Parent Company**"), and _____, a Virginia limited liability company (the "**Company**");

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

Section 1. - Recitals. The parties recite the following facts:

a. In order to stimulate economic growth and development of the community by creating jobs and infrastructure, RIFA, the County and the City have agreed to provide incentives to new and expanding businesses which conduct industrial activity.

b. The Parent Company is a _____ manufacturer headquartered in _____. The Parent Company provides _____ for _____ applications.

c. The Company has agreed to establish and to operate a manufacturing facility (the "**Facility**") within one of RIFA's industrial park projects; provided, however, the Company shall initially enter into a short-term lease (the "**Temporary High Bay Lease**") at the Main Building of The Institute for Advanced Learning and Research (the "**Institute**") in RIFA's Cyber Park project located in Danville, Virginia (the "**Cyber Park**"). The Temporary High Bay Lease would comprise of office and high bay space, commonly known as the MEP space.

d. During the Performance Period (as defined below), the Company plans to make capital investments of at least Twelve Million Five Hundred Three Thousand Three Hundred and 00/100 Dollars (\$12,503,300.00) of Capital Investment (as hereafter defined), comprised of approximately (i) Three Million One Hundred Eighty Eight Thousand Three Hundred and 00/100 Dollars (\$3,188,300.00) to or for the Facility and (ii) Nine Million Three Hundred Fifteen Thousand and 00/100 Dollars (\$9,315,000.00) in machinery, tools, fixtures, equipment and other tangible personal property for use at the Facility. In addition, the Company plans to create thirty six (36) new full-time jobs at the Facility with an average yearly base wage of at least Seventy

Seven Thousand One Hundred Seventy Three and 00/100 Dollars (\$77,173.00), as set forth in this Agreement.

e. Each of RIFA, the County and the City is willing to provide those certain incentives to the Company summarized in **Schedule 1(e)**, attached hereto and incorporated herein by this reference, provided that the Company satisfies certain criteria relating to employment projections and capital investment as described below.

f. Each of RIFA, the County and the City finds that the provisions of this Agreement and the commitments of the Company will promote the expansion of industry by inducing industrial development within the Cyber Park, and that such development will promote the safety, health, welfare, convenience and prosperity of the citizens of the County and the City.

Section 2. - Definitions. For the purposes of this Agreement, the following terms shall have the following definitions:

a. "**Agreement**" shall mean this Local Performance Agreement and shall have the same meaning as set forth in the header paragraph.

b. "**Capital Investment**" means a capital expenditure by or on behalf of the Company in taxable real property, taxable tangible personal property, or both, at or for use at the Facility. A capital expenditure related to a leasehold interest in real property will be considered to be made "**on behalf of the Company**" if a lease between a Government Party (or a third party developer) and the Company is a capital lease, or is an operating lease having a term of at least ten (10) years, and the real property would not have been constructed or improved but for the Company's interest in leasing some or all of the real property. Only the capital expenditures allocated to the portion of the real property to be leased by the Company will count as Capital Investment. The purchase or lease of furniture, fixtures, machinery and equipment, including under an operating lease for use at the Facility, will qualify as Capital Investment hereunder.

c. "**City**" shall have the same meaning as that term in the header paragraph of this Agreement.

d. "**Company**" shall have the same meaning as that term in the header paragraph of this Agreement.

e. "**County**" shall have the same meaning as that term in the header paragraph of this Agreement.

f. "**Cyber Park**" shall have the same meaning as that term in Section 1(c).

g. "**Danville-Pittsylvania County Industrial Enhancement Grant**" shall have the same meaning as that term in Section 5(a) below.

h. "***D-P Enterprise Zone Jobs Grant***" shall have the same meaning as that term in Section 5(b) below.

i. "***Event of Default***" shall have the same meaning as that term in Section 9 below.

j. "***Event of Force Majeure***" shall mean without limitation, any of the following: acts of God; strikes, lockouts or other industrial labor disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the Commonwealth or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; pandemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; terrorism; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Company; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company. The provisions of this paragraph shall not operate to excuse the Company from the prompt payment of any sums owed to any Government Party under the terms of this Agreement. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of the Company.

k. "***Facility***" shall have the same meaning as that term is used in Section 1(c) above.

l. "***Government Party***" or "***Government Parties***" shall mean any one or more of RIFA, the County and the City.

m. "***High Bay Lease Reimbursement Grant***" shall have the same meaning as that term is used in Section 5(c) below.

n. "***Institute***" shall have the same meaning as that term is used in Section 1(c) above, namely The Institute for Advanced Learning and Research.

o. "***Maintain***", as it pertains to a New Job, shall mean that the New Job will continue without interruption from the date of creation through the Performance Date. Positions for the New Jobs will be treated as Maintained during periods in which such positions are not filled due to (i) temporary reductions in the Company's employment levels (so long as there is active recruitment for open positions), (ii) strikes and (iii) other temporary work stoppages not to exceed sixty (60) days.

p. "***New Job***" shall mean new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are provided by the Company for the employee, and for which the Company pays an average annual wage of at least Seventy Seven Thousand One Hundred Seventy Three and 00/100 Dollars (\$77,173.00), excluding standard fringe benefits. Each New Job must require a minimum of either (i) thirty-five (35) hours of an employee's time per week for the entire normal year of the Company's operations, which "**normal**

year" must consist of at least forty-eight (48) weeks, or (ii) one thousand six hundred eighty (1,680) hours per year. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth of Virginia, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs.

q. "**Parent Company**" shall have the same meaning as that term in the header paragraph of this Agreement.

r. "**Performance Date**" shall mean the date that is ten (10) years after the date of this Agreement.

s. "**Performance Period**" shall mean that period of time commencing on the date of this Agreement and ending on the Performance Date.

t. "**Property**" shall collectively mean the Facility, the Building, and all other improvements on and appurtenances to the Facility or the Building.

u. "**Recruitment Documents**" shall mean any one or more of this Agreement, the Facility Lease, any and all performance grant agreements or applications executed by the Company pertaining to incentives described in this Agreement and any other document(s) executed, at the request of RIFA, by the Company in connection with this Agreement.

v. "**RIFA**" shall have the same meaning as that term in the header paragraph of this Agreement.

w. "**State Grants**" shall mean those certain state grant programs of the Commonwealth of Virginia as set forth in Section 6(a) below.

x. "**Temporary High Bay Lease**" shall have the same meaning as that term is used in Section 1(c) above.

y. "**VEDP**" shall mean the Virginia Economic Development Partnership, a political subdivision of the Commonwealth of Virginia.

Section 3. - Capital Investment; New Job Creation; and Virginia Domestication/New Entity Formation by the Company.

a. \$12,503,300.00 Capital Investment. On or before the Performance Date, the Company shall to make Capital Investment in the minimum aggregate amount of Twelve Million Five Hundred Three Thousand Three Hundred and 00/100 Dollars (\$12,503,300.00) to or for the Facility, of which approximately Three Million One Hundred Eighty Eight Thousand Three Hundred and 00/100 Dollars (\$3,188,300.00) shall be for the establishment of the Facility (whether

through a facility lease as referenced in Section 4 below or otherwise as permitted under the definition of Capital Investment), and approximately Nine Million Three Hundred Fifteen Thousand and 00/100 Dollars (\$9,315,000.00) in machinery, tools, fixtures, equipment and other tangible personal property for use at the Facility.

b. 36 New Jobs. The Company shall create thirty six (36) New Jobs on or before the fifth (5th) anniversary of this Agreement and will Maintain such New Jobs through the Performance Date. On February 1 and August 1 of each year during the Performance Period, the Company shall produce and deliver to RIFA a New Jobs roster itemizing, at a minimum, each New Job and the base pay (excluding fringe benefits), as described in Section 2(p) above and any other information pertaining to such New Job employees as may be reasonably requested by RIFA. The Company shall redact from the New Jobs roster any personally identifiable information of its employees. The Company hereby authorizes each of the County's Economic Development Director, the City Economic Development Director and the RIFA Treasurer or his respective designees to obtain and to verify the information contained in the New Jobs roster from the Virginia Employment Commission.

c. Domestication in Virginia. The Company shall be in good standing with the Virginia State Corporation Commission and be authorized to transact business in Virginia throughout the balance of the Performance Period.

d. Progress Report. Beginning on the first day of the month that is at least six (6) months after the commencement of Facility Lease and annually thereafter during the Performance Period, the Company shall produce and deliver to RIFA the form attached hereto as Schedule 3(d), with verification reasonably satisfactory to the RIFA, the Company's progress on the New Jobs and Capital Investment.

Section 4. - Temporary High Base Lease; Long-Term Facility

a. Temporary High Bay Lease. Within sixty (60) days after the date of this Agreement, the Company shall enter into a short-term lease at the Institute pursuant to the terms of the Temporary High Bay Lease.

b. Long-Term Facility. No later than six (6) months after the date of this Agreement, the Company shall notify RIFA of the Company's plans to relocate its operations within one of RIFA's industrial parks for a term of at least ten (10) years for the establishment and operation of the Facility.

Section 5. - Funds Extended to or for the Company

a. Estimated \$77,303.00 Danville-Pittsylvania County Industrial Enhancement Grant. Subject to appropriations, RIFA shall pay to the Company a Danville-Pittsylvania County Industrial Enhancement Grant (the "**Danville-Pittsylvania County Industrial Enhancement**

Grant") in an amount equal to forty percent (40%) of: (i) the real estate taxes imposed upon the Facility that are paid by the Company and actually received by the City, respectively, during the first five (5) tax years after the execution of this Agreement; and (ii) the machinery and tools tax imposed upon the Company that are paid by the Company and actually received by the City, during the first five (5) tax years after the execution of this Agreement. The estimated value of the Danville-Pittsylvania County Industrial Enhancement Grant is equal to Seventy Seven Thousand Three Hundred Three and 00/100 Dollars (\$77,303.00). This grant shall not be disbursed in advance of the Company's performance of the requirements of such grant. After this grant is disbursed, this grant is subject to recapture by RIFA in the event the Company fails to make the Capital Investment and/or create and Maintain the New Jobs on or before the Performance Date.

b. Up to \$36,000.00 Danville-Pittsylvania County Enterprise Zone Jobs Grant. Subject to appropriations, the City and the County acknowledge that under the City-County's Enterprise Zone program, the Company's Capital Investment for the Facility and creation of New Jobs as contemplated in this Agreement could qualify for up to Thirty Six Thousand and 00/100 Dollars (\$36,000.00) in value in the form of one-time cash payments of One Thousand Two Hundred and 00/100 Dollars (\$1,200.00) per job (the "**D-P Enterprise Zone Jobs Grant**"). The City and the County shall disburse such grant according to the terms and conditions of their Enterprise Zone program. After this grant is disbursed, this grant is not subject to recapture by the City, the County or any other Government Party in the event the Company fails to make the Capital Investment and/or create and Maintain the New Jobs on or before the Performance Date.

c. \$36,000.00 6-Month High Bay Lease Reimbursement Grant. Subject to appropriations, RIFA shall reimburse (but shall not advance to) the Company, for the first six (6) months after the execution of this Agreement, for fifty percent (50%) of the lease payments made by the Company to and actually received by the Institute under the Temporary High Bay Lease, up to the aggregate reimbursement of Thirty Six Thousand and 00/100 Dollars (\$36,000.00) (the "**High Bay Lease Reimbursement Grant**"). The High Bay Lease Reimbursement Grant shall be payable in monthly installments to the Company within thirty (30) days after RIFA's confirmation that the Institute has received such monthly rent payment from the Company. The maximum reimbursement in any given month shall not exceed Six Thousand and 00/100 Dollars (\$6,000.00). Nothing in this Section 5(c) shall be deemed or construed to create a guaranty relationship or principal-agent relationship between RIFA and the Company. The Company hereby authorizes RIFA to receive information from the Institute regarding all aspects of the Temporary High Bay Lease. After this High Bay Lease Reimbursement Grant is disbursed, this grant is subject to recapture by RIFA or any other Government Party as set forth in Section 11 below, in the event the Company fails to make at least Five Million Nine Hundred Ninety Seven Thousand Six Hundred and 00/100 Dollars (\$5,997,600.00) in the Capital Investment and/or create and Maintain at least one hundred twenty seven (27) New Jobs on or before the Performance Date.

Section 6. - Other Incentives.

a. State Grant Applications. RIFA or other Government Parties shall apply for and/or

accept State Grants as follows:

- i. Up to \$80,000.00 Commonwealth's Opportunity Fund Grant. As a condition to and as a part of the application for the Commonwealth's Opportunity Fund Grant, RIFA (or other Government Party, as the case may be) and the Company shall enter into a performance grant agreement with VEDP. If the application for such grant is approved, RIFA shall disburse the funds to the Company upon the Company's satisfaction or achievement of certain performance metrics as set forth in such performance grant agreement.
- ii. Up to \$109,500.00 Virginia Enterprise Zone Job Creation Grant. As a condition to and as a part of the application for a Virginia Enterprise Zone Job Creation Grant, RIFA (or other Government Party, as the case may be) and the Company shall enter into a performance grant agreement with the Virginia Department of Housing and Community Development, estimated at up to One Hundred Nine Thousand Five Hundred and 00/100 Dollars (\$109,500.00). If such application for such grant is approved, RIFA (or other Government Party, as the case may be) shall disburse the grant according to the terms and conditions of the Virginia Enterprise Zone program.
- iii. Up to \$347,130.00 Virginia Manufacturing Sales and Use Tax. The Company may realize a savings from sales and use tax exemptions of up to Three Hundred Forty Seven Thousand One Hundred Thirty and 00/100 Dollars (\$347,130.00), subject to the Company's compliance with all applicable rules, regulations, and requirements for claiming such exemptions.
- iv. Up to \$30,000.00 Virginia Jobs Investment Program Grant. RIFA shall reasonably assist the Company in applying for grants under the VEDP's Virginia Jobs Investment Program, estimated at up to Thirty Thousand and 00/100 Dollars (\$30,000.00). If such application for such grant is approved, the VEDP (or if allowed by the program, RIFA) shall disburse the grant according to the terms and conditions of the Virginia Jobs Investment Program.

The Company shall reasonably cooperate with the Government Parties in connection with the applications for the State Grants, including without limitation providing financial information about the Company, the Company's planned Capital Investment, and the creation schedule of the New Jobs.

If the application for any such grant described above is approved, RIFA (or other

Government Party, as the case may be) shall disburse the funds to the Company upon the Company's satisfaction or achievement of certain performance metrics as set forth in a performance grant agreement.

Section 7. - Capital Investment Report and Annual Financial Statements. The Company shall provide a signed report to RIFA annually, beginning on January 1, 2026, documenting the Company's (or as applicable, the Parent Company's) progress in Capital Investment and in maintenance of the Capital Investment. The Company further agrees that each of the County's Economic Development Director, the City Economic Development Director and the RIFA Treasurer or his respective designees are authorized to verify all taxable Capital Investment and related information through the Office of the Commissioner of Revenue of the County and of the City, respectively. Along with the report in this Section, the Company (or the Parent Company) shall provide to RIFA financial statements covering the previous twelve (12) month period, and documentation or other information reasonably satisfactory to RIFA demonstrating the Company's plans to have sufficient working capital for it to operate its business at the Facility for at least the next eighteen (18) months and to meet its required Capital Investment as set forth in this Agreement. Such financial statements need not be certified or prepared by a certified public accountant.

Section 8. - Representations and Warranties of the Company. As of the date of this Agreement and continuing until the Performance Date, the Company hereby represents and warrants to each Government Party the following:

a. The Company is a limited liability company duly organized, validly existing, and in good standing under the laws of the Commonwealth of Virginia as of the date of this Agreement, and is authorized to transact business in all jurisdictions in which it is required by law. At all times during the Performance Period, the Company shall maintain its current affiliation with the Parent Company. The Company shall give immediate written notice to RIFA in the event of a change in the Company's affiliation with the Parent Company or in the ownership of the Company.

b. This Agreement, the transactions contemplated herein, and the other Recruitment Documents to be executed by the Company or the Parent Company, as applicable, have been or shall have been approved by all necessary company action by the Company or the Parent Company, as applicable; and the persons executing this Agreement and any of the other Recruitment Documents to be executed by the Company or the Parent Company have or shall have full and complete authority to execute and deliver the same for and on behalf of the Company or the Parent Company.

c. The execution, delivery, and performance of this Agreement, the other Recruitment Documents, and the consummation of the transactions contemplated hereby and thereby by the Company will not violate, conflict with, or result in any default under, or cause any acceleration of any obligation under, any (i) organizational documents of the Company (including without limitation Articles of Organization, Operating Agreement, buy-sell agreement, or other

organizational documents of the Company); (ii) any existing contract, agreement, note, or other document to which the Company is a party, or by which the Company is bound; or (iii) any orders, decrees, or laws of any jurisdiction applicable to and binding upon the Company.

d. This Agreement and all other Recruitment Documents constitute the legal, binding and enforceable obligations of the Company in accordance with the terms contained herein or therein.

e. There is no pending or threatened litigation or proceeding against the Company, the Parent Company or both, which is reasonably expected to affect, materially and adversely, the financial condition, business operations, or business prospects of the Company.

f. The Company is not in material default with respect to any existing indebtedness incurred by the Company. The Parent Company is not in material default with respect to any existing indebtedness incurred by it.

g. All financial statements, certificates, resolutions, and other information or documentation furnished to any one or more of the Government Parties prior to the date of this Agreement by the Company are true, correct, and accurate, and no such information fails to disclose or misrepresents any information which could materially or adversely affect the transactions contemplated in this Agreement; and the Company has not failed to disclose any information which could materially and adversely affect the business or financial condition of the Company.

For purposes of this Section 8, the "**Company**" shall, specifically and without limitation, include any permitted assignee of the Company to any one or more of the Recruitment Documents and the Parent Company.

Section 9. - Event of Default. It shall be an Event of Default upon the occurrence of any one or more of the following events:

a. The occurrence of any material default under this Agreement that is not cured within thirty (30) days after written notice to the Company of such default (or if such default cannot reasonably be cured within such thirty (30) day period, then if the Company fails to substantially begin such cure within such thirty (30) day period or fails thereafter to diligently pursue such cure). The cure period in this Section 9(a) shall specifically not apply to any Event of Default in Sections 9(e) through (g), inclusive below;

b. The occurrence of any default under any of the Recruitment Agreements and all applicable cure periods, if any, under that Recruitment Agreement have expired;

c. The Company is not in good standing with the Virginia State Corporation Commission after having received at least sixty (60) days written notice from the Commission;

d. The Company's failure to create thirty six (36) New Jobs under Section 3(b) on or before the fifth (5th) anniversary of this Agreement;

e. The Company discontinues full-time business at the Facility for a period of sixty (60) days or more during the Performance Period, except for Event of Force Majeure, or materially changes the nature of the Company's business or has appeared in the good faith determination by any one or more of RIFA, the City or the County that the Facility has been abandoned by both the Company and the Parent Company, provided however than any such determination by any one or more of RIFA, the City or the County shall only be made after giving prior written notice to Company and Parent Company with a period of twenty (20) days from such notice for the Company and Parent Company to provide reasonable evidence that the Facility has not been abandoned;

e. The Company (i) files a petition or has a petition filed against it under the Bankruptcy Code or any proceeding for the relief of insolvent debtors which is not dismissed within sixty (60) days of such filing; (ii) is subject to the entry of an order for relief by any court of insolvency; (iii) makes an admission of insolvency seeking the relief provided in the Bankruptcy Code or any other insolvency law; (iv) makes an assignment for the benefit of creditors; (v) has a receiver appointed, voluntarily or otherwise, for its property; or (vi) becomes insolvent, however otherwise evidenced;

f. The Parent Company (i) files a petition or has a petition filed against it under the Bankruptcy Code or any proceeding for the relief of insolvent debtors which is not dismissed within sixty (60) days of such filing; (ii) is subject to the entry of an order for relief by any court of insolvency; (iii) makes an admission of insolvency seeking the relief provided in the Bankruptcy Code or any other insolvency law; (iv) makes an assignment for the benefit of creditors; (v) has a receiver appointed, voluntarily or otherwise, for its property; or (vi) becomes insolvent, however otherwise evidenced; or

g. An officer or controlling owner of the Company or the Parent Company (i) is convicted of a felony, or (ii) is convicted of any other crime involving lying, cheating, stealing, fraud, misappropriation, or other similar acts of dishonesty.

For purposes of this Section 9, the "**Company**" shall, specifically and without limitation, include any permitted assignee of the Company to any one or more of the Recruitment Documents and the Parent Company.

Section 10. - Upon Occurrence of an Event of Default. In addition to and not in lieu of any other remedies or relief made available to any one or more of the Government Parties under this Agreement, at law or in equity, upon the occurrence of an Event of Default, irrespective of whether any Government Party has terminated this Agreement, each Government Party (as the case may be) may elect any one or more of the following:

a. The Government Party may immediately cease to disburse any further payments to or for the Company under this Agreement or the Recruitment Documents;

b. The Government Party may give written notice to the Company exercising the right to accelerate the Company's obligation to repay any advances or other unpaid indebtedness of the Company to that Government Party, declaring the outstanding balance to be immediately due and payable;

c. In the event the Company enters into a long-term Facility lease with a Government Party, the Government Party shall have the right to deem that the Company is in default of such long-term Facility lease;

d. The Government Party shall have the right to demand the Company to immediately refund the Danville-Pittsylvania County Industrial Enhancement Grant as set forth in Section 5(a) above; however, if the Event of Default is based on the Company's failure to make the Capital Investment and/or to create and Maintain New Jobs as required in this Agreement, the amount of the refund shall be calculated as set forth below in Section 11 below;

e. The Government Party shall have the right to demand the Company to immediately refund the High Bay Lease Reimbursement Grant paid by RIFA under Section 5(c) above; however, if the Event of Default is based on the Company's failure to make the Capital Investment and/or to create and Maintain New Jobs as required in this Agreement, the amount of the refund shall be calculated as set forth below in Section 11 below;

f. The Government Party shall have the right to demand the Company to immediately refund the unearned portion of the Commonwealth Opportunity Fund Grant as set forth in Section 6(a)(i) above; however, if the Event of Default is based on the Company's failure to make the Capital Investment and/or to create and Maintain New Jobs as required in this Agreement, the amount of the refund shall be calculated as set forth below in Section 11 below

g. Upon giving written notice to the Company, the Government Party shall have the right, but not the obligation, to offset any amounts owed by the Government Party against amounts owed or claimed to be owed by the Company; or

h. The Government Party may pursue any and all other remedies available to it under this Agreement, any one or more of the Recruitment Documents or applicable law.

The parties also agree to waive all claims against one another for any consequential damages that may arise out of or relate to this Agreement. The provisions of this paragraph also apply to the termination of this Agreement, and will survive such termination.

Notwithstanding anything to the contrary contained herein, if the Company repays RIFA all

amounts due under Section 11 below in full, any Event of Default due to the Company's failure to make Capital Investment and/or to create and Maintain New Jobs (but due to no other default) shall be deemed cured for the purposes of this Agreement and all other Recruitment Documents and, in such instance, no Government Party shall have the right to exercise its default rights under this Agreement or any of the other Recruitment Documents.

Section 11. - Repayment of Grants for Failure to make the Capital Investment and/or to create and Maintain New Jobs. In the event the Company fails to make the Capital Investment and/or to create and Maintain New Jobs as required under this Agreement and such failure constitutes an Event of Default, the Company shall repay to RIFA portions of certain grants as follows:

a. Failure to make the Capital Investment. In the event the Company fails to make the Capital Investment as required under this Agreement and such failure constitutes an Event of Default, the Company shall repay to RIFA an amount equal to the sum of the following:

- i. Repayment of a portion of Danville-Pittsylvania County Industrial Enhancement Grant. An amount equal to fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the Capital Investment actually made by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, and (B) the denominator of which is Eleven Million Two Hundred Fifty Two Thousand Nine Hundred Seventy and 00/100 Dollars (\$11,252,970.00); plus
- ii. Repayment of a portion of the High Bay Lease Reimbursement Grant. An amount equal to fifty percent (50%) of the total amount of the High Bay Lease Reimbursement Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the Capital Investment actually made by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the High Bay Lease Reimbursement Grant actually disbursed as of the Performance Date, and (B) the denominator of which is Eleven Million Two Hundred Fifty Two Thousand Nine Hundred Seventy and 00/100 Dollars (\$11,252,970.00); plus
- iii. Repayment of a portion of the Commonwealth Opportunity Fund Grant. An amount equal to fifty percent (50%) of the total amount of the Commonwealth Opportunity Fund Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the

Capital Investment actually made by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the Commonwealth Opportunity Fund Grant actually disbursed as of the Performance Date, and (B) the denominator of which is Eleven Million Two Hundred Fifty Two Thousand Nine Hundred Seventy and 00/100 Dollars (\$11,252,970.00).

b. Failure to Create and Maintain New Jobs. In the event the Company fails to create and Maintain New Jobs as required under this Agreement and such failure constitutes an Event of Default, the Company shall repay to RIFA an amount calculated as follows:

- i. Repayment of a portion of Danville-Pittsylvania County Industrial Enhancement Grant. An amount equal to fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the New Jobs actually Maintained by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the Danville-Pittsylvania County Industrial Enhancement Grant actually disbursed as of the Performance Date, and (B) the denominator of which is thirty three (33) New Jobs; plus
- ii. Repayment of a portion of the High Bay Lease Reimbursement Grant. An amount equal to fifty percent (50%) of the total amount of the High Bay Lease Reimbursement Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the New Jobs actually Maintained by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the High Bay Lease Reimbursement Grant actually disbursed as of the Performance Date, and (B) the denominator of which is thirty three (33) New Jobs; plus
- iii. Repayment of a portion of the Commonwealth Opportunity Fund Grant. An amount equal to fifty percent (50%) of the total amount of the Commonwealth Opportunity Fund Grant actually disbursed as of the Performance Date, minus the following calculation: an amount equal to the New Jobs actually Maintained by the Company as of the Performance Date multiplied by a fraction, (A) the numerator of which is fifty percent (50%) of the total amount of the Commonwealth Opportunity Fund Grant actually disbursed as of the Performance Date, and (B) the denominator of which is thirty three (33) New Jobs.

Section 12. - Audit and Guideline Requirements. Upon reasonable prior written request,

the Company shall allow each of the County's Economic Development Director, the City Economic Development Director and the RIFA Treasurer (or his respective designees) reasonable access during regular business hours to all records pertaining to the Company's employment and investment at the Facility, and the Company shall cooperate with RIFA in any audit of such records by furnishing all information necessary to verify the Company's performance under this Agreement. In return, each of RIFA, the County and the City agrees to maintain the confidentiality of any and all proprietary, confidential and/or sensitive information, including without limitation personal payroll earnings or similar information that those Government Parties or its designees may receive or access.

Section 13. - Extension of Performance Period due to Event of Force Majeure. Notwithstanding the foregoing, if the Company does not meet the New Job and Capital Investments requirements due to one or more occurrence of an Event of Force Majeure, the Performance Date will be extended day-for-day by the delay in meeting the targets caused by the Event of Force Majeure. However, prior to Performance Date, the Company shall promptly notify RIFA of each occurrence of an Event of Force Majeure and provide reasonable documentation thereof.

Section 14. - Subject to Annual Appropriations. As provided under Virginia law, the obligations of the Government Parties to pay the cost of performing its obligations under this Agreement are subject to and dependent upon annual appropriations being made from time to time by the governing body of such Government Party, for such purpose.

Section 15. - Non-waiver. No waiver of any term or condition of this Agreement by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Agreement.

Section 16. - Attorneys' Fees. Each of the parties shall be solely responsible for their respective attorneys' fees in the negotiating, drafting, and execution of this Agreement and any of the transactions contemplated hereby.

Section 17. - Other Documents. The parties agree that they shall execute, acknowledge, and deliver all such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement.

Section 18. - Default – Attorneys' Fees. In the event that a Government Party incurs attorneys' fees and/or costs in pursuing or defending an alleged breach of this Agreement, the non-prevailing party, in addition to any other remedy, shall be responsible for the reasonable attorneys' fees and costs incurred by such Government Party if it prevails. The parties retain all rights at law and in equity to enforce the provisions of this Agreement in accordance with applicable law.

Section 19. - Entire Agreement. This Agreement and the schedules hereto contain the entire agreement and understanding of the parties to this Agreement with respect to the transactions

contemplated hereby and the subject matter hereof.

Section 20. - Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 21. - Notices. Any notice required or contemplated to be given to any of the parties by any other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to RIFA:

Danville-Pittsylvania Regional
Industrial Facility Authority
Attn.: Susan M. DeMasi, Authority Secretary
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

With a copy to:

Michael C. Guanzon, Esq.
Christian & Barton, LLP
901 E. Cary Street, Suite 1800
Richmond, VA 23219-4037

If to the County:

Attn.: Matthew D. Rowe
Director of Economic Development
1 Center Street
P.O. Box 426
Chatham, VA 24531

With a copy to:

County Attorney's Office
1 Center Street
P.O. Box 426
Chatham, VA 24531

If to the City:

Attn.: Corrie T. Bobe
Director of Economic Development
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541
USA

With a copy to:

W. Clarke Whitfield, Jr., Esq.
City Attorney
427 Patton Street, Room 421
P.O. Box 3300 (zip code 24543)
Danville, VA 24541
USA

If to the Company:

With a copy to:

If to the Parent Company:

With a copy to:

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. Copies as set forth in this Section 21 are provided as a courtesy and shall not be required to effectuate notice as provided herein.

Section 22. - Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties hereby submit to the exclusive jurisdiction of the state court located in the City of Danville, Virginia, Pittsylvania County, Virginia, or the U.S. District Court for the Western District of Virginia (Danville Division), in any action or proceeding arising out of, or related to this Agreement, and the parties hereby agree that all claims in respect of any action or proceeding shall be heard or determined only in either of these courts. The parties agree that a final judgment in any action or proceeding shall, to the extent permitted by applicable law, be conclusive and may be enforced in other jurisdictions by suit on the judgment, or in any other manner provided by applicable law related to the enforcement of judgments. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

Section 23. - Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

Section 24. - Amendment, Modification and/or Supplement. The parties may amend, modify, and/or supplement this Agreement in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest.

Section 25. - Gender and Number. Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine, and the singular number to include the plural, and vice versa.

Section 26. - Counterparts. This Agreement may be executed in one (1) or more

counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement. A facsimile or scanned copy (*.pdf) signature to this Agreement shall have the same effect as an original for all purposes.

Section 27. - Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Section 28. - Survival. Any termination, cancellation or expiration of this Agreement notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

Section 29. - No Third-Party Beneficiaries. Except as expressly stated in this Agreement, this Agreement is not intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Section 30. - Guarantee by the Parent Company. The Parent Company does hereby absolutely and unconditionally guarantee the performance and discharge of all the Company's obligations under this Agreement and all of the Recruitment Documents. No Government Party need first exhaust their legal remedies against the Company or its successors and assigns before proceeding against the Parent Company.

[SIGNATURES ARE ON FOLLOWING PAGES.]

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT**
as of the date first above written:

**DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY**, a
political subdivision of the Commonwealth of
Virginia

By: _____
J. Lee Vogler, Jr., Chairman

(SEAL)

List of Schedules

1(e) - Summary of Incentives

3(d) – Progress Report

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT**
as of the date first above written:

COUNTY OF PITTSYLVANIA, VIRGINIA, a
political subdivision of the Commonwealth of
Virginia

By: _____
Robert M. Tucker, Jr., Chairman
Board of Supervisors

(SEAL)

List of Schedules

1(e) - Summary of Incentives

3(d) – Progress Report

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT**
as of the date first above written:

CITY OF DANVILLE, VIRGINIA, a Virginia
municipal corporation

By: _____
Kenneth F. Larking
City Manager

(SEAL)

List of Schedules

- 1(e) - Summary of Incentives
- 3(d) – Progress Report

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT**
as of the date first above written:

By: _____

(SEAL)

List of Schedules

1(e) - Summary of Incentives

3(d) – Progress Report

WITNESS our signature and seal to this **LOCAL PERFORMANCE AGREEMENT**
as of the date first above written:

By: _____

(SEAL)

List of Schedules

1(e) - Summary of Incentives

3(d) – Progress Report

Schedule 1(e)
(Summary of Incentives)

Incentives	Value, Estimated Value or Maximum Value
Danville-Pittsylvania County Industrial Enhancement Grant (§5(a)) – estimated value	\$77,303.00
Danville-Pittsylvania County Enterprise Zone Jobs Grant (§5(b)) – estimated value	\$36,000.00
6-Month High Bay Lease Reimbursement Grant (§5(c)) – estimated value	\$36,000.00
Commonwealth’s Opportunity Fund Grant (§6(a)(i)) – maximum value	\$80,000.00
Virginia Enterprise Zone Job Creation Grant (§6(a)(ii)) – estimated value	\$109,500.00
Manufacturing Sales and Use Tax Exemptions (§6(a)(iii)) – estimated value of savings	\$347,130.00
Virginia Job Investment Program (§6(a)(iv)) – maximum value	\$30,000.00
TOTAL INCENTIVES	\$715,933.00

Schedule 3(d)
Progress Report

ANNUAL PROGRESS REPORT

Companies are required to report annually towards their progress in meeting the outlined targets for capital investment, average annual wage, and job creation.

PROJECT SUMMARY:

Project	PROJECT WIRE
Location	
Amount of Grant	
Performance Reporting Period	
Performance Date ¹	

¹Requests to extend a company's performance date must be submitted prior to the performance date.

PROJECT PERFORMANCE:

Performance Measurement	Target	As of 12/31/20__	% Complete
New Jobs²			
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
Capital Investment (provide breakdown below) ³			
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
Average Annual Wage			N/A
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
Standard Fringe Benefits (check one)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A
Virginia Corporate Income Tax Paid in Prior Calendar Year⁴			

²Data will be verified using Virginia Employment Commission records.

³Data may be verified with locality records.

⁴This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA.

Capital Investment Breakdown	Amount
Land	\$

Capital Investment Breakdown	Amount
Land Improvements	\$
New Construction	\$
Production Machinery and Tools	\$
Furniture, Fixtures and Equipment	\$
Other	
Total	\$

COMMENTS:

Discuss project status, including the current level of new jobs and capital investment, progress on targets, changes or likely changes in project’s nature that may impact achievement of targets, and other information relevant to project performance. If the project is not on track to meet targets, please provide an explanation.

TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: _____

Submitted By: _____
Signature of Officer Title

Name: _____
Print Name

Phone: _____ Email: _____

Date: _____

Please return to:

Danville-Pittsylvania Regional Industrial Facility Authority
Attn.: Susan M. DeMasi, Authority Secretary
P.O. Box 3300 (Zip Code 24540-3300)
427 Patton Street
Danville, VA 24541