



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 March 13, 2024

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
Todd Day

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. Executive Committee Meeting
 - b. 2024 Farming Lease
 - c. MRO Conference
 - d. SOEI
 - e. Other Items
6. Action Items
 - a. 2024 Farming Lease
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. No current Items
8. Adjournment - Next Meeting: June 12th, 2024

5. Executive Team Report

A. Executive Committee Meeting

- a. Minutes from Executive Committee Meeting on January 30, 2024 to discuss new developments for the 2024 Farming Lease.

B. 2024 Farming Lease

- a. Changes from the 2018 lease to the 2024 lease
 - i. From \$35,000.00 per year to \$82,800.00 per year.
 - ii. 720 acres to 600 acres.
 - iii. If tenant wants to sublease, staff must approve.
 - iv. Sublease will not allow evergreen trees

C. MRO Conference

- a. Staff will be attended the 2024 MRO Show in April to showcase the Commerce Park to a large aviation community.
- b. <https://mroamericas.aviationweek.com/en/home.html>

D. SOEI

- a. Staff needs updated Statements of Economic Interest for all Board Members and Alternates.

E. Other Items

- a.

6. Action Items

A. 2024 Farming Lease

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. No current Items

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: June 12th, 2024

Virginia's First REGIONAL INDUSTRIAL FACILITY AUTHORITY
Meeting Minutes
December 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, December 13, 2023 at the Pulaski County Innovation Center. Ms. Biggs, Chair, called the VFRIFA meeting to order at 12:08 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 Roanoke. No representatives from Craig, Giles, and Roanoke Counties, and the City of Radford.

Mr. Foxx preformed a roll call vote.

2. Approval of Agenda

Ms. Biggs requested a motion for approval of the agenda.

Motion: Mr. Workman 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

There was no public comment.

4. Items of Consent

a. Approval of Previous Meeting Minutes

b. Quarterly Financial Report

Motion: Ms. Burcham moved the Board approve the items of consent. Mr. Workman seconded the motion.

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

5. Executive Team Report

a. Property Updates

- VBRSP Grant – Mr. Foxx informed the Board that the 2022 VBRSP Grant for Lot J and International Blvd has been closed out. He also informed the Board that

Virginia's First has already went through the pre-application for the 2024 Grant. He informed the Board that the request is for \$22,500,000.00. The match for this grant will be twenty five percent.

b. Farming Lease

- Mr. Foxx informed the Board that the farm Lease will terminate January 1, 2024. The current tenant wanted to renew for one year, but Mr. Solomon and Mr. Foxx told them we would allow a six-month extension for them to remove equipment. This prorated contract will be \$16,000.00. In March 2024, Virginia's First will put a bid out for a new lease to begin July 1, 2024. The current lease is \$35,000.00 per year, with a 100 hour maintenance agreement. Mr. Solomon explained that bidding the lease out will allow everyone an equal opportunity to lease the land. He also stated that the new agreement will not allow hunting. Mr. Popovich asked if a lease in July will align with the growing cycle. Mr. Solomon said the grow cycle is March.

c. Resolution

- Mr. Solomon wrote and read a resolution for Craig Meadows. Ms. Biggs stated that the Board doesn't need to approve the resolution, as it was approved at the last meeting.

d. 2024 Meeting Dates.

- Mr. Foxx suggested the following dates for the 2024 Board Meetings.
 - March 13, 2024
 - June 12, 2024
 - September 11, 2024
 - December 11,2024

6. Action Items

a. Farming Lease

- Ms. Biggs requested a motion to approve the six-month farming lease.

Motion: Mr. Workman moved the Board approve the farm lease. Mr. Nelson seconded the motion.

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

b. 2024 Meeting Dates

- Ms. Biggs requested a motion to approve the 2024 meeting dates.

Motion: Ms. Lyons made a motion. Mr. Workman seconded the motion.

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

- Property Updates
- Project King

a. Motion to enter Closed Session

Motion: Mr. Workman made a motion. Mr. Vittum seconded the motion.

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

b. Motion to return to Open Session

Motion: Mr. Workman made a motion. Ms. Walters seconded the motion

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

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: Ms. Walters made a motion. Mr. Workman seconded the motion

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

8. Adjournment - Next Meeting: March 13, 2024

With no further business to discuss, Ms. Biggs adjourned the meeting at 12:43 pm. The next scheduled regular VFRIFA Board meeting is Wednesday, March 13, 2024 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**

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

Jurisdiction	Member	Alternate
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 type="checkbox"/> Jonathan Sweet <input checked="" type="checkbox"/> Laura Walters	<input 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 type="checkbox"/> Richard Harshberger	
City of Roanoke	<input checked="" type="checkbox"/> Marc Nelson <input type="checkbox"/> Stephanie Moon Reynolds	<input type="checkbox"/> Robert Jeffrey
Town of Dublin	<input 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, Aaron Brummit

Staff Present: Michael Solomon, Drew Foxx

VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY
Quarter Ending December 31, 2023

Ledger Balance Forward September 30, 2023

651,974.33

Dues/Shares/Rents Received		
Interest Earned		
Leases/Loan payments	630.00	
Mebane Sale		
RSF Tax/Surcharge Income	16,668.00	
Loans/Grants/Performance Payments	3,602.11	
Misc		
Total Receivables (less fees)	20,900.11	20,900.11

October 2023 Payables

Atlantic Union Credit Card	1,939.43	
Pulaski County	11.00	
National Bank of Blacksburg	3,736.40	
National Bank of Blacksburg	2,111.00	
VSBFA	3,760.21	
Pulaski County Parks and Rec	440.00	

November 2023 Payables

VSBFA	3,760.21	
Atlantic Union Credit Card	624.42	
Guyann & Waddell	487.28	
Onward NRV	4,000.00	
Pulaski Co	11.00	
Pulaski County EDA	93,385.95	
AECOM Technical Services, Inc	64,375.00	

December 2023 Payables

VSBFA	3,760.21	
Atlantic Union Credit Card	3,277.47	
Pulaski County High School	262.50	

Total Accounts Payable **185,942.08**

(185,942.08)

486,932.36

Ledger Balance December 31, 2023

486,932.36

Available Funds

Virginia's First Designated Balance **-975,421.95**

Commerce Park Designated Balance **1,462,354.31**

Total Available Funds

486,932.36

These financial statements have not been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and are intended for internal use only

	VA First	Commerce Park	Total Funds
9/30/23 Designated Balance	\$ (878,289.38)	\$ 1,530,263.71	\$ 651,974.33
Quarterly Income			
Dues/Shares			
Loans			
Leases			
Misc - Grants/Easement Fees/PSA repayment/RSF income/Patton		\$ 20,270.11	
Real Estate Tax/Water Surcharge RSF			
Add'l Shares - W/S Expansion			
an payments land sale - new Dublin Presbyterian church			
mebane manor			
Ruebush Road house sale		\$ 630.00	
reserve transfer			
Total Income	\$ -	\$ 20,900.11	\$ 20,900.11
Quarterly Expense			
Admin Contracted			
Admin Exp	\$ 3,259.34	\$ 153.25	
Project Development			
Website		\$ 259.40	
Contractual Service			
Debt Service	\$ 93,385.95	\$ 5,847.40	
Capital Outlay			
Professional	\$ 487.28	\$ 4,000.00	
Site Marketing		\$ 2,893.83	
Site Maintenance			
Lot C		\$ 11,280.63	
Lot J		\$ 64,375.00	
Revenue Refund			
Misc/reserve used for debt service			
Total Expense	\$ 97,132.57	\$ 88,809.51	\$ 185,942.08
12/31/23 Designated Balance	\$ (975,421.95)	\$ 1,462,354.31	\$ 486,932.36
		12/31/2023 ledger balance	\$ 486,932.36
			\$ -
		\$ 1,462,354.31	Commerce Pk Qtr Balance
	\$ (975,421.95)	\$ 1,462,354.31	

These financial statements have not been prepared in accordance with General Accepted Accounting Principles (GAAP) and are intended for internal use only

Virginia's First Regional Industrial Facility Authority

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

July 2023 - June 2024

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
Income			
Commerce Park Income			
6101 Ruebush Rd. 10 yr purchase	1,470.00	2,520.00	58.33 %
ARC Grant	3,602.11		
DublinPresbyterianChurchPayment		1,122.96	
Lease Income - Commerce Park			
Lease- Independence Lumber	33,974.25	33,972.60	100.00 %
Total Lease Income - Commerce Park	33,974.25	33,972.60	100.00 %
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 %
Total Mebane Manor Income	7,213.98	7,467.02	96.61 %
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	
Total Patton Logistics	147,465.16	155,326.53	94.94 %
Project Speaker			
Lot K	65,000.00	60,000.00	108.33 %
Total Project Speaker	65,000.00	60,000.00	108.33 %
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	29,169.00	50,000.00	58.34 %
Real Estate Tax RSF	162,490.85	154,222.66	105.36 %
Water Surcharge RSF		1,000.00	
Total Red Sun Farms Income	191,659.85	222,272.66	86.23 %
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 %
Total Shares - Commerce Park	412,500.00	412,500.00	100.00 %

Virginia's First Regional Industrial Facility Authority

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

July 2023 - June 2024

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
Transfer to VFRIFA		-69,860.00	
Total Commerce Park Income	862,885.35	826,571.77	104.39 %
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 %
Total Member Dues - VA First	55,000.00	55,000.00	100.00 %
Tax Admin Fee		2,749.12	
Transfer from Commerce Park		69,860.00	
Total Virginia First's Income	55,000.00	127,609.12	43.10 %
Total Income	\$917,885.35	\$954,180.89	96.20 %
GROSS PROFIT	\$917,885.35	\$954,180.89	96.20 %
Expenses			
Commerce Park Expenses			
Administration Expenses			
Miscellaneous	231.72		
Office Supplies	153.25		
Transportation/Travel Per Diem	1,533.60		
Total Administration Expenses	1,918.57		
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	
NBB Credit Line 140,715.31	5,847.40		
New Financing-General Debt	93,385.95	312,640.00	29.87 %
Pulaski Co PSA - 2050	55,000.00	55,000.00	100.00 %
RSF Grading Debt Service		147,435.00	
Total Debt Service-Commerce Park	738,808.56	513,880.20	143.77 %
Lot C Grading			
Miscellaneous	22,561.26		
Total Lot C Grading	22,561.26		
Lot J Development	227,500.00		
Miscellaneous			

Virginia's First Regional Industrial Facility Authority

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

July 2023 - June 2024

	TOTAL		
	ACTUAL	BUDGET	% OF BUDGET
Insurance			
Property	355.00	377.00	94.16 %
Total Insurance	355.00	377.00	94.16 %
Total Miscellaneous	355.00	377.00	94.16 %
Multi Lot Property Sale Expense		15,000.00	
Onward NRV Membership	4,000.00	4,000.00	100.00 %
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	2,367.43	10,000.00	23.67 %
NRV Commerce Park G-Suite	72.00	120.00	60.00 %
NRV Commerce Park Phone		132.00	
Travel (Lodging, Mileage, Food)	3,530.76	10,000.00	35.31 %
Total Site Marketing	6,337.83	20,252.00	31.29 %
VDOT Grant		50,000.00	
VSBA Loan Repayment		47,700.00	
Website	259.40	250.00	103.76 %
Total Commerce Park Expenses	1,026,740.62	796,821.77	128.85 %
Virginia's First Expenses			
Administration Contracted -VF			
Executive Director		119,000.00	
NRVRC Staff Services	7,500.00	13,660.00	54.90 %
Total Administration Contracted -VF	7,500.00	132,660.00	5.65 %
Administration Expenses - VA1st			
Insurance - Public Officials	550.00	550.00	100.00 %
Miscellaneous/Other Expenses			
Meeting Costs	3,823.37	1,500.00	254.89 %
Other	64.65	1,649.12	3.92 %
Total Miscellaneous/Other Expenses	3,888.02	3,149.12	123.46 %
Total Administration Expenses - VA1st	4,438.02	3,699.12	119.98 %
Professional Services- VA First			
Audit Fee		6,000.00	
Legal	1,272.06	15,000.00	8.48 %
Total Professional Services- VA First	1,272.06	21,000.00	6.06 %
Total Virginia's First Expenses	13,210.08	157,359.12	8.39 %
Total Expenses	\$1,039,950.70	\$954,180.89	108.99 %
NET OPERATING INCOME	\$ -122,065.35	\$0.00	0.00%
NET INCOME	\$ -122,065.35	\$0.00	0.00%

Virginia's First REGIONAL INDUSTRIAL FACILITY AUTHORITY

Executive Committee Meeting

Minutes

Tuesday, January 30, 2024

Pulaski County Innovation Center, Fairlawn, VA

1. Roll Call and Agenda Approval

A meeting of the Virginia's First Regional Industrial Facility Authority (VFRIFA) Executive Committee was held on Tuesday, January 30, 2024 to discuss the 2024 Farming Lease. Ms. Biggs, Chair, called the VFRIFA meeting to order at 11:06 a.m.

Roll call was taken and a quorum determined with three members present including Mary Biggs, Laura Walters, and Eric Workman. Staff participants included: Michael Solomon, Drew Foxx, and Mark Popovich.

- 2. Closed Session to Discuss Hiring of Executive Director** – On a motion by Ms. Walters, seconded by Mr. Workman the Executive Committee unanimously voted on a roll call vote to enter a closed session for the purposes of discussing personnel matters, under Code of Virginia 2.2-3711 paragraph a5, per the following resolution with the authority's staff, and authority counsel to be included in the session.

BE IT RESOLVED, the VFRIFA Executive Committee hereby enters into Closed Session per Code of VA, Section 2.2-3711a(5) for discussion concerning the 2024 Farm Lease.

On a motion by Mr. Workman, seconded by Ms. Walters, the Executive Committee unanimously voted on a roll call vote to return to open session.

On a motion by Mr. Workman, seconded by Ms. Walters the Executive Committee unanimously certified on a roll call vote 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 per Code of VA, Section 2.2-3712 (D).

- 3. Any Action Items from Closed Session** – It was the consensus of the Committee that staff would put a public notice in the paper for the farming lease. The bid will close February 16, 2024 at 2:00 p.m., so the new contract can be in place March 1, 2024. This allows the land to be farmed this year.

4. Adjournment

With no further business to discuss the meeting was adjourned at 11:47.

Respectfully Submitted,

Approved by,

Michael Solomon
Executive Director

Mary Biggs
Chair

Eric Workman
Secretary/Treasurer

VIRGINIA’S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY
LAND LEASE AGREEMENT

THIS LAND LEASE AGREEMENT (“Agreement”), made this _____ day of _____, 2024, by and between **VIRGINIA’S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a body politic of the Commonwealth of Virginia, created pursuant to the Virginia Regional Industrial Facilities Act, located at 6580 Valley Center Drive, Suite 124, Radford, Virginia 24141 (hereinafter the “LESSOR”), and **WESCOR FARM OPERATIONS, LLC**, a Virginia limited liability company with an address of 604 West Main Street, Independence, Virginia 24348 (hereinafter the “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 600 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 March 15, 2024 (“Commencement Date”) and shall expire on December 31, 2024 (the “Initial Term”). Thereafter, this Agreement shall automatically renew for four (4) one (1) year terms (the “Renewal Terms”), unless terminated earlier as set forth herein.

The Initial Rental annual payment, prorated, shall be _____ Thousand Dollars (\$_____) and for each annual Renewal Term shall be _____ Thousand Dollars (\$_____) (jointly the “Rent”). Rent shall be due in full on the Commencement Date to the LESSOR and by January 31st of each upcoming Renewal Term. If Rent is not provided when due, 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 only for the purpose of growing crops or other approved agricultural activities. No silvicultural activities shall be permitted on the Premises. 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 shall not have the right, nor shall LESSEE's guests or invitees, to hunt on the Premises.
- 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 LESSEE 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.

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 sixty (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, this Agreement 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.

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. RIGHT TO SUBLEASE. The LESSEE shall have the right to sublease the Premises, the whole or in part, with the prior written approval of the LESSOR, which shall not be unreasonably withheld.

12. 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.

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

14. 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.

15. 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.

16. 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: Wescor Farm Operations, LLC
604 West Main Street
Independence, Virginia 24348

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

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

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. 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.

[Signature Pages to Follow]

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

LESSOR:

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

Chair or Vice-Chair

COMMONWEALTH OF VIRGINIA

COUNTY/ CITY OF _____

The foregoing instrument was acknowledged before me this ____day of _____, 2024, _____, on behalf of the Virginia’s First Regional Industrial Facility Authority, a political subdivision of the Commonwealth of Virginia.

Notary Public

My commission expires: _____

Registration No. _____

LESSEE:

WESCOR FARM OPERATIONS, LLC

_____ (signature)

Name: _____

Title: _____

STATE OF _____

COUNTY/CITY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by _____.

Notary Public

My commission expires: _____

Registration No. _____

Exhibit "A"

All of that certain tract or parcel of land consisting of approximately 600 acres as depicted in the “New River Valley Commerce Park Farm Map”, attached hereto, and described on the “NRV Commerce Park Land Lease Calculation Table” as Land Lease Area _____, lying and being in the Cloyd Magisterial District in Pulaski County, Virginia and located on the _____ side of the New River Valley Commerce Park, all within the boundaries of the New River Valley Commerce Park.

