



# Virginia's First Regional Industrial Facility Authority

6580 Valley Center Drive, Suite 139  
Radford, VA 24141  
Phone (540) 639-9313 FAX (540) 831-6093

## VFRIFA Board of Directors Meeting Agenda 12 Noon, Wednesday December 13, 2023

Location: Pulaski County Innovation Center, New River  
Room 6580 Valley Center Drive, Fairlawn, VA 24141

### **Bland County**

Cameron Burton  
Eric Workman, *Secretary/Treasurer*

### **Craig County**

Jay Polen

### **Giles County**

Chris McKlarney  
Paul Baker

### **Montgomery County**

Mary Biggs, *Chair*  
Craig Meadows

### **Pulaski County**

Laura Walters  
Jonathan Sweet

### **Roanoke County**

Jason Peters  
Megan Baker

### **City of Radford**

Richard Harshberger  
Kim Repass

### **City of Roanoke**

William Bestpitch  
Marc Nelson

### **Town of Dublin**

Debbie Lyons  
Tyler Kirkner

### **Town of Pearisburg**

Kenneth Vittum, *Vice-Chair*  
Todd Meredith

### **Town of Pulaski**

Greg East  
Darlene Burcham

1. Roll Call
2. Approval of Agenda
3. Public Comment
4. Items of Consent
  - a. Approval of Previous Meeting Minutes
  - b. Quarterly Financial Report
5. Executive Team Report
  - a. Property Updates
  - b. Farming Lease
  - c. Resolution
  - d. 2024 Meeting Dates
  - e. Other Items
6. Action Items
  - a. Farming Lease
  - b. 2024 Meeting Dates
7. Closed Session - Executive Session pursuant to Sec. 2.2-3711 (A) (5) (6) (7) of the Code of Virginia, relating to a discussion of an undisclosed prospective business or industry or the expansion of an existing business or industry and investment of public funds which if made public initially might adversely affect the Authority's financial position.
  - a. Property Updates
  - b. Project King
8. Adjournment - Next Meeting: March 13th, 2024

## 5. Executive Team Report

### A. Property Updates

- a. 2022 VBRSP Grant – We have paid AECOM \$300,000 for their work on Lot J and International Blvd, and are waiting for reimbursement from the state.
- b. 2024 VBRSP Grant – Our pre-application has been approved. We are requesting \$22.5 million from this grant to grade lot J and International Blvd. This amount is based on engineering quotes and would require Virginia’s First to match \$5,625,000.00.

### B. Farming Lease

- a. Our current lease ends January 1, 2024. This was a five-year lease, \$33,972.60 paid annually for the use of 727.5 acres. The tenant is unable to be off the property until May. Staff suggests that we renew a six-month contract for \$16,986.30 that would end on June 30, 2024. We would put the lease out for bid in March for a July 1 effective date.

### C. Resolution

- a.

### D. 2024 Meeting Dates

- a. March 13, 2024
- b. June 12, 2024
- c. September 11, 2024
- d. December 11, 2024

### E. Other Items

- a.

## 6. Action Items

- A. Vote to approve a six-month farming lease for \$16,986.30.
- B. Vote to approve the 2024 meeting dates

**7. Closed Session** - Executive Session pursuant to Sec. 2.2-3711 (A) (5) (6) (7) of the Code of Virginia, relating to a discussion of an undisclosed prospective business or industry or the expansion of an existing business or industry and investment of public funds which if made public initially might adversely affect the Authority’s financial position.

- a. Property Updates
- b. Project King

**Motion to Return to Open Session** – A motion is needed to return to open session.

**Certification** – A motion is needed to certify the following: The Virginia’s First Regional Industrial Facility Authority certifies compliance with 1950 Code of Virginia, Section 2.2-3712 (D) requirements that (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.

## 8. Adjournment - Next Meeting: March 13th, 2024

**Virginia's First REGIONAL INDUSTRIAL FACILITY AUTHORITY**  
**Meeting Minutes**  
**September 13, 2023**  
**Pulaski County Innovation Center, Fairlawn, VA**

**1. Roll Call**

A meeting of the Virginia's First Regional Industrial Facility Authority (VFRIFA) was held on Wednesday, September 13, 2023 at the Pulaski County Innovation Center. Ms. Biggs, Chair, called the VFRIFA meeting to order at 12:03 pm.

A quorum was determined with seven of eleven member governments represented: Bland, Montgomery, and Pulaski Counties, and the Towns of Dublin, Pulaski, and Pearisburg, and the City of Radford. No representatives from Craig, Giles, and Roanoke Counties, and the City of Roanoke.

Each Board Member introduced themselves.

**2. Approval of Agenda**

Mr. Solomon advised that there weren't any items for closed session during this meeting. Ms. Biggs requested a motion for approval of the agenda.

Motion: Mr. Sweet moved the Board approve the agenda. Ms. Walters seconded the motion.

Action: The motion passed unanimously with all members present by a voice vote.

**3. Public Comment**

Mr. Solomon advised the Board that Mr. Bunn was at the meeting because he has interest in the Commerce Park's noncontiguous 55-acre lot. He also advised that Mr. McGuire was at the meeting. Mr. McGuire is an engineering consultant that worked on the Airport Masterplan.

**4. Items of Consent**

**a. Approval of Previous Meeting Minutes**

**b. Quarterly Financial Report**

Motion: Mr. Sweet moved the Board approve the items of consent. Ms. Walters seconded the motion.

Action: Mr. Harshberger abstain due to not being at the previous meeting. The motion passed unanimously with all other members present by a voice vote.

## 5. Executive Team Report

### a. Property Updates

- VBRSP Grant – Mr. Solomon talked about AECOM completing 65% design plans for Lot J and International Blvd. Mr. Solomon believes that the next project we have, we will design International Blvd 100% using the ARC Grant. He also said that the 2024 VBRSP Grant would be used to grade Lot J.
- International Blvd – Mr. Solomon reported that Phase 1 and 2 are complete. The Pulaski County Board of Supervisors approved Phase 1 and 2 going into the VDOT Road System.

### b. Project Speaker

- Mr. Solomon said Virginia's First has received the \$65,000.00 for this project, and that the investor should be added a 50,000 sqft building to the property. This building is valued at \$10,000,000.00.

### c. Patton Logistics

- Mr. Solomon said that the Terminal should be completed in October, and will have a ribbon cutting. He also said there has been progress on their expansion. Mr. Solomon updated the board on Patton's Personal Property Taxes, stating that they have paid \$12,446.49 each of the past two years.

### d. NRV Airport Fly In

- Mr. Solomon advised the board that the NRV Airport will be having a Fly In to help bring attention to the airport on the seventh. Virginia's First has agreed to be a sponsor for this event.

### e. Other Items

- Vehicle Policy – Mr. Solomon went over the policy. Mr. Popovich suggested that we change employee to authorized user. Ms. Burcham asked if the vehicle would have municipal tags. Mr. Solomon thinks that it will. Mr. Solomon gave examples of how the vehicle will be used. The board agreed that the use of the vehicle is up to the Executive Director. Mr. Hamilton suggested that the contract contain language based on 5 points for the driving record. Mr. Foxx will make these changes to Virginia's First Vehicle Policy.
- Statements of Economic Interest – Mr. Foxx advised the board that there are six SOEI missing. He has reached out to those six people.

**6. Action Items**

**a. Vehicle Policy**

- Ms. Biggs requested a motion to approve the vehicle policy.

Motion: Mr. Harshberger moved the Board approve the policy. Ms. Walters seconded the motion.

Action: The motion passed unanimously with all members present by a voice vote.

**b. Resolution**

- Ms. Biggs wants to do a resolution for Mr. Meadows retirement. She requested a motion.

• Motion: Mr. Workman made a motion. Mrs. Walters seconded the motion.

• Action: The motion passed unanimously with all members present by a roll voice vote.

**7. Closed Session - Executive Session pursuant to Sec. 2.2-3711 (A) (5) (6) (7) of the Code of Virginia, relating to a discussion of an undisclosed prospective business or industry or the expansion of an existing business or industry and investment of public funds which if made public initially might adversely affect the Authority's financial position.**

- No Items

**a. Motion to enter Closed Session**

Motion:

Action:

**b. Motion to return to Open Session**

Motion:

Action:

- c. Certification of Closed Session: Roll Call Vote certifying compliance with 1950 Code of Virginia, Section 2.2-3712 (D) requirements that (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.**

A motion is needed to certify the following: The Virginia's First Regional Industrial Facility Authority certifies compliance with 1950 Code of Virginia, Section 2.2-3712 (D) requirements that (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.

Motion:

Action:

#### **8. Adjournment - Next Meeting: December 13, 2023**

With no further business to discuss, Ms. Biggs adjourned the meeting at 12:25 pm. The next scheduled regular VFRIFA Board meeting is Wednesday, December 13, 2023 at noon. Tentative dates and locations for called special meetings will be monthly on the second Wednesday at noon.

Respectfully Submitted,

Approved by,

Michael Solomon, Executive  
Director

Mary Biggs, Chair

Eric Workman, Secretary /  
Treasurer

**Virginia's FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY  
Attendance**

**September 13, 2023  
Pulaski County Innovation Center, Fairlawn, VA**

<b>Jurisdiction</b>	<b>Member</b>	<b>Alternate</b>
Bland County	<input checked="" type="checkbox"/> Eric Workman <input type="checkbox"/> Cameron Burton	<input type="checkbox"/> Mr. Rodney Ratliff <input type="checkbox"/> Stephen Kelley
Craig County	<input type="checkbox"/> Jay Polen	
Giles County	<input type="checkbox"/> Chris McKlarney <input type="checkbox"/> Paul Baker	
Montgomery	<input type="checkbox"/> Craig Meadows <input checked="" type="checkbox"/> Mary Biggs	<input checked="" type="checkbox"/> Brian Hamilton <input type="checkbox"/> Brenda Rigney
Pulaski County	<input checked="" type="checkbox"/> Jonathan Sweet <input checked="" type="checkbox"/> Laura Walters	<input checked="" type="checkbox"/> Dirk Compton
Roanoke County	<input type="checkbox"/> Jason Peters <input type="checkbox"/> Megan Baker	<input type="checkbox"/> Martha Hooker
City of Radford	<input type="checkbox"/> Kim Repass <input checked="" type="checkbox"/> Richard Harshberger	
City of Roanoke	<input type="checkbox"/> Marc Nelson <input type="checkbox"/> Stephanie Moon Reynolds	<input type="checkbox"/> Robert Jeffrey
Town of Dublin	<input checked="" type="checkbox"/> Ty Kirkner <input checked="" type="checkbox"/> Debbie Lyons	<input checked="" type="checkbox"/> Edith Hampton
Town of Pearisburg	<input checked="" type="checkbox"/> Todd Meredith <input checked="" type="checkbox"/> Ken Vittum	
Town of Pulaski	<input type="checkbox"/> Greg East <input checked="" type="checkbox"/> Darlene Burcham	<input type="checkbox"/>

**Others Present:** Mark Popovich, Mark McGuire, Doug Bunn

**Staff Present:** Michael Solomon, Drew Foxx

**VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY**  
**Quarter Ending September 30, 2023**

<b>Ledger Balance Forward June 30, 2023</b>		<b>613,374.71</b>
Dues/Shares/Rents Received	\$467,500.00	
Interest Earned		
Leases/Loan payments	41,818.23	
Mebane Sale		
RSF Tax/Surcharge Income	162,490.85	
Loans/Grants/Performance Payments	220,799.16	
Misc		
<b>Total Receivables (less fees)</b>	<b>892,608.24</b>	<b>892,608.24</b>
<b><u>July 2023 Payables</u></b>		
Atlantic Union Credit Card	438.67	
Pulaski County	11.00	
VSBFA	3,760.21	
VACORP	905.00	
AECOM Technical Services, Inc	163,125.00	
Pulaski County EDA	193,098.29	
Patton Investments	25,000.00	
Guyann & Waddell	784.78	
<b><u>August 2023 Payables</u></b>		
VSBFA	3,760.21	
Atlantic Union Credit Card	1,777.32	
Pulaski County EDA	391,476.92	
NRV RC	7,500.00	
Pulaski Co	11.00	
Pulaski County PSA	55,000.00	
<b><u>September 2023 Payables</u></b>		
VSBFA	3,760.21	
Atlantic Union Credit Card	3,589.01	
Pulaski Co	11.00	
<b>Total Accounts Payable</b>	<b>854,008.62</b>	
		<b>(854,008.62)</b>
<b>Ledger Balance September 30, 2023</b>		<b>651,974.33</b>
<b>Available Funds</b>		
<b>Virginia's First Designated Balance</b>	<b>-339,250.71</b>	
<b>Commerce Park Designated Balance</b>	<b>952,625.42</b>	
<b>Total Available Funds</b>		<b>613,374.71</b>

These financial statements have not been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and are intended for internal use only
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	VA First	Commerce Park	Total Funds
<b>6/30/23 Designated Balance</b>	\$ (339,250.71)	\$ 952,625.42	\$ 613,374.71
<b>Quarterly Income</b>			
Dues/Shares	\$ 55,000.00	\$ 412,500.00	
Loans			
Leases		\$ 33,974.25	
Misc - Grants/Easement Fees/PSA repayment/RSF income/Patton		\$ 220,799.16	
Real Estate Tax/Water Surcharge RSF		\$ 162,490.85	
Add'l Shares - W/S Expansion			
an payments land sale - new Dublin Presbyterian church			
mebane manor		\$ 7,213.98	
Ruebush Road house sale		\$ 630.00	
reserve transfer			
<b>Total Income</b>	\$ 55,000.00	\$ 837,608.24	\$ 892,608.24
<b>Quarterly Expense</b>			
Admin Contracted	\$ 7,500.00		
Admin Exp	\$ 628.68	\$ 1,765.32	
Project Development			
Website			
Contractual Service			
Debt Service	\$ 584,575.21	\$ 55,000.00	
Capital Outlay			
Professional	\$ 1,334.78	\$ 355.00	
Site Marketing		\$ 3,444.00	
Site Maintenance			
Lot C		\$ 11,280.63	
Lot J		\$ 163,125.00	
Revenue Refund			
Misc/reserve used for debt service		\$ 25,000.00	
<b>Total Expense</b>	\$ 594,038.67	\$259,969.95	\$854,008.62
<b>9/30/23 Designated Balance</b>	\$ (878,289.38)	\$ 1,530,263.71	\$ 651,974.33
		<b>9/30/2023 ledger balance</b>	\$ 651,974.33
			\$ -
		\$ 1,530,263.71	Commerce Pk Qtr Balance
	\$ (878,289.38)	\$ 1,530,263.71	

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# Virginia's First Regional Industrial Facility Authority

## Budget vs. Actuals: FY2023-24 - FY24 P&L

July - September, 2023

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
<b>Income</b>			
Commerce Park Income			
6101 Ruebush Rd. 10 yr purchase	630.00	2,520.00	25.00 %
DublinPresbyterianChurchPayment		1,122.96	
Lease Income - Commerce Park			
Lease- Independence Lumber	33,974.25	33,972.60	100.00 %
<b>Total Lease Income - Commerce Park</b>	<b>33,974.25</b>	<b>33,972.60</b>	<b>100.00 %</b>
Mebane Manor Income	2,395.62		
27Acre Property-10yr lease		2,000.00	
4 Acre Property- 6 Year lease/purchase		395.06	
Real Estate Tax Mebane	4,818.36	5,071.96	95.00 %
<b>Total Mebane Manor Income</b>	<b>7,213.98</b>	<b>7,467.02</b>	<b>96.61 %</b>
Patton Logistics			
Business Personal Prop Tax	147,465.16	12,446.49	1,184.79 %
Real Estate Tax		142,780.04	
Water Surcharge		100.00	
<b>Total Patton Logistics</b>	<b>147,465.16</b>	<b>155,326.53</b>	<b>94.94 %</b>
Project Speaker			
Lot K	65,000.00	60,000.00	108.33 %
<b>Total Project Speaker</b>	<b>65,000.00</b>	<b>60,000.00</b>	<b>108.33 %</b>
PSA Interceptor Sewer Repayment		1,250.00	
Red Sun Farms Income			
Business Personal Prop Tax RSF		6,454.00	
Machinery & Tools Tax RSF		10,596.00	
Performace Agreement Extension	12,501.00	50,000.00	25.00 %
Real Estate Tax RSF	162,490.85	154,222.66	105.36 %
Water Surcharge RSF		1,000.00	
<b>Total Red Sun Farms Income</b>	<b>174,991.85</b>	<b>222,272.66</b>	<b>78.73 %</b>
Shares - Commerce Park			
Shares - Bland County	5,900.00	5,900.00	100.00 %
Shares - Craig County	5,844.00	5,844.00	100.00 %
Shares - Giles County	55,851.00	55,851.00	100.00 %
Shares - Montgomery County	55,851.00	55,851.00	100.00 %
Shares - Pulaski County	180,172.00	180,172.00	100.00 %
Shares - Radford City	23,258.00	23,258.00	100.00 %
Shares - Roanoke City	27,500.00	27,500.00	100.00 %
Shares - Roanoke County	29,255.00	29,255.00	100.00 %
Shares - Town of Dublin	2,968.00	2,968.00	100.00 %
Shares - Town of Pearisburg	5,900.00	5,900.00	100.00 %
Shares - Town of Pulaski	20,001.00	20,001.00	100.00 %
<b>Total Shares - Commerce Park</b>	<b>412,500.00</b>	<b>412,500.00</b>	<b>100.00 %</b>
Transfer to VFRIFA		-69,860.00	

# Virginia's First Regional Industrial Facility Authority

Budget vs. Actuals: FY2023-24 - FY24 P&L

July - September, 2023

		TOTAL	
	ACTUAL	BUDGET	% OF BUDGET
<b>Total Commerce Park Income</b>	<b>841,775.24</b>	<b>826,571.77</b>	<b>101.84 %</b>
Virginia First's Income			
Member Dues - VA First			
Dues - Bland County	5,000.00	5,000.00	100.00 %
Dues - City of Radford	5,000.00	5,000.00	100.00 %
Dues - City of Roanoke	5,000.00	5,000.00	100.00 %
Dues - Craig County	5,000.00	5,000.00	100.00 %
Dues - Giles County	5,000.00	5,000.00	100.00 %
Dues - Montgomery County	5,000.00	5,000.00	100.00 %
Dues - Pulaski County	5,000.00	5,000.00	100.00 %
Dues - Roanoke County	5,000.00	5,000.00	100.00 %
Dues - Town of Dublin	5,000.00	5,000.00	100.00 %
Dues - Town of Pearisburg	5,000.00	5,000.00	100.00 %
Dues - Town of Pulaski	5,000.00	5,000.00	100.00 %
<b>Total Member Dues - VA First</b>	<b>55,000.00</b>	<b>55,000.00</b>	<b>100.00 %</b>
Tax Admin Fee		2,749.12	
Transfer from Commerce Park		69,860.00	
<b>Total Virginia First's Income</b>	<b>55,000.00</b>	<b>127,609.12</b>	<b>43.10 %</b>
<b>Total Income</b>	<b>\$896,775.24</b>	<b>\$954,180.89</b>	<b>93.98 %</b>
GROSS PROFIT	<b>\$896,775.24</b>	<b>\$954,180.89</b>	<b>93.98 %</b>
Expenses			
Commerce Park Expenses			
Administration Expenses			
Miscellaneous	231.72		
Transportation/Travel Per Diem	1,533.60		
<b>Total Administration Expenses</b>	<b>1,765.32</b>		
Contingency for Prosepect Indus		10,000.00	
Debt Service-Commerce Park			
Deferred Debt (previous yr)	584,575.21	146,240.20	399.74 %
Deferred Debt Service		-147,435.00	
New Financing-General Debt		312,640.00	
Pulaski Co PSA - 2050	55,000.00	55,000.00	100.00 %
RSF Grading Debt Service		147,435.00	
<b>Total Debt Service-Commerce Park</b>	<b>639,575.21</b>	<b>513,880.20</b>	<b>124.46 %</b>
Lot C Grading			
Miscellaneous	11,280.63		
<b>Total Lot C Grading</b>	<b>11,280.63</b>		
Lot J Development	163,125.00		
Miscellaneous			
Insurance			
Property	355.00	377.00	94.16 %
<b>Total Insurance</b>	<b>355.00</b>	<b>377.00</b>	<b>94.16 %</b>

# Virginia's First Regional Industrial Facility Authority

Budget vs. Actuals: FY2023-24 - FY24 P&L

July - September, 2023

		TOTAL	
	ACTUAL	BUDGET	% OF BUDGET
<b>Total Miscellaneous</b>	<b>355.00</b>	<b>377.00</b>	<b>94.16 %</b>
Multi Lot Property Sale Expense		15,000.00	
Onward NRV Membership		4,000.00	
Patton Logistics Tax Grant	25,000.00	25,000.00	100.00 %
Property Improvements		10,000.00	
Reserve Account Deposit		100,362.57	
Site Marketing	367.64		
Marketing Expenses		10,000.00	
NRV Commerce Park G-Suite	36.00	120.00	30.00 %
NRV Commerce Park Phone		132.00	
Travel (Lodging, Mileage, Food)	3,040.36	10,000.00	30.40 %
<b>Total Site Marketing</b>	<b>3,444.00</b>	<b>20,252.00</b>	<b>17.01 %</b>
VDOT Grant		50,000.00	
VSBFA Loan Repayment		47,700.00	
Website		250.00	
<b>Total Commerce Park Expenses</b>	<b>844,545.16</b>	<b>796,821.77</b>	<b>105.99 %</b>
Virginia's First Expenses			
Administration Contracted -VF			
Executive Director		119,000.00	
NRVRC Staff Services	7,500.00	13,660.00	54.90 %
<b>Total Administration Contracted -VF</b>	<b>7,500.00</b>	<b>132,660.00</b>	<b>5.65 %</b>
Administration Expenses - VA1st			
Insurance - Public Officials	550.00	550.00	100.00 %
Miscellaneous/Other Expenses			
Meeting Costs	586.03	1,500.00	39.07 %
Other	42.65	1,649.12	2.59 %
<b>Total Miscellaneous/Other Expenses</b>	<b>628.68</b>	<b>3,149.12</b>	<b>19.96 %</b>
<b>Total Administration Expenses - VA1st</b>	<b>1,178.68</b>	<b>3,699.12</b>	<b>31.86 %</b>
Professional Services- VA First			
Audit Fee		6,000.00	
Legal	784.78	15,000.00	5.23 %
<b>Total Professional Services- VA First</b>	<b>784.78</b>	<b>21,000.00</b>	<b>3.74 %</b>
<b>Total Virginia's First Expenses</b>	<b>9,463.46</b>	<b>157,359.12</b>	<b>6.01 %</b>
<b>Total Expenses</b>	<b>\$854,008.62</b>	<b>\$954,180.89</b>	<b>89.50 %</b>
NET OPERATING INCOME	<b>\$42,766.62</b>	<b>\$0.00</b>	<b>0.00%</b>
NET INCOME	<b>\$42,766.62</b>	<b>\$0.00</b>	<b>0.00%</b>

**VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY**  
**LAND LEASE AGREEMENT**

THIS LAND LEASE AGREEMENT ("Agreement"), made this 20<sup>th</sup> day of December, 2018, between **VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY** located at 6580 Valley Center Drive, Suite 124, Radford, Virginia 24141, hereinafter designated LESSOR, and Independence Lumber Inc. with an address of 407 Lumber Lane, Rad Va. 24348, hereinafter designated LESSEE. The LESSOR and LESSEE may be referred to hereinafter as the "Parties" or individually as the "Party."

1. PREMISES. LESSOR hereby leases to LESSEE a portion of that certain parcel of property known as: Tracts 1, 2, 3, and 4, being a portion of the New River Valley Commerce Park located off Cleburne Boulevard, Route 100, Dublin, Virginia, 24084, said portion being described as approximately 749.5 acres which includes portions of Parcel Numbers 036-3-6, 036-5-3, 047-48-10, 037-1-1, and 037-1-21 and being substantially as described herein in Exhibit "A" ("Premises") attached hereto and made a part hereof.

2. TERM AND LEASE PAYMENTS. This Agreement shall be effective as of the date of execution by both Parties and shall commence on January 1, 2019 ("Commencement Date"). The term of this lease shall be one (1) year ("Lease Term") with four (4) one (1) year automatic renewals, unless terminated earlier as set forth herein.

Rental payments shall commence on the Commencement Date in the amount of \$35,000 per year during the lease term or the sublease rate, whichever is greater, during the lease term ("Rent"). Rent shall be due in full to the LESSOR by January 31<sup>st</sup> of each year for the upcoming year. If Rent is not provided by January 31<sup>st</sup>, a late payment fee of \$50.00 per calendar day may be assessed by the LESSOR and if Rent is not received within 30 days after the due date, the LESSOR shall have the option to automatically terminate the lease.

In addition to the Rent due, the LESSEE shall provide 500 hours of work per year during the lease term. The work to be completed shall be identified by the LESSOR and completed before the end of the calendar year.

LESSEE shall be responsible for all maintenance, taxes, insurance, utility, and other costs associated with the Premises during the Lease Term, including any and all tenant improvements to the property that LESSEE desires or requires.

3. USE; GOVERNMENTAL APPROVALS.

- A. LESSEE shall use the Premises for the purpose of growing crops, pastureland, or other approved agricultural activities. All improvements shall be at LESSEE's expense. Any improvement made to the property shall remain with the property at the termination of this Lease, unless LESSOR agrees in writing to allowing the LESSEE to remove said property. LESSEE shall be responsible for obtaining any certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities in connection with its use of the Premises. LESSOR shall cooperate with LESSEE in its effort to obtain such approvals and shall take no action which would adversely affect the status of the Premises with respect to the proposed use thereof by LESSEE.
- B. LESSEE has the right to hunt on the Premises. Neither LESSEE, nor LESSEE's guests or invitees, shall hunt on the Premises in the vicinity of the Red Sun Farms property nor shall rifles be fired toward the Red Sun Farms property or other inhabited property in a manner that may result in injury to persons or damage to property. LESSEE is responsible for ensuring all guests or invitees follow all Virginia hunting regulations and laws. LESSEE has the authority to have unauthorized persons hunting on the Premises removed.
- C. LESSEE shall not erect any building or other structure on the Premises without written approval from the LESSOR.
- D. LESSEE shall not dispose of refuse, garbage, inoperable vehicles, dead animal carcasses, or the like on the Premises at any time.
- E. LESSEE shall not commit waste or allow destruction of the Premises.
- F. LESSEE shall not operate any retail activities or open the Premises to the public.
- G. Where water access is not available but necessary or desirable for tenant operations, connections to Town of Dublin or Pulaski County PSA water will be approved but well installation is prohibited.

4. INSURANCE/INDEMNIFICATION. LESSEE shall, at its sole expense, obtain and maintain during the life of this Agreement the insurance policies required by this Section.



All required insurance policies shall be in force and effective prior to the Commencement Date. The following is required:

- ✓ A. General Liability/Property Damage. Primary General Liability/Bodily Injury and Property Damage insurance shall insure against all claims, loss, cost, damage, expense or liability from loss of life or damage or injury to persons or property arising out of the LESSEE'S use of the Premises. The minimum limits of liability for this coverage shall be \$1,000,000.00 combined single limit for any one occurrence. Liability insurance shall include the indemnification obligation set forth in this Agreement. LESSEE shall be solely responsible for insuring LESSEE's improvements to the Premises.
- ✓ B. Workers' Compensation/Employer's Liability. Workers' Compensation insurance covering LESSEE'S statutory obligation under the laws of the Commonwealth of Virginia shall be maintained for all LESSEE'S employees, if any, with limits and benefits at least as required by statute.
- C. Evidence of Insurance. All insurance shall be written on an occurrence basis. In addition, the following requirements shall be met:
  - 1) LESSEE shall furnish LESSOR a certificate or certificates of insurance showing the type, amount, effective dates and date of expiration of the policies. Certificates of insurance shall include any insurance deductibles.
  - 2) The required certificate or certificates of insurance shall include substantially the following statement: "The insurance covered by this certificate shall not be canceled or materially altered, except after thirty (30) days written notice has been provided to "Virginia's First Regional Industrial Facility Authority."
  - 3) The required certificate or certificates of insurance, excluding Workers Compensation, shall name Virginia's First Regional Industrial Facility Authority, its officers, employees, agents, and members as additional loss payees.
  - 4) Insurance coverage shall be in a form and with an insurance company approved by LESSOR which approval shall not be withheld unreasonably.

Any insurance company providing coverage shall be authorized to do business in the Commonwealth of Virginia.

- D. Insurance not to be Limit on Liability. LESSEE covenants and agrees that the insurance coverage required herein shall in no way be considered a limit or cap of any kind on any obligation or liability that LESSEE may otherwise have, including, without limitation, liability under the indemnification provisions contained herein.
- E. Indemnification Clause. LESSEE agrees to and shall defend, indemnify, and hold harmless LESSOR and its officers, agents, employees and members against any and all liability, losses, damages, claims, causes of action, suits of any nature, cost, and expenses, including reasonable attorney's fees, resulting from or arising out of LESSEE'S activities or omissions on or near any of LESSOR'S property or arising out of or resulting from LESSEE'S negligence in connection with the use of the Premises, including, without limitation, fines and penalties, violations of federal, state, or local laws, or regulations promulgated thereunder, or any personal injury, wrongful death, or property damage claims of any type. LESSEE acknowledges and agrees that LESSOR shall have no liability whatsoever for any damage or destruction to LESSEE's improvements and personal property located on the Premises.

5. QUIET ENJOYMENT; INSPECTION. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold, and enjoy the Premises. However, at least quarterly, LESSOR will inspect the Premises for compliance with this Lease. If and when LESSOR enters onto the property for inspections, studies, marketing, or other purposes, effort will be made to minimize any negative impact to LESSEE's use of the property. LESSOR will notify LESSEE if extended time is needed on the property to minimize any inconvenience to the LESSEE.

6. PROPERTY MAINTENANCE. LESSEE shall be responsible for all maintenance of the property being leased, including, but not limited to quarterly bush hogging and/or chemical control of all non-crop areas and invasive plant removal and eradication (thistle, autumn olive, etc.). At no time shall non-crop vegetation grow above six (6) feet in height for trees or shrubs or three (3) feet in height for grass or herbaceous vegetation. LESSEE shall not allow any hazardous



waste, including, but not limited to, petroleum waste products, to be stored, used, or placed on or in the Premises or in or near any adjoining waterways. LESSEE shall immediately notify LESSOR in the event of spillage or leakage of any fungicide, herbicide, pesticide, fertilizer, petroleum product, or hazardous substance, material, or waste on the Premises. LESSEE shall be responsible, at its sole expense, for any clean-up costs as a result of such spillage or leakage. Brush may be burned on the property; however, the LESSEE shall notify the LESSOR at least 24-hours in advance of any significant burning. LESSEE shall be responsible for upkeep, repair, and modification to any desired fencing on the property. LESSEE shall notify LESSOR and Red Sun Farms at least 24-hours in advance of any large-scale chemical spraying within one-half (1/2) mile of the greenhouse owned by Red Sun Farms. Exhibit B contains special property maintenance requirements for the Premises.

7. PROPERTY ACCESS. LESSOR shall guarantee LESSEE has access to the Premises at all times. Access may be via a field or dirt road, as not all areas of the property are accessible from a paved or gravel road. LESSEE shall ensure that existing, non-paved access is maintained and kept in good, all-weather passable condition. LESSEE shall provide LESSOR with a copy of keys used to lock any gate, to ensure the LESSOR has access to the entire Premises. Any new access roads through the Premises require LESSOR approval prior to construction.

8. TITLE. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Lease Term that LESSOR is seized of good and sufficient title and interest to the Premises and has full authority to enter into and execute this Agreement.

9. TERMINATION. As the purpose of the NRV Commerce Park is industrial development, the LESSOR reserves the right to terminate this lease with 60 days notice in order to develop any and all portions of the property for industrial uses or uses needed to encourage industrial development, such as, but not limited to, road construction, utility installation, grading, nutrient bank construction, stream or wetland mitigation bank construction, solar farm land lease or construction, and stormwater system construction. In the event that a portion of the land subject to this Agreement is removed from this Lease to accommodate such development, the Lease shall remain in full effect for the remaining portion(s) of the Premises. LESSOR will

refund any partial year payment due to LESSEE. In subsequent years, the LESSEE's Rent and hours of work shall be reduced by the same percentage as land removed (i.e. if 20 acres of land is removed from the lease, the rent shall be reduced by \$934 and work shall be reduced by 13 hours).

10. ABANDONMENT. Should LESSEE, at any time during the term of this Agreement, abandon the Premises, LESSOR, at its option, shall obtain possession of the Premises in the manner provided by law, may re-let the Premises, receive and collect rents for the Premises, without becoming liable to LESSEE for damages or for any payment of any kind whatever, as well as hold LESSEE liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term. If the right of reentry by LESSOR is exercised following abandonment of the Premises by the LESSEE, LESSOR shall consider any personal property belonging to LESSEE and left on the Premises to be abandoned, in which case LESSOR may dispose of all such personal property in any manner LESSOR shall deem proper and LESSOR is hereby relieved of all liability for doing so.

11. COMPLIANCE WITH LAW. Upon execution of this Agreement, LESSEE shall be bound by and comply with all applicable federal, state and local laws including, but not limited to, non-discriminatory employment practices, drug-free workplace requirements, the federal Immigration Reform and Control Act of 1986, anti-trust laws.

12. LIENS. The LESSEE shall keep the Premises free from all liens and encumbrances.

13. GOVERNING LAW/VENUE. This Agreement and the performance thereof shall be governed, interpreted, construed and regulated by the Laws of the Commonwealth of Virginia and venue for any court proceedings shall be in the appropriate court in Pulaski County, Virginia.

14. ASSIGNMENT. This Agreement may not be sold, assigned or transferred by the LESSEE without the approval or consent of the LESSOR. Any sale, assignment, or transfer that is entered into by LESSEE shall be subject to the provisions of this Agreement and shall be binding upon the successors, assigns, heirs and legal representatives of the respective Parties hereto. LESSOR shall not be permitted to sublease the Premises for any reason.

15. NOTICES. All notices hereunder must be in writing and shall be deemed validly given if sent by certified mail, return receipt requested or by commercial courier, provided the



courier's regular business is delivery service and the notice is addressed as follows (or any other address that the Party to be notified may have designated to the sender by like notice):

LESSOR: Virginia's First Regional Industrial Facility Authority  
c/o Executive Director  
6580 Valley Center Drive, Suite 124  
Radford, Virginia 24141

LESSEE: Independence Lumber  
407 Lumber Lane  
Independence, VA 24348  
Attn: Randall Eller

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

16. SUCCESSORS. This Agreement shall extend to and bind the heirs, personal representative, successors and assigns of the Parties hereto.

17. RECORDING. At the option of LESSOR, the Parties agree to execute a memorandum of this Agreement which may be recorded with the appropriate recording officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

18. DEFAULT/TERMINATION OF LEASE. In the event there is a breach by LESSEE with respect to any of the provisions of this Agreement, including but not limited to, the payment of Rent or the failure to maintain the insurance coverage required herein, LESSOR shall give LESSEE written notice of such breach. After receipt of such written notice, LESSEE shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach. LESSOR may not maintain any action or effect any remedies for default against LESSEE unless and until LESSEE has failed to cure the breach within the time periods provided in this Paragraph. If LESSEE defaults under the terms of this Agreement, LESSOR may terminate this Agreement at the end of any applicable cure period and require the LESSEE to remove any or all of LESSEE's personal property on the Premises. In the event LESSEE is notified by LESSOR of a breach of this Agreement on more than four (4) occasions during a calendar year, whether for the same or different breach, LESSOR shall have the right to terminate this Agreement upon thirty (30) days notice.

19. REMEDIES. Upon a default, the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf, including but not limited to the obtaining of reasonably required insurance policies. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefore. In the event of a default by either Party with respect to a material provision of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the Commonwealth of Virginia. In the event of any litigation related to or arising out of the enforcement of this Lease, if LESSOR is the prevailing party, LESSOR shall be entitled to recovery of all costs, including, but not limited to, reasonable attorneys' fees.

20. ENVIRONMENTAL.

- A. LESSEE shall be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any time hereafter be in effect, that are or in any way related to LESSEE'S activity on the Premises, unless such conditions or concerns are caused by the specific activities of LESSOR prior to LESSEE'S occupation of the Premises.
- B. LESSEE shall hold LESSOR harmless and indemnify LESSOR from and assume all duties, responsibility and liability at LESSEE'S sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to: a) failure to comply with any environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or

industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, unless such non-compliance results from conditions caused by LESSOR.

21. APPLICABLE LAWS. During the Term, LESSEE shall maintain the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record or provided to LESSEE (collectively "Laws") relating to LESSEE's use of the Premises.

22. SURVIVAL. The provisions of the Agreement relating to indemnification shall survive any termination or expiration of this Agreement. Additionally, any provisions of this Agreement which require performance subsequent to the termination or expiration of this Agreement shall also survive such termination or expiration.

23. CAPTIONS. The captions contained in this Agreement are inserted for convenience only and are not intended to be part of the Agreement. They shall not affect or be utilized in the construction or interpretation of the Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

-Signature Pages to Follow-

LESSOR:

VIRGINIA'S FIRST REGIONAL  
INDUSTRIAL FACILITY AUTHORITY

Mary W. Biggs  
Chair or Vice-Chair

COMMONWEALTH OF VIRGINIA

COUNTY/ CITY OF Montgomery

The foregoing instrument was acknowledged before me this 28 day of December,  
2018, Mary W. Biggs, on behalf of the Virginia's First Regional Industrial  
Facility Authority, a political subdivision of the Commonwealth of Virginia.

Vickie L. Swinney

Notary Public

My commission expires: August 30, 2022

Registration No. 264176





**LESSEE:**

Independence Lumber Inc.

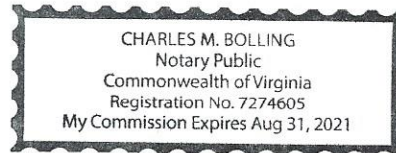
J. Randall Eller (signature)  
Name: J. Randall Eller  
Title: President

STATE OF Virginia  
COUNTY/CITY OF Grayson

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of  
December, 2019, by J. Randall Eller.

Charles M. Bolling  
Notary Public

My commission expires: Aug 31, 2021  
Registration No. 7274605



## Exhibit "A"

### Parcel Numbers:

All of that certain tracts or parcels of land consisting of approximately 749.5 acres as Tracts 1, 2, 3, & 4 depicted in the "New River Valley Commerce Park Farm Map", attached hereto, and described on the "NRV Commerce Park Land Lease Calculation Table" as Tracts 1, 2, 3, & 4, lying and being in the Cloyd Magisterial District in Pulaski County, Virginia and located in the New River Valley Commerce Park.

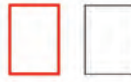




Virginia's First  
Regional  
Industrial Facility  
Authority

# New River Valley Commerce Park

## Legend



## Agricultural Lease Areas

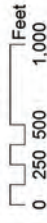
Tract 1: 94.0 acres  
Grass hatch

Tract 2: 177.8 acres  
Cross hatch

Tract 3: 216.7 acres  
Dot hatch

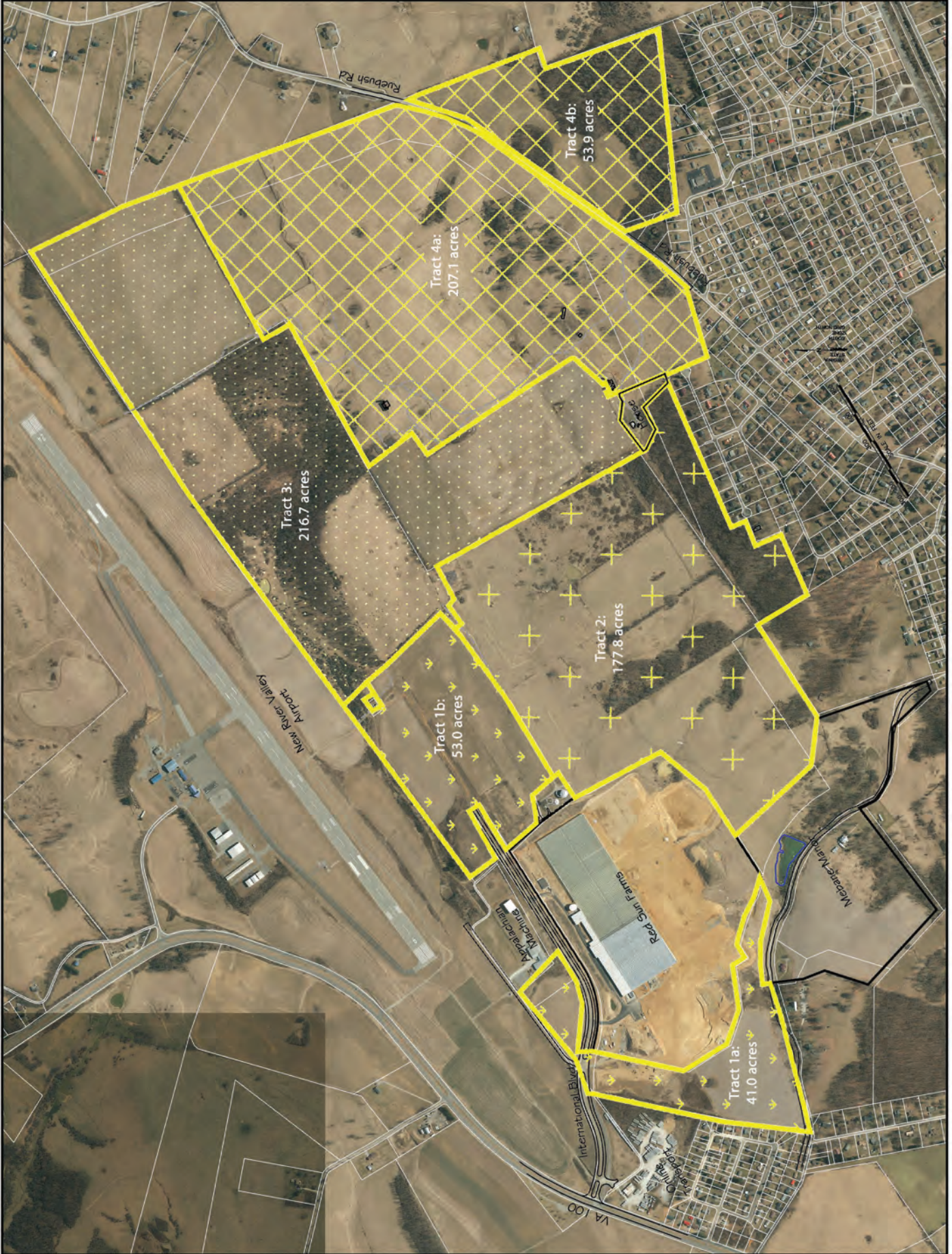
Tract 4: 261.0 acres  
Checked hatch

2015 Aerial Data



## Disclaimer

This map was prepared using the best available data. The Authority does not warrant the accuracy of the information shown on this map. The Authority is not responsible for any errors or omissions on this map. The Authority is not a surveyor and does not provide any surveying services. The Authority is not responsible for any damages or losses resulting from the use of this map. The Authority is not responsible for any changes to the information shown on this map after the date of publication.







## Virginia's First Regional Industrial Facility Authority

6580 Valley Center Drive, Suite 124

Radford, VA 24141

Phone (540) 639-1524 FAX (540) 831-6093

# NRV Commerce Park Agricultural Lease Areas

Total Land Available: 749.5 acres

## Tract 1

- 94.0 acres
- Yellow outline with grass hatch
- 2 areas leased together (1a & 1b)

## Tract 2

- 177.8 acres
- Yellow outline with cross hatch

## Tract 3

- 216.7 acres
- Yellow outline with dot hatch

## Tract 4

- 261.0 acres
- Yellow outline with checkered hatch
- 2 areas leased together (4a & 4b)

# VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY

## LAND LEASE AMENDMENT

THIS LAND LEASE AMENDMENT is made and entered into this 10 day of February, 2020, by and between VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia (hereinafter the "Lessor") and INDEPENDENCE LUMBER INC, a [Virginia corporation licensed to conduct business in the Commonwealth of Virginia] (hereinafter the "Lessee"). Lessor and Lessee may hereinafter be referred to jointly as the "Parties" or individually as a "Party".

### WITNESSETH:

WHEREAS, Lessor is the owner of certain land lying in Pulaski County, Virginia, as more specifically set forth herein;

WHEREAS, Lessor has agreed to lease this land to Lessee under the Land Lease executed on December 20, 2018; and

WHEREAS, the Parties desire to amend the Land Lease to remove acreage that is being used for industrial development.

NOW, THEREFORE, Lessor and Lessee hereby agree as follows:

### Original Land Lease Terms

All terms identified in the Land Lease shall remain in effect, except those expressly modified herein.

### PREMISES

Total acreage reduced from 749.5 acres to 727.5 acres.

### TERM AND LEASE PAYMENTS

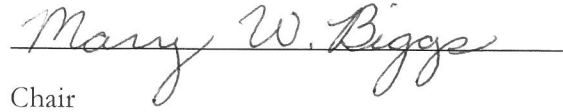
Rental payments shall be reduced from \$35,000 to \$33,972.60.

IN WITNESS WHEREOF, the undersigned have signed and sealed this indenture as set forth below:

-Signature Pages to Follow-

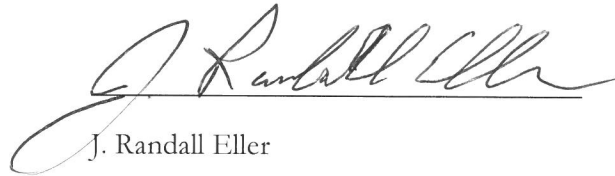
**LESSOR:**

**VIRGINIA'S FIRST REGIONAL  
INDUSTRIAL FACILITY AUTHORITY**

  
Chair

**LESSEE:**

**INDEPENDENCE LUMBER INC.**

  
J. Randall Eller

President

**RECOGNITION OF RETIREMENT  
F. CRAIG MEADOWS  
BOARD MEMBER**

*WHEREAS, Franklin “Craig” Meadows* has served in the public sector for over 34 years in North Carolina and Virginia, and has served the members of Virginia’s First Regional Industrial Facility Authority as a Board member since August 1, 2009, a role from which he retired from on November 1, 2023; and

*WHEREAS, Craig* is a champion for Virginia’s First and has fostered collaboration at every endeavor; and

*WHEREAS, Craig* continues to focus on economic development and growing and expanding existing businesses in our community to include helping to bring Patton Logistics the largest addition to the Commerce Park; and

*WHEREAS, Craig* not only served locally, but also has served in leadership roles with state and national organizations to include the Virginia Association of Counties; the Virginia Local Government Management Association; and the International City/County Management Association; and

*WHEREAS, Craig* received the 2021 Distinguished Government Leader of the Year award from the Montgomery County Chamber of Commerce, and the 2021 Champion of the Valley award from the New River Valley Regional Commission; and

*WHEREAS, Craig* is a respected leader whose efforts have increased efficiency for Virginia’s First and greatly expanded and improved services to localities throughout the Authority; and

*NOW, THEREFORE, BE IT RESOLVED*, By the Board of Virginia’s First Regional Industrial Facility Authority extends a unanimous vote of appreciation and gratitude to *F. Craig Meadows* for his outstanding public service and dedication, with best wishes for continued success in all his future endeavors.

*BE IT FURTHER RESOLVED*, That the original of this resolution be presented to *F. Craig Meadows* as a testimonial of the high esteem and appreciation in which he is regarded by the Board of Supervisors and that a copy be a part of the official minutes of Virginia’s First Regional Industrial Facility Authority.