

Halifax County Board of Commissioners

Vernon J. Bryant, Chairman
J. Rives Manning, Jr., Vice-Chairman
Carolyn C. Johnson
Linda A. Brewer
Marcelle O. Smith
T. Patrick W. Qualls



Tony N. Brown
County Manager
Andrea H. Wiggins
Clerk to the Board
M. Glynn Rollins, Jr.
County Attorney

Monday September 21, 2020 Regular Meeting 5:30 PM

Halifax County Historic Courthouse
10 North King Street, Post Office Box 38, Halifax, North Carolina 27839
252-583-1131/Fax: 252-583-9921
www.halifaxnc.com

The mission of the Halifax County Board of Commissioners is to provide leadership and support for an effective county government that seeks to enhance the quality of life for the people of Halifax County.

Call to Order

Chairman Vernon J. Bryant

Invocation and Pledge of Allegiance

Adoption of the Agenda

Conflict of Interest

Chairman Vernon J. Bryant

In accordance with the Halifax County Board of Commissioners Rules of Procedures and N. C. G. S. Sec.153A-44, it is the duty of every member present to vote on all matters coming before the Board, unless there is a conflict of interest as determined by the Board or by law. Does any Board member have any known conflict of interest with respect to any matters coming before the Board today? If so, please identify the conflict and the remaining Board members will vote to consider the requested excuse.

1. Agenda Item

- A. Modification to Incentive Grant Agreement with JBB Packaging, M. Glynn Rollins, Jr., County Attorney LLC

2. Other Business

County Commissioners

3. Closed Session

County Commissioners

4. Adjourn - October 5, 2020 Regular Meeting, 9:30 A. M.

County Commissioners

Accommodations for individuals with disabilities may be arranged by contacting the County Manager's office at 252-583-1131 at least 48 hours prior to the meeting.



AGENDA
Halifax County Board of Commissioners
Regular Meeting

TO: Halifax County Board of Commissioners

FROM: M. Glynn Rollins, Jr., County Attorney

PRESENTER: M. Glynn Rollins, Jr., County Attorney

SUBJECT: Modification to Incentive Grant Agreement with JBB Packaging, LLC

DATE: September 21, 2020 Regular Meeting

SUPPORTING INFORMATION:

Halifax County and JBB Packaging entered into an Economic Development Incentive Grant Agreement (EDIG Agreement) in September, 2019. JBB made a commitment to locate in Halifax County with an *ad valorem* taxable investment of at least \$12,000,000.00 by January 1, 2020. The Company successfully met that taxable investment, thereby establishing calendar year 2020 as “Year 1” for purposes of job creation timelines under agreement.

The Company made a commitment to create 48 new full-time jobs on or before September 30 of “Year 1” (CY 2020), increasing to 50 full-time jobs on or before September 30 of Years 2 through 5 (CY 2021 through 2024). Unfortunately, due to the COVID-19 pandemic the Company is unable to meet its job creation and retention commitments within the original timeframes.

The Company has requested a modification to the EDIG Agreement regarding the time periods for creation and retention of jobs. A proposed modification is attached. Under the modification, the deadline for creating 40 jobs is extended to September 30, 2021. The deadline for creating 10 additional jobs is extended to September 30, 2022. In addition, the “Term” of the agreement has been extended to the end of CY 2026 (“Year 7”). Company will be required to maintain a certain level of taxable investment and job retention through the Term of the agreement. In consideration, the County is not scheduled to make the first of five incentive grant payments until January 15, 2023, with the last payment on January 1, 2027.

A copy of the original EDIG Agreement, the proposed Modification and a proposed Resolution are attached.

ATTACHMENTS:

Description

- ☐ Original EDIG Agreement
- ☐ Proposed Modification to EDIG Agreement
- ☐ Resolution

TOTAL COST:\$330,000

COUNTY COST:\$330,000

REQUEST: Consider adoption of the attached "Resolution Authorizing Modification to the Economic Development Incentive Grant (EDIG) Agreement With JBB Packaging, LLC."

NORTH CAROLINA

HALIFAX COUNTY

ECONOMIC DEVELOPMENT INCENTIVE GRANT AGREEMENT

THIS AGREEMENT, is made and entered into this 25th day of September, 2019, is made by, between and among JBB Packaging LLC, a New Jersey limited liability company authorized to do business in the State of North Carolina (the "Company"), JBB Properties LLC, a New Jersey limited liability company doing business in North Carolina without a certificate of authority under G.S. 57D-7-01 (the "Related Member Party") and Halifax County, a unit of local government under Chapter 153A of the N. C. General Statutes (the "County"), collectively referred to as the "Parties";

WITNESSETH:

THAT WHEREAS, the Company desires to locate certain manufacturing operations in Halifax County; (the "Project") and

WHEREAS, the County desires to assist the Company in the location of the Project by providing certain cash incentives; and

WHEREAS, the real property associated with the Project will actually be owned by the Related Member Party; and

WHEREAS, the County has an Economic Development Grant Program which outlines policies and guidelines for the award and recapture of such grants; and

WHEREAS, by resolution adopted on September 17, 2018, the county Board of Commissioners approved the appropriation and expenditure of funds for an economic development

incentive grant to the Company, conditioned upon certain job creation and *ad valorem* taxable investment by the Company within the county;

NOW, THEREFORE, the County the Company, and the Related Member Party enter into this Economic Development Incentive Grant Agreement (“EDIG Agreement”), and agree as follows:

I. OBLIGATIONS OF THE PARTIES

A. County’s Obligations

1. The County shall provide a cash incentive grant in the amount of \$330,000.00 to assist the company in the location of its manufacturing operations.

2. Subject to the job creation and job retention requirements set forth herein, and further subject to the *ad valorem* taxable investment creation and retention requirements set forth herein, the cash incentive grant shall be paid to the Company according to the following schedule:

Payment of \$66,000.00 to be paid on January 15 following the end of Year 1

Payment of \$66,000.00 to be paid on January 15 following the end of Year 2

Payment of \$66,000.00 to be paid on January 15 following the end of Year 3

Payment of \$66,000.00 to be paid on January 15 following the end of Year 4

Payment of \$66,000.00 to be paid on January 15 following the end of Year 5

Total of Payments: \$330,000.00

It is understood and agreed that “Year 1” shall be the first calendar year in which the Company and/or the Related Member Party are liable for the payment of county property taxes on at least \$12,000,000.00 of total *ad valorem* taxable investment in the manufacturing facility, including the

real property of the Related Member Party. For purposes of this Agreement, "total *ad valorem* taxable investment" means the total assessed and taxable value of the Company's real and business personal property in Halifax County, combined with the Related Third Party's real property in Halifax County. Year 1 must occur no later than calendar year 2022.

B. Company's Obligations:

1. The Company shall locate its manufacturing facility (the Project) in the County which, upon commencement of operations, will have an *ad valorem* taxable value (including value of land) of at least \$12,000,000.00.
2. The Company shall commence operations in said facility within 18 months from the date of this Agreement. By mutual agreement this performance date may be extended up to six (6) months for reasonable delays, provided Year 1 must occur no later than calendar year 2022.
3. The Company intends to retain employees through a professional employment organization ("PEO"). The Company, directly or through its PEO, shall pay an average hourly wage at the Halifax County facility that is above the ~~average~~ ^{median} hourly wage paid in Halifax County. The term "average hourly wage" is defined as the ~~median~~ average hourly wage for all insured industries in the County as computed by the N. C. Department of Commerce, Division of Employment Security, for the most recent period for which date is available. The Parties acknowledge that the average hourly wage in Halifax County is currently \$15.48.
4. The Company shall create a minimum of 50 new full-time permanent jobs within Halifax County.

5. The Company will create and maintain the 50 jobs referred to in paragraph I.B.4 above according to the following schedule (Note: the terms “Calculation Date” and “FTJs” are defined below):

On Calculation Date for Year 1	48 FTJs
On Calculation Date for Years 2 through 5	50 FTJs (an additional 2 FTJs)

“Calculation Date”, for purposes of this Agreement, means September 30 of each year beginning with Year 1.

“FTJs” means “full time jobs”. As evidence of job creation and FTJs, the Company or its PEO shall provide the County with a copy of its official Employers Quarterly Tax and Wage Report for each reporting period ending on September 30, within 15 days after submission of that report to the N. C. Department of Commerce, Division of Employment Security; provided, however, that for the Calculation Date for Year 1, the County will accept reasonable documentation from the Company regarding FTJs in place on such Calculation Date. The Company shall obtain any release, waiver or other permission necessary for the submission of this information by its PEO to the County. Failure of the Company's PEO to submit timely information shall constitute failure by the Company.

6. The Company and/or the Related Member Party will have a combined *ad valorem* taxable investment including real property, machinery and equipment within Halifax County of at least \$12,000,000.00 in Year 1.

7. During the period of this Agreement covering Year 2 through Year 5, the Company and/or the Related Member Party will maintain a total *ad valorem* taxable investment including real property, machinery and equipment within Halifax County of at least the following amounts:

Year 2	\$11,370,000.00
Year 3	\$10,880,000.00
Year 4	\$10,320,000.00
Year 5	\$ 9,690,000.00

(Note: These amounts are calculated by applying an annual depreciation factor on an initial taxable investment in Machinery and Equipment of \$7,000,000.00 according to current Cost Index & Depreciation Schedules provided to the Halifax County assessor by the N. C. Department of Revenue. These cost index and depreciation schedules are subject to change from time to time. Calculation of these amounts also assumes no change in the assessed value of the company's real property. Halifax County uses a four-year real property revaluation cycle and there is no assurance that the valuation of real property will remain the same throughout the five-year incentive grant period. Notwithstanding any changes in the cost index and depreciation schedules, or any change in real estate assessment, the levels of ad valorem taxable investment set out above will not be adjusted. For this reason, the Company and the Related Member Party are given the benefit of a 90% target for these minimum levels of ad valorem taxable investment. See Sections II.C and II.D below.

8. The Company shall provide Halifax County with a copy of its Quarterly Tax and Wage Statement filed with the North Carolina Department of Commerce, Division of Employment Security ("DES"), for each calendar quarter ending on September 30 during the term hereof. The submission of this report (except for the grant payment in Year 1 for which the Company may supply other documentation of FTJs, as described below), is a condition precedent to the payment of any grant payment to the Company by the County.

II. FORFEITURE AND CLAWBACK PROVISIONS. The County, the Company and the Related Party Member further agree as follows:

A. If Year 1 is later than calendar year 2022, all payments under this Agreement shall be entirely forfeited and this Agreement shall be terminated.

B. For any year after Year 1 in which the Company fails to retain at least 90% of the level of *ad valorem* taxable investment required under Paragraph I.B.7, the grant payment otherwise due to the Company on the following January 15 shall be forfeited. In addition, the County shall be entitled to recapture of a portion of the funds already paid under Paragraph I.A.2. The Company shall repay to the County an amount equal to the total amount of funds paid to date by the County, divided by the level of *ad valorem* taxable investment actually retained by the Company, times the amount by which the Company falls short of 90% of the required level of *ad valorem* taxable investment. No subsequent grant payment(s) shall be made to the Company for any remaining year(s) if the Company does not make the recapture payments required under this Paragraph.

C. If on September 30 of Year 1, or any subsequent calendar year during the term of this Agreement, the Company fails to maintain an average hourly wage that is at or above the county average hourly wage on that date, no grant payment made by the County to the Company on the following January 15th. Subsequent “catch-up” of the required average hourly wage shall not re-entitle the Company to a grant payment for any year(s) in which this wage level is not met. Further, the County shall be entitled to recapture of a portion of the funds already paid under Paragraph I.A.2, if any. The Company shall repay to the County an amount equal to the total amount of funds paid to date by the County, divided by the average hourly wage actually paid by the Company times the amount by which the Company falls short of the required hourly wage

level. No subsequent grant payment(s) shall be made to the Company for any remaining year(s) if the Company does not make the recapture payments required under this Paragraph.

D. If on September 30 of Year 1, or any subsequent calendar year during the term of this Agreement, the Company fails to have the number of full time employees required under Paragraph I.B.5, no grant payment made by the County to the Company on the following January 15th. Subsequent "catch-up" of the required number of full time employees shall not re-entitle the Company to a grant payment for any year(s) in which this job retention goal is not met. Further, the County shall be entitled to recapture of a portion of the funds already paid under Paragraph I.A.2, if any. The Company shall repay to the County an amount equal to the total amount of funds paid to date by the County, divided by the number of full time employees actually retained by the Company, times the number by which the Company falls short of the required number of full time employees. No subsequent grant payment(s) shall be made to the Company for any remaining year(s) if the Company does not make the recapture payments required under this Paragraph.

E. No grant payment shall be made to the Company if the Company is not current in its tax obligations to the County. Further, subsequent payment of past due taxes shall not re-entitle the Company to a grant payment for any year in which those taxes were past due.

III. NOTICES. Any communication required or permitted by this Agreement must be in writing except as expressly provided otherwise in this Agreement. Any communication shall be sufficiently given and deemed given when delivered by hand or five days after being mailed by first-class certified mail, postage prepaid, and addressed as follows:

A. If to the Company:

Mr. Brendan Barba
169 Ramapo Valley Road, Suite UL 104
Oakland, New Jersey 07436

B. If to the County:

Mr. Tony N. Brown
Halifax County Manager
Post Office Box 38
Halifax, North Carolina 27839
With a copy to:
M. Glynn Rollins, Jr.
Halifax County Attorney
P. O. Box 38
Halifax, NC 27839

IV. GOVERNING LAW. This Agreement shall be governed by the laws of the State of North Carolina.

V. ASSIGNMENT. This agreement may not be assigned without the express written consent of the non-assigning Party, which consent shall not be unreasonably withheld.

VI. SEVERABILITY. If any provision of this Agreement shall be determined to be unenforceable, that determination shall not affect any other provision of this Agreement.

VII. ENTIRE AGREEMENT; AMENDMENTS. This Agreement constitutes the entire contract between the parties with regard to Economic Development Incentive Grants ("EDIGs"). This Agreement may be modified from time to time by mutual consent in writing signed by all the parties.

VIII. BINDING EFFECTS. Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

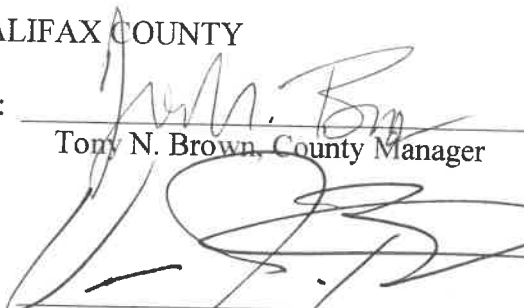
(Separate signature pages follow)

County Signature Page
Economic Development Incentive Grant Agreement
Dated September 25, 2019

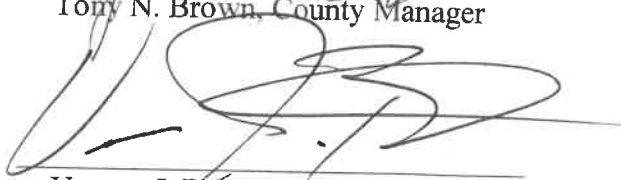
IN WITNESS WHEREOF, the County has caused this instrument to be executed
by its duly authorized officers effective as of the day and year first above written.

HALIFAX COUNTY

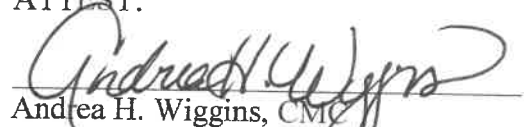
By:


Tony N. Brown, County Manager

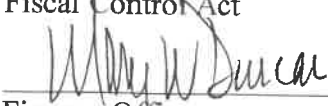
By:


Vernon J. Bryant, Chairman
Halifax County Board of Commissioners

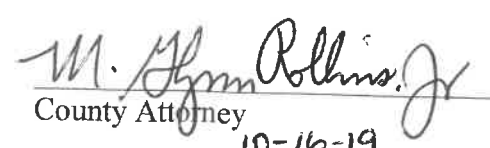
ATTEST:


Andrea H. Wiggins, CMC
Clerk to the Halifax County Board of Commissioners

This instrument has been preaudited in the Manner
Required by the Local Government and
Fiscal Control Act


Finance Officer
11-25-19

Approved as to Form and Legality


County Attorney
10-16-19

Company Signature Page
Economic Development Incentive Grant Agreement
Dated September 25, 2019

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by their duly authorized officer effective as of the day and year first above written.


JBB Packaging LLC

By: Brendan Barba
Brendan Barba
Title: Managing Member

Related Member Party Signature Page
Economic Development Incentive Grant Agreement
Dated September 25, 2019

IN WITNESS WHEREOF, the Related Member Party has caused this instrument to be executed by their duly authorized officer effective as of the day and year first above written.

JBB Properties LLC

By: 
Brendan Barba
Title: Managing Member

CONTRACT ADDENDUM
FOR CONTRACTS WITH ANY DEPARTMENT OF
HALIFAX COUNTY GOVERNMENT

CONTRACTOR: JBB Packaging LLC

SUBJECT OF CONTRACT: JBB Economic Development Incentive Agreement

DATE/TERM OF CONTRACT 9/25/2019 – 9/24/2024

DEPARTMENT: Economic Development

Notwithstanding any provision contained in the above referenced Contract or Agreement which may be to the contrary, the following provisions are incorporated and shall apply, supplant and control:

Non-appropriation clause. Contractor acknowledges that Halifax County is a governmental entity, and the contract validity is based upon the availability of public funding under the authority of its statutory mandate. In the event that public funds are unavailable and not appropriated for the performance of Halifax County's obligations under this contract, then this contract shall automatically expire without penalty to Halifax County thirty (30) days after written notice to Contractor of the unavailability and non-appropriation of public funds. It is expressly agreed that Halifax County shall not activate this non-appropriation provision for its convenience or to circumvent the requirements of this contract, but only as an emergency fiscal measure during a substantial fiscal crisis, which affects generally its governmental operations. In the event of a change in the Halifax County's statutory authority, mandate and mandated functions, by state and federal legislative or regulatory action, which adversely affects Halifax County's authority to continue its obligations under this contract, then this contract shall automatically terminate without penalty to Halifax County upon written notice to Contractor of such limitation or change in Halifax County's legal authority.

Dispute Resolution/Jurisdiction/Venue. Any dispute arising under this Agreement may be settled by mediation in the State of North Carolina in accord with such procedures as may be available to units of local government under state law. No other dispute resolution procedures shall apply. Jurisdiction for any legal proceedings concerning this contract or agreement shall be state courts in the State of North Carolina. Venue for such proceedings shall be Halifax County.

No pledge of taxing authority. No deficiency judgment may be rendered against Halifax County or any agency of Halifax County in any action for breach of a contractual obligation under this contract. The taxing power of the Halifax County is not pledged directly or indirectly to secure any monies due under this contract.

No waiver of governmental immunity; Violation of law. Except for waiver of governmental immunity resulting from the execution of a valid contract, Halifax County makes no other waiver of governmental immunity. If any provision of the Contract or Agreement is in violation of any legal, statutory or state constitutional prohibition, then such provision(s) shall be unenforceable against Halifax County.

Conflict of Interest: If this is a contract for design, engineering, contract administration or similar services, the Contractor will not enter into contracts or agreements with third parties that may present a potential for conflict of interest between Halifax County and the third parties regarding the subject matter of this Contract or Agreement.

Compliance with E-Verify requirements: The Contractor and any of its subcontractors shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes, if applicable, which requires employers to verify the work authorization of each newly hired employee through the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies.

Restricted Companies Lists. Contractor represents it is not included on the Final Divestment List created by the North Carolina State Treasurer pursuant to N.C. Gen. Stat. § 147-86.58 ("Iran Divestment Act") and also represents that it is not included on the list of restricted companies determined to be engaged in a boycott of Israel created by the State Treasurer pursuant to N.C. Gen. Stat. § 147-86.81

Public Record. This Contract or Agreement is subject to disclosure under the public records laws of the State of North Carolina.

For the CONTRACTOR: _____

Title: EVP

For HALIFAX COUNTY: _____

Title: County Manager

Revised 2-15-18

NORTH CAROLINA

HALIFAX COUNTY

FIRST MODIFICATION TO
ECONOMIC DEVELOPMENT INCENTIVE GRANT AGREEMENT

THIS MODIFICATION AGREEMENT, is made and entered into as of this _____ day of _____, 2020, by, between and among JBB Packaging LLC, a New Jersey limited liability company authorized to do business in the State of North Carolina (the "Company"), JBB Properties LLC, a New Jersey limited liability company doing business in North Carolina without a certificate of authority under G.S. 57D-7-01 (the "Related Member Party") and Halifax County, a unit of local government under Chapter 153A of the N. C. General Statutes (the "County"), collectively referred to as the "Parties";

W I T N E S S E T H:

WHEREAS, the Parties entered into that certain Economic Development Incentive Grant Agreement (EDIG Agreement) dated September 25, 2019; and

WHEREAS, under the terms of the EDIG Agreement, the Company made a commitment to locate certain manufacturing operations in Halifax County, North Carolina, which, not later than January 1, 2022, would have an *ad valorem* taxable value (including value of land) of at least \$12,000,000.00; and

WHEREAS, as of January 1, 2020, the Company has established an ad valorem taxable investment well in excess of the \$12,000,000 commitment, and thereby, pursuant to Section I.A.2 of the EDIG Agreement, has established calendar year 2020 as "Year 1" for purposes of various timelines under the EDIG Agreement; and

WHEREAS, the Company also made a commitment to create and maintain a certain level of new full-time jobs in Halifax County, specifically, to create 48 new full-time jobs on or before September 30 of Year 1 (calendar year 2020), and increasing to 50 full-time jobs on or before September 30 of Years 2 through 5 (calendar years 2021 through 2024); and

WHEREAS, notwithstanding the Company's success in establishing an *ad valorem* taxable investment well in excess of its commitment, the substantial impact of the COVID-19 pandemic has caused and will cause the Company to be unable to meet its job creation and retention commitments in the timeframes established under the EDIG Agreement; and

WHEREAS, Section VII of the EDIG Agreement provides that the agreement may be modified from time to time by mutual consent in writing signed by all of the Parties; and

WHEREAS, the Company has requested that the County consider a modification to the EDIG Agreement with regard to the timeframes for the creation and retention of new full-time jobs, and the County is willing to do the same;

NOW, THEREFORE, in consideration of the premises recited above, which both Parties agree and acknowledge to be lawfully sufficient to support this Modification Agreement, the Parties agree as follows:

1. The Parties acknowledge and agree that the recitals set forth above are true and accurate and incorporate the recitals into this Modification Agreement as if fully set forth herein.

2. Section I.A.2 of the EDIG Agreement is modified to read, in its entirety, as follows:

2. Subject to the job creation and job retention requirements set forth herein, and further subject to the ad valorem taxable investment creation and retention requirements set forth herein, the cash incentive grant shall be paid to the Company according to the following schedule:

Payment of \$66,000.00 to be paid on January 15 following the end of Year 3

and Wage Report for each reporting period ending on September 30, within 15 days after submission of that report to the N. C. Department of Commerce, Division of Employment Security; provided, however, that for the Calculation Date for Year 1, the County will accept reasonable documentation from the Company regarding FTJs in place on such Calculation Date. The Company shall obtain any release, waiver or other permission necessary for the submission of this information by its PEO to the County. Failure of the Company's PEO to submit timely information shall constitute failure by the Company.

4. Section I.B.7 of the EDIG Agreement is modified to read as follows:

7. During the period of this Agreement covering Year 2 through Year 7, the Company and/or the Related Member Party will maintain a total ad valorem taxable investment including real property, machinery and equipment within Halifax County of at least the following amounts:

<i>Year 2</i>	<i>\$11,370,000.00</i>
<i>Year 3</i>	<i>\$10,880,000.00</i>
<i>Year 4</i>	<i>\$10,320,000.00</i>
<i>Year 5</i>	<i>\$ 9,760,000.00</i>
<i>Year 6</i>	<i>\$9,060,000.00</i>
<i>Year 7</i>	<i>\$8,360,000.00</i>

(Note: These amounts are calculated by applying an annual depreciation factor on an initial taxable investment in Machinery and Equipment of \$7,000,000.00 according to current Cost Index & Depreciation Schedules provided to the Halifax County assessor by the N. C. Department of Revenue. These cost index and depreciation schedules are subject to change from time to time. Calculation of these amounts also assumes no change in the assessed value of the company's real

property. Halifax County uses a four-year real property revaluation cycle and there is no assurance that the valuation of real property will remain the same throughout the incentive grant period. Notwithstanding any changes in the cost index and depreciation schedules, or any change in real estate assessment, the levels of ad valorem taxable investment set out above will not be adjusted. For this reason, the Company and the Related Member Party are given the benefit of a 90% target for these minimum levels of ad valorem taxable investment. See Sections II.C and II.D below.

5. A new Section IX is added to the EDIG Agreement to read as follows:

IX. TERM. Unless terminated sooner because of the default of one or more of the Parties, or by mutual written consent, this Agreement shall end on January 15 of the year following Year 7.

6. All other terms and conditions set forth in the EDIG Agreement not inconsistent with this Modification Agreement shall remain in full force and effect.

(Separate signature pages follow)

County Signature Page
First Modification to Economic Development Incentive Grant Agreement

IN WITNESS WHEREOF, the County has caused this instrument to be executed
by its duly authorized officers effective as of the day and year first above written.

HALIFAX COUNTY

By: _____
Tony N. Brown, County Manager

By: _____
Vernon J. Bryant, Chairman
Halifax County Board of Commissioners

ATTEST:

Andrea H. Wiggins, CMC
Clerk to the Halifax County Board of Commissioners

This instrument has been preaudited in the Manner
Required by the Local Government and
Fiscal Control Act

Finance Officer

Approved as to Form and Legality

County Attorney

Company Signature Page
First Modification to Economic Development Incentive Grant Agreement

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by their duly authorized officer effective as of the day and year first above written.

JBB Packaging LLC

By: _____
Brendan Barba
Title: Managing Member

Related Member Party Signature Page
First Modification to Economic Development Incentive Grant Agreement

IN WITNESS WHEREOF, the Related Member Party has caused this instrument to be executed by their duly authorized officer effective as of the day and year first above written.

JBB Properties LLC

By: _____
Brendan Barba
Title: Managing Member

RESOLUTION AUTHORIZING MODIFICATION TO THE
ECONOMIC DEVELOPMENT INCENTIVE GRANT (EDIG) AGREEMENT
WITH JBB PACKAGING, LLC

WHEREAS, Halifax County (the County) and JBB Packaging, LLC (the Company) entered into that certain Economic Development Incentive Grant Agreement (EDIG Agreement) dated September 25, 2019; and

WHEREAS, the Company made a commitment to locate certain manufacturing operations in Halifax County, North Carolina, which, not later than January 1, 2022, would have an *ad valorem* taxable value (including value of land) of at least \$12,000,000.00; and

WHEREAS, as of January 1, 2020, the Company has established an *ad valorem* taxable investment in excess of the \$12,000,000 commitment, thereby establishing calendar year 2020 as “Year 1” for purposes of various timelines under the EDIG Agreement; and

WHEREAS, the Company also made a commitment to create and maintain a certain level of new full-time jobs in Halifax County, specifically, to create 48 new full-time jobs on or before September 30 of Year 1 (calendar year 2020), and increasing to 50 full-time jobs on or before September 30 of Years 2 through 5 (calendar years 2021 through 2024); and

WHEREAS, notwithstanding the Company’s success in establishing an *ad valorem* taxable investment well in excess of its commitment, the impact of the COVID-19 pandemic has caused the Company to be unable to meet its job creation and retention commitments in the timeframes established under the EDIG Agreement; and

WHEREAS, the EDIG Agreement provides that it may be modified from time to time by mutual consent in writing signed by all of the Parties; and

WHEREAS, the Company has requested that the County consider a modification to the EDIG Agreement regarding the time for creation and retention of new full-time jobs, and the County is willing to do the same; and

WHEREAS, the proposed form a “First Modification to Economic Development Incentive Grant Agreement” has been presented to the Board;

NOW, THEREFORE, BE IT RESOLVED THAT, the proposed First Modification to Economic Development Incentive Grant Agreement between the County and the Company is approved under the terms and conditions as substantially presented to the Board.

Adopted this 21st day of September, 2020.

Vernon J. Bryant Chairman
Halifax County Board of Commissioners

Andrea H. Wiggins, MMC, Clerk to the Board