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 13, 2026

12:00 PM

County of Pittsylvania Members
William V. ("Vic") Ingram, Chairman
Robert M. Tucker, Jr.
Darrell W. Dalton, Alternate

City of Danville Members
Sherman M. Saunders, Vice Chairman
J. Lee Vogler, Jr.
Dr. Gary P. Miller, Alternate

Staff
Kenneth F. Larking, City Manager Officer
Vincent E. 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 Special Called Meeting held on May 18, 2026, and Regular Meeting held on June 8, 2026.

5. **OLD BUSINESS**

   A. Consideration of Resolution No. 2026-06-08-5B, adopting amendments to the Authority's Bylaws regarding: (1) clarifying the process of setting an agenda, where the City Manager Officer and County Administrator Officer prepare a draft agenda for the Chairman's approval and if the Chairman does not reject or modify the draft agenda, such draft agenda becomes the agenda, which can be changed by the Chairman during a regular meeting; (2) stating the Chairman shall call a special meeting if certain events occur as described in Article VII, paragraph 3; and (3) providing the Secretary may adjust the time or date of a meeting if the Secretary determines that the Authorities directors and/or alternates will unlikely meet quorum requirements for a meeting – Michael C. Guanzon, Esq., Christian & Barton, L.L.P., Authority Legal Counsel.

6. **NEW BUSINESS**

   A. Consideration of Resolution No. 2026-07-13-6A, ratifying that certain Local Performance Agreement dated June 14, 2026, with SAC III Acquisition Co., LLC, a Delaware limited liability company, as authorized by Resolution No. 2026-05-18-4A - Mr. Guanzon

   B. Consideration of Resolution No. 2026-07-13-6B, authorizing the negotiation, execution and delivery of a subdivision and combination plat concerning Tracts 10, AB and L of the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, and the Authority's adjacent real property (Tax Map 1366-12-5834), commonly known 5981 Berry Hill Road, in support of that certain Purchase and Sale Agreement dated March 9, 2026, by and between the Authority and SAC III Acquisition Co., LLC, a Delaware limited liability company - Matthew D. Rowe, Director of Economic Development, Pittsylvania County; and Shawn R. Harden, PE, Senior Associate, Dewberry Engineers, Inc.

   C. Consideration of Resolution No. 2026-07-13-6C, authorizing the negotiation, execution and delivery of that certain Performance Agreement by and between the Authority as grantee and Virginia Economic Development Partnership Authority

(“VEDP”), a political subdivision of the Commonwealth of Virginia, as grantor, for a Virginia Business Ready Site Program (“VBRSP”) Grant in the amount of $6,000,000.00, for the purpose of extending natural gas infrastructure in the Authority’s Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, along with the negotiation, execution and delivery of associated agreements with the City of Danville, Virginia (the “City”), under which the City would cause the construction of such work and the Authority would serve as fiscal agent for the VBRSP Grant, with the ultimate transfer of such infrastructure to the City; and amendments or consents under that certain Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, as amended, or in the alternative, if approved by VEDP, the assignment by the Authority of the VBRSP Grant to the City – Jason Grey, Director of Utilities, City of Danville, Virginia; and Mr. Guanzon.

D. Report on contracts executed by the City Manager Officer and County Administrator Officer pursuant to Bylaws Article IV, Paragraph 2 – Kenneth F. Larking, City Manager, City of Danville, Virginia and Vincent E. Shorter, County Administrator, Pittsylvania County, Virginia.

E. Financial Status Report as of June 30, 2026.

7. 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.*

8. RETURN TO OPEN SESSION

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

B. Motion to Certify Closed Meeting.

9. COMMUNICATIONS

A. Authority Board Members

B. Staff

10. ADJOURN

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 4.A.

DATE: July 13, 2026

FROM: Susan DeMasi | Authority Secretary

RE: Consideration of Approval of Minutes from Special Called Meeting held on May 18, 2026, and Regular Meeting held on June 8, 2026.

ATTACHMENTS

1. Meeting Minutes - 05-18-26s
2. Meeting Minutes - 06-08-26

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
May 18, 2026s

A Special Called Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 2:00 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Chairman William V. Ingram, Robert Tucker and Alternate Darrell Dalton.

City/County staff members attending were: City Manager Ken Larking, County Administrator Vincent Shorter, Deputy City Manager Earl Reynolds, Authority Treasurer Michael Adkins, Assistant City Manager Briana Evans, City of Danville Interim Director of Economic Development Mike Legg, City of Danville Assistant Director of Economic Development Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Legal Counsel to the Authority Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present was Steven Green, Beth JoJack, Alan Taylor, Nick Manor and Kate Smiley Via Zoom, Charles Wilborne from the *Register & Bee and Grace Mamon from Cardinal News*.

Chairman William V. Ingram presided.

PUBLIC COMMENT PERIOD

Mr. Ingram recognized Mandy Eagle, who stated she lived off of Echols Farm Road and noted her concern was the lack of transparency when it comes to the public, not feeling represented by their Board, and wanted reassurance. Ms. Eagle stated she felt there should be more communication and outreach to the public.

Mr. Ingram recognized Errin Hall, who stated she lived off of Berry Hill Road and noted her concern was they did not receive any notification about this meeting. Ms. Hall noted people could have issues with their wells, electrical issues, EMF radiation and wildlife.

Mr. Ingram recognized Sonja Wollen representing the Dan River Basin Association, who stated they were asking to continue to be invited to the table as discussions ensue about this. They were the regional watershed conservancy, they field many questions from the public about the environment and like their information to be as accurate as possible.

Mr. Ingram recognized Lawrence Kegerreis, owner of a business in Danville in the River District, a farmer in the region, and on the Southern Piedmont Technology Council Board. Mr. Kegerreis noted he wanted to speak in support of the data center at Berry Hill.

Mr. Ingram recognized Luanne, resident of Danville, who noted she attended the meeting held previously and she had additional questions about the water supply, data centers, options for expansion and who will pay for that.

4. NEW BUSINESS

Pittsylvania County Director of Economic Development Matt Rowe reviewed his power point presentation, noting staff toured over twelve data centers and campuses, they have seen good and bad, and as part of their due diligence with STACK, looked at what they personally offer. There have been numerous community meetings throughout the rezoning process at the Megasite, the acquisition of the property, and the new roadways going through the area;

the rezoning was handled legally and properly, they notified more citizens than they were required to by law.

Mr. Rowe reviewed the STACK digital infrastructure campus proposal. The investment as stated will be $100B over a thirty-year period, 2,500 full-time badged employee jobs, over a 20 year period. The average wage of those jobs was $80,500, with cost-of-living adjustments typical with these types of projects. Directly from the data center review from JLARC, they anticipate a multiplier effect of seven times which means for every job created on site, there would be an additional six jobs created within the surrounding community. Mr. Rowe stated he applauded this group on the negotiation with STACK; they have one of the highest sales prices per acre outside of Zone 1 which was Northern Virginia, Prince William, Loudon, or Fairfax Counties, at $238,000 per gross acre. The project was receiving absolutely no discretionary, monetary incentives from Danville Pittsylvania County. The Megasite was in an Enterprise Zone, so they do have to provide $1,000 per full time job created and do have to waive the actual land development use fees. If they were not to do that, they would lose their designation and it would impact their zones throughout the County. That was a nondiscretionary incentive.

Mr. Rowe explained they have a Letter of Intent and Purchase and Sale Agreement executed; the LPA was ready for approval, which was what was being considered today, and were working on a Local Community Benefits Plan which was also being negotiated. This project represents one of the largest, single site investments ever announced in the US, and represents the largest private investment ever announced in Virginia since Virginia was keeping records in 1990. The project represents the second largest job creation for non-office related uses, manufacturing and data centers, ever announced in Virginia since 1990. Number one was Micron Technologies, they announced a 4,000-job project in August of 1995. It was very important to note that this project was dependent on the State honoring its commitment to existing agreements including the State's current data center sales and use tax exemption expiration date. Every time the servers were refreshed, based on the current legislation that was in the place, the sales tax associated with the purchase of those servers, because they were replacing those servers on average every three to five years, the sales tax and use exemption becomes a large play at the state level. At the local level, they were not waiving or doing any kind of tax rebates or incentives.

Mr. Rowe reviewed the Local Performance Agreement, and stated the Pittsylvania County Board of Supervisors will establish a separate data center equipment tax rate of $1.62 per $100; that was much higher than the communities of Louisa, Fredericksburg or Mecklenburg. This rate shall be static to the project to provide long term certainty as long as the project was performing and meeting the stated requirements. The tax rate will not be subject to the accelerated depreciation schedule. Job creation requirements were clearly defined and enforceable with required monetary payments should they not meet them. Minimum tax payments were guaranteed, so for the first 1,000 acres, the company will be required to pay taxes of at least $16.25M per year and for every acre purchased beyond the initial 1,000, an additional $16,250 payment per acre shall be applied to that minimum tax payment. If the Company does not meet the investment they said they were going to meet or don't do anything with the land, they were guaranteeing that RIFA will get $48,587,500 per year. Should the company default with the provisions of the Local Performance Agreement, the Pittsylvania County Board of Supervisors have the right to increase or modify the data center equipment tax rate.

Mr. Rowe reviewed local revenue potential, stating based upon conservative financial modeling, the total estimated expected local revenue was between $2.5 and $3.3B over a twenty-year period; this included the land sale. This would represent one of the most lucrative, single economic development projects realized in the US for the local host. Mr. Rowe compared this to the costs and incentives required for other Megasite projects.

A cloud data center such as the Microsoft Campus in Boydton, employs around 50 full-time employees per building. AI data centers, which would be the majority of the facilities at the Megasite, employ around 150 full time employees per building. An AI training facility such as Stargate, and other large campuses, can employ upwards of 1,500 plus full-time employees and the Megasite can handle multiple such facilities. The project targeted for the Southern Virginia Megasite was AI facilities, and an example of scale was the recently announced Stargate projects which could employ over 1,000 persons per campus. Mr. Rowe noted he did heard one of comments that the job numbers can't be right, it had to be construction workers. Construction on this project would occur at the site for the next 12-18 plus years. They will be looking at between 2,000 to 4,000 plus construction workers on site at the height of construction. That was outside of the 2,500 FTEs. Construction will require the utilization of regional trades and contractor base, and resources from outside the region. They do not have enough contractors and trades people in this area for this kind of project; no place in the country does. That was where outside contractors come in; there will be a lot of demand for electrical, HVAC workers, etc.

Mr. Rowe explained any and all water use at the Megasite for the data centers will be municipal source which comes from existing surface water intakes from the Dan River, meaning there was no impact to groundwater and neighboring wells. The Megasite has infrastructure that can provide 7M gallons per day of municipal water. That does not mean that they were going to utilize it; it just means that was what they had designed the Megasite for and that was the infrastructure that could be put in place. The City of Eden, North Carolina has over 13M gallons per day of excess water capacity due to the closure of Miller Coors Brewing. As of May 17, 2026, while there was a severe drought, the Dan River and the City of Danville had a daily flow of 331M gallons per day; the normal flow rate was about 1.3B gallons per day. That was from the USGS, a government source. The majority of facilities use a closed loop system which reduces water use; recharge typically occurs every ten years. The recharge was the blow down, and that was where they fill it up; this was from the JLARC report. No use at the Megasite would equal the historic withdrawals from the Dan River by the City of Eden or the City of Danville. Dan River Mills at one point pulled over 15M gallons of water per day. Coors Brewing in Eden back then utilized about 17M gallons per day; there was a tremendous amount of water in the past that was taken out for over 100 years.

Mr. Rowe stated comparing the expected water use to other projects this body had considered and met criteria for the Megasite, a typical car plant would look at 1.5M gallons per day, EV battery plants use upwards of 4M+ gallons per day, some up to 8 or 9M gallons per day. Semiconductor plants were tremendous water users, about 10M per day. The actual Microporous facility that will be in the Megasite will be looking at somewhere between 150,000 to 300,000 gallons per day. Due to the size of the infrastructure at the Megasite, they need a large water user to eliminate the need to flush the water lines and tanks. All the users at the SVMS were served by municipal sewer; they have a 4M gallons per day capacity available to serve the park; this will be further increased. The City of Eden has over 10M gallons per day of wastewater capacity and a very robust treatment plant. Since the site was served by municipal sewer, there was no potential risk for groundwater or surface water contamination. The question about what happens when they blow it down, will it go into a well, or groundwater, it will go into the municipal system that goes back to the City of Eden and into their wastewater plant. STACK infrastructure will enter into an electric service agreement with Appalachian Power Company. Any and all costs associated with providing power to the campus will be paid by STACK; that will be in their contract with Appalachian Power. The Megasite was accepted into ApCo's service territory in the mid-2000's. The site's surrounding properties were all still in the Danville Utility service territory and this project cannot have any impact on their respective rates, positive or negative. Southern Virginia in general needs additional long term base load generation.

The new designs for Cloud AI data center facilities have significantly reduced sound levels to less than standard industrial operations. Crypto mining was horrible; there are a lot of Facebook and You Tube videos that show the sound, those are actually crypto facilities. This would not be occurring at the Megasite. Staff has visited numerous data centers, both as a guest and have done it randomly and they have only heard obnoxious sounds from one specialized facility near Memphis, TN; all other facilities have had very little to no sound. Emergency generators test once a month for a short period of time and at the STACK Infrastructure facility that they toured, they looked at the run rate on the emergency generator and it had 59 hours of run time from 2023 to 2026, roughly two hours per month. Mr. Rowe noted construction sound, which was associated with any industrial build out, may be noticeable at times. It was a large construction site, with large construction activities and sounds associated with such uses. Mr. Rowe noted with regard to sound and light considerations, Dark Sky principles will be followed to minimize light impacts. New data center facilities generate very little lighting impacts as compared to other industrial uses.

Mr. Rowe compared other megasites and projects with job creation, average wages, total payroll impact, with Microporous and STACK. Mr. Rowe noted whether people were pro-growth, or not, this was what was happening in the region. The announcements between November 2024 to June 2026, assuming the state works out the needed legislation for this project, were transformative for this region. In November 2024, Microporous announced \$1.35B and 1,832 good paying jobs. In the northern part of the County, Avio USA, announced 1,546 good paying jobs, and \$.5B of investment. Looking at these projects alone, they represent over \$101.8B in direct capital investment, 5,878 direct jobs contributing to an annual payroll of \$439M. These were \$74,720 per annual jobs; the current average in Pittsylvania County was \$49,000 per year. If the goal of the Authority was to improve the social economics of the region, the numbers certainly point that these projects will do that.

Dr. Miller noted he has studied these for four years and his thinking has flipped. Initially, he was worried about the noise; the noise was negligible. The human ear attenuates; when a person listens to a sound, after about two or three minutes, they will block it out it. Dr. Miller questioned the state incentives and Mr. Rowe explained the state incentive was the Local Sales and Use tax exemption which was very important for them. Dr. Miller noted the data center industry has progressed; initially, they used a lot of water, but now they were recycling the water and running it back through the system. His biggest objection had been employees, there weren't any employees, but they employ a lot of employees. Mr. Rowe noted the actual full-time employees were coming to work as the buildings were being built. Dr. Miller said every three to five years the computer equipment has to be redone, what do they do with that waste, where does that go. Mr. Rowe explained in northern Virginia, a company was established in Fredericksburg that takes those servers apart to get the valuable material out of them so they can be repurposed; none of it goes back to the landfill, or any hazardous material. They were too valuable; there was only so much gold and rare earth minerals that make up the processors; they get recycled so they can be utilized for future use. Mr. Vogler thanked Mr. Rowe for the presentation; he felt it answered a lot of the questions people in the community had. When they say 2,500 full-time jobs, that was completely separate from the estimated 2,000 to 4,000 construction workers and Mr. Rowe noted that was correct. Mr. Vogler stated this was not data center, it was a digital campus that will be made up of multiple buildings. This project will use substantially less water than what had historically was used in the Miller plant and through Dan River Mills. Mr. Vogler noted he thought those were a large part of the concerns that citizens have had. Mr. Tucker noted data centers were driving the economy in Virginia and asked Mr. Rowe to speak to that; Mr. Rowe noted it was a tremendous industry for the state. Data center growth, whether someone was for or against, was propping up the national economy. People don't understand how interconnected they have all become, and how much they use data centers; it was something that was here to stay.

4A. CONSIDERATION OF RESOLUTION 2026-05-18-4A AUTHORIZING THE NEGOTIATION OF A LOCAL PERFORMANCE AGREEMENT

Mr. Tucker **moved** for approval of *Resolution 2026-05-18-4A, a Resolution Authorizing the negotiations, execution and delivery of a Local Performance Agreement ("LPA"), in connection with Resolution No. 2026-03-09 for Closing Conditions under that certain Purchase and Sale Agreement dated March 9, 2026 (The "PSA"), between the Authority and SAC III Acquisition Co., LLC, a Delaware Limited Liability Company ("SAC3"); under the LPA, SAC3 would agree at a minimum (I) to make certain Capital Investments to or for the Authority's Southern Virginia Megasite in Pittsylvania County, Virginia, of at least $100 Billion over a 30-Year Performance Period and (II) the creation of at least 2,500 Full Time Equivalent (FTEs) new jobs over a 20 year Performance Period, with a FTE annual compensation of at least $80,500.00, subject to a Cost of Living Adjustment during the Performance Period.*

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

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

Meeting adjourned at 3:02 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY
Minutes
June 8, 2026

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:11 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Vice Chairman Sherman M. Saunders, and Alternate Dr. Gary P. Miller. J. Lee Vogler, Jr., was absent. Pittsylvania County Members present were Chairman William V. Ingram, Robert Tucker and Alternate Darrell Dalton.

City/County staff members attending were: City Manager Ken Larking, County Administrator Vincent Shorter, Authority Treasurer Michael Adkins, Assistant City Manager Briana Evans, Pittsylvania County Director of Finance Kim Van Der Hyde, City of Danville Accountants Jaime Pritchett and Zachary Lovelace, City of Danville Director of Public Works Rick Drazenovich, Assistant Director of Economic Development Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe – via zoom, Legal Counsel to the Authority Michael Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Linda Green, Pittsylvania County Supervisor Ken Bowman, Brian Bradner, Shawn Harden and Joseph Snead from Dewberry.

Chairman William V. Ingram presided.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE SPECIAL CALLED MEETING ON APRIL 24, 2026, AND REGULAR MEETING ON MAY 11, 2026

Upon **Motion** by Mr. Saunders and **second** by Mr. Tucker, Minutes from the April 24, 2026 Special Called Meeting and May 11, 2026, Regular Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION 2026-06-08-5A AUTHORIZING NEGOTIATION OF A DEED OF EASEMENT WITH TYSON FARMS

Pittsylvania County Director of Economic Development Matt Rowe noted this Resolution was to enable an easement from the Tyson property to an existing force main. The consideration was $100, it was about 1,000 square feet and for Tyson to contribute up to $500 for any associated legal fees. This was in support of Tyson, they have done a great job, exceeded all their metrics, and hopefully this will allow them to have further expansion opportunities.

Mr. Tucker **moved** for adoption of *Resolution 2026-06-08-5A, a Resolution authorizing the negotiation, execution and delivery of a Deed of Easement between the Authority and Tyson Farms, Inc., a North Carolina Corporation, as Grantee, under which the Authority would grant a Sewer Pipeline Easement over, through and along that certain real property (GPIN 2347-28-1224) located in the Authority's Cane Creek Centre Project, located in Pittsylvania County, Virginia, in order to install a Sanitary Sewer Pipeline and related improvements to serve Tyson's Facility.*

The Motion was **seconded** by Dr. Miller and carried by the following vote:

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

5B. CONSIDERATION OF AMENDMENTS TO THE BYLAWS

Mr. Guanzon explained this was to clean up some items in RIFA's bylaws. Under the bylaws, staff needs ten days' notice for changes, this was more than 30 days' notice, and the Board will not vote on this until the next meeting. One change was to clarify setting the agenda; the City Manager Officer and County Administrator Officer will come up with a draft agenda and get that to the chairman or vice chairman; they can always amend or delete items. If staff does not hear from them, they will finalize the agenda to keep within the notification process. On the day of a regular meeting, the Chairman or anyone here, can always make a motion to amend the agenda. For special meetings, only what was listed on the agenda was heard, nothing else can be brought up that was unrelated to that special meeting. The other part was, there were circumstances for a special meeting and who can request the meetings. The Chairman at all times can call a special meeting, but if the City Manager and County Administrator jointly ask for a meeting, it was clarifying that there will be a meeting. This cleans up everything, if other circumstances exist where the City and County representatives want a special meeting, then the chairman shall call the special meeting.

5C. CONSIDERATION OF RESOLUTION 2026-06-08-5C AUTHORIZING THE CHAIRMAN TO COMMISSION A MEMORIAL PLAQUE (NO WRITTEN RESOLUTION)

Mr. Ingram noted he wanted to do something to honor County native Timothy Saunders who was killed in a terrorist attack while onboard the USS Cole. The idea came up to have a special memorial near the new ATDM center. Mr. Ingram stated he reached out to Dewberry and the Institute, and Dewberry recommended a bronze plaque similar to what was already there, and put it in the area nearest the flag pole. Mr. Ingram noted it was on the agenda for discussion, and to authorize payment for the bronze plaque not to exceed $7,000. Mr. Ingram questioned Mr. Bradner from Dewberry if he thought the $7,000 number was appropriate and Mr. Bradner explained that was the number Mr. Hassen provided. Mr. Ingram questioned if it would be appropriate to do a Resolution later to commemorate the date and Mr. Guanzon noted staff would be glad to do that closer to the commemoration time. Mr. Ingram noted they could have a County or County and City, Timothy Saunders' Day.

Dr. Miller noted this was a long time coming, the other sailors have a plaque, this will be just for Timothy. Mr. Ingram stated the sooner they can decide on moving forward, the sooner they can look at a date. He was hoping for a date in October which would mark the 26th anniversary, but that probably will not work; they can come up with a date that was most convenient for the family and the Board.

Mr. Tucker **moved** to approve *Resolution 2026-06-08-6C, a Resolution authorizing the Chairman of the Authority to commission a memorial plaque honoring the late Timothy Saunders who was killed while serving in the United States Navy, where such memorial plaque will be placed at the flag poles near the entrance of the new Accelerated Training in Defense Manufacturing building in the Authority's Cyber Park project located in Danville,* *Virginia, and where the fees for the memorial plaque will not exceed $7,000.00 and the expenditure of such funds are subject to certification by the Authority's Treasurer that funds are available within a budget line item previously approved by the Authority for such purposes or the budget sheet entitled, "unassigned, unencumbered general funds" and proceed. [no written resolution]*

The Motion was **seconded** by Dr. Miller.

Mr. Saunders thanked Mr. Ingram; this was very personal and emotional for him, and asked Mr. Guanzon if he could abstain from voting on this, as it was a family matter. Mr. Guanzon noted he could. Mr. Saunders stated he was honored and thanked the Chairman. Mr. Dalton noted he did not have a vote in this, but he would support this item.

The **Motion** was carried by the following vote:

VOTE:	3-0-1
AYE:	Ingram, Tucker, Miller (3)
NAY:	None (0)
ABSTAIN:	Saunders (1)

5D. REPORT ON CONTRACTS EXECUTED BY THE CITY MANAGER OFFICER AND COUNTY ADMINISTRATOR OFFICER

City Manager Ken Larking noted Authority Treasurer Michael Adkins was handing out a document showing the purchases that were approved by him and Mr. Shorter over the past year. This was just a report to the Board and if they have any questions about any items, to let them know. There were no questions from the Board.

5E. FINANCIAL STATUS REPORT AS OF MAY 31, 2026

Authority Treasurer Michael Adkins gave the Financial Status report as of May 31, 2026, beginning with General Expenditures for the current fiscal year with legal expenses to Christian & Barton of $13,027.00, Fed Ex charges related to the Averett closing of $103.98, meals paid to the Institute of $700.20, the monthly utility bill of $113.42, and the recurring maintenance payment to Sellars Brothers of $5,950. Next was the recurring loan interest for the purchase of the Hairston property of $8,824.39, and cemetery relocation expenses beginning with Evergreen Lawn Maintenance for $26,112.50, Sellars Brothers for $700.00 and WSP for $48,892.65, all of which were budgeted under the Cemetery Relocation. In response to Mr. Ingram, Mr. Rowe explained that Evergreen Lawn Maintenance installed the pavers in the cemetery and did all of the landscaping work. There was no activity for Lot 4, Lots 1 and 2, Water and Sewer at Berry Hill, and the Cyber Park for the month of May. Under Rent, Interest and Other Income, RIFA received $6,750.00 for Averett University, for the closing of the purchase of the North Campus; it was in the middle of May, so that was a pro-rated amount. RIFA also received $23,358.02 from the Institute related to the Hawkins' Building, a payment from Crown Castle for their June rent of $1,750.00 and also Axxor for the entrance sign lease of $500.00. Miscellaneous income included a payment from the VRSA; there was damage to a house on Beauford Road, RIFA received the insurance payment of $13,500 and will be spending that on the clean-up that Sellars Brothers has already done. RIFA also received $10,000 from Mountain Valley Pipeline for the right of way and easement.

Under Expenses for this past month showed $15,300 to Dewberry Engineers related to the Averett North Campus Phase 1 study and also the final payment to Economic Leadership LLC for the strategic plan of $54,500; that was funded by a grant from DRF and RIFA has already received reimbursement from them. Also, the Hawkins' Building Maintenance Fee to the Institute of $23,358.02, to Christian and Barton related to the Averett closing, including the purchase, a total of $3,383,785.78; that was the first installment payment plus legal fees for that. There was also a principal payment on the Hairston Property for $4,214.83.

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

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

<u>5F. FISCAL YEAR 2027 GENERAL EXPENDITURES BUDGET</u>

Authority Treasurer Michael Adkins reviewed the 2027 General Expenditures Budget noting there were only a few differences from last year's adopted budget.

The Hairston property loan that the City and the County have been providing funds to pay, has been incorporated into the budget for next year under Proposed Funding; there was an increase from each locality. Usually it was $125,000 per locality, the proposed amount that each locality has already budgeted was $203,236; that covers the General Expenses plus the debt service on the loan. In addition, staff was anticipating a transfer from Unrestricted Funds of $136,830, that will only be spent if there were invoices that needed that funding. Under Expenses, everything was pretty much the same except for the debt service on the Hairston property, that has been factored in. Staff also increased the legal fees by $50,000, and they were able to decrease other general administrative items by about $9,500. There was a balanced budget presented.

Mr. Tucker **moved** to adopt the General Expenditures Budget; the Motion was **seconded** by Mr. Saunders and carried by the following vote:

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

<u>6. CLOSED SESSION</u>

At 12:36 p.m. Mr. Saunders **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 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, Miller (4)
NAY: None (0)

7. RETURN TO OPEN SESSION

On **Motion** by Mr. Tucker and **second** by Dr. Miller and by unanimous vote at 1:22 p.m., the Authority returned to open meeting.

Dr. Miller **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. Tucker and carried by the following vote:

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

8. COMMUNICATIONS

Mr. Bradner noted invitations were sent for the open house for their new offices on June 8th.

Board Members noted it was a good meeting and to keep up the good work. Mr. Saunders noted that Dewberry has been with RIFA from the beginning on the Megasite and wanted to know if there was a way to publicly thank them. Dr. Miller noted his agreement; they take Dewberry for granted, they do a great job and the Board appreciated what they do. Mr. Ingram noted his agreement with what has been said, and they may need to do a better job to be inclusive of people that have worked behind the scenes. Mr. Ingram thanked staff for what they do.

Meeting adjourned at 1:30 p.m.

APPROVED:

____
Chairman

____
Secretary to the Authority

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 5.A.

DATE: July 13, 2026

FROM: Michael Guanzon | Legal Counsel to Authority

RE: Consideration of Resolution No. 2026-06-08-5B, adopting amendments to the Authority's Bylaws regarding: (1) clarifying the process of setting an agenda, where the City Manager Officer and County Administrator Officer prepare a draft agenda for the Chairman's approval and if the Chairman does not reject or modify the draft agenda, such draft agenda becomes the agenda, which can be changed by the Chairman during a regular meeting; (2) stating the Chairman shall call a special meeting if certain events occur as described in Article VII, paragraph 3; and (3) providing the Secretary may adjust the time or date of a meeting if the Secretary determines that the Authorities directors and/or alternates will unlikely meet quorum requirements for a meeting – Michael C. Guanzon, Esq., Christian & Barton, L.L.P., Authority Legal Counsel.

ATTACHMENTS

1. Resolution 2026-07-13-5A

Resolution No. 2026-07-13-5A

A RESOLUTION ADOPTING AMENDMENTS TO THE AUTHORITY'S BYLAWS PREVIOUSLY CONSIDERED UNDER 2026-06-08-5B AT THE REGULAR MEETING HELD JUNE 8, 2026 REGARDING: (1) CLARIFYING THE PROCESS OF SETTING AN AGENDA, WHERE THE CITY MANAGER OFFICER AND COUNTY ADMINISTRATOR OFFICER PREPARE A DRAFT AGENDA FOR THE CHAIRMAN'S APPROVAL AND IF THE CHAIRMAN DOES NOT REJECT OR MODIFY THE DRAFT AGENDA, SUCH DRAFT AGENDA BECOMES THE AGENDA, WHICH CAN BE CHANGED BY THE CHAIRMAN DURING A REGULAR MEETING; (2) STATING THE CHAIRMAN SHALL CALL A SPECIAL MEETING IF CERTAIN EVENTS OCCUR AS DESCRIBED IN ARTICLE VII, PARAGRAPH 3; AND (3) PROVIDING THE SECRETARY MAY ADJUST THE TIME OR DATE OF A MEETING IF THE SECRETARY DETERMINES THAT THE AUTHORITY'S DIRECTORS AND/OR ALTERNATES WILL UNLIKELY MEET QUORUM REQUIREMENTS FOR A MEETING.

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, as amended; and

WHEREAS, Article XIV ("**Amendments**") of the Amended and Restated Bylaws of the Authority Adopted August 13, 2007, and last revised February 9, 2026 (the "**Bylaws**") provides that the Bylaws "may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board, at any regular meeting of the Board ... , [with] at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors"; and

WHEREAS, at least one (1) week advance written notice of such proposed amendments to the Bylaws was given to the directors of the board; and

WHEREAS, the board believes it is in the best interests of the Authority to modify the Bylaws as provided herein to match actual practice regarding agenda production; to ensure directors have the power to call meetings as intended; and in order to ensure time and resources are not wasted on meetings where quorum will not be met; and

WHEREAS, **Schedule 1** more particularly describes the revisions to the Bylaws relating to the subject matter of this Resolution and such other technical corrections and textual edits.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the revisions to the Bylaws as set forth in **Schedule 1**. For purposes of textual edits shown on **Schedule 1**, whenever existing language is to be amended, the text of the existing provision will appear as follows: (A) additions shall be indicated with double underlines; and (B) deletion shall be indicated with strikeouts.

2. Except as amended by this Resolution, the Bylaws shall remain unchanged.

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

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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 13, 2026, 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 ____ day of July 2026.

____

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

(SEAL)

SCHEDULE 1

AMENDED AND RESTATED BYLAWS
OF
DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

AMENDED AND RESTATED BYLAWS
OF
DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Adopted August 13, 2007
Revised June 14, 2010
Revised August 9, 2010
Revised February 14, 2011
Revised April 11, 2011
Revised January 9, 2012
Revised March 12, 2012
Revised December 10, 2012
Revised February 11, 2013
Revised February 9, 2015
Revised March 14, 2016
Revised June 14, 2021
Revised June 13, 2022
Revised September 12, 2022
Revised December 12, 2022
Revised May 13, 2024
~~Last~~ Revised February 9 ,2026
Last Revised July 13, 2026

ARTICLE I. PURPOSES AND POWERS

Danville-Pittsylvania Regional Industrial Facility Authority (the "Authority") shall be organized and operated in accordance with Title 15.2, Chapter 64 of the Code of Virginia, 1950, as amended, also known as the Virginia Regional Industrial Facilities Act (the "Act"), as the same may be amended from time to time. The Authority shall also comply with all lawful directives as may be mutually agreed to between the City of Danville, Virginia (the "City"), and the County of Pittsylvania, Virginia (the "County"). The general purpose of the Authority shall be to enhance the economic base of the City and the County by developing, owning, and operating one or more facilities on a cooperative basis involving such localities (each locality being hereinafter referred to as a "Member Locality" or collectively hereinafter referred to as "Member Localities"), including without limitation the specific purpose to develop The Cyber Park of Danville and Pittsylvania County (as defined in the Agreement (as hereinafter defined)) and to develop one or more parcels in both the City and the County as regional industrial parks and for additional purpose of future development of other industrial properties or other reasons as permitted by the Act and as agreed upon by the Member Localities. The Authority shall have any and all powers under the Act, as the same may be amended from time to time.

ARTICLE II. OFFICES

1. The principal office of the Authority shall be located within a Member Locality as designated by the Board of Directors of the Authority (the "Board").

2. The title to all property of every kind belonging to the Authority shall be titled in the name of the Authority, which shall hold such title for the benefit of its Member Localities.

3. Except as otherwise required by resolution of the Authority, or as the business of the Authority may require, all of the books and records of the Authority shall be kept at the office to be designated as provided above.

4. The minutes of the Authority shall be open and available for inspection as required by The Virginia Freedom of Information Act, Virginia Code '' 2.2-3700 *et seq.*, as amended. Draft minutes shall be made reasonably available within ten (10) business days of the meeting to which they relate. Final minutes shall be made reasonably available within three (3) business days of approval by the Board.[1]

ARTICLE III. MEMBERSHIP

The Member Localities of the Authority are the City and the County, each of which is a political subdivision of the Commonwealth of Virginia, and each of which is authorized by the Act to participate in the Authority. The membership may, with unanimous approval of the Board, be expanded as may be authorized in the Act.

ARTICLE IV. MEMBER LOCALITY AGREEMENT

1. The Authority shall be governed by the Act, these Bylaws and by the Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, executed by the Governing Body of each Member Locality (the "Agreement"). The Agreement establishes the respective rights and obligations of the Member Localities and provides for revenue and economic growth-sharing arrangements with respect to tax revenues and other income and revenues generated by any facility owned by the Authority.

2. Without limiting the provisions of the Agreement, the Member Localities, acting jointly by and through the city manager and the county administrator, are authorized to incur, on behalf of the Authority, up to Fifty Thousand Dollars ($50,000.00) in reasonable expenses for any one item, with an aggregate limit of One Hundred Thousand Dollars ($100,000.00) in any calendar month; however, prior to incurring any such expenses under this paragraph, the Member Localities shall obtain the certification from the Treasurer that there are available funds designated therefor, which may include without limitation funds designated in the Authority's budget as "unassigned, unencumbered general funds" or its equivalent. The Member Localities, through the city manager and the county administrator, and the Treasurer shall report such expenses to the Board at its next regular meeting.[2]

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[1] 06/14/2010: Entire paragraph revised.

[2] 06/14/2021: New paragraph added to change and to clarify how expenses may be incurred on behalf of the Authority and to broaden the authority of the Member Localities acting jointly. Such expenses would be ultimately shared by the Member Localities under the Agreement for Cost Sharing and Revenue Sharing.

ARTICLE V. BOARD OF DIRECTORS

1. The powers, rights, and duties conferred by the Act upon the Authority shall be exercised by the Board, which shall consist of four (4) members selected as follows: two (2) members shall be appointed by the Governing Body of each Member Locality. In addition to the members of the Board, each Governing Body of each Member Locality shall select one (1) alternate director, to serve in the absence of a director appointed by the Governing Body of such Member Locality, in accordance with the provisions of these Bylaws.

2. Each Member Locality shall appoint to the Board one (1) member from its Governing Body to serve an initial two (2) year term and one (1) member from its Governing Body to serve an initial four (4) year term pursuant to the Act. Each Member Locality shall also appoint one (1) member from its Governing Body to serve an initial four (4) year term as an alternate director. Each appointee of a Governing Body shall be a resident of the Member Locality of that Governing Body. All subsequent terms shall be four (4) year terms[3]. Notwithstanding the foregoing, effective as of January 1, 2015, staggered Board terms shall not be required.[4] Furthermore, notwithstanding the foregoing, so long as a Board member is otherwise qualified to serve in accordance with these Bylaws (i.e., is a member of the appointing Governing Body), such Board member shall hold office until a successor is duly appointed by the appropriate Governing Body.[5]

3. In order to remain a director or alternate director of the Authority, such director or alternate director must be a current member of the Governing Body. Once a director or alternate director of the Authority is no longer a member of the Governing Body, the locality will appoint a new director or alternate director, as the case may be, from its Governing Body to fill the unexpired term of the vacating director or alternate director as the case may be. In the event of a vacating director, the alternate director from the same Member Locality shall serve until a replacement director is appointed by the Governing Body of such Member Locality, which shall have the authority to fill any such vacancies.

4. Each director or alternate director of the Board, before entering upon the discharge of the duties of the office, shall take and subscribe to the oath prescribed in Virginia Code ' 49-1, as amended, and shall serve in compliance with the Act, these Bylaws and the Agreement.

5. In the absence of a director appointed by the Governing Body of a Member Locality, the alternate director of the same Member Locality may act in place of such absent director. The

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[3] 02/11/2013: Deleted term limit of director and alternate director. Each Member Locality shall have the power to determine how many terms its appointed directors and alternate directors should serve.

[4] 02/09/2015: Added this sentence to eliminate, effective as of January 1, 2015, the requirement for staggered Board terms to address the situation where a Board member is not re-elected to the Governing Body of a Member Locality and a replacement must be appointed for a term which could affect the staggered terms.

[5] 02/09/2015: Added this sentence to address any gap that may arise between the end of the Board terms and the appointment by the Governing Body of Member Locality of new Board members (e.g., Board term expires December 31, but the appointing Governing Body of a Member Locality does not meet until the following January to appoint new Board members).

alternate director from one Member Locality shall not have the right to vote unless at least one (1) director from the same Member Locality is absent.

6. All powers and duties of the Authority shall be exercised and performed by the Board, acting by simple majority vote of those directors present at a meeting at which a quorum is present, except that no facilities owned by the Authority shall be leased or disposed of in any manner without a majority vote of the Board. A quorum shall consist of three (3) directors (including any alternate director entitled to vote at such meeting) of the Board. For the purposes of determining quorum, an alternate director from one Member Locality shall not be counted unless a director of the same Member Locality is absent. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Board.

7. Members of the Board shall be reimbursed for actual and reasonable expenses incurred the performance of their duties from funds available to the Authority.

ARTICLE VI. OFFICERS

1. The Board shall elect from its directors a Chairman and a Vice Chairman[6]. The director elected to the office of chairman shall alternate each term of office from one Member Locality to another Member Locality, beginning with the County.

2. The term of office for the officers shall be for the calendar year[7] in which they are elected, and shall continue until their successors are elected.

3. The duties of the Chairman shall be to preside at meetings of the Authority; to ~~prepare the agenda for any and all meetings, and to make a copy of such agenda available to the Secretary for the purpose of providing notice of special meetings as hereinafter provided~~ approve or modify all draft agendas prepared by the City Manager Officer, the County Administrator Officer, or both[8]; to call special meetings; to call special elections; to appoint committees as may be deemed appropriate to carry out the intents and purposes of the Authority; to be ex officio a member of all committees; to sign, with the Secretary or any other proper officer of the Authority authorized by the Board, any documents or instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer of the Authority, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of chairman and such other duties as may be prescribed by the Board from time to time. The Chairman shall have an equal vote with the other directors, and shall not have a second, tie-breaking vote on any question.

4. The Vice Chairman shall, in the absence or disability of the Chairman, perform the duties imposed upon the Chairman and exercise the powers granted to the Chairman, including without limitation those duties and powers set forth in these Bylaws.[9] The director elected to

[6] 08/09/2010: Vice Chairman inserted. Offices of Secretary and Treasurer shall be appointed by the Board from the Authority's staff.

[7] 12/10/2012: Officers are elected or appointed at the January regular meeting of the Board.

[8] 07/13/2026 Changed preparation of the agenda to review, revision and approval to improve work flow for meeting preparation.

[9] 08/09/2010: Entire new paragraph added.

the office of vice chairman shall not be from the same Member Locality as that of the Chairman.[10]

5. The Board shall appoint a Secretary and a Treasurer from the Authority's staff, which may include staff provided by a Member Locality or other persons employed or contracted by the Authority.[11] The offices of Secretary and Treasurer may be held by the same person.[12,13] If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office.[14]

a. The duties of the Secretary shall be to take the minutes of the meetings of the Board; to have custody of all records of the Authority; to have custody of the Seal of the Authority and to ensure that the Seal of the Authority is affixed to all documents or instruments, the execution of which on behalf of the Authority under its Seal is duly authorized by the Board; to sign with the Chairman (or the Vice Chairman, as the case may be)[15] any documents or instruments which the Board has authorized to be executed; to ensure that all notices are duly given as required by law, these Bylaws or by the Board; to be designated as the Freedom of Information Act Officer of the Authority as required by Virginia Code § 2.2-3704.2;[16] to call meetings of the Board to order in the absence of the Chairman and the Vice Chairman,[17] and thereupon to conduct an election for a temporary presiding officer for that meeting; and in general to perform all duties incident to the office of Secretary[18] and such other duties as from time to time may be assigned by the Board. In the absence of the Secretary, the Chairman shall appoint a director or alternate director or shall direct a member of the Authority's staff to be[19] responsible for the preparation of detailed minutes of any meeting.

b. The duties and authority of the Treasurer shall include: (a) the duty to keep suitable records of all financial transactions of the Authority; (b) the authority to arrange for the preparation of any audits of the financial records of the Authority, as may be directed by the Board; (c) the duty and authority to have charge and custody of all funds and arrange for their

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[10] 03/14/2016: New sentence added to be consistent with the intent of rotating of the chairman office as provided in paragraph 1 of Article VI ("Officers").

[11] 02/14/2011: The Authority's staff may include staff provided by a Member Locality or other persons employed or contracted by the Authority.

[12] 08/09/2010: Secretary and Treasurer shall by appointed by the Board from the Authority's staff.

[13] 02/14/2011: Corrected capitalization of Secretary and Treasurer.

[14] 02/14/2011: Added "If a person serving as Secretary or Treasurer ceases to be staff of a Member Locality, such person shall not be disqualified from serving as Secretary or Treasurer and shall continue to serve the remainder of the term of office unless such person is sooner removed or resigns from such office."

[15] 08/09/2010: Reference to Vice Chairman added.

[16] 09/12/2022: Added duty of Secretary to be the designated Freedom of Information Act officer as required by Va. Code § 2.2-3704.2.

[17] 08/09/2010: Reference to Vice Chairman added.

[18] 12/10/2012: Corrected capitalization of Secretary.

[19] 08/09/2010: Reference to the Authority's staff added.

investment and deposit in the name of the Authority when authorized by the Board; (d) the duty and the authority, in the absence of the Secretary, to perform all duties of the Secretary, except for those certain other duties which the Chairman, under the Bylaws, delegates to a director, alternate director, officer or staff member in the Secretary's absence[20]; and (e) in general, the duty and the authority[21] to perform all the duties incident to the office of Treasurer[22] and such other duties as from time to time may be assigned by the Board. The Treasurer shall give bond in such sum as may be fixed by the Board with surety to be approved by the Board. The cost of such surety shall be paid by the Authority.

6. The Board shall appoint a City Manager Officer and a County Administrator Officer.[23]

a. The City Manager Officer must be the city manager of the City, which, should the permanent city manager position then be vacant, may include an interim or acting city manager, or the equivalent highest level executive position employed by the City (the "City Manager Officer Eligibility Criteria"). In the event the City Manager Officer no longer meets the City Manager Officer Eligibility Criteria, that person shall be disqualified from continuing to serve and be deemed to have automatically resigned from office, and the Board shall appoint a new City Manager Officer, who meets the City Manager Officer Eligibility Criteria, to fill the unexpired term of the vacating City Manager Officer.

b. The County Administrator Officer must be the county administrator of the County, which, should the permanent county administrator position then be vacant, may include an interim or acting county administrator, or the equivalent highest level executive position employed by the County (the "County Administrator Officer Eligibility Criteria"). In the event the County Administrator Officer no longer meets the County Administrator Officer Eligibility Criteria, that person shall be disqualified from continuing to serve and be deemed to have automatically resigned from office, and the Board shall appoint a new County Administrator Officer, who meets the County Administrator Officer Eligibility Criteria, to fill the unexpired term of the vacating County Administrator Officer.

c. The duties of each of the City Manager Officer and the County Administrator Officer shall be to supervise the Authority's staff in the execution of the Authority's projects; and in general to perform all duties incident to the office of City Manager

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[20] 01/09/2012: Added that in the absence of the Secretary, the Treasurer shall perform all duties of the Secretary, except for those certain other duties which the Chairman, under the Bylaws, delegates to a director, alternate director, officer or staff member in the Secretary's absence (e.g., duties set forth in paragraph 5(a) of Article VI).

[21] 01/09/2012: Added "the duty and the authority" for parallel sentence structure.

[22] 12/10/2012: Corrected capitalization of Treasurer.

[23] 06/13/2022: Added Danville City Manager Officer and Pittsylvania County Administrator Officer as officers of the Authority. These officers, acting jointly, are specifically authorized to execute certain Non-Disclosure Agreements and Letters of Intent, the forms of which were approved by legal counsel to the Authority.

Officer or County Administrator Officer and such other duties as from time to time may be assigned by the Board. The City Manager Officer and the County Administrator Officer are authorized to execute jointly and to deliver, on behalf of the Authority, Confidentiality and Non-Disclosure Agreements ("NDAs"), Letters of Intent ("LOIs") and License Agreements ("LAs")[24] for investigations and examinations of real property owned by the Authority, with potential business and industry recruits in connection with the Authority's recruitment and marketing efforts; however, (i) nothing in any such NDAs, LOIs and LAs shall legally bind the Authority to make appropriations, (ii) the LAs shall be of a term of one (1) year or less, and (iii) legal counsel to the Authority shall approve the form of any such NDA, LOI and/or LA.[25]

d. In addition to the authority to execute NDAs, LOIs and LAs, as granted under paragraph 7(c) of this Article, the City Manager Officer and the County Administrator Officer, jointly and in consultation with the other, are authorized and empowered to execute, on behalf of the Authority, certain contracts entered in the ordinary course of business of the Authority in support of and/or in accordance with the resolutions of the Board of the Authority and these Bylaws. ("Ordinary Contracts"). "Ordinary Contracts" shall include without limitation:

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

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

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

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[24] 12/12/2022: Added the authority for the City Manager Officer and the County Administrator Officer to execute License Agreements for investigations and examinations of the Authority's real property for a term of less than one year.

[25] 05/13/2024: Corrected "LAs" to "LA.

(iv) option agreements or purchase agreements for land in compliance with Article IV, Paragraph 2, but excluding the authority to proceed to closing under such agreements;[26]

(v) change orders in compliance with Article IV, Paragraph 2;[27]

(vi) applications and submissions of grant applications, but excluding the execution and delivery of any applicable grant performance agreements;[28] and

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

The City Manager Officer and the County Administrator Officer shall be entitled to rely upon the designation by legal counsel to the Authority of an Ordinary Contract. All such designations shall be conclusive and final, except for those that made arbitrarily and capriciously by legal counsel to the Authority. The powers of the City Manager Officer and the County Administrator Officer described in this paragraph 7(d) shall be in addition to, and not in lieu of, the provisions of paragraph 2 of Article IV (Member Locality Agreement) above.[29]

ARTICLE VII. ELECTIONS OR APPOINTMENT[30] OF OFFICERS

1. Regular elections or appointment of officers shall be held at the regular meeting of the Board in January of each year.[31]

2. Special elections of officers in order to fill vacancies or to fill newly created offices shall be held (i) at a regular meeting duly called or (ii) at a special meeting designated by the

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[26]02/09/2026: Added option agreements and purchase agreements for land, but excluding the authority to proceed to closing under any such agreements and subject to $50,000(item)/$100,000(monthly) limitations in Article IV, Paragraph 2.

[27]02/09/2026: Added change orders, subject to $50,000(item)/$100,000(monthly) limitations in Article IV, Paragraph 2.

[28]02/09/2026: Added grant applications, but excluding the execution and delivery of any related or required grant performance agreements.

[29]05/13/2024: Added power of City Manager Officer and County Administrator Officer to execute certain “administrative” contracts between the Authority and the Member Localities (e.g., stormwater management contracts, permit applications, zoning applications, etc.).

[30]12/10/2012: Added “Appointment” to header because the offices of Secretary and Treasurer are appointed, not elected.

[31]12/10/2012: Changed election/appointment date from the July regular meeting of the Board to the January regular meeting of the Board.

Chairman, but only after notice of such special meeting, as provided in paragraph 3 of Article VIII[32], has been given.[33]

ARTICLE VIII. MEETINGS

1. The Board shall determine the times and places of its regular meetings, but shall meet at least, for its annual meeting, as set forth in Paragraph 2 below. Regular meetings of the Board shall be open to the public (unless otherwise provided under Virginia Code § 2.2-3711, as amended or successor provision).[34] Regular meetings shall be held in the City or in the County, upon call of the Chairman or as otherwise provided in these Bylaws. At a regular meeting, any business may be brought before the Board, whether or not that business is set forth in the notice of regular meeting. In the event that the date of any regular meeting determined by the Board is a date on which either the City's administrative offices or the County's administrative offices are closed for business, the regular meeting shall be held on the next date on which both the City's administrative offices and the County's administrative offices are open for business.[35] At the regular meeting of the Board in January, the Board shall elect or appoint its officers to serve for that calendar year.[36]

2. The annual meeting of the Board shall take place at the regular meeting of the Board in July of each year, at such place, time, and date as may be established by the Board or the Chairman. Each Member Locality shall make their appointments prior to such annual meeting so that the membership of the Board will be complete for such annual meeting.[37, 38]

3. Special meetings of the Board ~~may~~ shall[39] be called by the Chairman at the request of (a) any two (2) directors; (b) two (2) alternate directors; or (c) one (1) director and one (1) alternate director, so long as those two (2) persons requesting the special meeting represent both Member Localities.[40] Such request shall be in writing, which may be by email to the Chairman at the email address of record,[41] and shall specify the time and place of the special meeting and the matters to be considered at the special meeting. No matter not specified in the notice of special meeting shall be considered at such special meeting unless all directors (or an alternate director acting in lieu of an absent director) of the Board are present. Special meetings shall be open to the public (unless otherwise permitted under Virginia Code § 2.2-3711, as amended or successor provision).[42]

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[32] 12/10/2012: Added cross-reference.

[33] 02/14/2011: Requests for special meetings shall be in writing.

[34] 12/10/2012: Regular meetings are open to the public, unless otherwise permitted by Virginia FOIA. *See* Va. Code § 2.2-3711.

[35] 03/12/2012: Entire new sentence added.

[36] 12/10/2012: Officers are elected or appointed at the January regular meeting of the Board.

[37] 12/10/2012: Deleted election/appointment of officers at the July regular meeting.

[38] 03/12/2012: Entire new sentence added.

[39] 07/13/2026 Changed the word "may" to "shall."

[40] 08/09/2010: Clarification that directors or alternate directors representing two Member Localities may request a special meeting.

[41] 02/14/2011: Clarification that the request must be in writing, which may include an email to the Chairman at the email address of record. *See* Va. Code § 1-257.

[42] 12/10/2012: Special meetings are open to the public unless otherwise permitted by Virginia

4. Notices of both regular and special meetings shall be posted on the Authority's official public government website, placed in a prominent public location at which notices are regularly posted, and placed at the office of the Secretary.[43] The Secretary shall send such notices to the electronic mail address of record of each member of the Board not less than three (3) business days before any such meeting; and notices of special meetings shall state the purposes thereof. All notices required herein shall state the date, time, and location of the meeting.[44]

At the time that any such notice is given to the directors and alternate directors, a copy of such notice shall be posted or placed in the same locations as set forth above for notices. A copy of any agenda materials or other information included with the notice to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code '' 2.2-3700, *et seq.*, as amended) shall be posted, placed or otherwise made available with the copy of such notice. [45]

At least one (1) copy of the agenda materials or other information given at the meeting to the directors and alternate directors (other than materials exempt from disclosure under The Virginia Freedom of Information Act, Virginia Code '' 2.2-3700, *et seq.*, as amended) shall be made open and available for inspection at the meeting.

Attendance of a director or alternate director at a meeting shall constitute a waiver of notice of such meeting, except where a director or alternate director attends for the express purpose of objecting to the sufficiency of the notice given or to the lack of notice. [46]

5. The Secretary may unilaterally change the date, time, or both of a meeting described under these bylaws or posted meeting if the Secretary has determined, in the Secretary's discretion, that quorum is unlikely to be achieved at such date, time or both, provided timely notice of such meeting is given as required by law.[47]

6. The City Manager Officer, County Administrator Officer, or both shall prepare a draft agenda for any and all meetings. The City Manager Officer, County Administrator Officer, or both shall submit the draft agenda (i) to the Chairman for review and approval and (ii) to the Secretary for posting notice by the date required by law. If the Chairman fails to approve, to reject or to modify the draft agenda, or any part thereof, prior to the date of posting notice as required by law, the Secretary shall post notice of the draft agenda as is. The Chairman may modify the agenda at any time during a Regular Meeting pursuant to an affirmative majority vote by the Board.[48]

FOIA. *See* Va. Code § 2.2-3711.

[43] 09/12/2022: Post and placement of notices updated as required by Va. Code § 2.2-3707.C.

[44] 09/12/2022: Deletion that notices be sent to directors by hand delivery or mail as a default process unless the director specifically waives such delivery in favor of e-mail delivery or access through the Authority's website. *See* Va. Code § 2.2-3707.E.

[45] 09/12/2022: Entire paragraph revised to streamline notices, consistent with the requirements of Va. Code § 2.2-3707.E.

[46] 06/14/2010: Entire paragraph revised.

[47] 07/13/2026 Entire section added.

[48] 07/13/2026 Entire section added.

7. Formal action shall be taken by the Board only at open meeting sessions, and such sessions[49] shall be open to the public.

~~6~~8. The vote on the adoption of every resolution, any proposals creating a liability, or for the appropriation or expenditure of funds shall be by yeas or nays, and whenever the vote is not unanimous, the names of the directors (or alternate directors, where permitted under these Bylaws) voting for and of those voting against such action shall be entered upon the minutes.

~~7~~9. Unless otherwise provided, procedure at meetings shall follow Robert's Rules of Order as then revised.

~~8~~10. When approved, all minutes shall be signed by the Secretary and the presiding officer of the particular meeting.

~~9~~11. All actions of the Board requiring the approval of an expenditure will be accompanied by a budget reference and/or funding source.

~~10~~12. No item will be added to the agenda of a Board meeting without the unanimous consent of the Board members present.

ARTICLE IX. REQUIRED REPORTS

1. Annual Reports. The Board shall report to the Governing Body of each Member Locality annually, on or before the last March meeting of the Governing Body, on the activities of the Authority. In addition to oral presentation at the meeting, a written annual report shall be provided prior to the meeting and shall contain, at a minimum, the following information:

a. A financial update through December 31 of the current fiscal year;

b. After completion of the first fiscal year, an audited financial report showing expenditures and revenues and a statement showing financial condition at the end of the preceding fiscal year;

c. A written report, approved by the Board, of the activities and accomplishments of the Authority and recommendations regarding future activities of the Authority; and

d. A list of tenants, purchasers or other persons occupying The Cyber Park of Danville and Pittsylvania County or any other regional industrial facilities developed by the Authority.

2. Special Reports. Upon written request of the Governing Body of any Member Locality, the Board shall report to such Governing Body within thirty (30) days of receipt of such request or within a longer period if so provided in such request. The special report shall describe the activities and financial status of the Authority within the six (6) month period immediately preceding the request, or as otherwise specified in the request and shall be furnished to each Member Locality. A written report shall be provided if requested.

[49] 12/10/2012: Clarification for open sessions of open meetings.

ARTICLE X. FUNDING

Funding of the Authority shall be by appropriation as decided from time to time by the Governing Bodies of the Member Localities and from such other sources as are identified in the Agreement.

ARTICLE XI. STAFF

The Board may hire such employees as are necessary to accomplish the purposes and powers of the Authority.

ARTICLE XII. OFFICIAL SEAL

The Seal of the Authority shall show the name of the Authority, the name of the Commonwealth, and the year of its formation; i.e., "DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY - VIRGINIA - 2001."

ARTICLE XIII. FISCAL YEAR

The fiscal year of the Authority shall be from July 1 until June 30 of the following year.

ARTICLE XIV. AMENDMENTS

Except as otherwise provided by law, these Bylaws may be amended, repealed, or altered, in whole or in part, by a majority vote of the Board, at any regular meeting of the Board, or at any special meeting where such action has been announced in the call and notice of such meeting; however, instead of the time frame described in paragraph 3 of Article VIII above, at least one (1) week advance written notice of such proposed amendment, repeal or alteration shall be given the directors and alternate directors.

The undersigned hereby certify that the foregoing are the Amended and Restated Bylaws adopted by the Board of Directors at its monthly meeting held August 13, 2007, revised at its monthly meetings held June 14, 2010, August 9, 2010, February 14, 2011, April 11, 2011, January 9, 2012, March 12, 2012, December 12, 2012, February 11, 2013, February 9, 2015, March 14, 2016, June 14, 2021, June 13, 2022, September 12, 2022, December 12, 2022, May 13, 2024, February 9, 2026 and last revised at its monthly meeting held ~~February 9, 2026~~July 13, 2026.[50]

____
Secretary

* *The bracketed footnotes and annotations do not constitute a part of these Bylaws and are provided for convenience only.*[51]

[50] 06/14/2010, 08/09/2010, 02/14/2011, 04/11/2011, 01/09/2012, 03/12/2012, 12/10/2012, 02/11/2013, 02/09/2015, 03/14/2016, 06/14/2021, 06/13/2022, 09/12/2022, 12/12/2022, 05/13/2024, 02/09/2026 and 07/13/2026: Updated references to monthly meetings.

[51] 02/14/2011: Footnotes and annotations do not constitute a part of the Bylaws and are for convenience only.

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 6.A.

DATE: July 13, 2026

FROM: Michael Guanzon | Legal Counsel to Authority

RE: Consideration of Resolution No. 2026-07-13-6A, ratifying that certain Local Performance Agreement dated June 14, 2026, with SAC III Acquisition Co., LLC, a Delaware limited liability company, as authorized by Resolution No. 2026-05-18-4A - Mr. Guanzon

ATTACHMENTS

1. Resolution 2026-07-13-6A

Resolution No. 2026-07-13-6A

A RESOLUTION RATIFYING THAT CERTAIN LOCAL PERFORMANCE AGREEMENT DATED JUNE 14, 2026, WITH SAC III ACQUISITION CO., LLC, A DELAWARE LIMITED LIABILITY COMPANY, WHERE SUCH LOCAL PERFORMANCE AGREEMENT WAS AUTHORIZED PURSUANT TO RESOLUTION NO. 2026-05-18-4A

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, pursuant to Resolution No. 2026-05-18-4A Special, the Authority authorized the negotiation, execution and delivery of a local performance agreement with SAC III Acquisition Co., LLC, a Delaware limited liability company ("**SAC**"); and

WHEREAS, the Authority determined that the terms of the local performance agreement with SAC are reasonable, as more particularly set forth in that certain Local Performance Agreement, dated June 14, 2026, attached hereto as **Exhibit A**, and incorporated herein by this reference (the "**LPA**"); 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 ratify the LPA.

NOW, THEREFORE, BE IT RESOLVED, that:

1. The Authority hereby finds that the LPA with SAC is reasonable, appropriate and within the authority of Resolution 2026-05-18-4A Special.

2. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the approval of the LPA and the matters contemplated in this Resolution.

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

- # -

Resolution No. 2026-07-13-6A

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 13, 2026, 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 13th day of July 2026.

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

(SEAL)

Resolution No. 2026-07-13-6A

Exhibit A

(LPA)

LOCAL PERFORMANCE AGREEMENT

THIS LOCAL PERFORMANCE AGREEMENT (this "**Agreement**") is made and entered into as of the 14th day of June 2026, 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 Virginia municipal corporation (the "**City**"); and **SAC III ACQUISITION CO., LLC**, a Delaware limited liability company (the "**Company**" or "**SAC III**"). RIFA, the County, the City and the Company are sometimes referred to herein collectively as the "**Parties"** and each individually as a **"Party"**.

RECITALS

WHEREAS, in order to stimulate economic growth and development of the community by creating jobs and infrastructure, RIFA, the County, and the City (collectively, the "**Government Parties"**, and each a **"Government Party"**) have agreed to provide incentives to new and expanding businesses that conduct industrial activity.

WHEREAS, the Company has acquired or intends to acquire (either directly or through an Affiliate) the real property comprising all or a portion of the approximately 2,990 acres of land currently or formerly owned by RIFA (the **"Land"**) in RIFA's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia (the **"SVM"**), and has proposed to establish a multi-year, large-scale project that may include one or more phases extending over a period of years to construct and possibly operate on the Land one or more data center(s) as well as certain buildings, structures and infrastructure for administrative, accessory, supporting, associated or related uses, such as (but not limited to) offices and utility buildings, structures and appurtenances together with related site improvements (including, without limitation, multi-story buildings, back-up generators, multiple onsite substations, onsite power generation, including, without limitation, through the use of natural gas, water and wastewater infrastructure, secure access perimeter, and civil and stormwater management improvements) (collectively, the **"Project"**), provided that the appropriate development incentives are available to support the economic viability of the Project.

WHEREAS, the Company anticipates that the Project will require a substantial, long-term commitment of capital and resources of the Company, as well as the careful integration of public capital facilities, construction schedules and the phasing of the development of the Project, in order for the Project to be successful, both for the Company and the Government Parties. The Company is unwilling to risk such capital and resources without sufficient assurances from the Government Parties that the Incentives (as defined below) will be available to support the economic viability of the Project.

WHEREAS, provided that the Project receives the economic development incentives set forth herein and is able to proceed with all phases, the Project is currently estimated to: (i) provide certain investments to or for the SVM in the aggregate amount of as much as approximately One Hundred Billion Dollars ($100,000,000,000.00) over a thirty (30) year performance period and (ii) create as much as approximately Two Thousand Five Hundred (2,500) new jobs or Full Time Equivalents (FTEs) over a performance period of twenty (20) years.

WHEREAS, for the first Phase of the Project, the Company estimates that during the Term (as defined below) it, or occupants of the Project, including, without limitation, any tenants, subtenants, end users, or other persons or entities occupying, using, or operating all or any portion of the Project will: (i) make a total, cumulative capital investment of approximately Thirty Four Billion Dollars ($34,000,000,000.00); and (ii) create approximately one thousand (1,000) full-time jobs, with average annual compensation per new job created of at least Eighty Thousand Five Hundred Dollars ($80,500.00), before benefits, as more particularly set forth in Section 2(c), below, with such annual compensation performance metric to be subject to an annual cost of living adjustment or "COLA" at each Measurement Period with such COLA to begin after the COLA Start Date (as each of those capitalized terms are defined below).

WHEREAS, RIFA and the Company (together with its successors and assigns under the PSA, "**SAC III**"), entered into that certain Purchase and Sale Agreement ("**PSA**") dated March 9, 2026, which, among other things, authorized the purchase of the Land by SAC III, and set forth in the PSA (at Section 4.4.5 and Exhibit H) certain anticipated terms with respect to this Agreement.

WHEREAS, in connection with the proposed transactions contemplated in the PSA, and as a condition precedent to any obligation on SAC III, as the Buyer, to purchase the Phase I Property (as each of those capitalized terms are defined in the PSA), RIFA, along with the City and the County, and the Company have agreed to enter into this Agreement.

WHEREAS, the Government Parties under the terms set forth in this Agreement have agreed to provide the Company with certain Incentives to encourage the development of the Project, including, but not limited to, the TPP Tax Incentive and the D-P Enterprise Zone Jobs Grant (as each of those capitalized terms are defined below).

WHEREAS, pursuant to Subsection 43 of Section 58.1-3506(A) of the Code of Virginia (the "**Code**"), local governments are authorized to declare computer equipment and peripherals, as defined in Section 58.1-3295.3(A) of the Code (the "**Computer Equipment**"), used in a data center to be a separate class of property that will constitute a classification for local taxation separate from other classifications of tangible personal property.

WHEREAS, the County intends to enact such a classification which will tax Computer Equipment used in a data center, as defined in Subsection 43 of Section 58.1-3506(A) of the Code, at a rate specified of One Dollar and sixty-two cents ($1.62) per One Hundred Dollars ($100.00) of assessed value.

WHEREAS, 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 SVM, and that such development will promote the safety, health, welfare, convenience and prosperity of the citizens of the County and the City.

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 - Definitions. For the purposes of this Agreement, the following terms shall have the definitions set forth below:

a. ***"Affiliate"*** shall mean, with respect any Party, (i) an entity controlling, controlled by, or under common control with such party, (ii) any entity resulting from the merger or consolidation of or with such party or an affiliate thereof, (iii) any person or entity that acquires all (or substantially all) of the assets of such party, or an affiliate thereof, or (iv) any successor of such party, or an affiliate thereof, by reason of public offering, reorganization, dissolution, or sale of stock, membership or partnership interests or assets. For purposes of this definition, "**controlling**" is the possession by an entity, direct or indirect, of the power to direct or cause the direction of the management and policies of the applicable party, whether through the ownership of voting securities, by contract, or otherwise.

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

c. *"**Annual Tax Payments**"* shall mean the sum all payments for personal property taxes and real property taxes in a single tax year made as a result of the Project, whether paid by or on behalf of the Company or by any other party associated with the Project, including but not limited to any tenants, subtenants, end users, or other persons or entities occupying, using, or operating all or any portion of the Project.

d. *"**Adjusted Annual Tax Payments**"* shall mean the sum of the Annual Tax Payments in a single tax year plus the sum of any Carryover Tax Payments for that tax year.

e. ***"Carryover Tax Payments"*** in any tax year shall equal the sum of the amount by which the Annual Tax Payments exceed the Minimum Tax Payment, as defined in Section 5(c), in each of the prior two tax years. By way of example, if the Annual Tax Payments two years prior to the current tax year equal $21,000,000.00 and the Annual Tax Payments one year prior to the current tax year equal $23,000,000.00, then the Carryover Tax Payments for the current tax year would equal $11,500,000.00 (i.e., ($21,000,000.00 - $16,250,000.00) + ($23,000,000.00 - $16,250,000.00) = $11,500,000.00). In no event shall any amount of Annual Tax Payments in excess of the Minimum Tax Payment be used more than once as Carryover Tax Payments, and any such amount shall be reduced dollar-for-dollar by the portion thereof previously applied in any prior tax year.

f. ***"Applicable Law"*** means, with respect to any person, property, activity, or obligation, all applicable federal, state, regional, and local laws, statutes, ordinances, codes, rules, regulations, orders, judgments, decrees, permits, approvals, and other requirements of any governmental authority having jurisdiction, in each case as in effect from time to time, including without limitation those relating to zoning, land use, environmental protection, health and safety, utilities, taxation, and employment.

g. ***"Capital Investment"*** means all cumulative capitalized costs, including costs of third parties and occupants of the Project, including, without limitation, any tenants, subtenants, end users, or other persons or entities occupying, using, or operating all or any portion of the Project (whether made by, or on behalf of, Company or otherwise), and all capital expenditures related to leased property, and on and off-site infrastructure costs for the Project, provided that a minimum of fifty percent (50%) of such capitalized costs and capital expenditures shall be located in the SVM. Notwithstanding anything herein to the contrary, it is hereby understood the total Capital Investment will not be fully captured through the release of the County's tax information. For purposes of compliance with this Agreement, the total Capital Investment reported and documented shall prevail over the assessed value. Under this Agreement, performance shall be also based on taxes paid by Company or third parties and occupants of the Project, including, without limitation, any tenants, subtenants, end users, or other persons or entities occupying, using, or operating all or any portion of the Project, to, and actually received by, the County.

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

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

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

k. **"Effective Date"** shall mean the date appearing in the header paragraph of this Agreement.

l. ***"Event of Force Majeure" or "Force Majeure Event"*** shall mean without limitation, any of the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the Commonwealth of Virginia or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; government or administrative action that materially and adversely impacts the feasibility, development or operation of a data center campus (e.g., rejection of necessary permit and/or license applications; declared moratorium on data center development or operations; imposition of land use restrictions and the like), insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Company; partial or entire failure of utilities or delays caused by the actions or inaction of utility providers, including without limitation delays or failures in utility interconnection or transmission upgrades, moratoria or curtailments imposed by utilities or regional transmission organizations, changes in

Applicable Law or regulation affecting data center operations or energy usage, and delays arising from environmental reviews or legal challenges not caused by the Company; any limitation on the availability of power, including any inability to obtain such power under commercially reasonable terms; disruptions or delays to the supply chain of labor or materials; or any other cause or event not reasonably within the control of the Company. Delays or failures to perform resulting from lack of funds shall not be deemed delays beyond the reasonable control of the Company. Upon the occurrence of an Event of Force Majeure affecting any Party's ability to perform, the affected Party upon becoming aware of such event shall promptly notify the other Parties of the same and provide with such notice a detailed description of such event and, to the extent commercially reasonable, its good faith estimate of the event's anticipated duration.

m. ***"Facility"*** shall mean collectively all of the improvements on the Land and any other land in the County that may be acquired to support the Project.

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

o. **"*Lender*"** shall mean any entity that has a Mortgage or otherwise secured interest on any of the real property or personal property associated with the Project.

p. "***Mortgage***" shall mean a mortgage, deed of trust, sale and leaseback, or other form of secured financing.

q. ***"New Job"*** shall mean new permanent full-time employment of an indefinite duration at the Facility, including individuals not employed by the Company, for which the standard fringe benefits are provided for the employee, provided that the average annual compensation for New Jobs shall be at least Eighty Thousand Five Hundred Dollars ($80,500.00), excluding standard fringe benefits, with such annual compensation performance metric to be subject to an annual cost of living adjustment at each Measurement Period (as defined below) equal to the lesser of: (i) two percent (2%) or (ii) the percentage increase during the prior calendar year in the Consumer Price Index for All Urban Consumers, South Region, or if such index ceases to be published, another index mutually agreed to by the Parties that most closely approximates such index (the **"COLA"**), with such COLA to begin the first full calendar year that follows the date on which a final certificate of occupancy is issued for the first data center building for the Project (the **"COLA Start Date"**). Each New Job shall be measured on a full-time-equivalent ("**FTE**") basis, with one (1) FTE equal to: (i) one thousand six hundred eighty (1,680) hours of work per year; or (ii) an average of thirty five (35) hours per week for at least forty-eight (48) weeks in a normal year after commercial operations commence at the Facility. Employees of the Company, or of contractors (other than construction contractors, subcontractors of construction contractors or other construction workers), tenants, subtenants, end users, or other persons or entities occupying, using, or operating all or any portion of the Project, who provide services primarily dedicated at or for the Facility shall qualify as New Jobs. Part-time or shared employees may be aggregated on a pro rata basis to constitute one or more FTE New Jobs. In the event that the Company is not the employer for the New Job, the Company shall identify the name of the employer in writing and provide the New Job information and verification authorization as set forth in Section 3 below.

r. ***"Other Employer"*** shall have the same meaning as that term in Section 3 below.

s. "***Overperformance"*** means achievement, at any single point in time during a Measurement Period, of more than the applicable performance target, as further described in Section 5.

t. ***"Phase I Lot"*** shall mean the "Phase I Land", as such term is defined in the PSA.

u. ***"PSA"*** shall have the same meaning as that term in the recitals above.

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

w. ***"SAC III"*** shall have the same meaning in the recitals above.

x. ***"SVM"*** shall have the same meaning as that term in the recitals above.

y. ***"Term"*** shall refer to period of time that this Agreement is in effect, which shall begin on the Effective Date and shall continue until the expiration of the last applicable Measurement Period for the last or final Phase of the Project, unless the Agreement is otherwise terminated or extended in accordance with its terms.

Section 2 – Project Phases – Capital Investment and New Job Creation by the Company.

a. Phased Development; Independent Obligations. The Project shall be developed in one or more phases (each, a **"Phase"**), with each Phase having a separate closing under the PSA (each a "**Phase Closing**") and beginning on the applicable date selected for such Phase Closing (each a "**Phase Closing Date**"). Company's performance or non-performance in one Phase shall not be deemed to constitute performance or non-performance in any other Phase. For the avoidance of doubt, each Phase shall begin on the applicable Phase Closing Date and stand alone for all purposes under this Agreement. Performance targets, Incentives, extensions, remedies, and defaults shall be determined separately for each Phase, and no failure, default, or underperformance with respect to any Phase shall constitute a default or give rise to any cross-default with respect to any other Phase.

b. Measurement Periods. For each Phase, subject to any Events of Force Majeure, the Company shall be entitled to five (5) separate performance measurement periods (each, a **"Measurement Period"**), each measured from the applicable Phase Closing Date, as follows:

1. a seven (7)-year Measurement Period;

2. a thirteen (13)-year Measurement Period;

3. a twenty (20)-year Measurement Period;

4. a twenty-five (25)-year Measurement Period; and

5. a thirty (30)-year Measurement Period.

Upon the Company's achievement of the performance targets applicable to any Measurement Period for a Phase, the Company shall not be required to satisfy the performance targets applicable to the next Measurement Period for such Phase until the expiration of the applicable Measurement Period. For the avoidance of doubt, if the performance targets for a Phase applicable to the seven (7)-year Measurement Period are achieved in year five (5), the Company shall not be required to meet the performance targets applicable to the thirteen (13)-year Measurement Period until the end of year thirteen (13).

c. Phase I Targets. For the first Phase only, the following cumulative targets shall apply:

Measurement Period	Total Cumulative Capital Investment	Total Cumulative New Jobs Created and Maintained
7-Year Measurement Period (Year 0 to Year 7)	$7,000,000,000.00	500
13-Year Measurement Period (Year 0 to Year 13)	$7,000,000,000.00	500
20-Year Measurement Period (Year 0 to Year 20)	$25,000,000,000.00	1,000
25-Year Measurement Period (Year 0 to Year 25)	$25,000,000,000.00	1,000
30-Year Measurement Period (Year 0 to Year 30)	$34,000,000,000.00	1,000

d. Phase I Construction Commencement. Subject to the occurrence of any Events of Force Majeure, the Company shall commence construction of Phase I of the Project within forty-eight (48) months following the Phase I Phase Closing Date. For purposes of this Agreement, "**commence construction**" shall mean the initiation of any on-site physical work of a permanent nature, including site preparation, clearing, grading, excavation, demolition, installation of utilities or foundation, or the construction of any building or structure or portion thereof.

e. Subsequent Targets. For any Phase of the Project after Phase I, the cumulative targets shall be calculated on a per gross acre basis for the Land included in such Phase:

Measurement Period	Total Cumulative Capital Investment	Total Cumulative New Jobs	Minimum Tax Payment Increase
7-Year Measurement Period (Year 0 to Year 7)	$7,000,000.00 per Gross Acre	0.53 per Gross Acre	$16,250 per Additional Gross Acre (defined below)
13-Year Measurement Period (Year 0 to Year 13)	$7,000,000.00 per Gross Acre	0.53 per Gross Acre	$16,250 per Additional Gross Acre
20-Year Measurement Period (Year 0 to Year 20)	$16,000,000.00 per Gross Acre	0.53 per Gross Acre	$16,250 per Additional Gross Acre
25-Year Measurement Period (Year 0 to Year 25)	$16,000,000.00 per Gross Acre	0.53 per Gross Acre	$16,250 per Additional Gross Acre
30-Year Measurement Period (Year 0 to Year 30)	$22,000,000.00 per Gross Acre	0.53 per Gross Acre	$16,250 per Additional Gross Acre

For any phase of the Project after Phase I, that phase may only commence after the land for that phase has been acquired by the Company under the PSA and the Company has provided a written notice of the commencement of that phase to the Government Parties (each a "Phase Commencement Notice"). In any Phase Commencement Notice, the Company shall identify the number of gross acres applicable to that phase of the Project.

Section 3 - Capital Investment and New Jobs Report. Beginning March 1, 2027, and continuing on March 1 of each year thereafter during the Term, the Company shall provide, or cause to be provided, a signed annual Capital Investment and New Jobs Report (the **"Annual Report"**) covering the 12-month period ending on December 31st of the prior calendar year (the **"Reporting Period"**), in a form to be agreed upon by the Parties or otherwise substantially similar to other annual reporting forms used in the Commonwealth of Virginia for economic development incentives. The Annual Report shall include information for the applicable Reporting Period that (i) documents the Capital Investment made or caused to be made; (ii) itemizes the payment of any (a) real property taxes, (b) machinery and tools tax (if applicable) and (c) business personal property tax, whether associated with the Facility or the personal property thereon, with the name and taxpayer identification number of the remitter; and (iii) itemizes the New Jobs created and maintained, or caused to be created and maintained. In the event that the employer of the New Job is not the Company (the "**Other Employer**"), the Company shall identify each Other Employer and its Employer Identification Number in writing. The Company further agrees that each of the County's Economic Development Director, the City's Economic Development Director, the County Finance Director, the RIFA Treasurer or any of their respective designees is authorized to verify all taxable Capital Investment and related information in the Annual Report through the Office of the Commissioner of Revenue for the County. The Company shall cause all Other Employers, if any, to give such authority in writing.

Section 4 - Incentives for the Company. The following are collectively referred to as the "**Incentives**":

a. State Grant Applications. RIFA will reasonably assist the Company with any application for incentive grant funds or cost savings from the Commonwealth of Virginia, as managed through the Virginia Economic Development Partnership, a political subdivision of the Commonwealth of Virginia, and approved by Virginia's Major Employment and Investment (MEI) Approval Commission and the Virginia General Assembly.

b. Local Incentives.

(i) Resolution. The County hereby covenants and agrees that, on or before December 31, 2026, it shall make diligent efforts to duly adopt, enact, and thereafter maintain during the Term a resolution declaring computer equipment and peripherals used in a data center, as defined in Section 58.1-3295.3(A) of the Code, to be a separate class of tangible personal property subject to local taxation at a rate of One Dollar and sixty-two cents ($1.62) per One Hundred Dollars ($100.00) of assessed value.

(ii) Tangible Business Personal Property. For purposes of this Agreement, all tangible personal property within the scope of computer equipment and peripherals, as defined in Section 58.1-3295.3(A) of the Code, of (i) the Company, (ii) any Other Employer, (iii) any end user of the Facility (including, but not limited to, any tenant, colocation customer, operator, or manager of all or any portion of the Facility or Project), or (iv) any of their respective Affiliates located at or used in connection with the Project, including machinery and tools and computer equipment (collectively, "**TPP**"), shall be valued using the County's current depreciation schedule applicable to each category of TPP as identified in **Exhibit B** (each a "**Depreciation Schedule"** and collectively, the **"Depreciation Schedules"**). The County shall, to the maximum extent permitted by Applicable Law, adopt, enact, and maintain legislation establishing a TPP tax rate of one and sixty-two hundredths' percent (1.62%) of the assessed value of the TPP (the "**TPP Tax Incentive**") for the Term of this Agreement (the "**Target Rate**"). If at any time during the incentive period: (a) the TPP tax rate applicable to any portion of the Project exceeds the Target Rate, (b) any of the applicable Depreciation Schedules are modified in a manner that increases the TPP tax liability for any portion of the Project, or (c) the County is unable or elects not to adopt or maintain legislation establishing the Target Rate, then RIFA shall provide to the Company an automatic, non-discretionary benefit (the **"TPP Benefit"**) in an amount equal to one hundred percent (100%) of the excess TPP taxes collected by the County over the amount that would have been collected had the Target Rate and the applicable Depreciation Schedule applied. The intent and effect of this Section is that, in all events, the Project's effective TPP tax rate with respect to the Project shall be no greater than one and sixty-two hundredths' percent (1.62%) of the assessed value of the TPP calculated using the applicable Depreciation Schedule. The TPP Benefit shall be paid to the Company promptly to ensure economic equivalence to taxation at the Target Rate, and in all events no later than ninety (90) days after the date on which the Company's tangible personal property taxes have been received the County for any tax year in which the Company is entitled to receive a TPP Benefit from RIFA under this Agreement. The TPP Benefit shall not constitute a tax rebate. RIFA's Treasurer will develop an annual budget providing for sufficient funds to cover RIFA's obligations under this Agreement, including funds for any TPP Benefit required under this Section, and present such annual budget to RIFA's Board of Directors for consideration and approval.

(iii) Up to $2,500,000.00 Danville-Pittsylvania County Enterprise Zone Jobs Grant. 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 by this Agreement could qualify for up to Two Million Five Hundred Thousand and 00/100 Dollars ($2,500,000.00) in value in the form of one-time cash payments of up to One Thousand and 00/100 Dollars ($1,000.00) per job (the "**D-P Enterprise Zone Jobs Grant**"). The City and the County shall disburse the D-P Enterprise Zone Jobs Grant according to the terms and conditions of their Enterprise Zone program. The disbursement of the D-P Enterprise Zone Jobs Grant does not require the Company to achieve any of the targets for Capital Investment and/or New Jobs set forth in this Agreement. After the D-P Enterprise Zone Jobs Grant is disbursed, the grant is not subject to recapture by the City, the County, or any other Government Party. If the Company, in its sole discretion, chooses to apply for the D-P Enterprise Zone Jobs Grant, the Company shall (i) donate any funds received from the D-P Enterprise Zone Jobs Grant to a local non-profit entity or other community benefit cause of the Company's choice to benefit the Danville-Pittsylvania County region (the **"Selected Recipient"**), or (ii) provide written notice to the Government Parties to direct that any grant funds that the Company would have otherwise received from the D-P Enterprise Zone Jobs Grant be paid to the Selected Recipient directly.

(iv) Waiver of Building Zoning and Land Disturbance Permit Fees, and Water and Sewer Connection Fees. Subject to the terms and conditions of the applicable enterprise zone, the County will waive all fees for any permit fees required for the Project, including, but not limited to any building, zoning and land disturbance permit fees for new construction and expansions in the enterprise zone. Any water and sewer connection fees paid by or on behalf of the Company for new construction shall be promptly reimbursed to the Company (or, if applicable, to the entity who paid such fees on the Company's behalf). The City, through Danville Utilities, will run all necessary water and sewer lines to the location where the water meter will be installed, typically near the edge of the Property. The City will reimburse the Company, as part of the Enterprise Zone benefits, for tap fees paid, up to an aggregate of Twenty Thousand Dollars ($20,000.00). Any and all waivers of fees by any one or more Government Parties shall expressly exclude taxes and fees that would otherwise be payable to the Commonwealth of Virginia (i.e., not state taxes or state fees), which may be collected by a city, county or other local government entity, on behalf of the state.

c. Taxes and Nondiscrimination. The Company shall have the right, to the extent permitted by Applicable Law, to contest the valuation of any property or to protest, challenge, oppose, and vote against any and all taxes. In the event the County enacts any new ordinance to apply new taxes, special taxes, assessments, levies, impositions, duties, deductions, withholding and charges, or fees applicable only to the Project or Land (collectively "**New Taxes**"), then RIFA, subject to appropriations, will provide a corresponding setoff supplemental TPP Benefit payment in an amount equal to such New Taxes actually received by the County.

d. Fast-Track Permitting and Governmental Approvals. The Government Parties acknowledge the importance of timely governmental approvals to the success of the Facility and Project. The Government Parties agree to process on an expedited basis, consistent with Applicable Law, all applications for permits, licenses, and other governmental authorizations required for the lawful commencement, completion and operation of the Facility. The Government Parties also agree to designate a liaison to facilitate communication between the Company and the relevant governmental departments. After the Company meets with the liaison to discuss details on the Project and the permits that would then be required, the liaison will prepare a timeline for when such permits and approvals are expected to be issued. Subject to the specific type of permit or approval required for the applicable portion of the Project, the Government Parties estimate that the time period required to review and comment on any completed application is typically ten (10) business days.

Section 5. – Length of Incentives; Overperformance; Underperformance.

a. Length of Incentives. Unless otherwise provided in the Agreement, the Incentives provided in Section 4 hereof for each Phase shall begin on the applicable Phase Closing Date and continue throughout the Term. If, for a given Phase, at any single point during any Measurement Period, the Company's cumulative Capital Investment or New Jobs exceeds the applicable target for the respective Measurement Period by more than fifty percent (50%), then the TPP Tax Incentive for that Phase shall be extended by five (5) years beyond its otherwise applicable expiration. If, for a given Phase, at any single point during any Measurement Period, the Company's Capital Investment or New Jobs exceeds the applicable target for that Measurement Period by more than one hundred percent (100%), then the TPP Tax Incentive shall be extended by an additional five (5) years (for a maximum total of ten (10) years of extension under this Section for that respective Phase). If an Underperformance Payment applies under Section 5(c) for any tax year, and the Company elects to not make such Underperformance Payment for the applicable tax year, then the TPP Tax Incentive shall be modified in accordance with Section 5(c).

b. Credit for Overperformance. At the Company's sole discretion, the Company may elect to credit all or any portion of Overperformance achieved in one Phase (the "**Source Phase**") to one or more other Phases (each, a "**Recipient Phase"**) to enable the Recipient Phase to (i) achieve its applicable performance targets, (ii) secure an extension of its TPP Tax Incentive, or (iii) both; provided that, to the extent any Overperformance is credited to a Recipient Phase, such credited Overperformance may not also be used to secure an extension of the TPP Tax Incentive for the Source Phase. The Company's crediting election shall be effective upon written notice delivered by the Company identifying the Source Phase, Recipient Phase(s), the metric(s) credited (Capital Investment and/or New Jobs), and the amount credited. As an example, if for the first Phase, during the seven (7)-year Measurement Period, the Project achieves $10,500,000,000.00 in Capital Investment (representing Overperformance of $3,500,000,000.00), the Company may, at its sole election, credit all or any portion of such Overperformance to one or more other Phases of the Project. By way of illustration, the Company may elect to credit $2,000,000,000.00 of such Overperformance from the first Phase (the Source Phase) to the second Phase (the Recipient Phase) to enable the second Phase (the Recipient Phase) to satisfy its applicable Capital Investment target for its seven (7)-year Measurement Period, or to secure an extension of the TPP Tax Incentive for second Phase, or both, as provided in this Section 5(b). Any Overperformance so credited to the second Phase may not also be used to secure an extension of the TPP Tax Incentive for the first Phase.

c. Underperformance - Cumulative New Job Creation. Beginning with the first tax year that expires seven (7) years after the Effective Date (the "**Minimum Tax Commencement Date**"), with such date subject to any Force Majeure Event, the Company shall make, or cause to be made, Adjusted Annual Tax Payments for the Project that equal or exceed Sixteen Million Two Hundred Fifty Thousand Dollars ($16,250,000.00) for Phase 1, and as modified for any subsequent Phase in accordance with the chart provided in Section 2(e) above (the "**Minimum Tax Payment**"). For purposes of clarity, the Minimum Tax Payment for any Phase commencing after Phase 1 shall be $16,250.00 per additional Gross Acre acquired for that Phase under the PSA after the Phase I Closing (each, an "**Additional Gross Acre**"). If for any tax year that expires after the Minimum Tax Commencement Date the Company does not: (i) make, or cause to be made, Adjusted Annual Tax Payments that equal or exceed the Minimum Tax Payment for the applicable tax year: or (ii) achieve the applicable Capital Investment target by the end of any Measurement Period for each Phase, the Company may, at its sole discretion, elect to rectify such underperformance by making an annual cash payment (the "**Underperformance Payment**") to RIFA, equal to the amount by which the Minimum Tax Payment exceeds the Adjusted Annual Tax Payments for the applicable tax year. By way of example, if the Project has Adjusted Annual Tax Payments of $10,000,000.00 in any tax year after the Minimum Tax Commencement Date, then the Underperformance Payment for that tax year would equal $6,250,000.00 (i.e., ($16,250,000.00 – $10,000,000.00 = $6,250,000.00)). For the avoidance of doubt, if Adjusted Annual Tax Payments in any tax year exceed the Minimum Tax Payment, no Underperformance Payment would apply, or be available to be elected by the Company, for that tax year. The Underperformance Payment, if elected, shall be paid to the County within ninety (90) days after the end of the applicable tax year, and may continue each year thereafter, at the Company's sole discretion, until the Project has Adjusted Annual Tax Payments for any tax year that equal or exceed the Minimum Tax Payment. If the Company does not elect to make the Underperformance Payment under this Section, then, until the Project has Adjusted Annual Tax Payments for any tax year that equal or exceed the Minimum Tax Payment, the value of the TPP Tax Incentive for that respective Phase shall be reduced prospectively and proportionately based on the ratio of actual Capital Investment achieved to the applicable Capital Investment target, applied to the incentive "spread" between (y) the tax rate without the TPP Tax Incentive and (z) the Target Rate (the "**TPP Tax Adjustment**"). As an example, if actual Capital Investment is $6,000,000,000.00 at the end of the first Phase 7-Year Measurement Period, the target is $7,000,000,000.00, and the non-incentivized rate is 2.70%, then the effective rate after the TPP Tax Adjustment would be 1.77% (i.e., 2.70% - (6/7 (2.70% - 1.62%))) until the Company achieves $7,000,000,000.00 in Capital Investment or elects the Underperformance Payment. The TPP Tax Adjustment shall be calculated based on the most recent Measurement Period for an applicable Phase. Any TPP Tax Adjustment under Section 5(c) shall apply only on a prospective basis and shall not create any retroactive recapture, repayment, penalty, or interest obligation with respect to any prior Incentive provided or earlier Measurement Period. For the avoidance of doubt, no TPP Tax Adjustment shall apply for any tax year in which: (i) the Company makes, or causes to be made, the Underperformance Payment, or (ii) no Underperformance Payment applies, or is available to be elected by the Company, under the terms of this Section. As provided in Section 2(a) hereof, each Phase and its associated targets, Incentives, extensions, credits, and remedies are independent. A failure (if any) to achieve targets, make an Underperformance Payment, or otherwise perform with respect to one Phase shall not constitute a default, event of default, or trigger any remedy with respect to any other Phase, and no termination, suspension, or reduction of the TPP Tax Incentive for one Phase shall affect any other Phase.

(i) Underperformance - Cumulative New Jobs Created and Maintained, Voluntary Termination. In the event that at the end of a Measurement Period for the applicable Phase, the Company fails to meet ninety percent (90%) of the target Cumulative New Jobs created and maintained as set forth in Sections 2(c) and 2(e) above, the Company shall rectify such underperformance by making a cash payment (the "**New Job Underperformance Payment**") to RIFA, calculated below:

For Phase I calculation of New Job Underperformance Payment:

Measurement Period for Phase I	90% Phase I Target: Total Cumulative New Jobs Created and Maintained	New Job Underperformance Payment
7-Year Measurement Period (Year 0 to Year 7)	450	(450 New Jobs - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
13-Year Measurement Period (Year 0 to Year 13)	450	(450 New Jobs - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
20-Year Measurement Period (Year 0 to Year 20)	900	(900 New Jobs - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
25-Year Measurement Period (Year 0 to Year 25)	900	(900 New Jobs - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
30-Year Measurement Period (Year 0 to Year 30)	900	(900 New Jobs - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00

For Subsequent Phase calculation of New Job Underperformance Payment:

Measurement Period for Subsequent Phases	90% Subsequent Phase Target of Total Cumulative New Jobs	New Job Underperformance Payment
7-Year Measurement Period (Year 0 to Year 7)	0.477 per Gross Acre	(0.477 New Jobs per Gross Acre) - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
13-Year Measurement Period (Year 0 to Year 13)	0.477 per Gross Acre	(0.477 New Jobs per Gross Acre) - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
20-Year Measurement Period (Year 0 to Year 20)	0.477 per Gross Acre	(0.477 New Jobs per Gross Acre) - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
25-Year Measurement Period (Year 0 to Year 25)	0.477 per Gross Acre	(0.477 New Jobs per Gross Acre) - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00
30-Year Measurement Period (Year 0 to Year 30)	0.477 per Gross Acre	(0.477 New Jobs per Gross Acre) - (Actual Cumulative New Jobs Created and Maintained)) x $5,000.00

By way of example, if at the end of the 7-Year Measurement Period for Phase I, the New Job underperformance of the Company is equal to 50 New Jobs, the New Job Underperformance Payment shall equal $250,000.00 (i.e., (450 - 400) x $5,000.00). The Company shall pay the New Job Underperformance Payment for that Phase and Measurement Period to RIFA within ninety (90) days after the end of the applicable Measurement Period (the "**NJUP Deadline**").

Within one (1) year after the end of any Measurement Period, the Company, in its sole discretion, may elect to discontinue the Company's obligations regarding New Job performance target provisions as set forth in Section 2 above by delivering a written notice of such discontinuation to the Government Parties (the "**New Job Target Discontinuation Notice**"). Provided the Company has paid any New Job Underperformance Payment that may be due on or before the NJUP Deadline for the applicable Measurement Period, such termination shall be effective upon delivery of the New Job Target Discontinuation Notice or on such later date as may be specified therein. Upon delivery of such notice, (i) the Company shall be automatically and irrevocably released from any and all further obligations under this Agreement regarding New Job creation or maintenance requirements (including without limitation reporting obligations regarding New Jobs and, except as otherwise provided in this paragraph, any New Job Underperformance Payment); (ii) the delivery of the New Job Target Discontinuation Notice shall not constitute a default or breach by the Company of this Agreement; and (iii) this Agreement, except as otherwise then amended or limited by the New Job Target Discontinuation Notice, shall remain in full force and effect.

d. Government Remedies. In the event the Company fails to meet the Company's performance targets for a respective Measurement Period (except as otherwise provided in the New Job Target Discontinuation Notice as set forth in Section 5(c) above), all remedies and adjustments under this Agreement shall be prospective only as set forth in Section 5(c). Without limiting the foregoing, the Company shall not be subject to any retroactive reduction, clawback, recapture, repayment, penalty, interest, or other backward-looking adjustment, and no remedy shall impair, unwind, or otherwise affect any conveyance, lease, occupancy, financing, or other third-party end-user arrangement entered into by the Company in the ordinary course. The Government Parties agree that the remedies expressly set forth in this Agreement are the sole and exclusive remedies for any breach, failure to achieve performance targets, or other claim arising out of or relating to this Agreement. The Government Parties shall not be entitled to: (i) liquidated damages; (ii) specific performance, mandatory injunction, or other equitable relief to require the Company (or Other Employer, any end user, tenant, purchaser, or Lender) to commence, continue, complete, or cause the construction, development, or operation of the Project or any Phase, or to require the Company to meet any construction schedule, build-out, or development program; or (iii) any consequential, incidental, indirect, special, exemplary, enhanced, or punitive damages, or damages for lost profits, lost revenues, loss of business opportunity, diminution in value, or reputational harm, in each case whether or not foreseeable and whether or not advised of the possibility of such damages.

For any failure by the Company to perform, observe, or comply with any covenant, obligation, representation, warranty, or undertaking under this Agreement, the Government Parties shall provide the Company and any applicable Lender with written notice of the alleged default and shall specify a period of not less than thirty (30) days during which the Company or any applicable Lender shall have the right to cure such default. The obligation to provide written notice to a Lender under this Section shall only apply to a Lender that the Company, or anyone on the Company's behalf, has identified in writing to each of the Government Parties.

Section 6. – Government Default. Upon the failure of a Government Party to perform, observe, or comply with any covenant, obligation, representation, warranty, or undertaking of such Government Party under this Agreement, including any failure to pay amounts when due, to timely take required actions or approvals within such Government Party's control, or to refrain from actions prohibited by this Agreement, and such failure continues for thirty (30) days after receipt of written notice thereof from the Company, the Company shall be entitled to seek and pursue any and all rights, remedies, and causes of action available to the Company at law or in equity, including without limitation: (i) damages (to the extent recoverable under Applicable Law); (ii) declaratory relief; (iii) temporary, preliminary, and permanent injunctive relief; and (iv) a writ of mandamus or specific performance and other equitable relief to compel performance of the Government Party's obligations under this Agreement (except to the extent prohibited by Applicable Law).

Section 7. – Representations and Warranties of Company. As of the date of its execution of this Agreement, the Company hereby represents and warrants to each Government Party the following:

a. The Company is duly formed and in good standing under the laws of the State of Delaware. Within 60 days after the Effective Date of this Agreement, the Company shall be authorized and remain authorized throughout the balance of this Agreement to transact business in the Commonwealth of Virginia**.**

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

c. The execution, delivery, and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby and thereby 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 Incorporation, Bylaws, and any buy-sell agreement); (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 Applicable Law.

d. To the best of the Company's knowledge, this Agreement constitutes the legal, binding and enforceable obligations of the Company in accordance with the terms contained herein or therein.

e. To the best of the Company's knowledge, there is no pending or threatened litigation or proceeding against the Company that may materially and adversely affect the Company's ability to perform its obligations hereunder.

f. To the best of the Company's knowledge, 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 in all material respects.

Section 8. – Representations and Warranties of Government Parties. As of the date of its execution of this Agreement, each Government Party hereby represents and warrants to the Company to best of that Government Party's knowledge that: (i) it has the full power and authority to enter into this Agreement and to perform its obligations hereunder, (ii) this Agreement is a valid and binding obligation, enforceable against the Government Party in accordance with its terms; (iii) entering into this Agreement does not conflict with Applicable Law or any other agreement that has been entered into by the Government Party, and (iv) the execution and delivery of this Agreement by the Government Party has been validly authorized by all necessary governmental or other action.

Section 9. - Audit and Guideline Requirements. Upon receiving at least ten (10) business days' prior written notice from a Government Party, the Company shall allow or cause to be allowed each of the County's Economic Development Director, the City's Economic Development Director and the RIFA Treasurer (or any of their respective designees) reasonable access during regular business hours to all of its records pertaining to the employment of New Jobs and Capital

Investment at the Facility, and the Company shall cooperate with RIFA in any audit of such records by furnishing all information reasonably necessary to verify the Company's performance under this Agreement (collectively, the **"Audit"**). In return, each of RIFA, the County and the City agree to maintain the confidentiality of any and all proprietary, confidential and/or sensitive information, including without limitation personal payroll earnings or similar information that any of those Government Parties or their respective designees may receive or access. Any Audit conducted under this Agreement shall: (i) take place at a mutually agreed time during the Company's normal business hours; (ii) not be disruptive to the Company's business; (iii) occur no more than once during any 12-consecutive month period; (iv) be completed within thirty (30) days from the date that the Audit commences; and (v) be conducted at no cost or charge to the Company.

Section 10. – Force Majeure. Notwithstanding any other provision in this Agreement to the contrary, if the Company does not meet the New Jobs and Capital Investment requirements because of an Event of Force Majeure, the respective Phase Measurement Period will be extended day-for-day by the delay in meeting the performance metrics caused by the Event of Force Majeure. Upon written request from RIFA, the Company and RIFA shall meet to discuss and confirm in writing the number of days to be extended by any Event of Force Majeure.

Section 11. – Subject to Annual Appropriations. Except as otherwise provided herein or under Applicable Law, the obligations of any Government Party to pay the cost of performing its obligations under this Agreement are subject to and dependent upon annual appropriations for such purpose being made from time to time by the governing body of such Government Party. Notwithstanding anything to the contrary in this Agreement, if any Incentive, grant, payment, reimbursement, waiver, or other financial obligation of a Government Party under this Agreement is not appropriated, funded, or paid when due as a result of a failure of annual appropriation or other lawful budgetary limitation, then, effective as of the date such obligation is not appropriated or paid: (i) the Company shall be automatically and irrevocably released from any and all remaining performance obligations under this Agreement, including without limitation any Capital Investment, New Job creation or maintenance requirements, construction commencement obligations, reporting obligations, or Measurement Period targets; and (ii) all rights of the Government Parties to any repayment, reimbursement, reduction, offset, or other remedial or corrective action under this Agreement shall be permanently relinquished and deemed waived in full.

Section 12. [LEFT INTENTIONALLY BLANK]

Section 13. – 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 14. – Attorneys' Fees and Costs. Each of the Parties shall be solely responsible for their respective attorneys' fees and costs in the negotiating, drafting, and execution of this Agreement and any of the transactions contemplated hereby.

Section 15. – Development Agreement; Other Documents.

a. Development Agreement. The Government Parties and the Company acknowledge and agree that, in connection with the Project and the contemplated multi-phase development of the Facility, the Parties intend to negotiate and enter into a separate Development Agreement (the "**Development Agreement**") to govern infrastructure development, land use entitlements, and related development matters for the Project.

b. Other Documents. The Parties agree that they shall execute, acknowledge, and deliver any such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement, provided that such further documents do not increase the obligations or decrease the rights of any Party hereunder.

Section 16. – Entire Agreement. This Agreement and any exhibits or schedules hereto contain the entire agreement and understanding of the Parties to this Agreement with respect to the transactions contemplated hereby; and this Agreement and any exhibits or schedules hereto supersede all prior understandings and agreements of the parties with respect to the subject matter hereof. The Parties to this Agreement have not relied on any statement, representation, warranty, or agreement of any other Party, including any representations, warranties, or agreements arising from statute or otherwise in law, except for the representations, warranties, or agreements expressly contained in this Agreement.

Section 17. – Confidential Information.

a. Confidential Information. For purposes of this Agreement, "**Confidential Information**" means any information or materials disclosed by or on behalf of the Company (or its affiliates, end users, tenants, Lenders, or contractors) to any Government Party that are non-public and that relate to the Facility, Project or the Company, including without limitation: (i) financial information, capital investment data, tax information, and pro forma or economic analyses; (ii) trade secrets, proprietary or competitively sensitive information, business plans, pricing, designs, specifications, operating data, security plans, infrastructure layouts, and utility requirements; (iii) employment data, wage information, staffing plans, and payroll records; (iv) information relating to site selection, negotiations, incentives, or the terms of this Agreement prior to execution; and (v) any information identified by the Company in writing as confidential or proprietary at the time of disclosure or that reasonably should be understood to be confidential given the nature of the information. The Government Parties acknowledge and agree that Confidential Information constitutes records that are exempt from mandatory disclosure under the Virginia Freedom of Information Act, Virginia Code § 2.2-3700 et seq. ("**FOIA**"), including without limitation exemptions for trade secrets and proprietary business information (§ 2.2-3705.6), financial and commercial information supplied in confidence (§ 2.2-3705.6), economic development records relating to business prospects and negotiations (§ 2.2-3705.6); and tax information and other protected financial records (§ 2.2-3705.7). The Government Parties shall assert all applicable FOIA exemptions to the fullest extent permitted by Applicable Law to protect Confidential Information from disclosure. Disclosure of Confidential Information pursuant to this

Agreement shall not be deemed a waiver of any exemption under FOIA or any other Applicable Law. Each Government Party shall prevent the disclosure of Confidential Information and shall not disclose any Confidential Information except to the extent legally required after asserting all applicable exemptions and complying with the procedures set forth in Section 17(b). The obligations set forth in this Section 17 shall survive the expiration or termination of this Agreement. Nothing in this Agreement shall be interpreted as being contrary to FOIA.

b. FOIA Request Procedures. In the event any Government Party receives a request under FOIA or Applicable Law that may encompass Confidential Information, such Government Party shall: (i) promptly notify the Company in writing, and in no event later than two (2) business day after receipt of such request; (ii) provide the Company with a copy of the request and a reasonable opportunity to review and identify Confidential Information the Government Party, in good faith, believes is responsive to the request; and (iii) consult in good faith with the Company regarding the applicability of FOIA exemptions and the scope of any proposed disclosure. If disclosure is legally required in the good faith and reasonable determination of the Government Party and the Company objects to such disclosure, the Government Party shall cooperate with the Company, at the Company's expense, in seeking protective treatment, confidential handling, or judicial relief. However, if the Company fails to object to the proposed disclosure of Confidential Information responsive to the FOIA request, in writing within two (2) business days after such notice is given or if later, before two (2) business days prior to any applicable extension deadline response date, the Government Party may provide such Confidential Information without any liability under this Agreement to the Company or its Permitted Assignees (as defined below).

c. Remedies. The Government Parties acknowledge that unauthorized disclosure of Confidential Information could cause irreparable harm to the Company for which monetary damages may be inadequate. Accordingly, the Company shall be entitled to seek injunctive or equitable relief, in addition to any other remedies available at law, to prevent or curtail any actual or threatened disclosure in violation of this Section. However, for any violation of this Section 17, neither the Company nor any Permitted Assignee shall be entitled to any consequential, incidental, indirect, special, exemplary, enhanced, or punitive damages, or damages for lost profits, lost revenues, loss of business opportunity, diminution in value, or reputational harm, in each case whether or not foreseeable and whether or not the Company advised of the possibility of such damages.

d. Privacy Protection. In connection with this Agreement, the Government Parties acknowledge that the Company, Other Employers, and their Affiliates may provide or make available certain personal, employment, payroll, tax, or similar information relating to employees, contractors, or representatives (collectively, **"Personal Information"**). The Government Parties agree that all Personal Information shall be: (i) used solely for the limited purpose of verifying compliance with this Agreement; (ii) accessed only by authorized personnel with a legitimate need to know; and (iii) handled and protected in accordance with applicable federal and Virginia privacy and data-protection laws. To the maximum extent permitted by law, the Company may satisfy its reporting and audit obligations under this Agreement by providing anonymized, or de-identified data, and shall not be required to disclose individual employee names, home addresses, Social

Security numbers, dates of birth, personal contact information, or similar personally identifiable information unless expressly required by law or as a condition of an enterprise zone benefit or other grant program in which the Company is participating, if applicable. Nothing in this Agreement shall be construed to require the disclosure of individual compensation details except in aggregate form or as otherwise required by Applicable Law. Each Government Party shall implement and maintain reasonable administrative, technical, and physical safeguards designed to protect Personal Information and Confidential Information from unauthorized access, use, disclosure, or breach, including safeguards consistent with those customarily applied by such Government Party to sensitive personnel, tax, or financial records. The Parties acknowledge and agree that Personal Information and employment-related records provided under this Agreement constitute records exempt from disclosure under the FOIA, including without limitation exemptions applicable to personnel records, payroll information, tax records, and other protected personal data. The Government Parties shall not disclose Personal Information in response to any public records request and shall handle any such request in accordance with the FOIA procedures set forth in Section 16(b).

Section 18. – Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 19. - Notices. Any notice which a Party is required or may desire to give to any or all other Parties shall be in writing and may be sent by personal delivery or by mail (either (i) by United States registered or certified mail, return receipt requested, postage prepaid, or (ii) by Federal Express or similar generally recognized overnight carrier regularly providing proof of delivery), addressed as follows (subject to the right of a Party to designate a different address for itself by notice similarly given):

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, L.L.P.
901 E. Cary St., Suite 1800
Richmond, VA 23219-4037

If to the County:
Pittsylvania 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
1 Center Street
P.O. Box 426
Chatham, VA 24531

<u>If to the City</u>:
City of Danville
Attn.: Kelvin G. Perry
Asst. Director of Economic Development
427 Patton Street
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

<u>With a copy to</u>:
W. Clarke Whitfield, Jr., Esq.
City Attorney
427 Patton Street, Room 421
P.O. Box 3300 (zip code 24543)
Danville, VA 24541

<u>If to the Company</u>:
SAC III Acquisition Co., LLC
Attn: Legal
1700 Broadway, Suite 1750
Denver, Colorado 80290

<u>With a copy to</u>:
Scott J. Ziance, Esq.
Vorys, Sater, Seymour and Pease LLP
52 East Gay Street
Columbus, Ohio 43215

Any notice so given by mail shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any notice which a Party is required or may desire to give to any or all other Parties shall be in writing and may be delivered by email, provided that such email shall be immediately followed by delivery of such notice pursuant to clause (i) or (ii) of the preceding paragraph. Any such notice to a Party shall be addressed at the respective address set forth above (subject to the right of a Party to designate a different address for itself by notice similarly given). Service of any such notice or other communications so made shall be deemed effective on the day of actual delivery (whether accepted or refused) as shown by the addressee's return receipt if by certified mail, and as confirmed by the courier service if by courier; provided, however, that if such actual delivery occurs after 5:00 p.m. (local time where received) or on a non-business day, then such notice or demand so made shall be deemed effective on the first business day after the day of actual delivery. Notices may be delivered by each Party's counsel on behalf of such Party. Copies hereunder are provided as a matter of courtesy and shall not constitute notice themselves.

<u>Section 20. - Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia (without regard to conflicts of laws). The Parties hereby submit to the exclusive jurisdiction of: (i) the state court located in Pittsylvania County, Virginia, or the City of Danville, Virginia, or (ii) 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 with respect to any such action or proceeding shall be heard or determined only in either of these courts or any appellate court thereto. 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 such 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 21. - 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 22. - 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 23. - 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 24. - 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. This Agreement may be delivered by portable document format (*.pdf) and upon such delivery, the .pdf or electronic signature shall be deemed to have the same effect as if the original signature had been delivered to the other Party or Parties.

Section 25. - 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 26. - 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 27. - No Third-Party Beneficiaries. Except as otherwise expressly provided in this Agreement, the Parties do not intend by any provision of this Agreement to confer any right, remedy or benefit upon any third party, and no third party shall be entitled to enforce or otherwise shall acquire any right, remedy or benefit by reason of any provision of this Agreement.

Section 28. – Anti-Bribery and Corruption. The Parties to this Agreement acknowledge and confirm that except for payments specifically contemplated by this Agreement, no payments, political contributions, or other transfer of value have been made by any Party to the Agreement or an employee or representative of such Party to the other Party to this Agreement or any employee or representative of such other Party in an effort to exert improper influence to solicit or secure this Agreement. The Parties represent and warrant that they are not aware of any conflict of interest or any breaches of any anti-corruption, bribery, or lobbying law in connection with the negotiation, formation, or implementation of this Agreement. If any Party becomes aware of any potential violation of any anti-corruption, bribery, or lobbying law in connection with the negotiation, formation, implementation, or performance of this Agreement, it shall promptly notify the other Parties to this Agreement of such potential violation. Throughout the term of this Agreement the Parties will have in place and enforce policies and procedures to ensure proper compliance with such obligations.

Section 29. – Limitation on Liability. All claims, demands, liabilities, or causes of action (whether in contract or in tort, in law or in equity, or granted by statute) that may be asserted by any Government Party against the Company arising from or in connection with this Agreement, or the negotiation, execution, or performance of this Agreement, may be made only against the Company. No present or future member, manager, director, officer, shareholder, limited partner, general partner, manager or employee, advisor, affiliate, agent, attorney, property manager of or in the Company or any person or entity holding a direct or indirect interest in any of the foregoing (each, a "**Company Party**" and collectively, the "**Company Parties**") shall have any direct or indirect personal liability arising from or in connection with this Agreement or the negotiation, execution, or performance thereof, and to the maximum extent permitted by law, each Government Party hereby waives any and all such personal liability against any and all Company Parties. The limitations on liability contained in this Section 29 are in addition to, and not in limitation of, any limitation on liability applicable to the Company and/or Company Parties provided in any other provision of this Agreement or by law or by any other contract, agreement or instrument.

Section 30. – Assignment. So long as the Company is not then in default of the applicable Phase, the Company may assign this Agreement, in whole or in part, through an assignment in substantially the form attached as **Exhibit D** or otherwise, without the consent of any Government Party unless otherwise provided, to a Permitted Assignee (as defined below) whereupon the Company's assigned obligations hereunder shall be released.

"Permitted Assignee" shall mean: (i) Microsoft, Meta, Google, Amazon, Oracle, Open AI, X AI, or Apple, or any Affiliate thereof (ii) any Affiliate of the Company having a net asset value that is at least equal to that of the Company; (iii) any end user, tenant, colocation customer, operator, or manager of all or any portion of the Facility or Project; (iv) any purchaser or transferee of all or any portion of the Land, the Facility, or the Project; (v) any Lender, collateral agent, or other financing party, or to any designee thereof, including in connection with any foreclosure, deed in lieu of foreclosure, exercise of remedies, or restructuring; or (vi) any successor entity resulting from a merger, consolidation, reorganization, sale of equity interests, or similar transaction involving the Company or its Affiliates; provided, however, that any assignee under (iii) through (vi) above must as of the date of the assignment satisfy at least one of the following conditions (a) have a net asset value equal to at least $1 Billion as reflected on its balance sheet, (b) be a publicly traded company on the New York Stock Exchange or the Nasdaq Stock Market, or listed on the S&P 500 or an Affiliate of such company with a market capitalization of at least $1 Billion, or (c) be approved by RIFA in writing, with such approval not to be unreasonably withheld, conditioned or delayed.

The Company may assign this Agreement on a partial or Phase-specific basis, including, without limitation, by Phase, parcel, building, or end user, and any such partial assignment shall not affect the Company's or any other assignee's rights or obligations with respect to the remaining portions of the Project, which shall continue to be governed independently in accordance with this Agreement. All Incentives, performance credits, Measurement Periods, extensions, overperformance credits, and other rights under this Agreement shall run with the Project and shall inure to the benefit of, and be enforceable by, the Company and any Permitted Assignee, subject to the terms of this Agreement.

Section 31. – Estoppel Certificate. At any time and from time to time, and in no event later than ten (10) business days following receipt of a written request from the Company or any Permitted Assignee, Lender, investor, or end user, each Government Party shall execute and deliver an estoppel certificate certifying, to the extent applicable and based on such Government Party's actual knowledge, that: (i) this Agreement has been duly authorized, executed, and delivered and constitutes a valid and binding obligation of such Government Party, enforceable in accordance with its terms; (ii) this Agreement is in full force and effect and has not been amended, modified, terminated, or assigned except as expressly identified in such estoppel certificate; (iii) no default or event of default by the Company exists under this Agreement, and no event has occurred that, with notice or the passage of time, would constitute a default, except as expressly disclosed; (iv) the Incentives earned, accrued, approved, paid, or remaining available under this Agreement as of the date of the estoppel certificate are as stated therein; (v) to such Government Party's knowledge, no offsets, defenses, claims, recapture rights, clawback rights, or rights of termination, if any, have been asserted or are pending against the Company under this Agreement, except as expressly disclosed; and (vi) such other customary matters reasonably requested by the Company or such requesting party to confirm the status and enforceability of this Agreement. Failure of a Government Party to timely deliver an estoppel certificate in accordance with this Section shall be deemed confirmation that the statements set forth above are true and correct as of the date such estoppel certificate was requested.

Section 32 –. Effectiveness. This Agreement shall become effective as of the Effective Date. However, in the event that the completion of the Phase I Closing under the PSA is not satisfied under the terms of the PSA, this Agreement may be terminated by any of the Parties upon giving notice to the other Parties, and this Agreement shall be of no further force or effect and shall not create any further obligation, liability, or reliance by or against any Party.

Section 33 – Mortgages. This Agreement shall not prevent or limit the Company from encumbering the Land or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more Mortgages with respect to the construction, development, use or operation of the Project or any portion thereof or otherwise making a collateral assignment to any Lender. The Government Parties shall execute and deliver such documents and instruments as are reasonably requested by the Company in connection with obtaining, modifying or releasing any such Mortgage within thirty (30) days of the request therefor.

[**SIGNATURES ARE ON FOLLOWING PAGES.**]

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

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

Signed by:

William V. Ingram

C598F1A417A2418...

By: ______________________________
William V. Ingram, Chairman

(SEAL)

[Attestation and notarial acknowledgment below are not required if the signature above is by DocuSign.]

ATTEST:

____
Susan M. DeMasi
Authority Secretary
Danville-Pittsylvania Regional Industrial Facility Authority

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 2026, by **WILLIAM V. INGRAM**, in his capacity as Chairman of **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: ________________________________.

____
Notary Public
Registration No. ____________________

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

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

Signed by:
612ED12CBE084DA...

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

(SEAL)

[Attestation and notarial acknowledgment below are not required if the signature above is by DocuSign.]

ATTEST:

____
Kaylyn McCluster, MMC
Clerk
Pittsylvania County Board of Supervisors

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 2026, by **ROBERT M. TUCKER, JR.**, in his capacity as Chairman of the Board of Supervisors of **COUNTY OF PITTSYLVANIA, VIRGINIA,** a political subdivision of the Commonwealth of Virginia, on behalf of such entity.

My commission expires: ______________________________.

____
Notary Public
Registration No. ___________________

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

CITY OF DANVILLE, VIRGINIA, a Virginia municipal corporation

DocuSigned by:
By: Kenneth F. Larking
B3C8DEF9D8B3494...
____
Kenneth F. Larking
City Manager

(SEAL)

[Attestation and notarial acknowledgment below are not required if the signature above is by DocuSign.]

ATTEST:

____
Susan M. DeMasi
City Clerk
City of Danville, Virginia

COMMONWEALTH OF VIRGINIA, AT LARGE
CITY/COUNTY OF ______________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of ______________ 2026, by **KENNETH F. LARKING**, in his capacity as City Manager of **CITY OF DANVILLE, VIRGINIA,** a Virginia municipal corporation, on behalf of such entity.

My commission expires: ______________________________.

____
Notary Public
Registration No. ____________________

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

SAC III ACQUISITION CO., LLC, a Delaware limited liability company

DocuSigned by:

By: Timothy Kuester

926FA539A481411...

Printed name: Timothy Kuester

Title: Chief Legal & Administrative Officer

Initial

ACKNOWLEDGEMENT BY STACK INFRASTRUCTURE, INC.:

STACK Infrastructure, Inc. hereby joins in this Agreement to acknowledge that it is an affiliate of SAC III Acquisition Co., LLC; however, SAC III Acquisition Co., LLC does not require the consent of STACK Infrastructure, Inc., a Delaware corporation, to enter into this Agreement.

[Signature Page Follows]

STACK INFRASTRUCTURE, INC., a Delaware corporation

By: DocuSigned by: Timothy Kuester 926FA539A481411... ______________________________

Printed Name: Tim Kuester

Title: *Chief Legal and Administrative Officer*

Initial

Exhibit A

(Form of Annual Report)

[To be provided by Government Parties]

Exhibit B

(Depreciation Schedules)

[To be provided by County]

Exhibit C

[LEFT INTENTIONALLY BLANK.]

Exhibit D

(Form of Assignment)

[PARTIAL] ASSIGNMENT AND ASSUMPTION OF LOCAL PERFORMANCE AGREEMENT

THIS [PARTIAL] ASSIGNMENT AND ASSUMPTION OF LOCAL PERFORMANCE AGREEMENT (this "**Assignment**") is made as of [__________________, 20__] (the "**Effective Date**") by and between [________________, a __________ __________________] (the "**Assignor**"), and [_______________, a __________ __________________] (the "**Assignee**").

RECITALS

A. Assignor is a party to that certain Local Performance Agreement, dated as of ____ __________________, 2026 (the "**Agreement**"), 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 Virginia municipal corporation (the "**City**"), and Assignor.

B. Pursuant to Section 30 of the Agreement, Assignor is permitted to assign the Agreement, in whole or in part, without the consent of any Government Party, to a Permitted Assignee.

C. Assignee qualifies as a Permitted Assignee under Section 30 of the Agreement, and Assignor desires to assign to Assignee, and Assignee desires to accept from Assignor, the Assigned Rights (as defined below), subject to the terms hereof.

D. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Recitals Incorporated. The foregoing recitals are hereby incorporated into this Assignment by this reference and made a part hereof as if fully set forth herein.

2. Assignment. Assignor hereby assigns, transfers, and conveys to Assignee, without recourse except as expressly set forth herein, all of Assignor's right, title, and interest in, to, and under the Agreement, including the Incentives thereunder, solely with respect to the following (the "**Assigned Rights**"):

☐ [Phase ___ of the Project]
☐ [Certain parcels, buildings, or portions of the Facility]
☐ [End-user / tenant / operator rights applicable to: _____________]
☐ [Other ________________]

3. Assumption of Obligations. To the extent applicable to the Assigned Rights, Assignee hereby assumes and agrees to perform, observe, and comply with all covenants, obligations, duties, and responsibilities of the Assignor under the Agreement that arise after the Effective Date of this Assignment and that are attributable to the Assigned Rights (the "**Assumed Obligations**"). The Assumed Obligations include without limitation the following performance metrics:

☐ [Number of New Jobs for Phase ___: ___________________________________]
☐ [Capital Investment for Phase ___: ___________________________________]

4. Effect of Assignment; Continuing Rights.

a. This Assignment is made pursuant to and in accordance with Section 30 of the Agreement and shall be effective upon execution by Assignor and Assignee.

b. Except as expressly assigned hereby, Assignor retains all rights and obligations under the Agreement with respect to the portions of the Project not included in the Assigned Rights.

c. All Incentives, Measurement Periods, performance credits, extensions, Overperformance credits, and other rights associated with only the Assigned Rights shall run with the Project and inure to the benefit of Assignee in accordance with the terms of the Agreement.

5. Indemnification. From and after the Effective Date, Assignee shall indemnify, defend, and hold harmless Assignor and its Affiliates, and their respective officers, directors, employees, members, managers, and agents, from and against any and all claims, demands, actions, causes of action, losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees and expenses) arising out of or relating to (a) the Assumed Obligations, (b) Assignee's failure to perform or comply with any covenant, obligation, or responsibility under the Agreement to the extent attributable to the Assigned Rights, or (c) any breach of this Assignment by Assignee. Notwithstanding the foregoing, Assignee shall have no obligation to indemnify Assignor with respect to any claim arising solely from Assignor's failure to perform its obligations under the Agreement to the extent such obligations are not part of the Assigned Rights.

6. Representations of Assignee. Assignee hereby represents and warrants that:

a. Assignee qualifies as a Permitted Assignee under Section 30 of the Agreement.

b. Assignee has full power and authority to enter into this Assignment and to perform its obligations hereunder.

c. This Assignment has been duly authorized and executed and constitutes a valid and binding obligation of Assignee, enforceable in accordance with its terms.

7. Notices. Any notice which a Assignor or Assignee is required or may desire to give to the other party shall be in writing and may be sent by personal delivery or by mail (either (i) by United States registered or certified mail, return receipt requested, postage prepaid, or (ii) by Federal Express or similar generally recognized overnight carrier regularly providing proof of delivery), addressed as follows (subject to the right to designate a different address for itself by notice similarly given):

If to the Assignor:
[__________________]
Attn: Legal
1700 Broadway, Suite 1750
Denver, Colorado 80290

With a copy to:
Scott J. Ziance, Esq.
Vorys, Sater, Seymour and Pease LLP
52 East Gay Street
Columbus, Ohio 43215

With a copy to:
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

If to the Assignee:
[__________________]
Attn: [_____________]
[__________________]
[__________________]

With a copy to:
[__________________]
[__________________]
[__________________]
[__________________]

With a copy to:
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

Any notice so given by mail shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any notice which a Party is required or may desire to give to any or all other Parties shall be in writing and may be delivered by email, provided that such email shall be immediately followed by delivery of such notice pursuant to clause (i) or (ii) of the preceding paragraph. Any such notice to a Party shall be addressed at the respective address set forth above (subject to the right of a Party to designate a different address for itself by notice similarly given). Service of any such notice or other communications so made shall be deemed effective on the day of actual delivery (whether accepted or refused) as shown by the addressee's return receipt if by certified mail, and as confirmed by the courier service if by courier; provided, however, that if such actual delivery occurs after 5:00 p.m. (local time where received) or on a non-business day, then such notice or demand so made shall be deemed effective on the first business day after the day of actual delivery. Notices may be delivered by each Party's counsel on behalf of such Party. Copies hereunder are provided as a matter of courtesy and shall not constitute notice themselves.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia (without regard to conflicts of laws). The Parties hereby submit to the exclusive jurisdiction of: (i) the state court located in Pittsylvania County, Virginia, or the City of Danville, Virginia, or (ii) 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 with respect to any such action or proceeding shall be heard or determined only in either of these courts or any appellate court thereto. 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 such 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.

9. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Delivery by electronic signature or PDF shall be deemed effective.

10. Further Assurances. Assignor and Assignee shall execute and deliver such further instruments and take such further actions as may be reasonably necessary to effectuate the purposes of this Assignment.

11. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

[**SIGNATURES ARE ON FOLLOWING PAGES.**]

WITNESS our signature and seal to this [Partial] Assignment and Assumption of Local Performance Agreement as of the date first written above:

ASSIGNOR:

[________________________]
[a/an ____________________]

By: ________________________________
Printed name: _________________________
Title: ________________________________

(SEAL)

[Notarial acknowledgment below is not required if the signature above is by DocuSign.]

STATE OF ____
CITY/COUNTY OF ________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _______________ 20___, by _________________________, in the capacity as ______________________________ of ______________________________., a/an ______________________________, on behalf of such entity.

My commission expires: _________________________________.

____
Notary Public
(Only if in Va.:) Registration No. __________

WITNESS our signature and seal to this [Partial] Assignment and Assumption of Local Performance Agreement as of the date first written above:

ASSIGNEE:

[________________________]
[a/an ____________________]

By: ________________________________
Printed name: _________________________
Title: ________________________________

(SEAL)

[Notarial acknowledgment below is not required if the signature above is by DocuSign.]

STATE OF ____
CITY/COUNTY OF _________________________, to-wit:

The foregoing instrument was acknowledged before me this _____ day of ________________ 20___, by __________________________, in the capacity as _______________________________ of _______________________________., a/an _______________________________, on behalf of such entity.

My commission expires: __________________________________.

____
Notary Public
(Only if in Va.:) Registration No. _____________________

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 6.B.

DATE: July 13, 2026

FROM: Matt Rowe | Pittsylvania County Director of Economic Development

RE: Consideration of Resolution No. 2026-07-13-6B, authorizing the negotiation, execution and delivery of a subdivision and combination plat concerning Tracts 10, AB and L of the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, and the Authority's adjacent real property (Tax Map 1366-12-5834), commonly known 5981 Berry Hill Road, in support of that certain Purchase and Sale Agreement dated March 9, 2026, by and between the Authority and SAC III Acquisition Co., LLC, a Delaware limited liability company - Matthew D. Rowe, Director of Economic Development, Pittsylvania County; and Shawn R. Harden, PE, Senior Associate, Dewberry Engineers, Inc.

ATTACHMENTS

1. Resolution 2026-07-13-6B
2. Subdivision plat

Resolution No. 2026-07-13-6B

A RESOLUTION AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A SUBDIVISION AND COMBINATION PLAT CONCERNING TRACTS 10, AB, AND L OF THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, AND THE AUTHORITY'S ADJACENT REAL PROPERTY (TAX MAP 1366-12-5834) COMMONLY KNOWN AS 5981 BERRY HILL ROAD, IN SUPPORT OF THAT CERTAIN PURCHASE AND SALE AGREEMENT DATED MARCH 9, 2026, BY AND BETWEEN THE AUTHORITY AND SAC III ACQUISITION CO., LLC, A DELAWARE LIMITED LIABILITY COMPANY.

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, pursuant to Resolution No. 2026-03-09-7C, the Authority has approved the form of, and entered into, that certain Purchase and Sale Agreement dated March 9, 2026 (the "**PSA**") between the Authority and SAC III Acquisition Co., a Delaware limited liability company ("**Buyer**") pursuant to which the Authority shall sell to Buyer, and Buyer shall purchase from the Authority, certain property (the "**Property**"); and

WHEREAS, the PSA requires the subdivision and combination of various tracts of land owned by the Authority in order to form the parcel or parcels forming the Property that the Authority is required to sell to Buyer; and

WHEREAS, pursuant to the PSA, the Authority's engineers, Dewberry Engineers, Inc., a New York corporation, have provided that certain preliminary Plat of Survey Showing Subdivision and Combination for Danville-Pittsylvania Regional Industrial Facility Authority (the "**Subdivision Plat**"), a copy of which is attached is **Exhibit A**, and incorporated herein by this reference; and

WHEREAS, the Authority has determined that the Subdivision Plat is reasonable and appropriate to effectuate subdivision and combination required under the PSA; 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 execute, deliver and record the Subdivision Plat in furtherance of the requirements of the PSA.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves execution, delivery and recordation of the Subdivision Plat as set forth in **Exhibit A** together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, in consultation with the other, to execute, deliver and record the Subdivision Plat on behalf of the Authority, such execution of the Subdivision Plat by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

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 Subdivision Plat, 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 Subdivision Plat 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 13, 2026, 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 _____ day of July 2026.

____

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

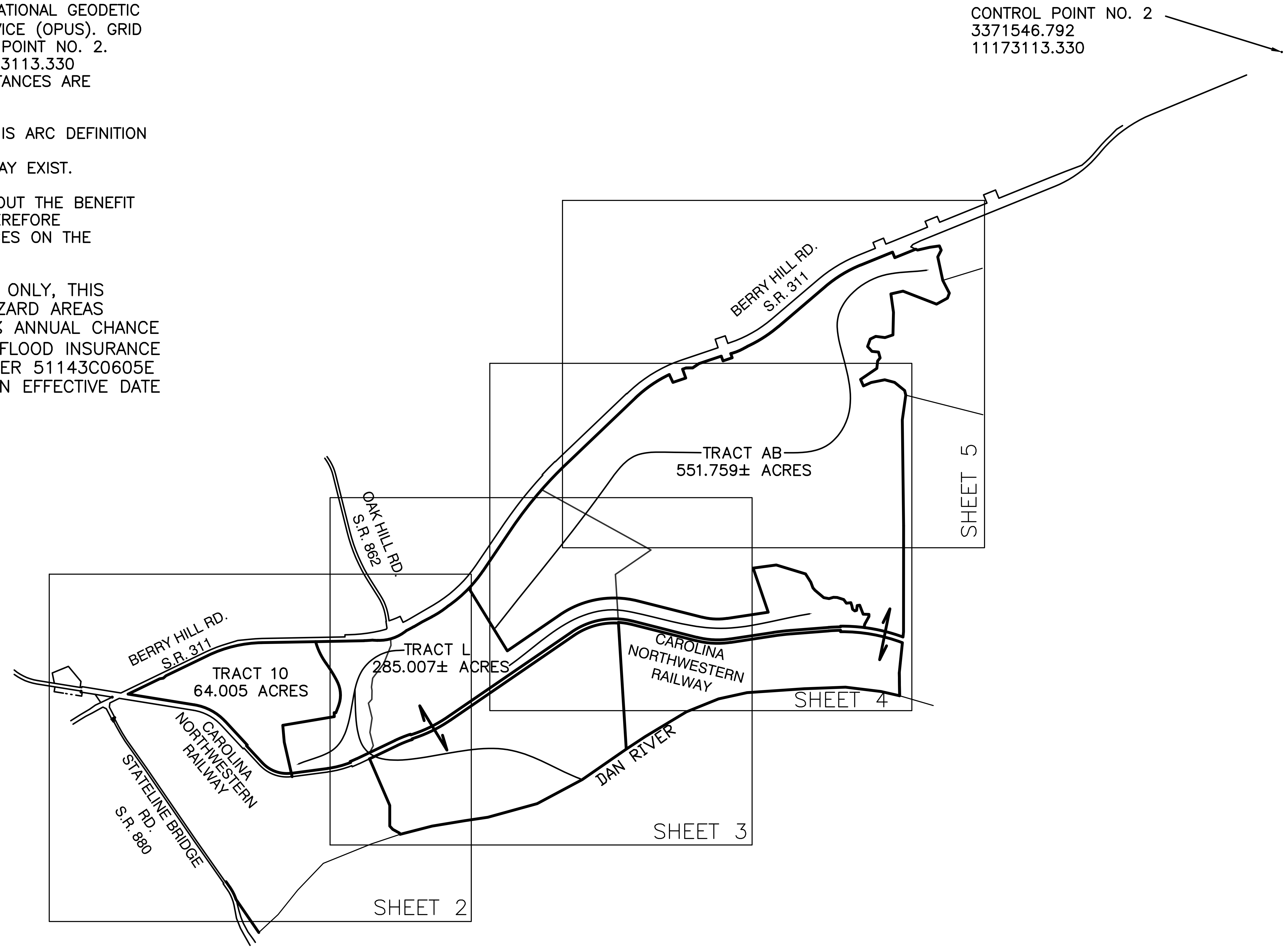
(SEAL)

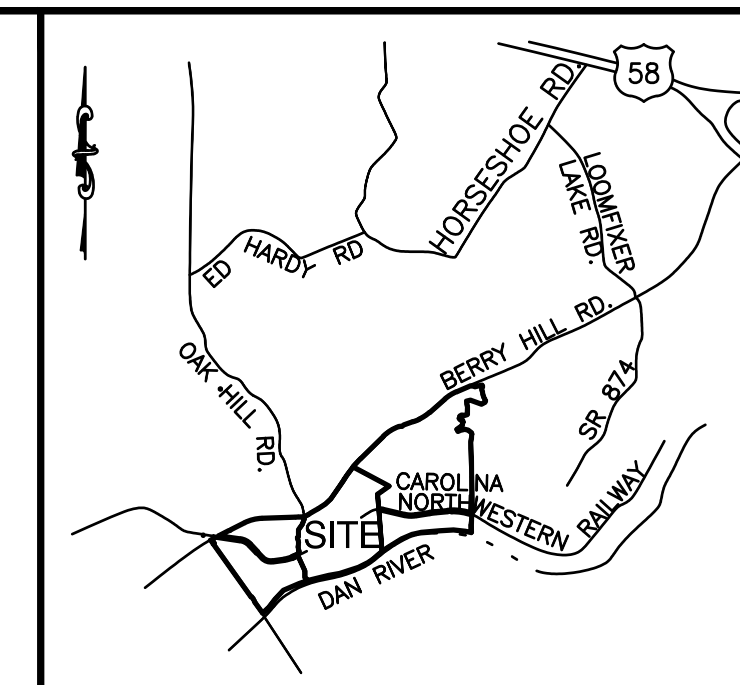
Exhibit A

[Subdivision Plat]

NOTES:

1. THIS BOUNDARY SURVEY IS BASED ON A FIELD SURVEY DATED JULY 2025 TO AUGUST 2025.
2. HORIZONTAL CONTROL: VIRGINIA STATE PLANE COORDINATES (SOUTH ZONE) NAD83
   VERTICAL CONTROL: NAVD88
   HORIZONTAL AND VERTICAL CONTROL ESTABLISHED BY GPS OBSERVATIONS AND COMPUTED USING NATIONAL GEODETIC SURVEY ONLINE POSITIONING USER SERVICE (OPUS). GRID COORDINATES WERE HELD ON CONTROL POINT NO. 2. NORTHING: 3371546.792, EASTING: 11173113.330
   NORTH ARROW IS GRID NORTH. ALL DISTANCES ARE GROUND DISTANCES.
3. ALL CURVE DATA INCLUDING RAIL ROAD IS ARC DEFINITION
4. PHYSICAL IMPROVEMENTS NOT SHOWN MAY EXIST.
4. THIS SURVEY HAS BEEN PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT AND DOES NOT THEREFORE NECESSARILY INDICATE ALL ENCUMBRANCES ON THE PROPERTY.
5. FLOOD NOTE: BY GRAPHIC PLOTTING ONLY, THIS PROPERTY IS IN SPECIAL FLOOD HAZARD AREAS SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD (100-YEAR FLOOD) OF THE FLOOD INSURANCE RATE MAP, COMMUNITY PANEL NUMBER 51143C0605E AND 51143C0615E, WHICH BEARS AN EFFECTIVE DATE OF SEPTEMBER 29, 2010





VICINITY MAP N.T.S.

VA. STATE PLANE - SOUTH ZONE (NAD83, NA 2011)

THE ABOVE AND FOREGOING SUBDIVISION AS IT APPEARS ON THIS PLAT IS WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRE OF THE UNDERSIGNED OWNERS, PROPRIETORS, AND TRUSTEES, IF ANY.

____
____
____
____

VIRGINIA, ________________________
I, A NOTARY PUBLIC OF THE COUNTY AND STATE AFORESAID, CERTIFY THAT
____
____
PERSONALLY APPEARED BEFORE ME THIS DAY AND ACKNOWLEDGED THE EXECUTION OF THE FOREGOING INSTRUMENT. WITNESS MY HAND AND OFFICIAL STAMP OR SEAL THIS ___________ DAY OF ____________________, 20____.

____________________ ________________________
MY COMMISSION EXPIRES NOTARY PUBLIC

I, WILLIAM B. POWELL CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION FROM DESCRIPTION AS FOUND IN (DEED/PLAT) SEE PLAT FOR REFERENCES.
I FURTHER CERTIFY THAT SAID SURVEY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, IS CORRECT AND COMPLIES WITH THE MINIMUM PROCEDURES AND STANDARDS ESTABLISHED BY THE VIRGINIA STATE BOARD OF ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS, AND CERTIFIED LANDSCAPE ARCHITECTS.

APPROVED BY:

PITTSYLVANIA COUNTY SUBDIVISION AGENT

____

ACREAGE SUMMARY:

TRACT 10
PIN PART: 1356-82-6276 = 64.005 ACRES
TOTAL TRACT 10 = 64.005 ACRES

TRACT AB
PIN PART: 1366-54-5996 NORTH OF CAROLINA NORTHWESTERN RAILWAY = 393.420± ACRES
PIN PART 1366-12-5834 = 69.611 ACRES

PIN PART: 1366-54-5996 SOUTH OF CAROLINA NORTHWESTERN RAILWAY = 88.728± ACRES
TOTAL TRACT AB = 551.759± ACRES
(EXCLUSIVE OF CAROLINA NORTHWESTERN RAILWAY R/W)

TRACT L
PIN PART: 1356-82-6276 = 35.935 ACRES
PIN PART: 1366-54-5996 = 36.489± ACRES
PIN PART: 1366-12-5834 NORTH OF CAROLINA NORTHWESTERN RAILWAY = 72.904 ACRES

PIN PART: 1366-12-5834 SOUTH OF CAROLINA NORTHWESTERN RAILWAY = 139.679± ACRES
TOTAL TRACT L = 285.007± ACRES
(EXCLUSIVE OF CAROLINA NORTHWESTERN RAILWAY R/W)

TOTAL ACREAGE = 900.771± ACRES

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Dewberry Engineers Inc.
551 PINEY FOREST ROAD
DANVILLE, VA 24540
PHONE: 434.797.4497
FAX: 434.797.4341

PLAT OF SURVEY SHOWING SUBDIVISION AND COMBINATION FOR DANVILLE - PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

WESTOVER MAGISTERIAL DISTRICT
PITTSYLVANIA COUNTY, VIRGINIA

SEAL
COMMONWEALTH OF VIRGINIA
WILLIAM B. POWELL
LIC. NO. 002910
LAND SURVEYOR
PRELIMINARY

No.	DATE	BY	Description

REVISIONS

DRAWN BY CAA
APPROVED BY WBP
CHECKED BY WBP
PARTY CHIEF
DATE 8/25/25
SCALE: 1"=1500'
0 1500 3000

PROJECT NO. 50018376

SHEET NO. 1 of 5
FILE NO. V3321B

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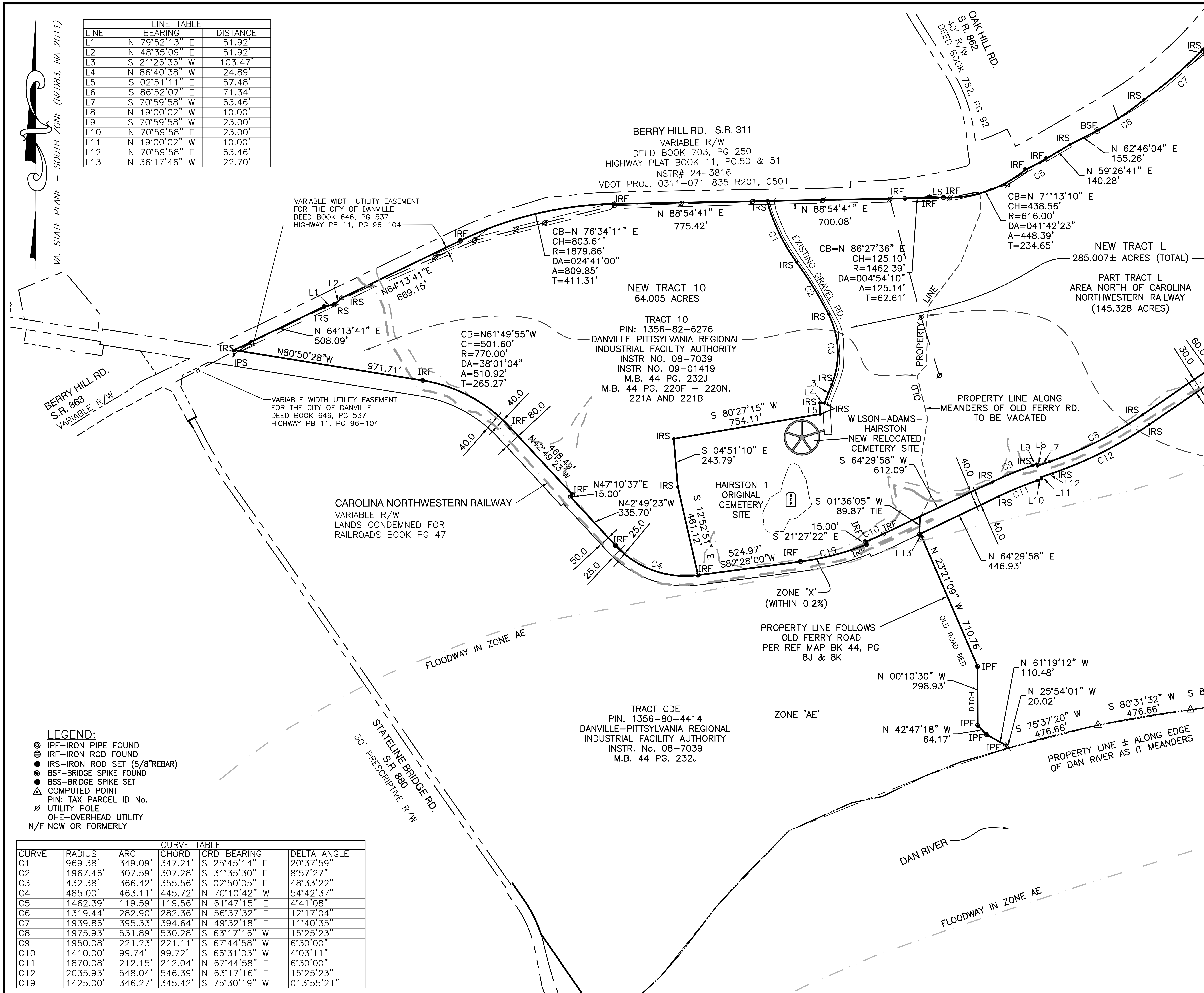

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 79°52'13" E	51.92'
L2	N 48°35'09" E	51.92'
L3	S 21°26'36" W	103.47'
L4	N 86°40'38" W	24.89'
L5	S 02°51'11" E	57.48'
L6	S 86°52'07" E	71.34'
L7	S 70°59'58" W	63.46'
L8	N 19°00'02" W	10.00'
L9	S 70°59'58" W	23.00'
L10	N 70°59'58" E	23.00'
L11	N 19°00'02" W	10.00'
L12	N 70°59'58" E	63.46'
L13	N 36°17'46" W	22.70'

LEGEND:

- IPF-IRON PIPE FOUND
- IRF-IRON ROD FOUND
- IRS-IRON ROD SET (5/8"REBAR)
- BSF-BRIDGE SPIKE FOUND
- BSS-BRIDGE SPIKE SET
- COMPUTED POINT
- PIN: TAX PARCEL ID No.
- UTILITY POLE
- OHE-OVERHEAD UTILITY
- N/F NOW OR FORMERLY

CURVE TABLE					
CURVE	RADIUS	ARC	CHORD	CRD BEARING	DELTA ANGLE
C1	969.38'	349.09'	347.21'	S 25°45'14" E	20°37'59"
C2	1967.46'	307.59'	307.28'	S 31°35'30" E	8°57'27"
C3	432.38'	366.42'	355.56'	S 02°50'05" E	48°33'22"
C4	485.00'	463.11'	445.72'	N 70°10'42" W	54°42'37"
C5	1462.39'	119.59'	119.56'	N 61°47'15" E	4°41'08"
C6	1319.44'	282.90'	282.36'	N 56°37'32" E	12°17'04"
C7	1939.86'	395.33'	394.64'	N 49°32'18" E	11°40'35"
C8	1975.93'	531.89'	530.28'	S 63°17'16" W	15°25'23"
C9	1950.08'	221.23'	221.11'	S 67°44'58" W	6°30'00"
C10	1410.00'	99.74'	99.72'	S 66°31'03" W	4°03'11"
C11	1870.08'	212.15'	212.04'	N 67°44'58" E	6°30'00"
C12	2035.93'	548.04'	546.39'	N 63°17'16" E	15°25'23"
C19	1425.00'	346.27'	345.42'	S 75°30'19" W	013°55'21"

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DANVILLE, VA 24540
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PLAT OF SURVEY SHOWING SUBDIVISION AND COMBINATION FOR DANVILLE - PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

WESTOVER MAGISTERIAL DISTRICT
PITTSYLVANIA COUNTY, VIRGINIA

SEAL

COMMONWEALTH OF VIRGINIA
WILLIAM B. POWELL
Lic. No. 002910
LAND SURVEYOR
PRELIMINARY

No.	DATE	BY	Description

REVISIONS

DRAWN BY CAA
APPROVED BY WBP
CHECKED BY WBP
PARTY CHIEF
DATE 8/25/25
SCALE: 1'=300'
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PROJECT NO. 50018376

SHEET NO. 2 of 5
FILE NO. V3321B

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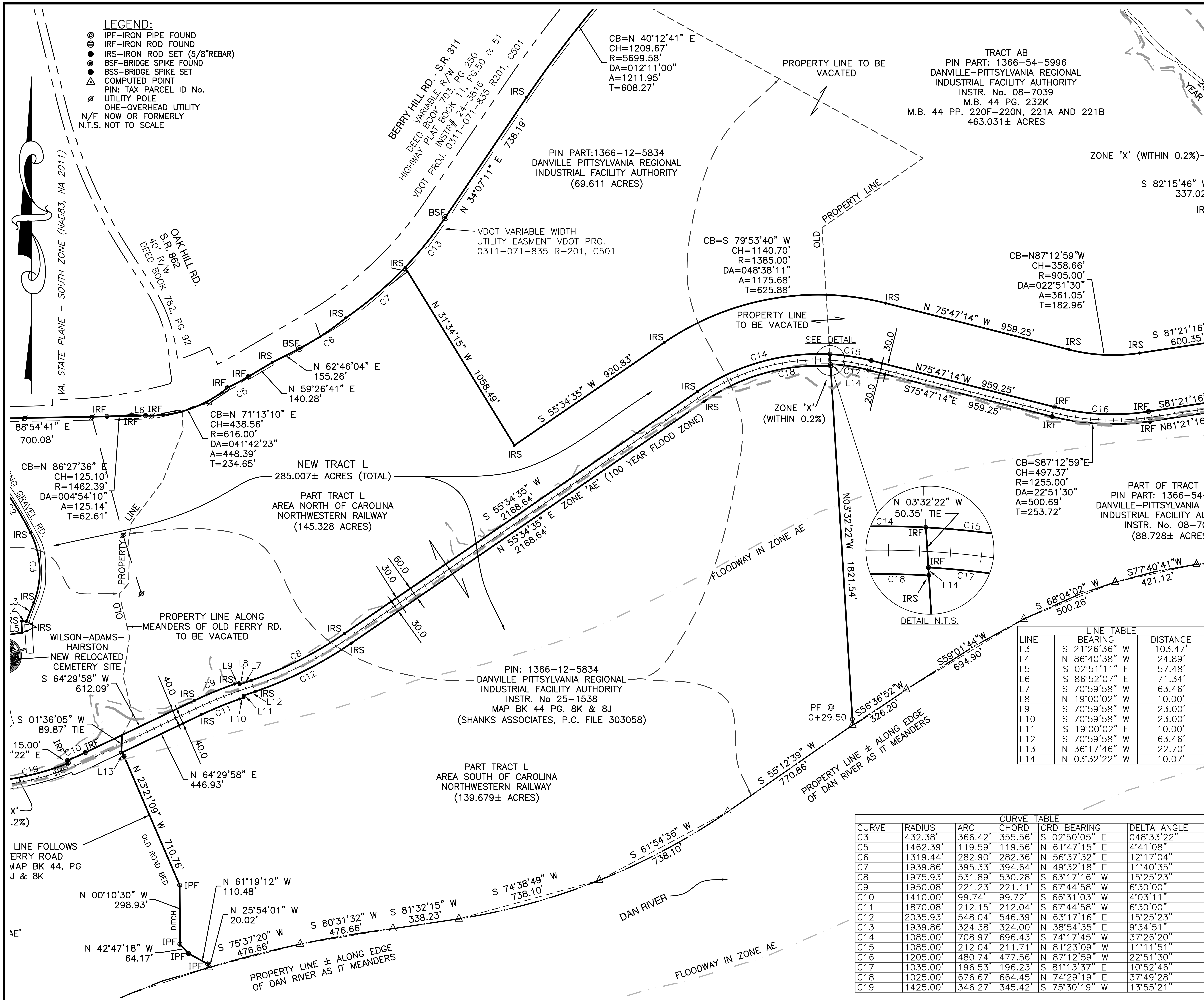

LINE TABLE		
LINE	BEARING	DISTANCE
L3	S 21°26'36" W	103.47'
L4	N 86°40'38" W	24.89'
L5	S 02°51'11" E	57.48'
L6	S 86°52'07" E	71.34'
L7	S 70°59'58" W	63.46'
L8	N 19°00'02" W	10.00'
L9	S 70°59'58" W	23.00'
L10	S 70°59'58" W	23.00'
L11	S 19°00'02" E	10.00'
L12	S 70°59'58" W	63.46'
L13	N 36°17'46" W	22.70'
L14	N 03°32'22" W	10.07'

CURVE TABLE					
CURVE	RADIUS	ARC	CHORD	CRD BEARING	DELTA ANGLE
C3	432.38'	366.42'	355.56'	S 02°50'05" E	048°33'22"
C5	1462.39'	119.59'	119.56'	N 61°47'15" E	4°41'08"
C6	1319.44'	282.90'	282.36'	N 56°37'32" E	12°17'04"
C7	1939.86'	395.33'	394.64'	N 49°32'18" E	11°40'35"
C8	1975.93'	531.89'	530.28'	S 63°17'16" W	15°25'23"
C9	1950.08'	221.23'	221.11'	S 67°44'58" W	6°30'00"
C10	1410.00'	99.74'	99.72'	S 66°31'03" W	4°03'11"
C11	1870.08'	212.15'	212.04'	S 67°44'58" W	6°30'00"
C12	2035.93'	548.04'	546.39'	N 63°17'16" E	15°25'23"
C13	1939.86'	324.38'	324.00'	N 38°54'35" E	9°34'51"
C14	1085.00'	708.97'	696.43'	S 74°17'45" W	37°26'20"
C15	1085.00'	212.04'	211.71'	N 81°23'09" W	11°11'51"
C16	1205.00'	480.74'	477.56'	N 87°12'59" W	22°51'30"
C17	1035.00'	196.53'	196.23'	S 81°13'37" E	10°52'46"
C18	1025.00'	676.67'	664.45'	N 74°29'19" E	37°49'28"
C19	1425.00'	346.27'	345.42'	S 75°30'19" W	13°55'21"

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PLAT OF SURVEY SHOWING SUBDIVISION AND COMBINATION FOR DANVILLE - PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

WESTOVER MAGISTERIAL DISTRICT
PITTSYLVANIA COUNTY, VIRGINIA

SEAL

COMMONWEALTH OF VIRGINIA
WILLIAM B. POWELL
Lic. No. 002910
LAND SURVEYOR
PRELIMINARY

No.	DATE	BY	Description

REVISIONS

DRAWN BY CAA
APPROVED BY WBP
CHECKED BY WBP
PARTY CHIEF
DATE 8/25/25
SCALE: X

0 300 600

PROJECT NO. 50018376

SHEET NO. 3 of 5

FILE NO. V3321B

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LINE	BEARING	DISTANCE
L14	S 03°32'22" E	10.07'
L16	S 25°03'31" E	123.51'
L17	N 71°34'45" E	195.09'
L18	N 19°37'33" W	136.92'
L19	N 71°03'49" E	17.34'
L20	N 71°19'41" E	32.53'
L21	N 88°51'15" E	98.35'
L22	N 56°11'10" E	110.86'
L23	N 06°56'08" W	22.33'
L24	N 14°35'22" E	28.72'
L25	N 29°05'05" E	126.16'
L26	N 01°06'40" W	30.36'
L27	N 88°05'02" W	83.74'
L28	N 21°05'10" W	139.09
L29	S 81°48'56" W	36.53'
L30	S 07°09'30" W	70.24'
L31	S 72°49'36" W	27.43'
L32	N 51°37'40" W	39.38'
L33	N 11°50'00" W	50.11'
L34	N 19°01'45" W	47.85'
L35	S 83°13'05" W	64.38'
L36	N 36°05'05" W	65.13'
L37	N 72°05'13" W	99.06'

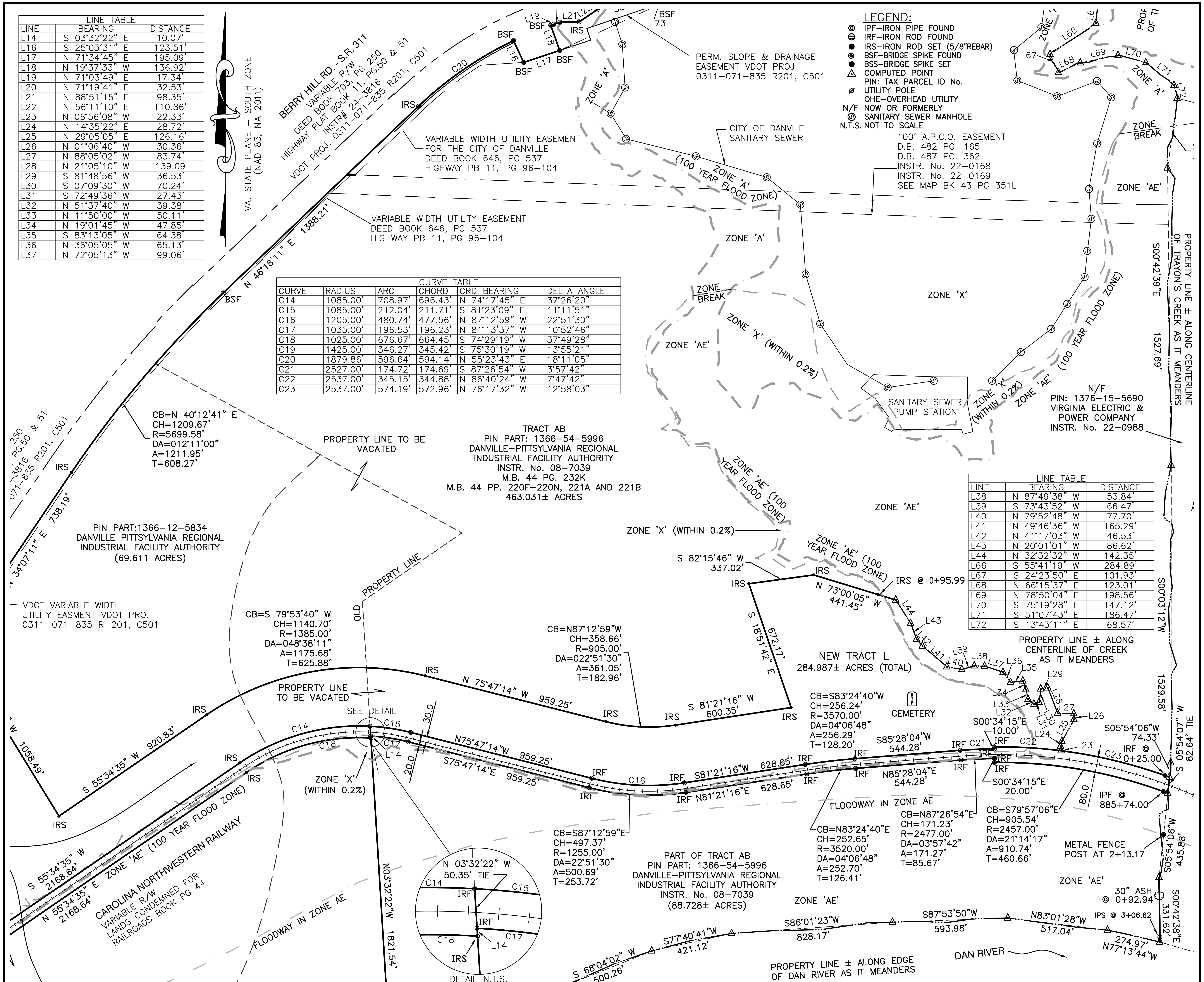
LINE TABLE

CURVE	RADIUS	ARC	CHORD	CRD BEARING	DELTA ANGLE
C14	1085.00'	708.97'	696.43'	N 74°17'45" E	37°26'20"
C15	1085.00'	212.04'	211.71'	S 81°23'09" E	11°11'51"
C16	1205.00'	480.74'	477.56'	N 87°12'59" W	22°51'30"
C17	1035.00'	196.53'	196.23'	N 81°13'37" W	10°52'46"
C18	1025.00'	676.67'	664.45'	S 74°29'19" W	37°49'28"
C19	1425.00'	346.27'	345.42'	S 75°30'19" W	13°55'21"
C20	1879.86'	596.64'	594.14'	N 55°23'43" E	18°11'05"
C21	2527.00'	174.72'	174.69'	S 87°26'54" W	3°57'42"
C22	2537.00'	345.15'	344.88'	N 86°40'24" W	7°47'42"
C23	2537.00'	574.19'	572.96'	N 76°17'32" W	12°58'03"

CURVE TABLE

LINE	BEARING	DISTANCE
L38	N 87°49'38" W	53.84'
L39	S 73°43'52" W	66.47'
L40	N 79°52'48" W	77.70'
L41	N 49°46'36" W	165.29'
L42	N 41°17'03" W	46.53'
L43	N 20°01'01" W	86.62'
L44	N 32°32'32" W	142.35'
L66	S 55°41'19" W	284.89'
L67	S 24°23'50" E	101.93'
L68	N 66°15'37" E	123.01'
L69	N 78°50'04" E	198.56'
L70	S 75°19'28" E	147.12'
L71	S 51°07'43" E	186.47'
L72	S 13°43'11" E	68.57'

LINE TABLE



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PLAT OF SURVEY SHOWING
SUBDIVISION AND COMBINATION
FOR
DANVILLE - PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY
WESTOVER MAGISTERIAL DISTRICT
PITTSYLVANIA COUNTY, VIRGINIA

SEAL
PRELIMINARY
COMMONWEALTH OF VIRGINIA
WILLIAM B. POWELL
Lic. No. 002910
LAND SURVEYOR

No.	DATE	BY	Description

REVISIONS

DRAWN BY	CAA
APPROVED BY	WBP
CHECKED BY	WBP
PARTY CHIEF	
DATE	8/25/25

SCALE: 1"=300'
0 300 600

PROJECT NO. 50018376

SHEET NO. 4 of 5

FILE NO. V3321B

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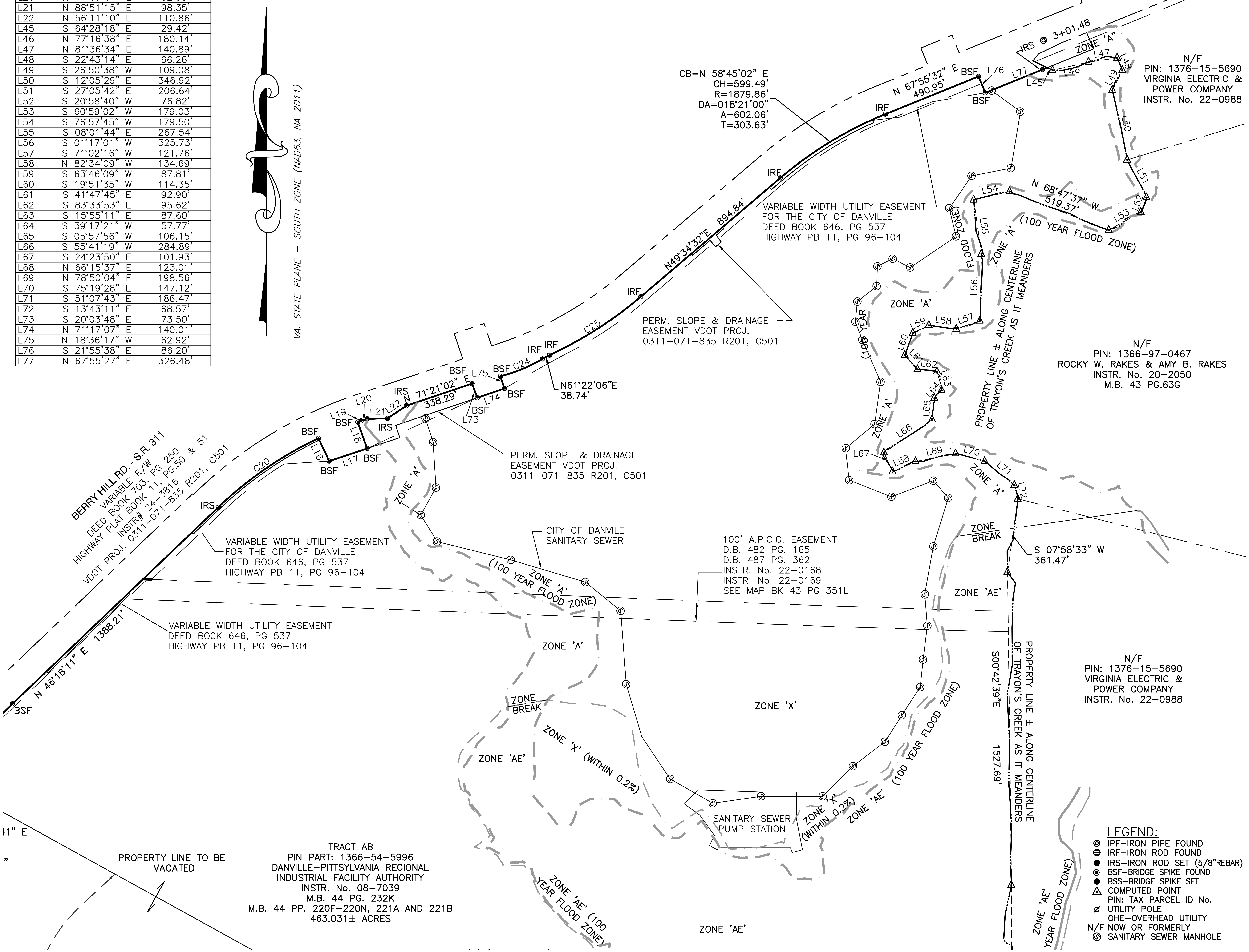
LINE TABLE		
LINE	BEARING	DISTANCE
L16	S 25°03'31" E	123.51'
L17	N 71°34'45" E	195.09'
L18	N 19°37'33" W	136.92'
L19	N 71°03'49" E	17.34'
L20	N 71°19'41" E	32.53'
L21	N 88°51'15" E	98.35'
L22	N 56°11'10" E	110.86'
L45	S 64°28'18" E	29.42'
L46	N 77°16'38" E	180.14'
L47	N 81°36'34" E	140.89'
L48	S 22°43'14" E	66.26'
L49	S 26°50'38" W	109.08'
L50	S 12°05'29" E	346.92'
L51	S 27°05'42" E	206.64'
L52	S 20°58'40" W	76.82'
L53	S 60°59'02" W	179.03'
L54	S 76°57'45" W	179.50'
L55	S 08°01'44" E	267.54'
L56	S 01°17'01" W	325.73'
L57	S 71°02'16" W	121.76'
L58	N 82°34'09" W	134.69'
L59	S 63°46'09" W	87.81'
L60	S 19°51'35" W	114.35'
L61	S 41°47'45" E	92.90'
L62	S 83°33'53" E	95.62'
L63	S 15°55'11" E	87.60'
L64	S 39°17'21" W	57.77'
L65	S 05°57'56" W	106.15'
L66	S 55°41'19" W	284.89'
L67	S 24°23'50" E	101.93'
L68	N 66°15'37" E	123.01'
L69	N 78°50'04" E	198.56'
L70	S 75°19'28" E	147.12'
L71	S 51°07'43" E	186.47'
L72	S 13°43'11" E	68.57'
L73	S 20°03'48" E	73.50'
L74	N 71°17'07" E	140.01'
L75	N 18°36'17" W	62.92'
L76	S 21°55'38" E	86.20'
L77	N 67°55'27" E	326.48'

CURVE TABLE					
CURVE	RADIUS	ARC	CHORD	CRD BEARING	DELTA ANGLE
C20	1879.86'	596.64'	594.14'	N 55°23'43" E	18°11'05"
C24	781.11'	223.74'	222.97'	N 67°34'08" E	16°24'41"
C25	1939.86'	530.32'	528.67'	N 57°24'27" E	15°39'49"



Dewberry®

Dewberry Engineers Inc.
551 PINEY FOREST ROAD
DANVILLE, VA 24540
PHONE: 434.797.4497
FAX: 434.797.4341

PLAT OF SURVEY SHOWING SUBDIVISION AND COMBINATION FOR DANVILLE - PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

WESTOVER MAGISTERIAL DISTRICT
PITTSYLVANIA COUNTY, VIRGINIA

SEAL

COMMONWEALTH OF VIRGINIA
WILLIAM B. POWELL
Lic. No. 002910
LAND SURVEYOR
PRELIMINARY

No.	DATE	BY	Description

REVISIONS

DRAWN BY CAA
APPROVED BY WBP
CHECKED BY WBP
PARTY CHIEF
DATE 8/25/25
SCALE: 1=300'
0 300 600

PROJECT NO. 50018376

SHEET NO. 5 of 5

FILE NO. V3321B

C:\Users\plove\AppData\Local\Temp\AcPublish_20096\harriston tract line change.dwg

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 6.C.

DATE: July 13, 2026

FROM: Michael Guanzon | Legal Counsel to Authority

RE: Consideration of Resolution No. 2026-07-13-6C, authorizing the negotiation, execution and delivery of that certain Performance Agreement by and between the Authority as grantee and Virginia Economic Development Partnership Authority ("VEDP"), a political subdivision of the Commonwealth of Virginia, as grantor, for a Virginia Business Ready Site Program ("VBRSP") Grant in the amount of $6,000,000.00, for the purpose of extending natural gas infrastructure in the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, along with the negotiation, execution and delivery of associated agreements with the City of Danville, Virginia (the "City"), under which the City would cause the construction of such work and the Authority would serve as fiscal agent for the VBRSP Grant, with the ultimate transfer of such infrastructure to the City; and amendments or consents under that certain Agreement For Cost Sharing and Revenue Sharing between the City of Danville, Virginia, and Pittsylvania County, Virginia, dated October 2, 2001, as amended, or in the alternative, if approved by VEDP, the assignment by the Authority of the VBRSP Grant to the City – Jason Grey, Director of Utilities, City of Danville, Virginia; and Mr. Guanzon.

ATTACHMENTS

1. Resolution 2026-07-13-6C
2. VEDP Performance Agreement

A RESOLUTION AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF THAT CERTAIN PERFORMANCE AGREEMENT BY AND BETWEEN THE AUTHORITY AS GRANTEE AND VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY ("VEDP"), A POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, AS GRANTOR, FOR A VIRGINIA BUSINESS READY SITE PROGRAM ("VBRSP") GRANT IN THE AMOUNT OF $6,000,000.00, FOR THE PURPOSE OF EXTENDING NATURAL GAS INFRASTRUCTURE IN THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, ALONG WITH THE NEGOTIATION, EXECUTION AND DELIVERY OF ASSOCIATED AGREEMENTS WITH THE CITY OF DANVILLE, VIRGINIA (THE "CITY"), UNDER WHICH THE CITY WOULD CAUSE THE CONSTRUCTION OF SUCH WORK AND THE AUTHORITY WOULD SERVE AS FISCAL AGENT FOR THE VBRSP GRANT, WITH THE ULTIMATE TRANSFER OF SUCH INFRASTRUCTURE TO THE CITY; AND AMENDMENTS OR CONSENTS UNDER THAT CERTAIN AGREEMENT FOR COST SHARING BETWEEN THE CITY OF DANVILLE, VIRGINIA, AND PITTSYLVANIA COUNTY, VIRGINIA, DATED OCTOBER 2, 2001, AS AMENDED, OR IN THE ALTERNATIVE, IF APPROVED BY VEDP, THE ASSIGNMENT BY THE AUTHORITY OF THE VBRSP GRANT TO THE CITY.

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, in furtherance of the goals stated above and as a requirement for a $6,000,000.00 grant from the Virginia Economic Development Partnership ("**VEDP**"), commonly known as the VBRSP Site Development Grant, for the purpose of extending natural gas infrastructure in the Authority's Southern Virginia Megasite at Berry Hill (the **SVM**"), located in Pittsylvania County, Virginia, the Authority has determined that the terms and conditions of a Performance Agreement with VEDP, substantially in the form attached hereto as **Exhibit A**, incorporated herein by this reference (the "**VBRSP Site Development Grant Performance Agreement**"), are reasonable and appropriate, including the following minimum provisions:

(i) the Authority would be awarded a Virginia Business Ready Site Program Grant (the "**VBRSP Grant**") of up to $6,000,000.00 to assist with the costs associated with preparing and positioning a potential site for selection and development by prospective economic development projects by extending natural gas infrastructure to the SVM to serve its occupants (the "**Project**");

(ii) the VBRSP Grant would be disbursed to the Authority based on requests for reimbursement, which may be made monthly, each of which shall be for no less than $100,000.00, except the last request, which may be for less; and

(iii) the Authority or its assigns would provide a local match to the VBRSP Grant (the "**Local Match**") at least equal to 33 percent of the amount of the Grant disbursed;

and

WHEREAS, pursuant to Section 6(D) of the Regional Industrial Facility Authority Agreement for Cost Sharing and Revenue Sharing Between the City of Danville, Virginia and Pittsylvania County, Virginia dated October 2, 2001, as amended (the “**Cost-Revenue Sharing Agreement**”), “each locality will be responsible for the cost of utility installation, separate from this Agreement, for industrial facilities within its service jurisdiction in accordance with its established policies and procedures”;

WHEREAS, the infrastructure constructed pursuant to the VBRSP Site Development Grant Performance Agreement lies within the service jurisdiction of the City, and upon the fulfillment of the VBRSP Grant requirements and the construction completion, and consistent with the Cost-Revenue Sharing Agreement, the Authority would sell, transfer and convey all right and title to the natural gas infrastructure to the City for the purchase price of $100.00, and as such, the City would be responsible for the Local Match required by the VBRSP Grant; 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 further develop the SVM and to enter into the VBRSP Site Development Grant Performance Agreement, and to enter into the transactions contemplated this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby authorizes and approves the negotiation, and subject to legal review, approval and modification by the Authority’s legal counsel as to legal form, the execution and delivery of the VBRSP Site Development Grant Performance Agreement with VEDP, as described in this Resolution and substantially in the form set forth in **Exhibit A**, each of the Authority’s Chairman and Vice Chairman, in consultation with each other, is authorized to further modify the VBRSP Site Development Grant Performance Agreement 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 VBRSP Site Development Grant Performance Agreement, and all other related documents to consummate the transaction, on behalf of the Authority, such execution of the VBRSP Site Development Grant Performance

Agreement, 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, directs and approves the negotiation, execution and delivery by the Chairman (or Vice Chairman as the case may be) of an agreement or agreements between the Authority and the City, under which the following minimum provisions shall apply:

a. The City, on behalf of the Authority, shall negotiate the construction project contracts, for the Authority's approval, execution and delivery, subject to legal approval as to form.

b. Within a budget not to exceed the VBRSP Grant funds received by the Authority, the Authority shall serve as fiscal agent to disburse such funds to the City for the construction costs and expense of extending natural gas infrastructure to the SVM (the "**Project**").

c. The City shall be solely responsible for the Local Match and for all Project construction costs and expenses not covered by the VBRSP Grant.

d. Upon the fulfilment of the VBRSP Grant requirements and completion of the construction, the Authority shall sell, transfer and convey to the City title to the infrastructure, without warranty except for the transfer and assignment of any construction contractor warranties to the extent transferrable and/or assignable, at a purchase price of $100.00.

3. In the alternative, and in lieu of paragraph 2 above, the Authority, subject to the approval of VEDP, shall assign the VBRSP Grant to the City prior to construction of the infrastructure, in which case such infrastructure shall automatically belong exclusively to the City.

4. The Authority hereby authorizes the Chairman (or Vice Chairman as the case may be) to give the Authority's consent to any amendments, supplements or clarifications to the Cost-Revenue Sharing Agreement, consistent with the transactions contemplated in this Resolution.

5. 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 VBRSP Site Development Grant Performance Agreement, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

6. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the

VBRSP Site Development Grant Performance Agreement and the matters contemplated therein or related thereto on or before the date of this Resolution is adopted.

7. 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 13, 2026 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 ____ day of July 2026.

____

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

(SEAL)

Exhibit A

(Form of VBRSP Site Development Grant Performance Agreement)

VIRGINIA BUSINESS READY SITE PROGRAM GRANT

PERFORMANCE AGREEMENT

This **PERFORMANCE AGREEMENT** (the "Agreement") made and entered this ___ May, 2026, by and among the **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY** ("the Grantee"), a political subdivision of the Commonwealth ("the Commonwealth"), and the **VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY** ("VEDP") (together with the Grantee, "the Parties"), a political subdivision of the Commonwealth.

1. Definitions.

For the purposes of this Agreement, the following terms shall have the following definitions:

"Grant" means a grant awarded from the Virginia Business Ready Sites Fund, established pursuant to § 2.2-2240.2:1 of the Code of Virginia.

"Performance Date" means July 1, 2027.

"Project" means the Site work for which the Grant was awarded.

"RFP" means a request for proposal issued pursuant to the Virginia Public Procurement Act (§ 2.2-4300 *et seq.* of the Code of Virginia).

"Scope of Work" means the scope of work, project timeline, and project budget summarized, collectively, in Exhibit A.

"Site" means the Southern Virginia Megasite at Berry Hill located in Pittsylvania, Virginia.

"Tier Level" means a site's designated VBRSP level of readiness for marketing and economic development purposes.

"VBRSP" means the Virginia Business Ready Sites Program ("VBRSP"), established pursuant to § 2.2-2240.2:1 of the Code of Virginia.

2. Award of Grant.

The Grantee has been awarded a Grant of and expects to receive $6,000,000 through VEDP for the purpose of extending natural gas infrastructure to the Southern Virginia Megasite at Berry Hill at the Site. The Grant is awarded in accordance with the VBRSP, and receipt of the Grant is subject to the terms and conditions set forth herein. The proceeds of the Grant shall be used to reimburse the Grantee for necessary and reasonable costs expended in connection with the Scope of Work, and shall not be used for any other purposes.

3. Local Match.

As a condition of receipt of the Grant, the Grantee shall be required to provide a local match at least equal to 33 percent of the amount of the Grant disbursed. The local match may, at VEDP's discretion, be met with prior expenditures by the Grantee for the site within the last five (5) years. Such match shall be paid towards the costs of the Scope of Work on or before the Performance Date. Additionally, the Grantee shall be responsible for any costs necessary to complete the Scope of Work not covered by the proceeds of the Grant, any costs incurred due to changes not approved pursuant to Section 4 of this Agreement, and any costs associated with the reporting required by this Agreement.

4. Scope of Work.

The Scope of Work is expected to maintain the Site's Tier 4 Level.

Only expenditures set forth in the Scope of Work shall be considered eligible expenses that may be reimbursed by VEDP from the Grant. The Grantee shall notify VEDP immediately if it determines that there will likely be changes to the Scope of Work.

The Grantee shall submit proposed changes to the Scope of Work using the form in Exhibit B. The Scope of Work shall only be amended upon agreement of both parties, in writing, prior to the commencement of the work related to the change. Grant Funds shall not be used to reimburse the Grantee for any work commenced prior to an approved change in the Scope of Work. All agreed upon changes to the Scope of Work shall be incorporated into this Agreement and shall be subject to all terms and conditions set forth herein.

The total amount of the Grant awarded to the Grantee shall not be subject to amendment. However, the Grantee shall notify VEDP immediately if it reasonably determines that cost increases will prohibit the completion of the agreed upon Scope of Work.

5. Progress Meetings.

(a) The Grantee and VEDP shall meet regularly throughout the Project to discuss Project progress. The agendas for such meetings shall include discussions of the work accomplished since the previous progress meeting, the detailed look-ahead schedule of work planned through the next progress meeting, the overall Scope of Work, potential delays or impediments to the completion of the Project by the Performance Date, applications for progress payments, any questions raised by either Party, and any other issues deemed relevant or necessary by the Parties. Such meetings may be held at the request of the Grantee or VEDP.

(b) In lieu of a progress meeting, VEDP may instead request a progress report quarterly. Exhibit D should be submitted as the progress report.

6. Time of Completion.

The Parties agree that time is of the essence in completing the Scope of Work, and the Grantee shall be responsible for completing all performance milestones set forth in the Scope of Work on or before the dates set forth therein, and ensure that the entire Scope of Work is completed by the Performance Date. The Performance Date contemplates ordinary delays for construction work, and such ordinary delays shall not relieve the Grantee from the obligation to complete the Scope of Work by the Performance Date. For extraordinary delays, aside from events of force majeure as set forth in Section 20(f) of this agreement, the Grantee shall submit in writing to VEDP a request for an extension of time of the Performance Date utilizing the Change Order Form (Exhibit B). Any such request shall set forth the particulars of the cause and details of the delay, and include documentation supporting the request. If VEDP determine that the request is reasonable, it may, in writing, grant an extension of the Performance Date set forth in this Agreement.

7. Performance.

This agreement does not alter any obligations under the Virginia Public Procurement Act as set forth in Chapter 43 of Title 2.2 (§ 2.2-4300 et seq.) of the Code of Virginia. The Grantee is ultimately responsible for selecting responsive, qualified bidders to complete the Scope of Work. Unless such requirement is otherwise waived by VEDP, the Grantee shall not issue an RFP until VEDP has reviewed and approved such RFP to ensure alignment with the Scope of Work/shall provide VEDP with the completed RFP prior to award notification.

If the Grantee has already successfully bid the project subject to the Scope of Work prior to the award of the Grant, and such bid was conducted in accordance with any obligations under the Virginia Public Procurement Act, the Grantee shall require the suppliers selected for the work to provide a list of at least three references on projects with similar scope and complexity within the last 10 years or currently in progress for which the supplier was a contractor. For each reference, the supplier shall briefly identify (i) the project name, location, and services provided, (ii) original and final period of performance, (iii) original and final contract amount, (iv) the reason for any major change orders, (v) staffing level, and (vi) supplier's role (i.e. prime contractor, subcontractor, supplier, and any other partners) and any other major suppliers (i.e. prime contractor, subcontractor, supplier and any other partners).

Responsive contractors selected to complete the work set forth in the Scope of Work shall be licensed and bonded, and shall have performed three projects over the last ten years of similar size and complexity. The Grantee shall require any responsive bidder to the RFP to supply to the Grantee, upon request, the details of such projects, including scope of work, location, period of performance and contract amount, as well as references for such projects.

8. Access to Site.

Representatives of VEDP shall have access to the Site at reasonable times for their observation, inspection, and testing. The Grantee shall provide proper and safe conditions for such access.

9. Permitting and Inspections.

(a) If the Scope of Work, or any relevant federal, state, or local laws, regulations, or ordinances requires a permit to be applied for and obtained for any portion of the work, the Grantee assumes responsibility for submitting the application for the permit in a timely and thorough manner. All permit applications for federal and state permits shall be reviewed by a third-party reviewer prior to submission.

(b) If the Scope of Work, or any relevant federal, state, or local laws, regulations, or ordinances, requires any part of the work to be inspected, tested, or approved, the Grantee shall assume full responsibility for arranging for and obtaining such inspections, tests, or approvals, and shall furnish VEDP with certificates of completed inspections, tests, or approvals. Unless such requirement is otherwise waived by VEDP, the Grantee shall provide VEDP with at least three-days' notice of the planned schedule for all inspections, tests, and approvals, unless circumstances reasonably require less than three-days' notice. In accordance with Section 8, VEDP shall be granted access to the Site to observe inspections, tests, and approvals.

10. Progress Payments and Reports.

(a) The Grantee may submit up monthly requests for reimbursement, using the form attached as Exhibit C. Each request shall be for no less than $100,000 (except for the final payment, which may be less than $100,000). When requesting funds for reimbursement the Grantee shall provide Exhibit C, Exhibit D or E, match documentation, original receipts or invoices with sufficient detail as to allow VEDP to identify goods and services for which reimbursement is requested based upon the Scope of Work, and proof of payment. VEDP may request any additional documentation reasonably necessary to authorize reimbursement.

(b) If payment is requested for materials and equipment not incorporated into the work completed to date, but delivered and suitably stored at the Project site or at another location agreed to by the Grantee and a contractor in writing, the request for reimbursement shall be accompanied by a bill of sale, invoice, or other documentation warranting that the Grantee has received the materials and equipment free and clear of all liens. In receiving such materials, the Grantee shall ensure that the materials and equipment are covered by appropriate property insurance.

(c) Within 10 business days of receipt of a request for disbursement, VEDP shall indicate in writing the acceptance of the application and state that the request is being processed for payment, or return the request to the Grantee indicating, in writing, the reasons that the request is being rejected. If the request is deemed acceptable, VEDP shall submit approved reimbursements for payment within 30 days of receipt of the request.

(d) VEDP may reject a request for reimbursement for failure to provide substantive documentation for the requested reimbursement, or may refuse to make the entire reimbursement, or a portion thereof, to the extent that VEDP is made aware that construction has been found to be defective, or completed construction has been damaged and requires correction or replacement. VEDP shall promptly pay the amount of reimbursement withheld when Grantee remedies the situation that required the withholding.

(e) VEDP may withhold up to five percent from each application for payment as retainage. Such amount shall be included in the final payment after completion of the Scope of Work.

(f) VEDP shall withhold payments for expenses related to the preparation and submission of any required permitting, licensing, or similar applications until the entity receiving such an application deems it complete. After an application is deemed to be complete, VEDP may, in its sole discretion, elect to withhold all or a portion of the reimbursement due for such application, until such time as the permit, license, or other approval is granted

(g) The Grantee shall submit a progress report along with each request for a progress payment, using the form attached as Exhibit D. Even if the Grantee does not submit a request for a progress payment monthly, the Grantee shall still be required to submit a progress report at least quarterly. The report shall outline progress to-date and progress towards milestones set forth in the Scope of Work, and shall include photographs of the progress at the Site, copies of any inspections completed since the previous progress report, proof that suppliers were paid, and copies of contractor invoices. If the Grantee does not have any expenses to for which to request a reimbursement at the time that such a request is due pursuant to subsection (a), the Grantee shall still be required to submit a report pursuant to this Section, and shall explain in the report why there are no expenses reported for the prior quarter.

11. Substantial Completion.

When the Grantee considers the Project complete, the Grantee shall notify VEDP in writing that the work is substantially complete, except for any items specifically noted by Grantee to be incomplete, and shall request that VEDP issue a certificate of substantial completion. Promptly thereafter, VEDP and the Grantee shall inspect the work to determine the status of completion. If VEDP does not consider the work to be substantially complete, it shall notify the Grantee in writing, providing the reasons for the determination. If VEDP considers the work to be substantially complete, it shall issue a certificate of substantial completion, which shall fix the date of substantial completion, and shall provide, in writing, a list of items to be completed or corrected before final payment will be issued.

12. Final Inspection.

Upon written notice from the Grantee that the Scope of Work is complete, including the correction or completion of any items noted with the certificate of substantial completion issued pursuant to Section 11, VEDP shall make a visual inspection of the site. VEDP shall notify the Grantee of any issues revealed by the visual inspection to be incomplete or defective. Such visual inspection shall not replace any federal, state, or locally-mandated inspections.

13. Final Reimbursement.

After the Grantee has completed all corrections to the satisfaction of VEDP and delivered all required documentation, the Grantee may make application for final payment following the procedure for progress payments. The total aggregate amount of payments made to the Grantee shall not exceed $6,000,000. If the total amount expended by the Grantee that is eligible for reimbursement is less than $6,000,000, the Grantee shall only be entitled to payment equal to its actual expenses. If VEDP is satisfied that the Grantee has completed the Scope of Work and all other obligations under this Agreement have been fulfilled, VEDP shall, within 10 days of receipt of the final application for payment, provide notice to the Grantee that the work is acceptable and shall submit approved reimbursements for payment within 30 days of receipt of the request. Otherwise, VEDP shall indicate in writing the reasons for refusing to process the final grant payment, in which case the Grantee shall make the necessary corrections and resubmit the application.

14. Final Performance Report.

Within 60 days after the Performance Date, or the date of the completion of the Scope of Work if prior to the Performance Date, the Grantee shall submit a Final Performance Report, using the form attached as Exhibit E. The Final Performance Report shall include the following information:

i. A summary of the work accomplished through the expenditure of the proceeds of the Grant;

ii. A summary of any changes to the Scope of Work approved during the performance period, with an explanation of each such change;

iii. If applicable, documentation confirming that the costs of the Scope of Work were less than anticipated, with an indication of the amount of the Grant proceeds not to be disbursed;

iv. Documentation identifying and confirming that the required local cash match has been provided in full, or, if such match has not been provided in full, the reduction of the amount of the Grant necessary to achieve the required local cash match;

v. Copies of all analyses, reports, and inspections related to the Scope of Work;

vi. A letter from a licensed engineer or equivalent who has inspected the Site after completion of the Scope of Work indicating that the Site's Tier Level has increased, or, if it did not increase, establishing that it has advanced towards the next Tier Level and indicating what steps would be necessary to advance to such Tier Level; and

vii. Plans for marketing the Site and a description of any new interest in the Site from prospective economic development projects.

The final payment due under this Agreement shall not be made unless and until such Performance Report is submitted in a timely manner.

15. Adjustments and Repayment.

The Grantee shall make any repayment due under this Section within 60 days of receipt of written notice from VEDP that repayment is due.

Repayment shall be required under any of the following circumstances:

(a) If the Final Report indicates, or evidence reveals, that the local match actually provided is less than the required level of local match as set forth in Section 3 of this Agreement, the amount of the Grant shall be reduced by the amount necessary for the actual local match to reach the required level. If the Grant was previously disbursed, the Grantee shall repay to VEDP the amount necessary to make the local cash match actually provided equal the required level of the local match.

(b) If VEDP reasonably determines that the Grantee is unable or unwilling to complete the Scope of Work by the Performance Date, VEDP may terminate this Agreement by delivering written notice of termination to the Grantee, and in such case the Grantee may, at the discretion of VEDP, be required to repay all or a portion of the Grant proceeds disbursed.

(c) If the locality in which the Site is located rezones the Site or otherwise makes local land use actions such that the Site may not be used for an industrial or manufacturing purpose, or if the locality allows the site to be used for a sector other than a sector classified pursuant to the North American Industry Classification System as Codes 31-33 (but excluding 3122, 313, 315, 316, 321, 322, 323, and 324), 5132, 54, 55, or 56, the Grantee shall repay a portion of the Grant proceeds as follows:

Within one year of the Performance Date, 100% of the Grant;

Within two years of the Performance Date, 90% of the Grant;

Within three years of the Performance Date, 80% of the Grant;

Within four years of the Performance Date, 70% of the Grant;

Within five years of the Performance Date, 60% of the Grant;

Within six years of the Performance Date, 50% of the Grant;

Within seven years of the Performance Date, 40% of the Grant;

Within eight years of the Performance Date, 30% of the Grant;

Within nine years of the Performance Date, 20% of the Grant;

Within 10 years of the Performance Date, 10% of the Grant.

In its discretion, VEDP may waive such repayment obligation under this subsection (c).

16. Termination of Agreement.

VEDP may terminate this agreement for cause. Cause will be justified if the Grantee fails to perform the work in accordance with the Scope of Work, including failure to ensure sufficient skilled workers, failure to abide by industry standards, failure to obtain suitable materials or equipment, or failure to adhere to the progress scheduled established under the Scope of Work (as it may be amended pursuant to this agreement). VEDP shall notify the Grantee in writing of the intent to terminate. The Agreement shall not be terminated if the Grantee sends written notice to VEDP within seven days of receipt of the intent to terminate, and begins, within those seven days, to correct its failure to perform and proceeds diligently to cure such failure within 30 days of receipt of the notice of intent to terminate. If the Agreement is terminated under this agreement, the Grantee shall not be entitled to receive any further payment, and may be required to repay pursuant to Section 15(b) of this Agreement any Grant amounts previously received.

17. Stop Work.

If, through no act or fault of the Grantee, progress towards completion of the Scope of Work is suspended for a period of more than 90 days by VEDP or under an order of a court or other local, state, or federal legal authority, this Agreement may be terminated upon written agreement of the Parties. If the Agreement is terminated pursuant to this section, the Grantee shall be entitled to receive Grant payments equal to the costs incurred by the locality pursuant to the Scope of Work as of the day of the termination.

18. Notices.

Formal notices and communications between the parties shall be given either by (i) personal service, (ii) delivery by a reputable document delivery service that provides a receipt showing date and time of delivery, (iii) mailing utilizing a certified or first class mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, or (iv) delivery by electronic mail (email) with transmittal confirmation and confirmation of delivery, addressed as noted below. Notices and communications personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices and communications mailed shall be deemed effective on the second business day following deposit in the United States mail. Notices and communications delivered by email shall be deemed effective the next business day, not less than 24 hours, following the date of transmittal and confirmation of delivery to the intended recipient. Such written notices and communications shall be addressed to:

if to the Grantee, to:

Danville-Pittsylvania Regional Industrial Facility
Authority
427 Patton Street
Danville, Virginia 24541
Attention: Jason Grey, Director of Utilities

if to VEDP, to:

Virginia Economic Development Partnership
One James Center, Suite 900
901 East Cary Street
Richmond, Virginia 23219
Email: mdreiling@vedp.org

with a copy to:

Virginia Economic Development Partnership
One James Center, Suite 900
901 East Cary Street
Richmond, Virginia 23219
Email: generalcounsel@vedp.org

Attention: Michael Dreiling, Vice President, Real Estate Solutions | Attention: General Counsel

Each party may change the address for service of notice upon it by a notice in writing to the other parties hereto.

19. VEDP Not Responsible for Infrastructure Improvement.

The Grantee acknowledges and agrees that VEDP bears no responsibility for work performed related to due diligence, site characterization, or site development of the Site. VEDP shall not be liable to any contractor, subcontractor, supplier, laborer, architect, engineer, tenant, or other party for services performed or materials supplied in connection with any work performed related to due diligence, site characterization, or site development. VEDP shall not be liable for any debts or claims accruing in favor of any such parties against the Grantee or others or against any improvements made on the Site. VEDP shall not be an agent of the Grantee for any purposes and the Grantee shall not be deemed partners or joint venturers with VEDP. VEDP shall not be deemed to be in privity of contract with any contractor or provider of services related to site characterization or site development. VEDP shall have no liability, obligation, or responsibility whatsoever with respect to due diligence, site characterization, or site development activities. Any inspections of the site improvements made by or through VEDP are solely for purposes of administration of the Grant, and neither the Grantee or any third party is entitled to relay upon the same with respect to the quality, adequacy, or suitability of materials or workmanship, conformity with the plans and specifications, state of completion, or otherwise.

20. Miscellaneous.

(a) This Agreement constitutes the entire agreement among the parties hereto as to the Grant and may not be amended or modified, except in writing, signed by each of the parties hereto. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The Grantee may not assign its rights and obligations under this Agreement without the prior written consent of VEDP.

(b) This Agreement is made, and is intended to be performed, in the Commonwealth and shall be construed and enforced by the laws of the Commonwealth. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the City of Richmond, and such litigation shall be brought only in such court.

(c) This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

(d) If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

(e) Attorney's fees shall be paid by the party incurring such fees.

(f) Notwithstanding the foregoing provisions of this Agreement, if the Grantee does not complete work on the Project by the Performance Date or take any action required under this Agreement because of an "Event of Force Majeure" (as defined below), the time for achieving the applicable Target or taking such action will be extended day-for-day by the delay in meeting the applicable Target or taking such action caused by the Event of Force Majeure. "Event of Force Majeure" means without limitation, any of the following: acts of God; strikes, lockouts or other industrial 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; 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.

(g) If the Site subject to the Project is privately owned or otherwise not under the ownership and control of the Grantee, the Grantee shall provide evidence to VEDP prior to the start of work that the Grantee has obtained the necessary property interest in the land on which the Scope of Work is to be performed. If failure to provide such evidence results in a delay of the start of Work, the Grantee shall have no claim for compensation or additional damages on account of such delay, but shall be entitled to request an extension of the Performance Date as set forth in Section 6.

(h) Counterparts; Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument. The use of electronic signatures shall be of the same legal effect, validity, and enforceability as a manually executed signature.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

DANVILLE-PITTSYLVANIA REGIONAL FACILITY AUTHORITY

By ______________________________
Name: _______________________
Title: _______________________
Date: ____________________________

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY

By ______________________________
Name: _______________________
Title: _______________________
Date: ____________________________

Exhibit A: Scope of Work
Exhibit B: Change Order Form
Exhibit C: Remittance Document
Exhibit D: Progress Report
Exhibit E: Final Performance Report

Exhibit B

This is a request for a change to the Scope of Work document in the performance agreement for the grant funding from the Virginia Business Ready Site Program (VBRSP) Site Development Grant. We (grantee and property owner) acknowledge that the grant funding amount will not increase due to any cost change represented here and any additional cost accrued due to this change is our (the grantee and property owner) responsibility. Any change in cost requires the funding source is identified to VEDP, but it will not result in any additional fees for the grant. The request for change in scope does not automatically mean the change to the scope of work is approved.

Change Order No. ________

Date of Issuance:	Address:
Site Name:	
Grantee:	Grantee Phone:
Grantee Contact Name:	Grantee Email:

The Scope of Work is modified as follows upon execution of this Change Order:

1) Description/Reason for Change:

2) Benefits of Change: What are the positive outcomes of the change to the overall project?

3) Cost of Not Doing the Change: How will the overall project be affected if the change is not implemented?

4) Remedial Action Plan: What actions will be taken to ensure the project maintains it original performance date and meets expected interim deadlines, or if the change order is to extend the performance date, how will the project mitigate and prevent the need for further extensions?

5) Attachments: *List out any attachments*

CHANGE IN SCOPE OF WORK COST	CHANGE IN PERFORMANCE DATE *[note changes in Milestones if applicable]*
Original Price: $____	Substantial Completion By: ______________________ Original Performance Date: ______________________ days or dates
[Increase] [Decrease] of this Change Order: $____	[Increase] [Decrease] of this Change Order: Substantial Completion By: ______________________ New Performance Date: _________________________ days or dates
New Price incorporating this Change Order: $____	Substantial Completion By: ______________________ New Performance Date: _________________________ days or dates

RECOMMENDED:

By: ____________________________
Engineer/Contractor
Title: ____________________________
Date: ____________________________

ACCEPTED:

By: ____________________________
Grantee (Authorized Signature)
Title: ____________________________
Date: ____________________________

Approved by VEDP:

By: ____ Date:______________

Title: ____

Please return to:

Abigail Patterson, Manager, Real Estate Solutions

804.221.8118

Apatterson@vedp.org

Virginia Economic Development Partnership

Exhibit C

Virginia Economic Development Partnership

EXHIBIT C

Site Name	
Grantee	
Grantee Point of Contact	
Point of Contact Phone	
Point of Contact Email	

Description of Expense/Invoice	Vendor	Documentation Submitted	Date of Expense/Invoice	Invoice Total	Amount Requested from BRSP	Amount Documented as Match

Remittance Cover Sheet | Transaction Listing

Virginia Economic Development Partnership

VIRGINIA BUSINESS READY SITE PROGRAM

Transaction/Invoice	VBRSP Budget ($)	Previously Paid ($)	Available Funds ($)	VEDP Request ($)	Total Paid After Remittance
	$ -		$ -		$ -
	$ -		$ -		$ -
	$ -		$ -		$ -
	$ -		$ -		$ -
	$ -		$ -		$ -
	$ -		$ -		$ -
	$ -		$ -		$ -
	$ -	$ -	$ -	$ -	$ -
	Total Award	Total Paid	Total Available	Total Requested	Total Paid After Remittance

Remittance Cover Sheet | Transaction Listing

MATCHING FUNDS

Expenditure Category	Other Funding: Committed Match ($)	Other Funding: Previous Match ($)	Other Funding: Current Match ($)	Other Funding: Total Match ($)
	$ -			$ -
	$ -			$ -
	$ -			$ -
	$ -			$ -
	$ -			$ -
	$ -			$ -
	$ -			$ -
	$ -	$ -	$ -	$ -
		Total Previous Match	Total Current Match	Total Match After Remittance

EXHIBIT D

FORM OF PROGRESS REPORT

VIRGINIA BUSINESS READY SITES PROGRAM

PROJECT SUMMARY:

Project	
Grantee	
Performance Date	

SUMMARY OF SCOPE OF WORK

1) **Provide a brief description of the current stage of project and any completed work with the BRSP funds or matching funds to date.**

2) **Please include a percentage of the project completed to date.**

3) **What are the immediately planned works?**

4) **Describe what new economic development prospects that the site has been marketed to. And, what additional private investment and job creation has resulted from the project?**

5) **Is the project projected to meet its next interim deadline according to the SOW? If not, what remedial action is being taken to ensure the project will maintain the targeted performance date?**

6) **Is the project on time to meet its Performance Date? What is required next to complete all tasks by Performance Date?**

TO BE CERTIFIED BY AN OFFICER OF THE GRANTEE:

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

Grantee: ____

By: ____

Name: ____

Title: ____

Date: ___________________________

Please return to:

Abigail Patterson, Manager, Real Estate Solutions

804.221.8118

apatterson@vedp.org

VEDP Virginia Economic Development Partnership

EXHIBIT E

FORM OF FINAL REPORT

PROJECT SUMMARY:

Project	
Grantee	
Performance Date	

PROJECT PERFORMANCE:[1]

Performance Measurement	Pre-Award	Post Award
Contiguous Acreage		
Zoning		
Site Tier:[2]		
Project Cost		

[1] Final, actual performance will be reported on VEDP's public reporting website.

[2] Attach the site's updated Characterization Letter.

Project Investment Breakdown	Amount
Total BRSP Funds Expended	$
Total Match Expended	
Total Project Investment	**$**

Total linear feet of ROW acquired	
Total linear feet of gas line constructed	
Total linear feet of water line constructed	
Total linear feet of sewer line constructed	
Total linear feet of rail line constructed	
Total linear feet of electrical line constructed	
Linear feet of road constructed	
Acreage of pad created	
Total increase in natural gas capacity (above starting)	

Total increase in water capacity (above starting)	
Total increase in sewer capacity (above starting)	
Total increase in electrical capacity (above starting)	

1) Provide a brief description of the full scope of work completed with the BRSP funds.

2) Please provide a brief description of the full scope of work completed with matching funds, if scope differs from BRSP.

3) What was the biggest obstacle to project completion?

4) **What additional scope of work, if any, is required to advance site readiness? Has any funding been identified for this scope of work?**

5) **Please describe what additional prospect activity has occurred during or since the project. What additional job creation has resulted from the project?**

TO BE CERTIFIED BY AN OFFICER OF THE GRANTEE:

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

Grantee: ____

By: _____________________________________

Name: _____________________________________

Title: _____________________________________

Date: _________________________

Please return to:

Abigail Patterson, Manager, Real Estate Solutions

804.221.8118

apatterson@vedp.org

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 6.D.

DATE: July 13, 2026

FROM: Ken Larking | Danville City Manager

RE: Report on contracts executed by the City Manager Officer and County Administrator Officer pursuant to Bylaws Article IV, Paragraph 2 – Kenneth F. Larking, City Manager, City of Danville, Virginia and Vincent E. Shorter, County Administrator, Pittsylvania County, Virginia.

ATTACHMENTS

None

DANVILLE-PITTSYLVANIA
REGIONAL INDUSTRIAL FACILITY AUTHORITY

ITEM: 6.E.

DATE: July 13, 2026

FROM: Michael Adkins | Authority Treasurer

RE: Financial Status Report as of June 30, 2026.

SUMMARY

A review of the financial status reports through June 30, 2026 will be provided at the meeting. The financial status reports as of June 30, 2026 are attached for the DPRIFA Board's review.

Staff recommends approving the financial status reports as of June 30, 2026, as presented.

ATTACHMENTS

1. Financial Reports

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	
Meeting Date:	July 13, 2026
Subject:	Financial Status Reports – June 30, 2026
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through June 30, 2026 will be provided at the meeting. The financial status reports as of June 30, 2026 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of June 30, 2026, as presented.

ATTACHMENTS

Financial Status Reports

Danville - Pittsylvania Regional Industrial Facility Authority

Financial Status

Table of Contents

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2026

As of June 30, 2026

	Funding	Budget	FY Expenditures	Current Month Expenditures	Encumbered	Unexpended / Unencumbered
Funding						
City Contribution	$ 125,000.00					
County Contribution	125,000.00					
Transfer from Unrestricted Fund Balance	96,365.00					
Contingency						
Miscellaneous contingency items		$ 4,000.00	$ 120.00	$ 120.00	$ -	$ 3,880.00
Total Contingency Budget		4,000.00	120.00	120.00	-	3,880.00
Legal		200,000.00	36,074.70	22,557.70	-	163,925.30
Accounting		30,400.00	31,000.00	-	-	(600.00)
Marketing		30,000.00	12,250.06	12,250.06	-	17,749.94
Postage & Shipping		100.00	180.19	76.21	-	(80.19)
Meals		5,000.00	6,015.54	667.50	-	(1,015.54)
Utilities		1,800.00	1,237.77	109.20	-	562.23
Insurance		3,665.00	-	-	-	3,665.00
Maintenance		71,400.00	71,400.00	5,950.00	-	-
Total	$ 346,365.00	$ 346,365.00	$ 158,278.26	$ 41,730.67	$ -	**$ 188,086.74**

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of June 30, 2026

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
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	1,284,470.00				
VSBFA Loan - (5981 Berry Hill Rd)	1,895,000.00				
Transfer from Unrestricted Funds - "Other Income"	2,762,037.94				
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)		22,873.09	22,873.09	-	
Stantec Consulting Services Inc.		2,400.00	2,400.00	-	
Troutman, Pepper, Hamilton, Sanders LLP		75,000.00	66,500.00	8,500.00	
Dewberry Engineers		279,370.00	264,301.50	15,068.50	
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	-	
Cemetery Relocation		1,471,002.22	1,457,835.68	13,166.54	
Jones Lang Lasalle		65,000.00	65,000.00	-	
Sellers Brothers		8,510.00	8,510.00	-	
Sign Enterprise, Inc.		70,096.60	34,725.00	35,371.60	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project [8]		-	11,203.15	-	
City of Danville - Relocate Utility Lines		100,000.00	100,000.00	-	
VSBFA Loan Interest		132,093.26	132,093.26	-	
Total	$ 28,250,662.18	$ 28,143,508.00	$ 27,910,480.65	$ 233,027.35	**$ 107,154.18**

[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*
[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*
[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*
[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, 2026

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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)

C

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lots 1&2 Site Development

As of June 30, 2026

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
Funding					
TIC #3358 Berry Hill Industrial Park - Site Improvements for Project Lignum	$ 1,908,919.52				
TIC #3358 Local Match (County)	970,707.92				
TIC #3358 Local Match (City)	970,707.92				
VBRSP Site Development Grant from VEDP	1,217,118.49				
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	(1,476,654.67)				
Expenditures					
Dewberry Engineers Inc.		420,540.00	414,040.00	6,500.00	
Virginia Nutrient Bank		84,420.00	84,420.00	-	
Jimmy R. Lynch & Sons, Inc.		3,482,831.18	3,482,831.18	-	
Treasurer of Virginia		6,100.00	6,100.00	-	
Fifth Mountain Engineering		30,000.00	30,000.00	-	
Total	$ 4,023,891.18	$ 4,023,891.18	$ 4,017,391.18	$ 6,500.00	$ (0.00)

D

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Water & Sewer
As of June 30, 2026

		Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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	**$ 67,060.00**

Danville-Pittsylvania Regional Industrial Facility Authority

Cyber Park Site Development

As of June 30, 2026

	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
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	$ -	$ -

F

Danville-Pittsylvania Regional Industrial Facility Authority
Rent, Interest, and Other Income Realized for Fiscal Year 2026
As of June 30, 2026

Source of Funds	Funding: Carryforward from FY2025	Funding: Receipts Current Month	Funding: Receipts FY2026	Expenditures FY2026	Unexpended / Unencumbered
Carryforward	$ 7,753,564.91				
Current Lessees					
Institute for Advanced Learning and Research (IALR) [1]		$ -	$ 256,810.94		
Axxor N.A. LLC		-	500.00		
Strata Solar		-	5,000.00		
Osborne Company of North Carolina, Inc.		-	1,000.00		
Capital Outdoor, Inc.		-	2,000.00		
Crown Castle		1,802.50	22,802.50		
Averett University		12,656.25	19,406.25		
Total Rent		$ 14,458.75	$ 307,519.69		
Interest Received [2]		$ 34,038.33	$ 249,156.86		
Miscellaneous Income		$ 91,914.59	$ 5,352,821.97		
Expenditures					
Hawkins Research Bldg. Property Mgmt. Fee				$ 280,153.05	
Incentive Disbursements to Tyson				$ 1,450,244.60	
Economic Leadership LLC - Strategic Plan Development				$ 54,500.00	
Dewberry Engineers - Strategic Plan Development				$ 88,725.00	
Dewberry Engineers - Averett North Alta/Phase 1 ESA				$ 25,500.00	
VSBFA - Hairston Property Principal Payment				$ 13,780.82	
Repayment of Harlow Incentives				$ 72,765.00	
Averett North Campus Purchase				$ 6,768,785.78	
Buford Rd Home Demolition				$ 18,500.00	
Transfers to other funding sheets				$ 1,595,254.59	
Totals	$ 7,753,564.91	$ 140,411.67	$ 5,909,498.52	$ 10,368,208.84	$ 3,294,854.59

Restricted [1]	$ 312,826.70
Unrestricted	$ 471,861.72
Committed	$ 2,510,166.17

[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 interest received on RIFA's operating account & general money market account.*

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Danville-Pittsylvania Regional Industrial Facility Authority
Monthly Disbursements
June 2026

Check Number	Date	Vendor Name	Paid Amount
2822	6/8/2026	Dewberry Engineers	3,825.00
2823	6/8/2026	City of Danville	10,695.06
2824	6/8/2026	IALR	23,358.02
2825	6/8/2026	IALR	538.50
2826	6/8/2026	Treasurer of Pitts County	120.00
2827	6/8/2026	Sellers Brothers, Inc	26,005.00
2828	6/8/2026	FedEx	4.54
2829	6/8/2026	FedEx	5.76
2830	6/8/2026	FedEx	65.91
2831	6/8/2026	Christian & Barton	22,557.70
2832	6/8/2026	IALR	129.00
	6/8/2026	City of Danville	40.50
	6/8/2026	City of Danville	68.70
	6/8/2026	VSBFA	13,039.22
	6/30/2026	Averett University	3,375,000.00

Danville-Pittsylvania Regional Industrial Facility Authority

Statement of Net Position [1, 2]

*June 30, 2026**

		Unaudited FY 2026
Assets		
Current assets		
Cash - checking	$	362,781
Cash - money market		4,387,856
Accounts receivable		2,280
Total current assets		4,752,917
Noncurrent assets		
Capital assets not being depreciated		24,837,214
Capital assets being depreciated, net		27,265,821
Construction in progress		38,063,085
Total noncurrent assets		90,166,120
Total assets		94,919,037
Liabilities		
Current liabilities		
Accrued interest		350,926
Accounts Payable		593,486
Unearned income		3,053
Economic development payable - current portion		74,235
Loans payable - current portion		44,447
Total current liabilities		1,066,147
Noncurrent liabilities		
Loans payable - less current portion		8,660,916
Total noncurrent liabilities		8,660,916
Total liabilities		9,727,063
Net Position		
Net investment in capital assets		81,460,757
Unrestricted		3,731,217
Total net position	$	85,191,974

[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, 2026 as of June 30, 2026, 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, 2026**

		Unaudited FY 2026
Operating revenues		
Reimbursement of grants		1,303,030
Rental income		305,358
Other Income		2,560,550
Total operating revenues		4,168,938
Operating expenses [4]		
Mega Park expenses [3]		1,007,477
Cane Creek Centre expenses [3]		749,896
Cyber Park expenses [3]		258,669
Professional fees		45,223
Other operating expenses		155,813
Total operating expenses		2,217,078
Operating income (loss)		1,951,860
Non-operating revenues (expenses)		
Interest income		249,157
Interest expense		(176,063)
Total non-operating expenses, net		73,094
Net income (loss) before capital contributions		2,024,954
Capital contributions		
Contribution - City of Danville		197,937
Contribution - Pittsylvania County		197,937
Total capital contributions		395,874
Change in net position		2,420,828
Net position at July 1, 2025		82,771,146
Net position at June 30, 2026	$	85,191,974

[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.

5 Please note this statement will change once all FY2026 entries are made and may also change depending on audit adjustments, if any, for FY2026 and the nature of those audit adjustments.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*June 30, 2026**

		Unaudited FY 2026
Operating activities		
Receipts from grant reimbursement requests	$	1,303,030
Receipts from leases		305,358
Other receipts		3,778,158
Payments to suppliers for goods and services		(3,209,297)
Net cash provided (used) by operating activities		2,177,249
Capital and related financing activities		
Purchase of capital assets		(8,893,681)
Proceeds from debt		5,700,000
Capital contributions		395,874
Interest paid		(104,110)
Principal repayments of debt		(3,389,637)
Net cash used by capital and related financing activities		(6,291,554)
Investing activities		
Interest received		249,157
Net cash provided by investing activities		249,157
Net decrease in cash and cash equivalents		(3,865,148)
Cash and cash equivalents - beginning of year		8,615,785
Cash and cash equivalents - through June 30, 2026	$	4,750,637
Reconciliation of operating loss before capital contributions to net cash used by operating activities:		
Operating income	$	1,951,860
Adjustments to reconcile operating income to net cash provided by operating activities:		
Non-cash operating in-kind expenses		
Non-cash economic incentive expenses		-
Changes in assets and liabilities:		
Change in prepaids		3,665
Change in other receivables		1,288,337
Change in accounts payable		(1,068,649)
Change in unearned income		2,036
Net cash provided (used) by operating activities	$	2,177,249

Components of cash and cash equivalents at June 30, 2026:		
American National - Checking	$	362,781
American National - General money market		4,387,856
	$	4,750,637