



Bland County
Lacy (Nick) Asbury

Craig County
Jay Polen

Giles County
Chris McKlarney

Montgomery County
Craig Meadows

Pulaski County
Andy McCready

Roanoke County
Jill Loope

City of Radford
Tim Cox

City of Roanoke
Brian Townsend

Town of Dublin
Doug Irvin

Town of Pearisburg
Kenneth F. Vittum

Town of Pulaski
Joseph K. Goodman

Executive Committee:
Basil Edwards, Chair
City of Radford
Chris McKlarney, Vice-Chair
Giles County
Shawn Utt,
Secretary-Treasurer
Town of Pulaski
Jay Polen
Craig County
Brian Hamilton
Montgomery County

New River Valley Commerce Park Participation Committee

TO: NRV Commerce Park Participation Committee

FROM: Joe Morgan

SUBJECT: Wednesday, April 9, 2014 Noon, Meeting Draft Agenda

A meeting of the New River Valley Commerce Park Participation Committee will be held on **Wednesday, April 9 at Noon**. The meeting will be held at the **New River Valley Airport Terminal, 5391 C. V. Jackson Road, Dublin VA 24084**. Lunch will be provided.

You are invited to tour the Red Sun Farms site between 11:00 AM and 11:45 AM prior to the meeting.

Please mark your calendar and contact us on your plans for attendance.

- 1. Roll Call and Approval of Agenda**
- 2. Public Comment**
- 3. Approval of the November 13, 2013 Participation Committee Minutes**
- 4. Administrative Staff Report**
 - a) American Electric Power Quality Site Program Certification Phase III Completion**
 - i. Cost Estimate and AEP \$35,000 Match**
 - ii. Preliminary Results: Environmental Assessment, Wetland Delineation; Geological Evaluation and Cultural / Endangered Species Analysis**
 - iii. Additional Tasks Authorization**
 - iv. Additional 100,000 Sq. Ft. Graded Building Pad Option**
 - b) Update on Surplus Property Maintenance**
 - c) Natural Gas Line Extension Confirmation**
- 5. Old Business**
 - a) Red Sun Farms Location**
 - i. Final Site Plan Review**
 - ii. Daniel Wilson, Pulaski County - VDOT Acceptance of International Boulevard**
 - b) Other**
- 6. New Business**
 - a) NRV Economic Development Alliance Marketing Report**
 - b) Other**
- 7. Closed Session pursuant to 1950 Code of Virginia, Section 2.2-3712, (3) Property Disposition & (5) Prospective Business**
- 8. Other Business**
- 9. Adjournment**

Next scheduled regular Commerce Park & VA1st special called meetings: Wed., August 13, 2014 – Tentative dates for called special meetings: second Wednesdays at Noon – Next VA1st Annual Meeting, Wednesday, August 13, 2014

New River Valley Commerce Park Participation Committee



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You are invited to tour the Red Sun Farms site between 11:00 AM and 11:45 AM prior to the meeting. **Tours will begin from the airport parking lot at 11:00 AM**

Please mark your calendar and contact us on your plans for attendance.

ALL AGENDA MATERIALS AND ENCLOSURES ARE AVAILABLE ON-LINE AT [nrvpdc.org](http://www.nrvpdc.org) , UNDER Economic Development / Virginia First (See <http://www.nrvpdc.org/vafirst.html>)AND ON [dropbox.com](https://www.dropbox.com) . YOU WILL RECEIVE AN ADDITIONAL EMAIL INVITING YOU TO SHARE THE [dropbox.com](https://www.dropbox.com) FILES.

- 1. Roll Call and Approval of Agenda-** Any duly authorized representative of a member government may represent that member for purposes of a quorum. Decision will be made based on share of Commerce Park ownership, as well as the required seven member majority for allocation of assets.
- 2. Public Comment -** The only public comment I am aware of may come from citizens Debbie Mohay and Carl Lambert, as reported to me by Ms. Brenda Blackburn. I offered to answer questions of Ms. Mohay and Mr. Lambert about VFRIFA and the Commerce Park, but have not yet heard from them. While all citizens' comments are welcome, general questions rather than those related to a current agenda item, may be referred to staff to respond at a mutually convenient time. Limiting individual citizen comments to three minutes is recommended.
- 3. Approval of the November 13, 2013 Participation Committee Minutes –** Minutes were sent previously. Approval is also requested of the March 5, 2014 minutes of the Participation Committee Executive Committee meeting, ***enclosed (on pp 6-7)***.
- 4. Administrative Staff Report**
 - a) American Electric Power Quality Site Program Certification Phase III**
 - i. Cost Estimate and AEP \$35,000 Match –** Work is underway to complete the QSP Certification requirements. AEP has pledged to extend transmission level service to the Commerce Park in a timely manner, which removes a major marketing impediment for the site. AEP has also agreed to grant a \$35,000 match to the QSP certification costs. See AEP service pledge and match offer ***enclosed (on pp 8-10)***. ***Enclosed (on pp 11-12)*** are the certification tasks which require consultant assistance, as well as the current status of the contracted work. Along with the AEP match of \$35,000 and \$20,000 available from the current budget, an additional \$45,000 is estimated to be needed to complete the certification. An additional \$25,000 is estimated to be needed to complete desired tasks, although these tasks are not mandatory for the QSP certification. Thanks to a willingness of Pulaski County to delay debt reimbursement to the Pulaski County IDA for as much as sixty days between fiscal years, sufficient funds should be available to accomplish the certification tasks and also have funding for the Red Sun Farms grading debt reimbursement to the Pulaski County IDA until full tax revenues from Red Sun Farms are due in 2016. ***Enclosed (on page 13)*** is a cash flow projection for the Red Sun Farms incentives and revenues. ***It is recommended the QSP tasks be completed with funding from Commerce Park reserve as needed.***

ii. Preliminary Results: Environmental Assessment; Wetland Delineation; Geological Evaluation; and Cultural / Endangered Species Analysis –

Investigation on the Commerce Park site has been completed for environmental assessment, wetlands delineation and geological evaluation. See drawing *enclosed (on page 14)* for location. We expect to receive preliminary results by April 9 that indicate no major barriers to meeting the QSP certification requirements.

Regional Planner Christy Straight sent the following update:

Preliminary research shows known historical and archaeological resources to be as in previous surveys of the surrounding area – a brick kiln site previously avoided as a mitigation strategy for the sewer main and two historical sites identified as not impacted by previous projects. There also appear to be no new endangered and threatened species identified in the project area compared to previous investigations in adjacent areas – several bird species are identified that will likely require mitigation in the construction phase of the project.

Formal review responses from DHR, USFWS, and DGIF are pending. There is one stream in the project area that may draw comment from DGIF and USFWS. Any further comment on that aspect will best be addressed through the JPA permitting process (where DEQ, USACE, and other state agencies will comment on stream impacts and any species connected to those impacts).

iii. Additional Tasks Authorization - *Unless unanticipated environmental results are forthcoming, it is recommended the planning tasks of the QSP certification be authorized, including one foot topo mapping contours, preliminary road & building pad design, master plan update and boundary surveying.*

iv. Additional 100,000 Sq. Ft. Graded Building Pad Option – At its November meeting, the Participation Committee accepted the recommendation of the NRV Economic Development Alliance Executive Director to prepare a new 100,000 sq. ft. graded building pad. The cost estimate for preparing a preliminary building pad on Lot 3 is \$13,500. Lot 3 is a minimum of about 20 acres, but expandable to about 75 acres. It is adjacent to the existing rough graded access road extension of International Boulevard. This design is in addition to the 250,000 sq. ft. pad required on the 100 plus acre lot required for the QSP certification. *Authorization is requested to complete the preliminary design, with concurrence from Pulaski County and NRV Economic Development Alliance staff as to the pad location.*

b) Update on Surplus Property Maintenance - Pulaski County Administration has agreed to take the lead on surplus property maintenance, including rented and vacant buildings.

c) Natural Gas Line Extension Confirmation – *Ratification of the enclosed (on*

pp 15- 17) \$420,000 no interest loan note and agreement is requested subject to details that may be negotiated between the VFRIFA Attorney and the Pulaski County Attorney. Also enclosed (on pp 18-19) is a schedule for cash flow between VFRIFA, Pulaski County and the Pulaski County IDA to achieve the loan and related reimbursement of the debt refinanced and issued in 2013

5. Old Business

a) Red Sun Farms Location

i. Final Site Plan Review – A report is expected from the Developments, Covenants & Communications Committee as a result of its meeting scheduled for Tuesday, April 8 at 4:30 PM at the NRV Airport Terminal. Details of the report are expected to relate to final layout of buildings and landscaping of the final grading after substantial completion of earthwork, as well as changes that may have resulted to circumstances encountered during construction. *Final approval of the site plan details is requested.*

ii. Daniel Wilson, Pulaski County - VDOT Acceptance of International Boulevard – Mr. Wilson may report on any action needed to achieve acceptance of the road for service to Red Sun Farms.

b) Other

6. New Business

a) NRV Economic Development Alliance Marketing Report

b) Other

7. Closed Session pursuant to 1950 Code of Virginia, Section 2.2-3712, (3) Property Disposition & (5) Prospective Business – If a separate space is needed for closed session, the pilots lounge or customs office may be available.

8. Other Business

9. Adjournment - Next scheduled regular Commerce Park & VA1st special called meetings: Wed., August 13, 2014 – Tentative dates for called special meetings: second Wednesdays at Noon – Next VA1st Annual Meeting, Wednesday, August 13, 2014

Virginia's First REGIONAL INDUSTRIAL FACILITY AUTHORITY
New River Valley Commerce Park Participation Committee
Executive Committee
Meeting Minutes
March 5, 2014

1. Call to Order

A meeting of the New River Valley Commerce Park Participation Committee Executive Committee was held on Wednesday, March 5, 2014 at 10:30 am at the Volvo Trucks, New River Valley Plant 4881 Cougar Trail Road P.O. Box 1126 Dublin, VA 24084.

Meeting was called by members Basil Edwards, Chair and Chris McKlarney, Vice-Chair, for the purposes of preparation for the April 9, 2014 Commerce Park Participation Committee.

Mr. Edwards, chairman, called the CPPC Executive Committee meeting to order at 10:30 am. Roll call was taken and a quorum of the Executive Committee determined with Mr. Basil Edwards (City of Radford), Mr. Shawn Utt (Town of Pulaski), Mr. Jay Polen (Craig County), and Mr. Chris McKlarney (Giles County) present.

Also in attendance were Joe Morgan, Danny Wilson, Aric Bopp, Peter Huber, Patrick Collington, and Christy Straight.

2. Public Comment

No comment was made.

- a. **Closed Session pursuant to 1950 Code of Virginia, Section 2.2-3711, (3) (real estate) and (29) (public contract negotiation)**

The committee entered into closed session under Code of Virginia 2.2-3712 paragraph 3 and 29 for discussion of real estate and public contract negotiation.

- b. **Approval of Closed Session Meeting pursuant to 1950 Code of Virginia, Section 2.2-3712 (A) for briefing by staff and discussion acquisition or disposition of real estate, all as allowed by 1950 Code of Virginia 2.2-3711, (3) (real property acquisition or disposition), (29) (public contract negotiation)**

Motion: Mr. McKlarney moved the committee go into closed session for the purposes of discussing property disposition, under Code of Virginia 2.2-3711 paragraphs 3 and 29, with the authority's staff, member locality staff, and Mr. Bopp of the NRV Alliance to be included in the session. Mr. Polen seconded the motion.

Action: The motion passed unanimously.

- 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 by the Executive Committee

Motion: Mr. Utt moved the committee return to open session. Mr. McKlarney seconded the motion.

Action: The motion passed unanimously on a roll call vote.

Motion: Mr. Utt moved the committee certify that to the best of each member's knowledge (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 by the committee in the closed session. Mr. McKlarney seconded the motion.

Action: The motion passed unanimously on a roll call vote.

3. Other Business

Mr. Huber brought a request before the committee from Red Sun Farms' representative Jay Abbotts that International Boulevard be closed off to general traffic at the water tank access point. He noted that traffic has been more frequent during the construction of the greenhouse and items have gone missing. The committee approved administrative action to have the road closed past VDOT's right-of-way.

4. Adjournment

Mr. Edwards adjourned the meeting at 1:30 pm.

Respectfully Submitted,

Approved by,

Joseph N. Morgan, Executive Director

Shawn Utt, Secretary / Treasurer



American Electric Power
700 Morrison Rd.
Gahanna, OH 43230
aep.com

Robert W. Bradish
Vice President
Grid Development

November/26/2013

McCallum Sweeney Consulting
550 South Main Street, Suite 550
Greenville, SC 29601

To whom it may concern,

American Electric Power (AEP), specifically Appalachian Power Company (APCo), is the electric service provider to the New River Valley Commerce Park Site. AEP has determined an existing 138 kV three-phase electric transmission line is able to serve the site. This line crosses Lee Highway (Old Route 11) 220 in Pulaski County, VA. The line is approximately 1.5 miles away from the site. The site will be served out of the Glen Lyn and Claytor substations, located 9.5 miles and 7.3 miles respectively from the site boundary. There is currently 123 MW available to this site. It would take 9-12 months to supply electric service to this site from the time we receive a customer's request including requirements, plans, and financial commitment. The estimated cost to serve the site is approximately \$3,100,000. It is assumed that at a Transmission level delivery the customer will be responsible for procuring, installing and operating their own step down substation and thus these costs are not included in the conceptual estimate.

1. The transmission line that can serve this site is the Glen Lyn-Claytor 138kV Line. The extension from this line to the site would be towards the South.
2. AEP will seek any necessary ROW or land. AEP will work with each of the property owners involved individually. AEP will own any acquired ROW or land.
3. The approximated cost of the line extension could range from \$1,600,000 to \$2,000,000.

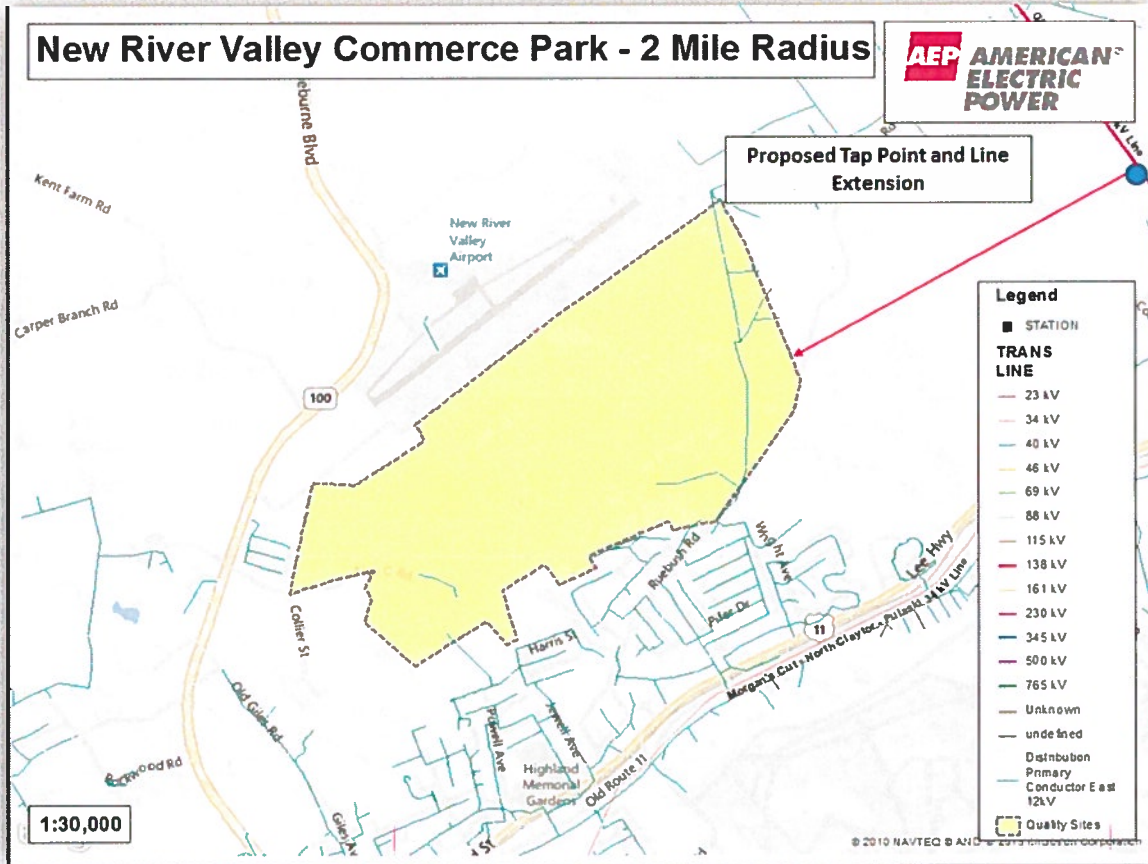
Please contact me for additional information.

Yours Truly,

A handwritten signature in black ink, appearing to read "Robert W. Bradish", written in a cursive style.

Robert W. Bradish
Vice President, Grid Development
American Electric Power

Area Map



March 14, 2014

Mr. Joseph N. Morgan
Executive Director
Virginia's First Regional Industrial Facility Authority
6580 Valley Center Drive, Suite 124
Radford, VA 24141

Dear Joe:

Thank you for your funding request letter of March 13, 2014 and documents outlining the various studies required by McCallum Sweeney to certify the New River Valley Commerce Park. The QSP certification process is quite rigorous and we anticipated that additional studies may have to be done and/or existing studies may need updating to their standards.

AEP – Appalachian Power is committed to helping you achieve the Phase 3 goal of certification. Understanding that additional funding is needed to complete and update various studies, we are approving \$35,000 in funding to the Virginia's First Regional Industrial Facility Authority for that very purpose. We would anticipate the authority would then provide a match, of up to \$25,000, which meets the required balance of approximately \$60,000 need to complete the various studies and assessments you outlined.

We look forward to the successful completion of site certification process by one of the premier site location firms in the economic development business. If you or any of your Participation Committee members have any questions please contact me by phone or email.

Sincerely,



John J. Smolak, II

AEP QSP Certification Major Tasks Requiring Consultant Assistance:

ENVIRONMENTAL

- **PHASE I ESA, WITH PHASE II REMEDIATION IF REQUIRED** - Update 1997 Phase I ESA for 420 acres, with Phase II completed for any recognized environmental correction (REC), including REC remediation completed
- **WETLANDS DELINEATION & MITIGATION** – Delineation of wetlands on 420 acres to include reports and maps; USACOE Jurisdictional Determination to be obtained; and any mitigation required to be planned, including cost and schedule, with all mitigation requiring longer than 90 days completed
- **ENDANGERED SPECIES** – Documentation of endangered species on 420 acres to include reports and maps; USF&WS acknowledgment letter to be obtained; and acknowledgement letter by the state department of natural resources obtained of any rare, threatened or endangered species; and all mitigation required to be planned, including cost and schedule, with any mitigation requiring longer than 90 days completed
- **ARCHEOLOGICAL / HISTORICAL STUDY** - Conduct archeological study for 420 acres; obtain State Historical Preservation Office acknowledgement letter; and, plan any required mitigation, including cost and schedule, with any mitigation requiring longer than 90 days completed
- **TOPOGRAPHY** – minimum of two-foot contours on 420 acres.
- **SOIL BORINGS & SEISMIC CLASS DETERMINATION** - Complete 8 soil drillings on 420 acres (1 per 50 acres), as well as determine specific Seismic Site Class per current International Building Code.

PLANNING

- **MASTER PLAN UPDATE** –
 - Confirm 336 developable acreage of 420 total acres, with one site at least 100 acres with 80 entirely contiguous, developable acres
 - Complete master plan to reflect total acreage of each parcel and net developable acreage per parcel.
- **ACCESS ROAD ENGINEERING** - Complete engineering, including cost and schedule, to build access road to 120 +/- acre parcel designated as largest parcel for Park, with acceptance of plan by VDOT acknowledged
- **GRADING PLAN** – for building pad of a minimum 250,000 square feet on 100 +/- acre site, with cost and schedule for clearing, grubbing and grading, as well as visual of pad location
- **RECORDABLE BOUNDARY SURVEY** – for 420 acres

Additional Possible Tasks:

WETLANDS PLANNING – Feasibility of locating a wetlands management area or mitigation bank on Commerce Park, generally outside 420 acres designated for AEP QSP certification.

STORMWATER MANAGEMENT PLANNING – Determine stormwater volume and flow for proposed Master Plan, including location, cost and schedule of potential retention, both on and off 420 acres designated for AEP QSP certification

ENHANCEMENTS FOR SITE VIEWING AND ACCESS – Design, including cost and schedule, enhancements to allow improved access and view to developable acreage, including complimentary access for farming and locations / structures for best visibility of entire 420 acres.

ENTRANCE ROAD AND OTHER ACCESS LANDSCAPE / APPEARANCE ENHANCEMENTS – Design, including cost and schedule, enhancements to improve appearance of Park entrance, signage, roadways and visitor viewing locations for 420 developable acres

ADDITIONAL GRADING PLAN(S) - for optimum building pad for other proposed parcel(s), with cost and schedule for clearing, grubbing and grading, as well as visual of pads location

AEP QSP Certification Major Tasks Requiring Consultant Assistance:

Leading Firm	TASK & ASSESSMENT OF AVAILABILITY / CAPABILITY	Days	Total Estimated		
			Cost	Started	Balance
ENVIRONMENTAL					
<u>PHASE I ESA, WITH PHASE II REMEDIATION IF REQUIRED</u>					
A&A	Prepared Initial CP Phase I / <i>Preferred assignment</i>	45	\$ 8,775	\$ 8,775	\$ -
<u>WETLANDS DELINEATION & MITIGATION</u>					
Timmons	Prepared Other Large Parks / similar work in NRV	90	\$ 20,000	\$ 16,000	\$ 4,000
<u>ARCHEOLOGICAL / HISTORICAL STUDY</u>					
NRVPDC	Did Water & Sewer Expansion A & H Studies	90	\$ 5,000	\$ -	\$ 5,000
<u>TOPOGRAPHY</u>					
A&A	Provided existing 2' intervals / suggested getting 1' flown	45	\$ 22,325	\$ 8,050	\$ 14,275
<u>SOIL BORINGS & SEISMIC CLASS DETERMINATION</u>					
Schnabel	Experienced with CP geotechnical	30	\$ 15,000	\$ 12,350	\$ 2,650
PLANNING					
<u>MASTER PLAN UPDATE</u>					
DAA	2013 Update/ <i>Preferred assignment</i>	30	\$ 4,900		\$ 4,900
<u>ACCESS ROAD ENGINEERING</u>					
T&L	Prepared Project Nemo Road Plan / <i>Preferred assignment</i>	60	\$ 4,500		\$ 4,500
<u>GRADING PLAN</u>					
DAA	<i>Preferred assignment</i>	60	\$ 13,500		\$ 13,500
<u>RECORDABLE BOUNDARY SURVEY</u>					
New River Land Surveying	2013 Quote was affordable, but DAA, A&A, T&L & Timmons are available	30	\$ 5,000		\$ 5,000
<u>Subtotal Basic QSP Certification Tasks</u>			\$ 99,000	\$ 45,175	\$ 53,825
<u>Additional Possible Tasks:</u>			\$ 25,000		\$ 25,000
WETLANDS PLANNING					
STORMWATER MANAGEMENT PLANNING					
ENHANCEMENTS FOR SITE VIEWING AND ACCESS					
ENTRANCE ROAD AND OTHER ACCESS					
LANDSCAPE / APPEARANCE ENHANCEMENTS					
DAA	ADDITIONAL GRADING PLAN(S)		\$ 13,500		
Total Cost			\$ 124,000	\$ 45,175	\$ 78,825
Revenue Available from Current Year's Budget			\$ 20,000	\$ 20,000	\$ -
Additional Revenue Needed			\$ (104,000)	\$ (25,175)	\$ (104,000)

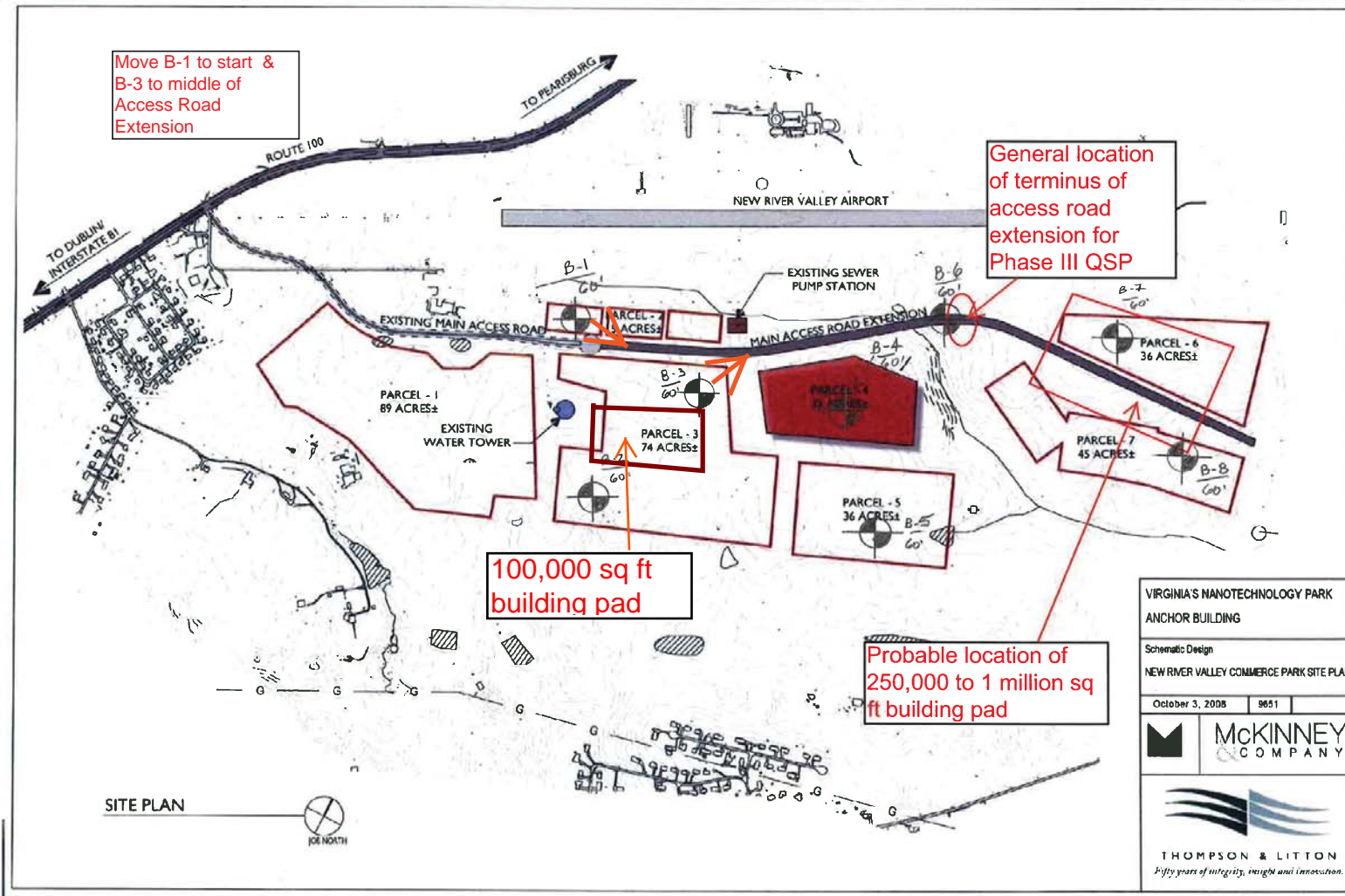
NRV Commerce Park Red Sun Farms \$1.6 Million Debt Service Reimbursement

Cash Flow Projection for Red Sun Farm Grading Grant \$1.6 Million Borrowed & \$400,000 Cash

With reimbursement to Pulaski County IDA made in July after each Fiscal Year that IDA pays debt service

Fiscal Year	2013	2014	2015	2016	2017	2018	2030
Actual Debt Service		\$ 147,835	\$ 148,925	\$ 147,934	\$ 146,523	\$ -	
Other Expenses:							
Closing Cost Not Financed	-						
Debt Service Reserve = 1 year total payments	\$ 506,705.06						
Grant for Rough Grading	\$ 2,000,000.00						
Subtotal	\$ 2,506,705.06	-	-	-	-	-	-
Total Estimated Expense	\$ 2,506,705.06	-	147,835	148,925	147,934	146,523	-
New Tax Revenues:							
Anticipated Assessed Value of New Business			13,000,000	21,000,000	30,000,000	30,000,000	30,000,000
Estimated Effective Tax Rate		0.55	0.55	0.55	0.55	0.55	1
Anticipated Tax Revenue		-	20,750	108,500	140,250	165,000	165,000
Other Revenues:							
VA1st Loan	\$ 200,000.00						
Current Debt Service Reserve	\$ 242,544.00						
Use of Water Capacity Reserve	\$ 64,161.06		127,085	40,425	7,684		
Commerce Park Reserve							
Pulaski County Cash Investment	\$ 400,000.00						
Site Improvement Bond Proceeds	\$ 1,600,000.00						
Subtotal	\$ 2,506,705.06	-	127,085	40,425	7,684	-	-
Total Estimated Revenue	\$ 2,506,705.06	-	147,835	148,925	147,934	165,000	165,000
Estimated Cash Flow	\$ -	-	-	-	-	18,477	165,000
Cumulative Cash Surplus or (Need)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,477	\$ 374,310

NRV COMMERCE PARK SITE



DRAFT GAS LINE LOAN AGREEMENT

THIS GAS LINE LOAN AGREEMENT (“Agreement”) is dated this ___ day of January, 2014, by and between VIRGINIA’S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY (“VFRIFA”) and PULASKI COUNTY, VIRGINIA (“County”).

W I T N E S S E T H:

WHEREAS, on December 31, 2013, VFRIFA entered into an agreement with Atmos Energy Corporation (“Atmos Energy”) for the purpose of procuring an approximately 9,000 foot gas line extension (“Extension”) to serve the Red Sun Farms, LLC facility site and other possible sites within the New River Valley Commerce Park (“Commerce Park”) located in Pulaski County, Virginia; and

WHEREAS, Atmos Energy will construct or cause to be constructed the Extension in return for payment by VFRIFA in the amount of \$420,000.00; and

WHEREAS, on November 25, 2013, the Pulaski County Board of Supervisors unanimously agreed to loan VFRIFA the \$420,000.00 required for the Extension pursuant to certain terms and conditions set forth in the letter from the Pulaski County Administrator, attached hereto as Exhibit”A” (“Loan”); and

WHEREAS, the parties desire to more fully memorialize the terms and conditions of the Loan;

NOW, THEREFORE, Pulaski County and VFRIFA agree as follows:

1. VFRIFA shall pay Atmos Energy an amount not to exceed \$420,000.00 for the Extension.
2. Pulaski County agrees to loan VFRIFA the \$420,000.00 required for the extension.
3. VFRIFA agrees to issue Ten Thousand Five Hundred (10,500) Commerce Park Shares at \$40.00 per share to Pulaski County as collateral (“Collateral Shares”) for the Loan.
4. To the extent that VFRIFA receives refunds from Atmos Energy for new customers connecting to the Extension pursuant to section (1) of the Extension Agreement (See Exhibit “B”), at the County’s option, such refunds may be used to repurchase the Collateral Shares from Pulaski County at \$40.00 per share.
5. The parties acknowledge and agree that this Loan is a zero interest loan that will be repaid by VFRIFA from either the transfer or sale of property within the Commerce

Park, whichever comes first, taking into consideration any payments made on the loan pursuant to number 4 above.

6. The Collateral Shares purchased shall not be counted for the purpose of assessing dues nor for assessing contributions to any bond payments.
7. Any contribution or expenditure of the parties shall not constitute a debt or pledge of the faith and credit of such party within the meaning of any constitutional or statutory debt limitation, and shall be subject to and dependent upon annual appropriations being made from time to time by the respective governing body of each party.
8. If any provision of this Agreement is held invalid by any court of competent jurisdiction such holding shall not invalidate any other provisions hereof.
9. This Agreement may be executed in any number of counterparts each of which shall be an original, together they shall constitute but one and the same Project Agreement.

VIRGINIA'S FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY

Attest:

Approved as to form:

Secretary of the
Authority Board

Attorney, VFRIFA

Chairman, Authority Board

COUNTY OF PULASKI, VIRGINIA

Attest:

Approved as to form:

Clerk, Board of Supervisors

County Attorney

Chairman, Board of Supervisors

Net Payments between VFRIFA and Pulaski County & IDA Until Red Sun is Built Out

FY 14 to FY19 Payments between VFRIFA, Pulaski County & Pulaski County IDA

For Remainder of FY 14:

Estimated Red Sun Taxes Due VFRIFA	\$0
Natural Gas Loan Due VFRIFA	\$ 420,000.00
VFRIFA June Debt Payment Due IDA	\$ (372,145.55)
Net Due VFRIFA for FY14	<u>\$47,854</u>

For FY 15:

Net Due VFRIFA for FY14	\$47,854
Estimated Red Sun Taxes Due VFRIFA	\$ 20,700.00
Commerce Park Investment Due VFRIFA	\$ 180,172.00
County Dues to VFRIFA	\$ 5,000.00
VFRIFA December Debt Payment Due IDA	\$ (141,260.05)
VFRIFA June Debt Payment Due IDA	\$ (361,260.05)
Less Red Sun Grading Debt postponed to FY16	\$ 148,925.00
Net Due to Pulaski County IDA	<u>(\$99,869)</u>

For FY 16:

Red Sun Grading Debt from FY15	\$ (148,925.00)
Estimated Red Sun Taxes Due VFRIFA	\$ 108,500.00
Commerce Park Investment Due VFRIFA	\$ 180,172.00
County Dues to VFRIFA	\$ 5,000.00
VFRIFA December Debt Payment Due IDA	\$ (140,112.76)
VFRIFA June Debt Payment Due IDA	\$ (365,112.76)
Less Red Sun Grading Debt postponed to FY17	\$ 147,934.00
Net Due to Pulaski County IDA	<u>\$ (212,544.52)</u>

For FY 17:

Red Sun Grading Debt from FY16	\$ (147,934.00)
Estimated Red Sun Taxes Due VFRIFA	\$ 140,250.00
Commerce Park Investment Due VFRIFA	\$ 180,172.00
County Dues to VFRIFA	\$ 5,000.00
VFRIFA December Debt Payment Due IDA	\$ (138,442.13)
VFRIFA June Debt Payment Due IDA	\$ (363,442.13)
Less Red Sun Grading Debt postponed to FY18	\$ 146,523.00
	<u>\$ (177,873.26)</u>

For FY 18:

Red Sun Grading Debt from FY17	\$ (146,523.00)
Estimated Red Sun Taxes Due VFRIFA	\$ 165,000.00
Commerce Park Investment Due VFRIFA	\$ 180,172.00
County Dues to VFRIFA	\$ 5,000.00
VFRIFA December Debt Payment Due IDA	\$ (136,221.38)
VFRIFA June Debt Payment Due IDA	\$ (366,221.38)
Less Red Sun Grading Debt postponed to FY19	<u>\$ 144,648.00</u>
	\$ (154,145.76)

For FY 19:

Red Sun Grading Debt from FY18	\$ (144,648.00)
Estimated Red Sun Taxes Due VFRIFA	\$ 165,000.00
Commerce Park Investment Due VFRIFA	\$ 180,172.00
County Dues to VFRIFA	\$ 5,000.00
VFRIFA December Debt Payment Due IDA	\$ (133,491.28)
VFRIFA June Debt Payment Due IDA	\$ (368,491.28)
Less Red Sun Grading Debt postponed to FY120	<u>\$ 147,393.00</u>
	\$ (149,065.56)

Cash Flow Scenario through July 2015:

		<u>Date</u>	<u>From</u>	<u>To</u>	<u>Payment</u>	<u>Due VFRIFA</u>
Natural Gas Loan Proceeds Due VFRIFA	\$ 420,000.00					\$ 420,000.00
Estimated Red Sun Taxes Due VFRIFA	\$ -	6/5/2014				\$ -
VFRIFA Refinancing Debt Payment Due IDA	\$ (372,145.55)	6/15/2014	County	IDA	\$ (372,145.55)	\$ 47,854.45
Commerce Park Investment Due VFRIFA	\$ 180,172.00	7/1/2014				\$ 228,026.45
County Dues to VFRIFA	\$ 5,000.00	7/1/2014				\$ 233,026.45
Estimated Red Sun Taxes Due VFRIFA	\$ -	12/5/2014				\$ 233,026.45
VFRIFA December Debt Payment Due IDA	\$ (141,260.05)	12/15/2014	County	IDA	\$ (141,260.05)	\$ 91,766.40
Estimated Red Sun Taxes Due VFRIFA	\$ 35,750.00	6/5/2015				\$ 127,516.40
VFRIFA Refinancing Debt Payment Due IDA	\$ (212,335.05)	6/15/2015	County	IDA	\$ (127,516.40)	\$ -
		6/15/2015	VFRIFA	IDA	\$ (84,818.65)	
VFRIFA Red Sun Grading Debt Payment Due IDA	\$ (148,925.00)	7/15/2015	VFRIFA	IDA	\$ (148,925.00)	