



Virginia's First Regional Industrial Facility Authority

6580 Valley Center Drive, Suite 124

Radford, VA 24141

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

VFRIFA Board of Directors
VFRIFA Member Localities

August 29, 2016

Re: Amended and Restated NRV Commerce Park Participation and Revenue Sharing Agreement

Dear VFRIFA Board of Directors and Member Localities,

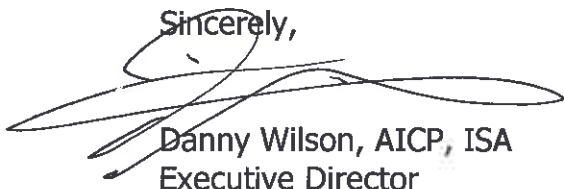
Enclosed with this letter is the final, fully executed Amended and Restated NRV Commerce Park Participation and Revenue Sharing Agreement.

In addition to the executed Agreement, the cover memo that was circulated with the Agreement outlining significant modifications to the past Agreements and the Resolution adopted by the VFRIFA Board of Directors dissolving the Commerce Park Participation Committee, which was a direct result of the Agreement being approved, are also enclosed.

The Board of Directors and member localities expressed a desire to see VFRIFA become more transparent, streamlined, and simplified. The approved Agreement was drafted to provide for a higher degree of transparency, streamline the Authority, and simplify the review and approval process for items related to the NRV Commerce Park. This effort took over a year to accomplish, went through many iterations, and 10 of the 11 member localities approved the Agreement (the Town of Pearisburg did not approve the Agreement). Per the Code of Virginia, only a majority of the member localities needed to approve the Agreement for it to be deemed approved. Officially, the Agreement took effect on March 10, 2016.

If you have any questions or would like any additional information, please don't hesitate to contact me either via email at dwilson@pulaskicounty.org or phone at 540-440-0025.

Sincerely,



Danny Wilson, AICP, ISA
Executive Director

Enclosures



Virginia's First Regional Industrial Facility Authority

6580 Valley Center Drive, Suite 124

Radford, VA 24141

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

Amended and Restated Commerce Park Participation Agreement Significant Modifications from Past Agreements

The enclosed Amended and Restated Commerce Park Participation Agreement is intended to update, streamline, and clarify how the NRV Commerce Park is being managed and developed, VFRIFA's role in the NRV Commerce Park, and responsibilities of member participants. The following are the significant modifications made to past agreements that this new Agreement is intended to replace:

1. **Stand Alone Agreement:** Acknowledges past agreements; however, it is intended to be a stand-alone document that does not require constant review of past agreements to verify provisions. This helps simplify research and understanding of how the NRV Commerce Park is to be managed and developed.
2. **Project Description:** Creates a more general project description for the NRV Commerce Park to include any item needed to develop the Park. This allows flexibility for Park development without altering the original intent for development of the Park.
3. **NRV Commerce Park Property:** Updates the NRV Commerce Park description to include the current boundaries, as well as leaving the ability to modify the boundaries of the Park without requiring a modification to the Agreement. This clarifies the current boundaries of the Park and allows flexibility for modifications in the future.
4. **NRV Commerce Park Share Payments:** Sets a deadline for receiving annual share payments of September 30th with a 45 day grace period before it is considered a material breach. Past agreements had a deadline of appropriation by July 15th and a 20 day grace period before it was considered a material breach. This allows member participants additional time and flexibility in making annual payments.
5. **NRV Commerce Park Shares:** Provides updates and clarification to ownership, when shares were issued, and for what purpose shares were issued. This helps to clarify ownership status and past actions regarding ownership.
6. **Project Participation Committee:** Dissolves the Project Participation Committee; however, the rights and investment of participants is preserved. This allows for a more streamlined approach to decision making, finances, legal decisions, and meetings.
7. **Clarified Shares:** Clearly states how shares are issued and that there is no set number of shares for the NRV Commerce Park. This helps clarify the process for share issuance.
8. **Original Share Payments:** Modifies when the original debt that was used to purchase the land will cease to coincide with completion of bond repayment for the land purchase. Past agreements were left open-ended, so payments never ceased.

This provides assurances to member participants that the shares are for the land only and once the land is paid for, the share payment cease.

9. **Administrative Expenses:** Moves all administrative expenses of managing and developing the NRV Commerce Park to VFRIFA. This streamlines billing and simplifies financial transactions.
10. **Voting:** Clarifies that each member participant shall vote their shares as a block. This will prevent any one participant from splitting their shares to vote different positions on one issue.
11. **Use of Funds:** Provides the Authority the ability to use any funds for any purpose, instead of specifying how funds must be used. This provides flexibility to the Authority and prevents conflicts for future funding allocations.
12. **Finance Plan:** Updates the finance plan to include Project Agreements, revenue, expenses, long-term debt, and other pertinent financial information. This provides for a quick reference of finances for VFRIFA and the NRV Commerce Park.
13. **Revenue Sharing:** Provides for 1% of all taxes collected to be retained by VFRIFA to offset administrative costs. Also, if the Machinery & Tools tax is abolished, the replacement tax shall be collected instead of requiring Pulaski County to pay the value of Machinery & Tools taxes to VFRIFA in perpetuity, even if the tax is abolished. This provides a source of income for administrative expenses (instead of using annual dues for shares) and clarifies what would happen if the Machinery & Tools tax is ever abolished.
14. **Revenue Distribution:** Clarifies that revenue from new industries shall be used to pay any costs incurred with locating the industry in the NRV Commerce Park, then allows for remaining revenue to be used in any manner in which the Authority designates. This provides assurances to member participants that new debt will be repaid with new revenue, while allowing flexibility in additional revenue expenditures.
15. **Performance Agreement:** Requires that all new industries locating in the NRV Commerce Park execute a performance agreement with VFRIFA. This puts a process that is currently used in writing to ensure consistent use of Performance Agreements for placement of new industries.
16. **Restrictive Covenants:** Allows the restrictive covenants to be in effect, even if not recorded with the Pulaski County Clerk of Court. This provides flexibility to the NRV Commerce Park development, while protecting how the Park is developed.
17. **Participant Withdrawal:** Clarifies that the Code of Virginia shall be followed and approval from any applicable debt and bond holders shall be obtained. This aligns the Agreement with Code of Virginia regulations.
18. **Records Retention:** Requires that NRV Commerce Park records to be retained in the VFRIFA office, which shall be located in one of the member locality's jurisdiction. This clarifies the location of records, as well as the location of the VFRIFA office.
19. **Exhibits:** Includes exhibits to clarify the Commerce Park property, ownership of the Commerce Park, and the financing plan. This helps clarify these complex items that are critical to the understanding and implementation of this Agreement.

AMENDED AND RESTATED
NEW RIVER VALLEY COMMERCE PARK
PARTICIPATION AND REVENUE SHARING AGREEMENT

THIS AMENDED AND RESTATED PARTICIPATION AND REVENUE SHARING AGREEMENT (“Agreement”) is dated this 9th day of December, 2015, between and among Virginia’s First Regional Industrial Facility Authority and the Participants defined below.

WITNESSETH:

WHEREAS, the undersigned governing bodies are each member localities of Virginia’s First Regional Industrial Facility Authority (“Authority”) a body corporate, organized, and created pursuant to the Virginia Regional Industrial Facilities Act, Chapter 64 Title 15.2 of the Code of Virginia, 1950, as amended (“Act”) and the Agreement Creating Virginia’s First Regional Industrial Facility Authority dated September 1, 1998; and

WHEREAS, pursuant to the authority granted under the Act to enter into agreements for the development of regional economic development projects the Authority and the County of Craig, Virginia, the County of Giles, Virginia, the County of Montgomery, Virginia, the County of Pulaski, Virginia, the County of Roanoke, Virginia, the County of Wythe, Virginia, the County of Bland, Virginia, the City of Radford, Virginia, the City of Roanoke, Virginia, the Town of Dublin, Virginia, the Town of Pearisburg, Virginia, and the Town of Pulaski, Virginia (“Original Participants”) each entered into the New River Valley Commerce Park Project Participation Agreement – Initial Phase dated as of October 14, 1999 (“Participation Agreement”) for the development of the Commerce Park Project; and

WHEREAS, the Original Participants financed the acquisition of the Commerce Park Property and Initial Phase of the Commerce Park Project through the sale of shares which were financed by the Original Participants (“Financed Shares”); and

WHEREAS, on August 8, 2001, the Participation Agreement was amended whereby County of Wythe was allowed to sell its shares to the remaining participants and withdraw from the Participation Agreement leaving the County of Craig, Virginia, the County of Giles, Virginia, the County of Montgomery, Virginia, the County of Pulaski, Virginia, the County of Roanoke, Virginia, the County of Bland, Virginia, the City of Radford, Virginia, the City of Roanoke, Virginia, the Town of Dublin, Virginia, the Town of Pearisburg, Virginia, and the Town of Pulaski, Virginia as the remaining participants (“Participants”); and

WHEREAS, on December 31, 2010, the Participation Agreement was amended a second time to expand the scope of the Project Description; amend the voting approval required to lease, use or otherwise dispose of real or personal property comprising the Commerce Park; amend the Finance Plan; and amend the revenue sharing provisions; and

WHEREAS, pursuant to the Participation Agreement, the Commerce Park is undertaken in the name of the Authority, but the Project Participation Committee has the sole responsibility for decisions related to the construction, management, and overall implementation of the Commerce Park; and

WHEREAS, the Participants are both members of the Project Participation Committee and members of the Authority; and

WHEREAS, the Participation Agreement requires that the Authority approve the decisions of the Committee, which needlessly duplicates and complicates management and oversight of the Commerce Park; and

WHEREAS, the Participants as members of the Participation Committee and as members of the Authority desire to dissolve the Committee and thereafter exercise their decision making responsibilities for the Commerce Park, as Participant shareholders and as members of the Authority; and

WHEREAS, the Authority and Participants desire to amend and restate the Participation Agreement to (1) expand the scope of the Project Description to include the overall management and development of the Commerce Park; (2) dissolve the Project Participation Committee (“Committee”); (3) preserve the voting rights of the Participants as shareholders in the Commerce Park; (4) update the Finance Plan for the Commerce Park; (5) amend the original share payments to include only the payment of debt service; and (6) amend the Revenue Sharing provisions.

NOW THEREFORE, the Authority and Participants acknowledge and agree that the original Commerce Park Project Participation Agreement and all subsequent Amendments thereto are hereby superseded by this Amended and Restated Participation Agreement as of the date of its adoption.

I. COMMERCE PARK DESCRIPTION AND PURPOSE

The Project shall be known as the New River Valley Commerce Park (“Commerce Park”), which currently consists of approximately 973 acres located generally at VA-100 and Laboratory Drive (Route 790) in Dublin, Virginia (depicted on Exhibit A attached hereto)¹, and shall include the management and development of the Commerce Park for the purpose of promoting economic and workforce development as authorized pursuant to the Virginia Regional Industrial Facilities Act, Chapter 64 of Title 15.2 of the Code of Virginia, 1950, as amended, and the Agreement Creating Virginia’s First Regional Industrial Facility Authority.

II. COMMERCE PARK UNDERTAKEN IN THE NAME OF THE AUTHORITY

The Authority shall hold title to and have the power to lease, use, sell, encumber, transfer, and dispose of any real or personal property comprising the Commerce Park and may exercise all powers vested to the Authority pursuant to Virginia Code § 15.2-6405 with respect to the Commerce Park, upon approval of the Board of the Authority and Participants as set forth herein. Financing for the Commerce Park shall be arranged in the name of the Authority but all loan obligations for the

¹ The actual property making up the Commerce Park may change from time to time upon approval of the Authority and Participants as set forth herein.

Commerce Park shall be the sole responsibility of those Participants who agree to take on debt through Project Agreements.

III. NEW RIVER VALLEY COMMERCE PARK PARTICIPATION COMMITTEE

The New River Valley Commerce Park Participation Committee is hereby dissolved. The Authority assumes responsibility for all of the decisions related to the operation and development of the Commerce Park, subject to approval of the Board of the Authority and the Participants' Representatives as set forth in Section V herein.

IV. SHARES

There is no set number of authorized shares for the Commerce Park. The Authority may issue shares upon approval of the Authority and Participants as set forth in Section V herein. There is only one class of shares, the purchase of which may be financed or paid in full upon issuance. Each Participant's ownership interest in the Park is determined by the total number of shares owned by the Participant as a percentage of the total number of shares issued.

For the Financed Shares, the annual payment by Participants shall include only the amount necessary for the payment of the annual debt service that was incurred for the purchase of land for the Commerce Park (not including the Red Sun Farms grading debt), the financing costs, and all expenses related to the debt. Upon payment in full of the debt, the Participants' annual payments for the Financed Shares shall cease.

Payments for the Financed Shares are due to the Authority annually on or before September 30th. Should any Participant fail or neglect to remit its share payment and such failure continues for more than forty-five (45) days following written demand by the Authority, such failure shall be considered a material breach of this Agreement and Participant shall forfeit all voting rights and rights to revenue sharing until all money due and owed by the Participant, including, but not limited to, reasonable attorneys' fees and collection costs incurred by the Authority, is paid in full. The

Participant in default shall not be relieved of its portion of the Commerce Park debt and any request to withdraw from the Authority shall be subject to Section X of this Agreement.

Participants may sell their shares to other Authority members subject to the approval of the terms of the sale by the Participants and the Authority, which approval shall not be unreasonably withheld. The Authority and each Participant acknowledges and agrees that it currently has an ownership interest in the Commerce Park as set forth in Exhibit B.

V. VOTING

Each Participant shall appoint one of its representatives on the Board of the Authority to vote its shares. Each share shall be entitled to one vote; however, Participants must vote all of their shares as a block.

The Authority may not issue shares; incur debt; lease, sell, encumber, transfer, or dispose of any real or personal property comprising the Commerce Park; spend or distribute Revenue except as provided herein; or enter into any performance agreement or project agreement without an affirmative vote of both a majority of the shares entitled to vote and an affirmative vote of two-thirds of the Board Members of the Authority. In addition, no Participant may sell its shares without the approval of a majority of the shares and majority vote of the Board Members of the Authority. All other Commerce Park decisions may be made by a simple majority vote of the Board of the Authority.

VI. COMMERCE PARK FINANCING PLAN

The current Financing Plan for the Commerce Park is set forth in Exhibit C, which may be amended from time to time. In addition, upon approval of the Board of the Authority, the Authority may appropriate member dues from time to time to finance expenses related to the management, operation, and development of the Commerce Park. All financed debt obligations for the Commerce Park shall remain the responsibility of the Participants in the Commerce Park and not the Authority. With the exception of Authority dues, no Participant or Authority member shall be responsible for any monetary obligation or debt without its express consent. The Participants remain solely

responsible for discharging the Authority's debt obligations in respect to the Commerce Park as set forth herein or in separate Project Agreements.

VII. COMMERCE PARK BUDGET

A proposed annual budget for the Commerce Park shall be developed by the Executive Director each year as part of the Authority's annual budget for each fiscal year beginning the following July 1. The budget shall include all contemplated expenditures for operations, capital expenses, project expenses, and debt service, and all anticipated revenues from taxes, grants, and other sources. This annual budget shall be presented to the Participants and Board Members of the Authority in time for amendment and adoption prior to July 1 of each year.

VIII. REVENUE SHARING

Pulaski County agrees to designate the following taxes received by Pulaski County from all business(es) and industry(ies) sited in the Commerce Park ("Business") as Revenue to be paid to the Authority and distributed as set forth herein.

Machinery and Tools Tax: Ninety-Five Percent (95%) of the machinery and tools taxes collected by Pulaski County for each Business located in the Commerce Park, shall be paid to the Authority annually on or before December 31, in perpetuity, or until otherwise agreed to by the parties. Pulaski County shall retain Five Percent (5%) of the machinery and tools taxes collected. In the event that the Machinery and Tools Tax is abolished by the General Assembly and replaced with an alternate tax structure, the alternate tax revenue collected from each Business in the Commerce Park shall be paid by Pulaski County to the Authority. Should the Machinery and Tools Tax not be replaced with an alternate tax, the parties agree to consider and negotiate a substitute source of Revenue to replace the Machinery and Tools Tax.

Business Personal Property and Real Estate Tax: Pulaski County agrees to remit to the Authority a percentage of the business personal property and real estate taxes ("Taxes") collected from each Business sited in the Commerce Park as Revenue for fifteen (15) years from the due date

of each Business' first assessment. For years one (1) through nine (9), Pulaski County will pay the Authority One Hundred Percent (100%) of the Taxes collected for each Business. For years ten (10) through eleven (11), Pulaski County shall remit to the Authority Seventy-five Percent (75%) of the Taxes collected. For years twelve (12) through thirteen (13), Pulaski County shall remit to the Authority 50% of the Taxes collected. Finally, for years fourteen (14) through fifteen (15), Pulaski County shall remit Twenty-five Percent (25%) of the Taxes collected. If during the fifteen (15) years a Business leaves the Park and a new Business takes its place, the Taxes remitted shall be calculated on the new Business for the years remaining in the original fifteen (15) year period (at minimum) according to the percentages noted above. However, the parties to this Agreement may negotiate an alternative arrangement as appropriate.

Miscellaneous Revenue:

Miscellaneous Revenue includes, but is not necessarily limited to, Commerce Park land leases, business rent, land sale proceeds, revenue received from share purchases, and the discretionary appropriation of Authority dues to the Commerce Park. In addition, the Authority may add a water use surcharge of up to \$1.00 per 1,000 gallons of water used by any Business in the Park. Miscellaneous Revenue may be used by the Authority and Participants to benefit the Commerce Park as negotiated in Project Agreements, in other financing arrangements, or in any lawful manner as determined by the Authority and Participants.

Distribution of Revenue:

All Revenue received from Pulaski County shall be distributed by the Authority as follows: Prior to any distribution of Revenue, the Authority shall retain One Percent (1%) of all Revenue collected by Pulaski County and paid to the Authority as an administrative fee. Next, Revenue received by Pulaski County from each Business shall be used to pay off any debt incurred to facilitate the siting of that Business in the Park as memorialized in a Project Agreement or some other agreement (i.e. Red Sun Farms Grading Project Agreement). Any remaining Revenue may be

distributed to Participants based upon each Participant's percentage of Commerce Park shares owned or used for any other lawful purpose as approved by the Participants and Authority pursuant to Section V herein.

Revenue Payments Subject to Appropriation by Pulaski County: Notwithstanding the foregoing, Pulaski County's agreement to remit the Revenue described herein to the Authority is a moral obligation and not a legal debt of Pulaski County. The payment of the Revenue described herein to the Authority is subject to annual appropriation by the Pulaski County Board of Supervisors.

IX. REQUIREMENTS FOR DEVELOPMENT OF THE COMMERCE PARK

All businesses locating in the Commerce Park shall execute a Performance Agreement with the Authority subject to approval by the Authority and Participants as set forth in Section V. The Performance Agreement may contain such terms and conditions as the parties agree. Each business locating to the Commerce Park shall be responsible for meeting all applicable federal, state, and local laws and the Commerce Park Restrictive Covenants, as may be amended, whether or not recorded in the public records.

X. WITHDRAWAL OF PARTICIPANT

Participants in the Commerce Park may withdraw from the Authority only as set forth in Virginia Code § 15.2-6415 or as the remaining Participants and the Authority may unanimously agree. The conditions of withdrawal must also be accepted by all secured debt and bondholders or their representatives.

XI. LIMITATION OF LIABILITY/ANNUAL APPROPRIATION

The Participants are solely responsible for discharging the Authority's obligations for the Commerce Park. The Authority is not responsible for the financing and debts of the Commerce Park. The revenue sharing, payments, and contributions to the Authority as set forth herein are specifically authorized pursuant to Virginia Code §§ 15.2-6406 and 15.2-6407. In the event such code provisions are held invalid so that payments and contributions hereunder may be considered a debt of a local

government pursuant to Article VII, Section 10 of the Virginia Constitution, such payments and contributions shall not be debt of such participating local government, but shall be subject to and dependent upon annual appropriations being made from time to time by its governing body. Each participating locality agrees that its chief administrative officer shall annually request, using his or her best efforts, to secure the governing body's approval of such annual appropriations necessary to make the payments and contributions required by this Agreement. No provision herein shall be construed as a pledge of the full faith and credit of a participating local government.

XII. COMMERCE PARK RECORDS

All records of the Commerce Park shall be maintained with the records of Virginia's First Regional Industrial Facility Authority in the designated administrative office within a participating member locality.

XIII. AMENDMENT

This Agreement may be amended from time to time as the parties may agree, provided all amendments shall be in writing and shall require the unanimous consent of all Participants and the consent of the Authority.

XIV. SEVERABILITY

If any provision of this Agreement is held invalid by any court of competent jurisdiction, such holding shall not invalidate the remaining provisions herein.

XV. EXECUTION OF COUNTERPARTS

This Agreement may be executed in any number of counterparts each of which shall be an original and together shall constitute but one and the same Agreement.

IN WITNESS WHEREOF, the Governing Bodies identified, by authorized action, have caused this Agreement to be executed, and their respective seals to be affixed hereto and attested by their respective clerks or secretaries commencing this 10 day of March, 2016.

VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY

Attest:

Approved as to form:


Secretary of the
Authority Board


Attorney, VFRIFA


Chairman, Authority Board

COUNTY OF BLAND, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

COUNTY OF CRAIG, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

TOWN OF DUBLIN, VIRGINIA

Attest:

Approved as to form:


Clerk, Town Council


Town Attorney


Mayor

COUNTY OF GILES, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY

Attest: Approved as to form:

Secretary of the
Authority Board

Attorney, VFRIFA

Chairman, Authority Board

COUNTY OF BLAND, VIRGINIA

Attest: Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

COUNTY OF CRAIG, VIRGINIA

Attest: Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

TOWN OF DUBLIN, VIRGINIA

Attest: Approved as to form:

Clerk, Town Council

Town Attorney

Mayor

COUNTY OF GILES, VIRGINIA

Attest: Approved as to form:



Clerk, Board of Supervisors



County Attorney



Chairman, Board of Supervisors

VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY

Attest:

Approved as to form:

Secretary of the
Authority Board

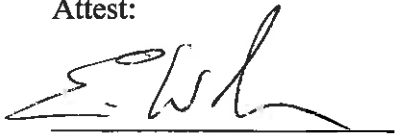
Attorney, VFRIFA

Chairman, Authority Board

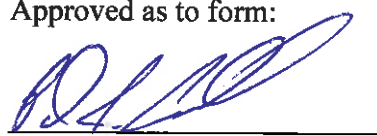
COUNTY OF BLAND, VIRGINIA

Attest:


Approved as to form:



Clerk, Board of Supervisors



County Attorney



Chairman, Board of Supervisors

COUNTY OF CRAIG, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

TOWN OF DUBLIN, VIRGINIA

Attest:

Approved as to form:

Clerk, Town Council

Town Attorney

Mayor

COUNTY OF GILES, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY

Attest: Approved as to form:

Secretary of the
Authority Board

Attorney, VFRIFA

Chairman, Authority Board

COUNTY OF BLAND, VIRGINIA

Attest: Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

COUNTY OF CRAIG, VIRGINIA

Attest: Approved as to form:

Clay Goodman

Clerk, Board of Supervisors

[Signature]

County Attorney

Martha Murphy

Chairman, Board of Supervisors

TOWN OF DUBLIN, VIRGINIA

Attest: Approved as to form:

Clerk, Town Council

Town Attorney

Mayor

COUNTY OF GILES, VIRGINIA

Attest: Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

COUNTY OF MONTGOMERY, VIRGINIA

Attest:


Clerk, Board of Supervisors

Approved as to form:


County Attorney


Chairman, Board of Supervisors

TOWN OF PEARISBURG, VIRGINIA

Attest:

Clerk, Town Council

Approved as to form:

Town Attorney

Mayor

COUNTY OF PULASKI, VIRGINIA

Attest:

Clerk, Board of Supervisors

Approved as to form:

County Attorney

Chairman, Board of Supervisors

TOWN OF PULASKI, VIRGINIA

Attest:

Clerk, Town Council

Approved as to form:

Town Attorney

Mayor

CITY OF RADFORD, VIRGINIA

Attest:

Clerk, City Council

Approved as to form:

City Attorney

Mayor

COUNTY OF MONTGOMERY, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

TOWN OF PEARISBURG, VIRGINIA

Attest:

Approved as to form:

Clerk, Town Council

Town Attorney

Mayor

COUNTY OF PULASKI, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

TOWN OF PULASKI, VIRGINIA

Attest:

Approved as to form:

Clerk, Town Council

County Attorney

Mayor

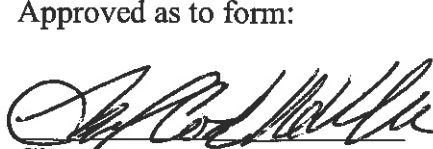
CITY OF RADFORD, VIRGINIA

Attest:

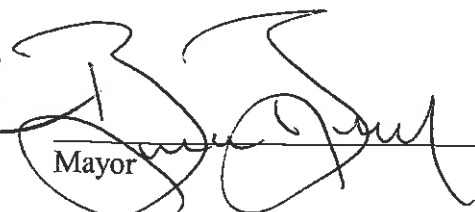
Approved as to form:



Clerk, City Council



City Attorney



Mayor

COUNTY OF MONTGOMERY, VIRGINIA

Attest: Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

TOWN OF PEARISBURG, VIRGINIA

Attest: Approved as to form:

Clerk, Town Council

Town Attorney

Mayor

COUNTY OF PULASKI, VIRGINIA

Attest: Approved as to form:



Clerk, Board of Supervisors



County Attorney



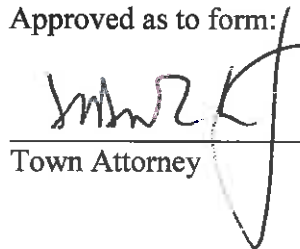
Chairman, Board of Supervisors

TOWN OF PULASKI, VIRGINIA

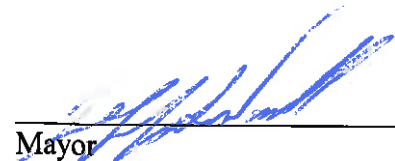
Attest: Approved as to form:



Clerk, Town Council



Town Attorney



Mayor

CITY OF RADFORD, VIRGINIA

Attest: Approved as to form:

Clerk, City Council

City Attorney

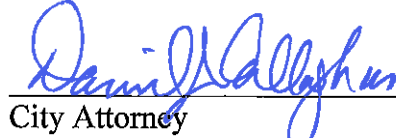
Mayor

CITY OF ROANOKE, VIRGINIA

Attest:

Approved as to form:


Clerk, City Council

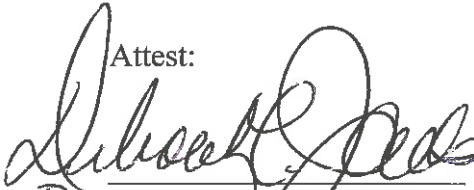

City Attorney


Mayor

COUNTY OF ROANOKE, VIRGINIA

Attest:

Approved as to form:


Clerk, Board of Supervisors


County Attorney


Chairman, Board of Supervisors

Virginia's First Regional Industrial Facility Authority

May 2015

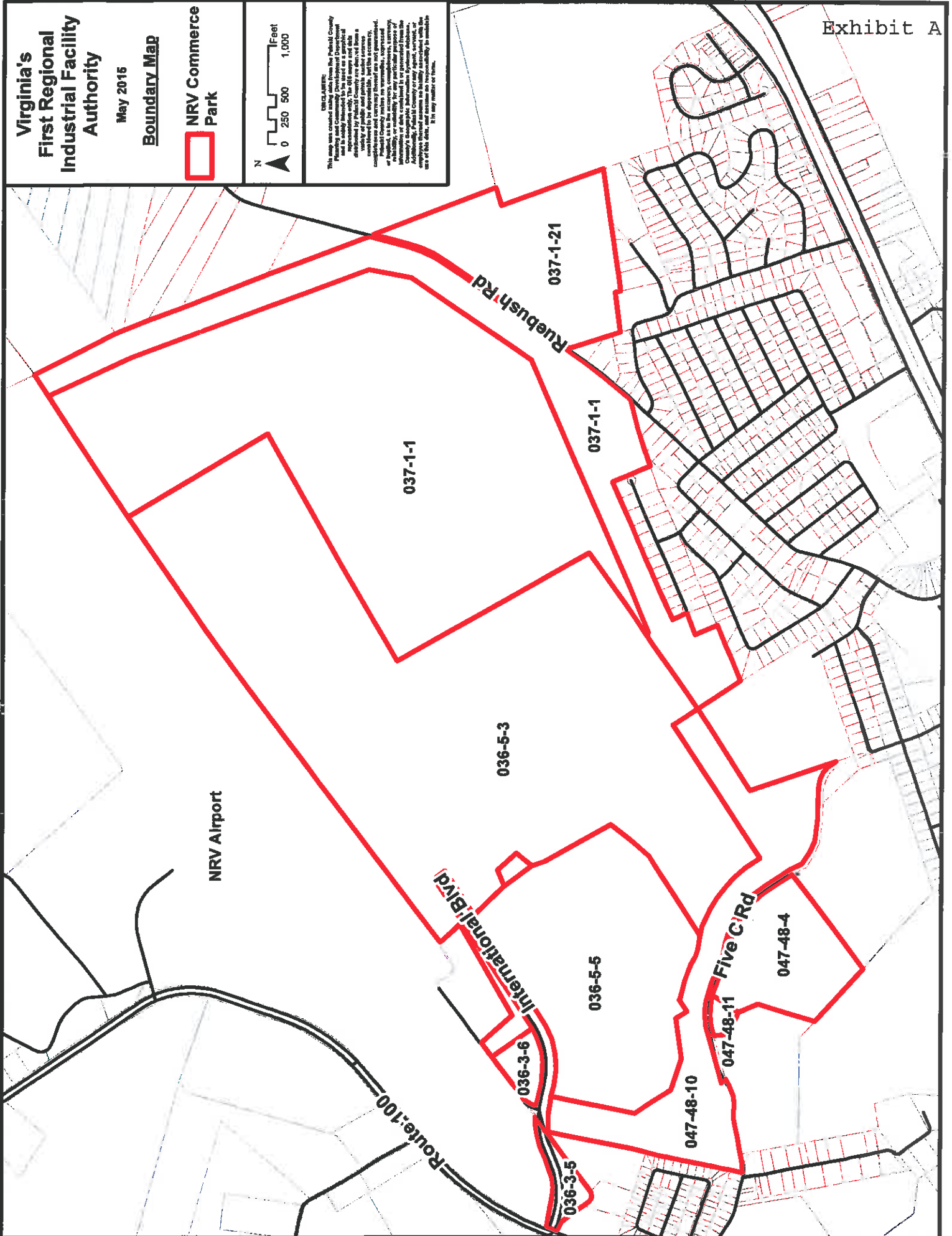
Boundary Map

NRV Commerce
Park



DISCLAIMER:
This map was created by the Piedmont County Planning and Community Development Department and is hereby intended to be used as a general informational tool only. It is not intended to be used as a legal instrument. The information contained herein is for informational purposes only and does not constitute a warranty of any kind, express or implied, or a representation of any kind. The Authority, Piedmont County or any Agent, servant, or representative shall not be held liable for any errors or omissions in this map, and assumes no responsibility for its use in any matter or form.

Exhibit A



**Virginia's First Regional Industrial Facility Authority
New River Valley Commerce Park
Shares and Ownership Percentage**

	Original Shares (1999)		CPPA Amendment 1 (2001)		Excess Dues Share Offering (2011)	
	# Shares	\$/ Share	# Shares	\$/ Share	# Shares	\$/ Share
Bland County	2,000.00	\$ 2.75	145.53	\$ 2.75	681.82	\$ 40.00
Craig County	2,000.00	\$ 2.75	125.00	\$ 2.75	0.00	\$ 40.00
Giles County	18,932.00	\$ 2.75	1,377.60	\$ 2.75	999.96	\$ 40.00
Montgomery County	18,932.00	\$ 2.75	1,377.60	\$ 2.75	0.00	\$ 40.00
Pulaski County	60,907.00	\$ 2.75	4,609.80	\$ 2.75	999.96	\$ 40.00
Roanoke County	10,000.00	\$ 2.75	638.30	\$ 2.75	0.00	\$ 40.00
Wythe County*	9,000.00	\$ 2.75	-9,000.00	\$ 2.75	0.00	\$ 40.00
City of Radford	7,950.00	\$ 2.75	507.44	\$ 2.75	681.82	\$ 40.00
City of Roanoke	10,000.00	\$ 2.75	0.00	\$ 2.75	681.82	\$ 40.00
Town of Dublin	1,006.00	\$ 2.75	73.20	\$ 2.75	999.96	\$ 40.00
Town of Pearisburg	2,000.00	\$ 2.75	145.53	\$ 2.75	681.82	\$ 40.00
Town of Pulaski	7,273.00	\$ 2.75	0.00	\$ 2.75	681.82	\$ 40.00
	150,000.00				6,408.98	

150,000.00

6,408.98

0.00 Wythe shares

	RSF Grading Agreement (2014)		Gas Line Extension (2014)		International Blvd ROW Survey (2014)		TOTAL CURRENT	
	# Shares	\$/ Share	# Shares	\$/ Share	# Shares	\$/ Share	# Shares	% of Shares
Bland County	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	2,827.35	1.60%
Craig County	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	2,125.00	1.20%
Giles County	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	21,309.56	12.04%
Montgomery County	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	20,309.60	11.47%
Pulaski County	10,000.00	\$ 40.00	10,500.00	\$ 40.00	0.00	\$ 40.00	87,016.76	49.16%
Roanoke County	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	10,638.30	6.01%
Wythe County*	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	0.00	0.00%
City of Radford	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	9,139.26	5.16%
City of Roanoke	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	10,681.82	6.03%
Town of Dublin	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	2,079.16	1.17%
Town of Pearisburg	0.00	\$ 40.00	0.00	\$ 40.00	0.00	\$ 40.00	2,827.35	1.60%
Town of Pulaski	0.00	\$ 40.00	0.00	\$ 40.00	100.00	\$ 40.00	8,054.82	4.55%
	10,000.00		10,500.00		100.00		177,008.98	100.00%

10,000.00

10,500.00

100.00

177,008.98

Total distributed

100.00%

*Wythe County withdrew from the Commerce Park Participation Committee and sold their 9,000 shares to other members
Original Shares + Amend #1 (\$2.75/ ea) is basis for annual dues



Virginia's First Regional Industrial Facility Authority
 6580 Valley Center Drive, Suite 124
 Radford, VA 24141
 Phone (540) 639-1524 FAX (540) 831-6093

New River Valley Commerce Park Financing Plan

Summary

The New River Valley (NRV) Commerce Park is owned by Virginia's First Regional Industrial Facility Authority (VFRIFA) and is intended to be developed for large-scale industrial companies that have a positive impact on regional job creation. In order to achieve the goal of creating an industrial park that contains multiple large companies, a range of financing and funding sources is needed. VFRIFA has the authority to take on long-term debt, enter into project agreements, and various other means of financing, as permitted by law. This document details the current financing plan in place for the development and management of the NRV Commerce Park.

Project Agreements

Currently, there are three separate Project Agreements in place, each of which has a financial impact to the development of the NRV Commerce Park, as follows:

- Red Sun Farms Grading Project Agreement (2014)- Pulaski County agreed to purchase 10,000 CP shares at \$40/ share (\$400,000 total) to fund a portion of the grading that was needed to prepare the site for construction of Red Sun Farms.
- Gas Line Extension Project Agreement (2014)- Pulaski County agreed to purchase 10,500 CP shares at \$40/ share, with the option for the shares to be repurchased, (\$420,000 total) to fund a 6" steel gas main extension to provide gas service to the NRV Commerce Park.
- International Boulevard Right-of-Way Surveying Project Agreement (2014)- The Town of Pulaski agreed to purchase 100 CP shares at \$40/ share (\$4,000 total) to fund a right-of-way survey for International Boulevard.

NRV Commerce Park Ownership

Ownership in the NRV Commerce Park is based on the number of shares purchased or financed by the member localities. Currently, there are 11 shareholders in the NRV Commerce Park. For more information regarding shares and ownership, please see Exhibit B.

Annual Budget and Dues

VFRIFA adopts an annual budget that includes management and development of the NRV Commerce Park, as well as repayment of any outstanding debt. Annual dues for VFRIFA member localities are \$5,000. These dues may be used to cover NRV Commerce Park expenses, if so appropriated by the VFRIFA Board of Directors.

Revenue

Revenue for the NRV Commerce Park comes from a variety of sources, including, but not limited to tax revenue, farm land leases, water surcharge, business rent, and land sale proceeds.

Tax revenue is based on the companies located in the NRV Commerce Park, is collected by Pulaski County, and then shared with VFRIFA. Machinery and Tools tax is shared with VFRIFA in perpetuity. 5% of the Machinery and Tools tax revenue is retained by Pulaski County for incurred expenses, and 1% is retained by VFRIFA for administrative expenses. The remaining 94% is provided to the NRV Commerce Park as annual revenue. Real estate and business personal property taxes are shared for a 15 year period. 1% of the real estate and business personal property taxes is retained by VFRIFA for administrative expenses. Please see the Amended and Restated New River Valley Commerce Park Participation and Revenue Sharing Agreement for specific tax revenue and sharing details.

Most of the property located in the NRV Commerce Park is currently being leased as farm land. While monetarily insignificant, these leases ensure the property is maintained and provide additional crop, hay, and grazing land for local farmers. Currently, leases are renewed on an annual basis.

VFRIFA has the ability to add a surcharge of up to \$1.00 per 1,000 gallons of water used by any business or industry in the NRV Commerce Park. The purpose of this surcharge is to help repay the debt to the Pulaski County Public Service Authority for the upgraded water and sewer lines in the Park.

VFRIFA has the ability to charge rent for businesses locating in the NRV Commerce Park, whether as part of regular costs of doing business or as a penalty for not meeting certain investment or job thresholds. In addition, there are several outparcels that are unsuitable for industrial development which may be sold or developed for other purposes to generate revenue for VFRIFA.

Expenses

Expenses for the NRV Commerce Park are based on long-term debt repayment, property improvements, engineering/ studies, and miscellaneous overhead costs. While expenses vary year-to-year, the most significant expense is long-term debt repayment. More detailed information for long-term debt repayment can be found in the following section. The annual budget follows the VFRIFA fiscal year, which runs from July 1- June 30. Attachment #1 is the annual budget from fiscal year 2015.

Long-Term Debt

Original CP Shares were financed by member localities in order to pay annually for purchasing the property necessary to create the NRV Commerce Park. These annual payments cover the repayment costs for the long-term debt obligations. Please see Exhibit B for more information regarding the original share purchase.

In order to consolidate past debt, release the lien on the property, and obtain a lower interest rate, VFRIFA entered into an agreement with the Pulaski County IDA for the issuance and repayment of bonds that were taken out by the Pulaski County IDA. A Taxable Series 2013 Bond was taken out by the Pulaski County IDA in the amount of \$6,810,000. General Debt consisted of \$5,210,000 and Red Sun Farms Grading Debt consisted of \$1,600,000. Debt payments began in December 2013. General Debt will be

retired in June 2039. Red Sun Farms Grading Debt will be retired in June 2028.

Attachment #2 contains more in depth information on the IDA bonds and repayment schedule.

Attachments

- Fiscal Year 2015 Annual Budget
- IDA Bond Information and Repayment Schedule

FY 2015 Commerce Park Budget

CP Income	Budget
Member Shares	\$ 412,500.00
Property Leases	\$ 17,496.65
Red Sun Tax Sharing	\$ 22,423.60
Mebane Manor Tax Sharing	\$ -
Town of Pulaski Share Purchase	\$ 4,000.00
Water Surcharge	\$ -
Miscellaneous/ Grants	\$ 36,134.96
Reserve Funds	\$ 22,822.60
CP Total Income	\$ 515,377.81
CP Expenses	Actual
Staffing	\$ 13,940.00
PSA Debt Service	\$ 55,000.00
2013 Refinancing	\$ 353,595.00
2013 Red Sun Grading Financing	\$ 148,925.00
Professional Services	\$ 83,500.00
Site Marketing	\$ 2,862.00
Property Maintenance	\$ 500.00
Property Insurance	\$ 200.00
Miscellaneous	\$ 1,680.00
CPPC	\$ 1,500.00
Deferred Debt Payment	\$ (148,925.00)
CP Total Expenses	\$ 512,777.00

FY 2015 VFRIFA Budget

VFRIFA Income	Budget
Member Dues	\$ 60,000.00
Reserve Funds	\$ 1,500.00
Miscellaneous	\$ -
VFRIFA Total Income	\$ 61,500.00
VFRIFA Expenses	Budget
Staffing	\$ 24,060.00
Professional Services	\$ 26,950.00
Debt Service	\$ -
Marketing	\$ -
Miscellaneous	\$ 525.00
Insurance- Public Officials	\$ 1,400.00
Telecommunications	\$ 533.08
VFRIFA Total Expenses	\$ 53,468.08

**VFRIFA Bond Repayment Schedule
IDA BOND- Taxable Series 2013**

Borrowed: \$6,810,000; of which \$1,600,000 is for RSF Grading

	RSF Grading		General Debt		Total Principal		Total Interest		Total	Fiscal Year	Total RSF	Total General
	Principal	Interest	Principal	Interest								
12/15/2013		\$25,506.37	\$107,162.81		\$230,000.00	\$132,669.18			\$504,814.73	FY14	\$147,834.62	\$356,980.11
6/15/2014	\$95,000.00	\$27,328.25	\$114,817.30		\$220,000.00	\$142,145.55			\$502,520.10	FY15	\$148,925.00	\$353,595.10
12/15/2014		\$26,962.50	\$114,297.55		\$225,000.00	\$141,260.05			\$505,225.52	FY16	\$147,934.16	\$357,291.36
6/15/2015	\$95,000.00	\$26,467.08	\$113,645.68		\$225,000.00	\$140,112.76			\$501,884.26	FY17	\$146,523.40	\$355,360.86
12/15/2015		\$26,467.08	\$113,645.68		\$225,000.00	\$140,112.76			\$502,442.76	FY18	\$144,648.10	\$357,794.66
6/15/2016	\$95,000.00	\$25,761.70	\$112,680.43		\$230,000.00	\$136,221.38			\$501,982.55	FY19	\$147,392.80	\$354,589.76
12/15/2016		\$24,824.05	\$111,397.33		\$235,000.00	\$133,491.28			\$505,350.86	FY20	\$149,570.80	\$355,780.06
6/15/2017	\$95,000.00	\$23,696.40	\$109,794.88		\$245,000.00	\$130,175.43			\$502,579.46	FY21	\$146,240.20	\$356,339.26
12/15/2017		\$22,285.40	\$107,890.03		\$250,000.00	\$126,289.73			\$503,519.46	FY22	\$147,435.00	\$356,084.46
6/15/2018	\$100,000.00	\$23,696.40	\$109,794.88		\$260,000.00	\$121,759.73			\$503,707.06	FY23	\$148,283.60	\$355,423.46
12/15/2018		\$22,285.40	\$107,890.03		\$270,000.00	\$116,853.53			\$503,112.26	FY24	\$148,771.00	\$354,341.26
6/15/2019	\$105,000.00	\$20,620.10	\$105,669.63		\$280,000.00	\$111,556.13			\$506,705.06	FY25	\$148,882.20	\$357,822.86
12/15/2019		\$18,717.50	\$103,042.23		\$295,000.00	\$105,852.53			\$504,096.76	FY26	\$148,539.70	\$355,557.06
6/15/2020	\$105,000.00	\$22,285.40	\$107,890.03		\$305,000.00	\$99,548.38			\$500,603.56	FY27	\$147,788.50	\$352,815.06
12/15/2020		\$20,620.10	\$105,669.63		\$330,000.00	\$85,597.73			\$501,195.46	FY28	\$146,613.60	\$354,581.86
6/15/2021	\$110,000.00	\$18,717.50	\$103,042.23		\$330,000.00	\$85,597.73			\$355,606.26	FY29		\$355,606.26
12/15/2021		\$16,641.80	\$100,211.73		\$200,000.00	\$77,803.13			\$354,856.26	FY30		\$354,856.26
6/15/2022	\$115,000.00	\$14,385.50	\$97,170.63		\$210,000.00	\$72,428.13			\$353,568.76	FY31		\$353,568.76
12/15/2022		\$11,941.10	\$93,911.43		\$220,000.00	\$66,784.38			\$356,743.76	FY32		\$356,743.76
6/15/2023	\$120,000.00	\$14,385.50	\$97,170.63		\$220,000.00	\$66,784.38			\$354,112.50	FY33		\$354,112.50
12/15/2023		\$11,941.10	\$93,911.43		\$245,000.00	\$54,556.25			\$355,943.76	FY34		\$355,943.76
6/15/2024	\$125,000.00	\$9,269.85	\$90,278.53		\$260,000.00	\$47,971.88			\$356,968.76	FY35		\$356,968.76
12/15/2024		\$6,394.25	\$86,407.53		\$275,000.00	\$40,984.38			\$357,187.50	FY36		\$357,187.50
6/15/2025	\$130,000.00	\$9,269.85	\$90,278.53		\$290,000.00	\$33,593.75			\$356,600.00	FY37		\$356,600.00
12/15/2025		\$6,394.25	\$86,407.53		\$305,000.00	\$25,800.00			\$355,206.26	FY38		\$355,206.26
6/15/2026	\$135,000.00	\$6,394.25	\$86,407.53		\$320,000.00	\$17,603.13			\$353,006.26	FY39		\$353,006.26
12/15/2026		\$3,306.80	\$82,290.93		\$335,000.00	\$9,003.13						
6/15/2027	\$140,000.00	\$3,306.80	\$82,290.93		\$6,810,000.00	\$4,649,539.95			\$ 11,459,540		\$2,215,382.68	\$9,244,157.27
12/15/2027			\$77,803.13		\$5,150,000.00	\$4,094,157.27						
6/15/2028			\$77,803.13									
12/15/2028			\$77,803.13									
6/15/2029			\$72,428.13									
12/15/2029			\$72,428.13									
6/15/2030			\$66,784.38									
12/15/2030			\$66,784.38									
6/15/2031			\$60,871.88									
12/15/2031			\$60,871.88									
6/15/2032			\$54,556.25									
12/15/2032			\$54,556.25									
6/15/2033			\$47,971.88									
12/15/2033			\$47,971.88									
6/15/2034			\$40,984.38									
12/15/2034			\$40,984.38									
6/15/2035			\$33,593.75									
12/15/2035			\$33,593.75									
6/15/2036			\$25,800.00									
12/15/2036			\$25,800.00									
6/15/2037			\$17,603.13									
12/15/2037			\$17,603.13									
6/15/2038			\$9,003.13									
12/15/2038			\$9,003.13									
6/15/2039			\$9,003.13									
12/15/2039			\$9,003.13									
TOTAL	\$1,660,000.00	\$555,382.68	\$5,150,000.00	\$4,094,157.27	\$6,810,000.00	\$4,649,539.95			\$ 11,459,540		\$2,215,382.68	\$9,244,157.27

**Virginia's First Regional Industrial Facility Authority
Resolution Dissolving the Commerce Park Participation
Committee**

WHEREAS, Virginia's First Regional Industrial Facility Authority (hereinafter referred to as "VFRIFA"), is a body politic, as set forth in Chapter 64 of the Code of Virginia 1950, as amended; and

WHEREAS, VFRIFA created the Commerce Park Participation Committee (hereinafter referred to "CPPC") in 1999 to oversee development of the New River Valley (NRV) Commerce Park; and

WHEREAS, at this point, the VFRIFA Board of Directors believes that the CPPC is no longer necessary for the development of the NRV Commerce Park; and

WHEREAS, in an effort to streamline the organization and provide greater transparency, the VFRIFA Board of Directors approved the Amended and Restated New River Valley Commerce Park Participation and Revenue Sharing Agreement (hereinafter referred to as "Agreement") on December 9, 2015; and

WHEREAS, the Agreement dissolves the CPPC and the VFRIFA Board of Directors and Shareholders of the NRV Commerce Park assume all decision making responsibilities for the NRV Commerce Park as set forth in the Agreement; and

WHEREAS, as required by Virginia Code § 15.2-6407, a majority of the member localities have adopted the Agreement; and

WHEREAS, the VFRIFA Board of Directors now desires to officially dissolve the CPPC and establish an effective date for the Agreement;

NOW, THEREFORE, BE IT RESOLVED by the VFRIFA Board of Directors that the Commerce Park Participation Committee is hereby dissolved and the Agreement is in full force and effect as of March 10, 2016.

Approved:

March 9, 2016