

TOBACCO REGION REVITALIZATION COMMISSION

701 East Franklin Street, Suite 501

Richmond, Virginia 23219

SOUTHSIDE ECONOMIC DEVELOPMENT COMMITTEE MEETING

Monday, January 8, 2018

1:30 p.m.

Homewood Suites

Richmond, Virginia

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2 APPEARANCES:

3 Mr. Tommy Wright, Chairman

4 Ms. Gayle F. Barts

5 Ms. Kathy Byron

6 Mr. James Edmunds

7 Mr. Danny Marshall

8 Mr. Robert Mills

9 Mr. Ed Owens

10 Mr. Frank Ruff

11 Mr. William Stanley, Jr.

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13 COMMISSION STAFF:

14 Mr. Evan Feinman, Executive Director

15 Mr. Christopher E. Piper, Deputy Director

16 Mr. Timothy S. Pfohl, Grants Program Administration

17 Director

18 Ms. Stephanie S. Kim, Director of Finance

19 Ms. Sarah K. Capps, Grants Program Administrator,

20 Southside Virginia

21 Ms. Michele Faircloth, Grants Assistant,

22 Southside Virginia

23 Ms. Sara G. Williams, Grants Program Administrator,

24 Southwest Virginia

25 (Cont.)

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2 COMMISSION STAFF: (Cont.)

3 Ms. Jessica Stamper, Grants Assistant,

4 Southwest Virginia

5 Ms. Stacey Richardson, Administration Supervisor

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11 COUNSEL FOR THE COMMISSION:

12 Ms. Elizabeth B. Myers, Assistant Attorney General

13 Richmond, Virginia 23219

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1 January 8, 2015

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3 CHAIRMAN WRIGHT: I'd like to
4 welcome everyone to the Southside Economic
5 Development Committee meeting today. We have some
6 new members on the commission. I think it'd be
7 nice if we would allow them to introduce themselves
8 if they're seated, starting on my right.

9 MS. EHRHARDT: Yes. Alexis Ehrhardt
10 from Danville, Virginia.

11 MR. SHELTON: I'm Walter Shelton,
12 Jr. I go by Buddy, my dad was Walter. I'm a beef
13 cattle farmer, formerly tobacco farmer from Gretna,
14 Pittsylvania County.

15 MR. BLEVINS: Hello, I'm Ed Blevins
16 from Abington, Virginia.

17 MS. CLARK: Hi, Gretchen Clark from
18 Grenta, Virginia.

19 CHAIRMAN WRIGHT: Okay. Well, happy
20 to have you with us today.

21 At this time, Evan, would you call
22 the role.

23 MR. FEINMAN: Yes, sir,
24 Mr. Chairman.

25 Ms. Barts?

1 MS. BARTS: Here.

2 MR. FEINMAN: Delegate Byron?

3 MS. BYRON: Here.

4 MR. FEINMAN: Delegate Edmunds?

5 Ms. Carter?

6 MS. CARTER: Here.

7 MR. FEINMAN: Delegate Marshall?

8 MR. MARSHALL: Here.

9 MR. FEINMAN: Mr. Mills?

10 MR. MILLS: Here.

11 MR. FEINMAN: Mr. Owens?

12 MR. OWENS: Here.

13 MR. FEINMAN: Senator Ruff?

14 MR. RUFF: Here.

15 MR. FEINMAN: Senator Stanley?

16 Delegate Wright?

17 CHAIRMAN WRIGHT: Present.

18 MR. FEINMAN: You have a quorum,

19 Mr. Chairman.

20 CHAIRMAN WRIGHT: Thank you. We'll

21 have a Motion for Approval of minutes --

22 MR. MILLS: Second.

23 CHAIRMAN WRIGHT: Motion and second.

24 All those in favor (Ayes). Opposed (No response.)

25 Motion carried.

1 At this time I'd ask Sarah if she
2 would begin the review of the applications.

3 MS. CAPPS: Mr. Chairman, members of
4 the committee. We had eight applications submitted
5 for funding consideration for the Southside
6 Economic Development. On a couple of notes, on
7 your cover page with the request amount, we had two
8 requests where the original request was revised.

9 The Town of Kenbridge, their request
10 amount is 222,500 as noted on the cover page.

11 The next grant after that,
12 Mecklenburg County, for the Stage Stores
13 Distribution --

14 MR. RUFF: Sarah, can you move that
15 mike a little closer?

16 MS. CAPPS: Can you hear me now?

17 MR. RUFF: Barely.

18 MS. CAPPS: Okay. So the
19 Mecklenburg County listing on your cover page for
20 the Stage Stores Distribution Center Acquisition
21 Project is listed at \$1 million request amount and
22 that was revised to 1.3 million. So, I did want to
23 make that note before we get into the project
24 summaries.

25 Also, the two projects at the end of

1 the list are requested to be split between county
2 allocations. We'll talk about those when we get to
3 them.

4 So the first project on the list was
5 submitted by the City of Danville, it's the
6 Industrial Shell Building Project. It's a
7 \$1,000,000 request for approximately 35 percent of
8 the construction cost for a 30,000 square foot
9 building. It's targeted to the advanced
10 manufacturing sector.

11 There's been a lot of interest from
12 prospects in the Danville-Pittsylvania County
13 region for buildings. And there's been a lot of
14 success based on, in large part, the commission
15 investments and foreign direct investment and Staff
16 is supportive of this project. We did note that
17 the applicant would be the City, whereas the
18 property owner would be the Industrial Development
19 Authority.

20 So with the approval of a grant
21 awarded, we just wanted to note that it is expected
22 that the terms of the grant agreement would also
23 apply to the IDA. For this project, Staff is
24 recommending an award of 1 million in grant funds.

25 I didn't note the outcomes, but the

1 project is expected to result in approximately 30
2 new jobs and with an average salary of \$50,000.

3 MR. MARSHALL: Sarah, hold on one
4 minute.

5 Mr. Chairman, could I ask a
6 question?

7 CHAIRMAN WRIGHT: Yes, sir.

8 MR. MARSHALL: We've got some new
9 members here. We normally just kind of go through
10 these things kind of quickly. Can we get -- maybe
11 at the appropriate time -- get someone from the
12 City to explain their project and on down the line
13 for the new members?

14 CHAIRMAN WRIGHT: That will be fine.

15 MR. MARSHALL: Do it now?

16 CHAIRMAN WRIGHT: Let's go through
17 all of them first and then we'll separate --
18 separate some out and start at that time.

19 MR. FEINMAN: Mr. Chairman, while
20 we're talking about it, I just wanted to point out,
21 Sarah referenced -- you guys are gonna see at this
22 meeting and then at another of future meetings;
23 requests for shell buildings. One of the things
24 we've had expressed to us, particularly by Joe
25 Ambil, who you know as our United Kingdom Foreign

1 Director of Investments.

2 MR. MARSHALL: They don't know that.

3 MR. FEINMAN: Yeah, right. We have
4 a grant funded position who works to attract
5 businesses to Southside and Southwest Virginia from
6 the United Kingdom. He's brought us a number of
7 good projects.

8 He reports that he's literally just
9 running out of spaces to show people. And, so,
10 that's echoed by a number of different other folks
11 that we talked to as we try to attract them to the
12 region. And, so, over the next couple of years,
13 more site acquisition and more shell buildings is
14 going to need to be a priority for this committee
15 and the Southwest Economic Committee moving
16 forward.

17 MS. CAPPS: The next project on the
18 list is from the Town of Kenbridge. It's actually
19 submitted in partnership with the Town of Victoria.
20 Kenbridge is the lead applicant. It's a \$222,500
21 request to support the Tobacco Heritage Trail
22 connecting the two towns.

23 There is an existing three-mile trail
24 segment that starts in the Town of Victoria and the
25 plan is to -- to use our grant funds for

1 engineering and design and matching funds from --
2 that are anticipated or hoped for from the VDOT
3 enhancement grant program.

4 The matching funds would be used for
5 the trail construction and it would be to construct
6 another four miles of trail. The town manager in
7 Kenbridge indicated that that is expected to bridge
8 the two towns where there are restaurants and some
9 Bed and Breakfast accommodations.

10 While the commission has not
11 supported Tobacco Heritage Trail Development in
12 Lunenburg County, we have supported it in several
13 other counties. In Halifax -- we supported
14 projects in Mecklenburg, Brunswick, Halifax, as
15 well as other trails, lineal trail tourism, asset
16 projects in Patrick, Prince Edward, Henry County.

17 We were a little concerned about the
18 risk of committing funds to this project at this
19 time for the engineer cost, without the
20 construction funding being committed, which would
21 be what's necessary to meet the match requirement.
22 We have a one -- a dollar per dollar match
23 requirement for all of our grants. And so Staff's
24 recommendation is to table this project to allow a
25 decision to be made by VDOT for the match funds.

1 The next project is submitted by
2 Mecklenburg County. This is the Stage Stores
3 Distribution Center Acquisition Project and this
4 was originally submitted for a million dollars of
5 grant funds. It was revised to 1.3 million.

6 This is for acquisition of the
7 property that was previously the Peebles
8 Distribution Center. Peebles announced in
9 September they would be closing the distribution
10 center at the end of this month, at the end of
11 January.

12 So this is the loss of a significant
13 number of jobs for South Hill and Mecklenburg
14 County. The county saw an opportunity to acquire
15 the building in order to try to attract another
16 distribution -- a regional distribution center.

17 The property consists of 31 acres.
18 It's in two different parcels. The first parcel
19 has a 110,000 square foot distribution warehouse
20 and the second parcel has a building, as well,
21 that's 12,000 square feet.

22 There was an appraisal on the
23 property and that did identify the best use as
24 continuing to use the property for warehouse
25 distribution. The estimated value from the

1 appraisal was 2.65 million and we do recognize that
2 the negotiated price for acquisition of the
3 property is higher than this; it's 3.25 million.
4 And we understand that to be based on other buyer
5 interests in the property, which would be for
6 commercial development, retail development;
7 whereas, the distribution center would bring higher
8 economic return to the community and hence the
9 county interest in acquiring it.

10 The project is estimated to return a
11 similar number of jobs that have been employed
12 there in the past, so 125 jobs, and Staff is
13 supportive of this project. We're recommending an
14 award of 1.3 million.

15 The next project on the list is in
16 Patrick County, it's from the Economic Development
17 Authority. This is a \$115,250 request for site
18 development on a 4.7 acre site.

19 This site is on Route 58 and it's in
20 the enterprise zone near some other commercial
21 retail properties; Family Foods, Family Dollar,
22 NAPA Auto Parts, et cetera.

23 Staff had some concerns about how --
24 who this site would be marketed to and it appears
25 it would be marketed to a similar commercial retail

1 business, which would not be a priority for the
2 commission and the county did confirm that that was
3 their interest. As such, Staff is not recommending
4 an award for this request.

5 Next on the list is Pittsylvania
6 County and we have two requests from Pittsylvania
7 County. The first one is the Cane Creek Centre
8 Shell Building. This is a one and a half million
9 dollar request. It's for 50 percent of the \$3
10 million estimated cost for construction of a 40,000
11 square foot shell building.

12 It would be on lot 3 at the Cane
13 Creek Center. Estimated outcomes are 50 to 80 new
14 jobs, with average salary and wages of 50,000 and
15 higher. An estimated capital investment of 8 to 10
16 million. And it is targeted to the aerospace and
17 automotive supply chain sectors of advanced
18 manufacturing and as has been described earlier,
19 this is one of the projects to meet the demands of
20 the prospects interested in our region.

21 The match for this project is
22 intended to come from a private developer who would
23 front the funds for half of the development costs
24 and the county would be responsible for paying back
25 the developer's cost over a certain time period.

1 You know, we do note that the sale
2 and incumbents and security interest costs in the
3 agreement requires written request for
4 subordination on the commission's grants and
5 that's -- approval is delegated to our director.

6 We also note similar concerns with
7 the applicant being the county and IDA owning the
8 building and we just recognize, again, that the IDA
9 would be expected to hold to the same terms as the
10 county would for the commission's grant agreement.

11 Staff is supportive of this project.
12 We're recommending an award of 1.5 million, with
13 acknowledgment that the private partner will hold a
14 lien for up to five years.

15 The next project on the list from
16 Patrick -- from Pittsylvania County is the shell
17 building for Project Apple. This is a \$2.3 million
18 request. This is to support an active prospect
19 company that has their headquarters in the county
20 that is looking to expand jobs from 110 -- retain
21 110 existing jobs and expand, adding another 90
22 jobs.

23 The request -- the requested grant
24 funds would be used toward the cost of the
25 building. There's a -- the match through the

1 commission would be from a Virginia small business
2 financing authority loan and there are other
3 incentive funds as part of this package. There is
4 a \$225,000 TROF incentive, as well as the value of
5 the land where the project would be located --
6 property where this Tobacco Commission has made
7 significant investments in the past.

8 Staff is recommending that the
9 committee go into executive session to discuss a
10 loan versus a grant option, as part of the
11 incentive package for this confidential economic
12 development prospect.

13 I don't know if we want to do that
14 now, or --

15 CHAIRMAN WRIGHT: I think we're
16 gonna save that until the end.

17 MS. CAPP: So, next on the list is
18 the Danville-Pittsylvania Regional Industrial
19 Facility Authority. This is for the site
20 improvements for project Lignum.

21 This is a \$2,624,800 request. It's
22 for site development work on -- at the Berry Hill
23 Industrial Park. There's an existing 168 acre
24 site, where an 81 acre graded pad would be
25 developed as an outcome of this project to meet the

1 needs for project Lignum, who the -- for which the
2 economic outcomes are 80 new jobs with an average
3 salary wage of \$41,513 and \$120 million capital
4 investment. This is a wood product manufacturing
5 company.

6 There is a \$510,000 TROF incentive
7 that is -- the TROF funds are being applied towards
8 the \$5.7 million costs for developing at this site.

9 This is one of the requests where if
10 awarded it would be split between two of the
11 county's allocations. So the request is for
12 1,312,400 each from the Danville and Pittsylvania
13 County allocations.

14 Staff is supportive of this project
15 and recommends approval of the \$2,624,800 grant
16 award to be split equally between the Danville and
17 Pittsylvania County allocations.

18 The last project on the list for
19 funding consideration is from the Southern Virginia
20 Higher Education Center. This is a request for
21 \$317,490. And this is another one that is
22 requested be split between two allocations. It
23 would be split between the Halifax County and
24 Pittsylvania County allocations.

25 This is -- these funds would be used

1 to support the initial operating costs and some
2 required match for operating two routes of -- two
3 new transit routes, public transportation routes,
4 to serve individuals wanting to further their
5 education in Danville or in South Boston, or to
6 assist folks getting to jobs and in general for any
7 public -- members of the public who were interested
8 in riding the transit.

9 It is requested in partnership with
10 the Danville transit authority who would be the
11 operator. The matching funds for this project have
12 not yet been secured. It would be coming from the
13 Federal 5311 funds, as well as the Virginia DRPT
14 demonstration grants to support the capital in
15 operating costs.

16 Public transportation has always
17 been a stated low funding priority of the
18 commission since 2004 and so we have -- Staff has
19 concerns about the precedence of funding a local
20 transit system and that this could open the door
21 for other similar requests that -- a door that we
22 have not opened in the past.

23 We also have concerns about the
24 sustainability and the commitment of funding from
25 the City and the County to sustain operation of the

1 the new bus routes in the future.

2 Staff is recommending no award for
3 this one.

4 CHAIRMAN WRIGHT: Thank you, Sarah.

5 There's been a request by Delegate
6 Marshall to go through each one separately and just
7 give a few minutes for an explanation for the
8 grant -- from the person who made the grant or
9 locality.

10 So what I think we'll do, we'll save
11 Grant Number 3396, which is one that we'll hear in
12 executive session until the end, but it'll still be
13 explained when the person comes forward. And I'll
14 call the locality out. At that time, if there's
15 anyone here that wishes to speak to the proposal,
16 please come forward and then if there are any
17 questions, we'll ask them and then vote at that
18 time and vote each one separately. And, of course,
19 will reserve the 3396 until the end.

20 I would ask that you do make your
21 comments as brief as possible. Of course if it's
22 been approved, there's no reason to have a lot of
23 comment anyway, but I think this may be a good
24 experience for the new members.

25 So, let's begin with the City of

1 Danville, Number 3360.

2 MR. TUCKER: Thank you, Mr.
3 Chairman, members of the commission. I appreciate
4 the opportunity to stand before you.

5 Push. Sorry.

6 Good afternoon, Mr. Chairman. Thank
7 you, members of the commission. Thank you for the
8 opportunity to stand and represent the City of
9 Danville today.

10 The application we're asking
11 consideration for is a 30,000 square shell
12 building. About 90 percent of the prospects that
13 we entertain regularly are --

14 CHAIRMAN WRIGHT: Just one second,
15 please. Please state your name.

16 MR. TUCKER: Sure. I'm sorry.
17 Telly Tucker, City of Danville, Economic
18 Development Director.

19 As I mentioned, about 90 percent of
20 prospects we entertain are looking for existing
21 buildings; modern manufacturing buildings, to be
22 more specific. Currently in the
23 Danville-Pittsylvania County area there is but one
24 building available that was built after 1960 that
25 is suitable for modern manufacturing. And, so,

1 that becomes the impotence for us submitting this
2 application in needing to build a new shell
3 building in the City of Danville.

4 We plan to build this in Cyber Park,
5 which is a joint regional industrial facility
6 authority owned park between the Pittsylvania
7 County and the City of Danville. We do share all
8 costs and revenues in those parks. And much of the
9 interest for this particular building is in the
10 aerospace and automotive industries and is a result
11 of the workforce development investments that have
12 been made that continue to spur new economic
13 development interests.

14 CHAIRMAN WRIGHT: Okay. Delegate
15 Marshall.

16 MR. MARSHALL: Telly, if you'd --
17 Telly, if you will, just explain a little bit for
18 the new members how (inaudible) works and how the
19 split works as far as income, et cetera.

20 MR. TUCKER: Sure. Some 13 years
21 ago, the City of Danville-Pittsylvania County
22 created the Regional Industry Facility Authority.
23 To my knowledge, it was the first in the
24 Commonwealth.

25 We agree to share revenue and costs

1 associated with any, what we affectionally call
2 RIFA (phonetic) ventures that includes three
3 industrial parks; Cyber Park, which is physically
4 located in the City of Danville, Cane Creek, which
5 is located in Pittsylvania County and Berry Hill
6 Mega Park, which is also located in Pittsylvania
7 County.

8 Monthly, there are three members of
9 each elected body that make up the board of the
10 Regional Industrial Facility Authority, three board
11 supervisor members from Pittsylvania County, three
12 city councilmen from the City of Danville. We meet
13 monthly. Our economic development teams
14 collectively serve as Staff to the Regional
15 Industrial Facility Authority and it allows us to
16 eliminate the competitive nature of cities and
17 counties in Virginia, because we share everything
18 50/50. And then also it doubles the number, the
19 amount of exposure to those properties and prospect
20 interests, so we regularly market the assets of our
21 adjacent community. And it's a beautiful
22 partnership that I think other communities around
23 Virginia are modeling after, so.

24 CHAIRMAN WRIGHT: Okay. At this
25 time, if there are no questions, if the Staff

1 recommends --

2 MR. RUFF: I do have one question.

3 Telly, will this building be

4 expandable, or is 30 the maximum you can get?

5 MR. TUCKER: Yes, sir. We will

6 build this building to be expandable up to 100,000

7 square feet. We track -- for the last four years,

8 we've tracked every inquiry, every project that

9 we've had. And based on both the mean and medium

10 requests, 30 to 40,000 is the most commonly

11 requested size. However, we do have the expansion

12 capability, should a larger prospect come along.

13 MR. RUFF: Thank you.

14 CHAIRMAN WRIGHT: Any others?

15 If not, I'll entertain a motion on

16 the Staff recommendation award.

17 MR. MARSHALL: I move to approve

18 3360.

19 MR. MILLS: Second.

20 CHAIRMAN WRIGHT: Delegate Marshall

21 makes a motion, I have a second. All in favor say

22 aye (Ayes). Opposed, no (No response.)

23 Motion's approved.

24 The next is Lunenburg County.

25 MS. FOWLER: Hello. Good afternoon.

1 I'm Robyn Fowler, Town Manager of Kenbridge and
2 this is Rodney.

3 MR. NEWTON: Rodney Newton, Town
4 Manager, Town of Victoria.

5 MS. FOWLER: We're excited and thank
6 you for even looking at this project for us. As
7 they mentioned before, Victoria has already three
8 miles of trail in their town and little Kenbridge
9 does not have any yet and our mayor has been
10 wanting to have one built. Just a little section.
11 And the more we talked and thought about it, why
12 couldn't we just go ahead and make it a little
13 longer. And the two towns are, what 11 miles --

14 MR. NEWTON: Seven miles apart.

15 MS. FOWLER: Seven apart, yeah.

16 MR. NEWTON: Economically
17 challenged, we are in an area that is
18 transportation challenged for industry. We have
19 noticed in the last couple years that tourism has
20 become a bigger industry for us with local
21 festivals.

22 The trail connecting the two towns
23 would give the opportunity for people to come in,
24 use the trail, take part in the activities that are
25 going on in the area. We've had more equestrian

1 use in the Town of Victoria with the trail and
2 they're looking for a longer trail to come in for
3 longer rides. We feel this would be a benefit for
4 that also.

5 MS. FOWLER: And when I used to work
6 at Southside Planning District Commission on the
7 trail, actually the trail project, people would
8 call and would want to come for longer sections for
9 the trail. A lot of people wanted Bed and
10 Breakfasts and places to stay.

11 So, each town, like we said, as you
12 mentioned each town has that. And I know for me if
13 I rode my bike seven miles I would need somewhere
14 else to stay before I can ride back.

15 We appreciate, again, you
16 entertaining this idea for us.

17 MR. NEWTON: And we understand that
18 the recommendation was un-tabled and we do have a
19 grant application in with VDOT, but if there's any
20 way possible that this could be funded contingent
21 upon VDOT approval, it would be greatly
22 appreciated.

23 CHAIRMAN WRIGHT: They don't really
24 think that it might improve the -- even improve the
25 chances of VDOT approving their half of the match

1 if they can see that the commission has already
2 approved our half, but it would be, of course,
3 contingent upon them. It'll give you all a little
4 bit better position. Is that true?

5 MS. FOWLER: I would think.

6 MR. NEWTON: I think so. Yes, sir.

7 MS. FOWLER: And we'll reach out to
8 them, if that's the case.

9 CHAIRMAN WRIGHT: And I hope it's
10 the committee's pleasure to do that, but I cannot
11 make the motion.

12 Does anybody like to make a motion,
13 or discussion?

14 MR. RUFF: Mr. Chairman, when did
15 you expect VDOT --

16 MS. FOWLER: I believe it's in June
17 that they meet on the application. So, we still
18 have a little while.

19 MR. RUFF: Mr. Chairman, I would
20 move that this be approved contingent upon VDOT
21 putting up at least half of the money for this
22 project.

23 MR. OWENS: Second.

24 CHAIRMAN WRIGHT: Motion's been made
25 and second. It's contingent upon -- this grant is

1 contingent upon VDOT's approval of their half of
2 the grant. All in favor say aye (Ayes). Opposed,
3 no (No response.)

4 Motion carries.

5 MS. FOWLER: Thank you

6 MR. NEWTON: Thank you.

7 CHAIRMAN WRIGHT: Thank you very
8 much.

9 Next we have Mecklenburg County.

10 MS. KELLETT: Good morning. I'm
11 Angie Kellett with Mecklenburg County Economic
12 Development and I think Sarah recommended approval,
13 but I would like to tell you, we do have a shell
14 building that the commission helped us build that's
15 50,000 square foot expandable to 100,000, but it is
16 a true shell.

17 So it's a dirt floor and we are
18 showing that and it's been successful so far. This
19 building that we're talking about is a company
20 that's closing and we've lost 110 employees with
21 that company. There are some other entities who
22 are interested in acquiring this and making it
23 commercial or retail space and the county really
24 wants to get our hands on it, because we would like
25 to get something in there that provides the number

1 of jobs that were there before and the wages that
2 were there before. So we're anxious to get our
3 hands on this.

4 It's a well-kept building. It
5 has -- all but 10 percent of it has a new roof.
6 The inside has been maintained very well. We have
7 a good relationship with the company and we
8 continue to work with them.

9 We're asking for the 1.3 million and
10 we are contributing over 1.9 million to the
11 project, at this time. We are still in
12 negotiations with the industry, so the numbers may
13 change but the percentage would remain the same.
14 We'll continue to put 60 percent into the project.

15 CHAIRMAN WRIGHT: Okay. Thank you.

16 Any questions?

17 If not --

18 MR. RUFF: Mr. Chairman, I would --
19 before I make a motion, I want to point out that
20 this is right at the intersection of 85 and 58.
21 And so a warehouse is the primary value, highest
22 value for that property. It's got a high ceiling,
23 so it accommodates a lot of merchandise.

24 MS. KELLETT: It does. And they are
25 in negotiations now about leaving some of the

1 equipment. There's the mezzanines that we're
2 discussing, whether they should stay or go. But
3 there's plenty of land to expand, or that could
4 even be put into a separate -- separated and made
5 another property, as well.

6 CHAIRMAN WRIGHT: Thank you.

7 MR. RUFF: Mr. Chairman, I would
8 move that the project number, whatever it -- 3359,
9 be approved at the amount of 1.3 -- up to the
10 amount of 1.3 million.

11 MR. HARRIS: I second that.

12 CHAIRMAN WRIGHT: Okay. We have a
13 motion and a second. All in favor say aye (Ayes).
14 Opposed, no (No response.)

15 The motion carries.

16 MS. KELLETT: Thank you all.

17 CHAIRMAN WRIGHT: Thank you.

18 Patrick County. Pittsylvania
19 County.

20 MR. ROWE: Mr. Chairman, board
21 members, my name is Matt Rowe (phonetic) Director
22 of Economic Development for Pittsylvania County.

23 The application that's before you
24 here, the Cane Creek shell building, that's for a
25 40,000 square foot shell building. I think that

1 Telly Tucker, my peer and good friend with the City
2 of Danville, laid out the rationale of why, as far
3 as we're looking at the automotive and aerospace
4 sectors.

5 This building is different than what
6 the City is doing in the Cyber Park, in the fact
7 that this is really more geared toward the true
8 commercialization of the manufacturing instead of
9 the higher end or research. So what we're seeing
10 prospect wise is we're seeing folks that are
11 looking to establish research and cutting edge
12 smaller manufacturing operations. And they really
13 are keying in very heavily on the Cyber Park, due
14 to the Gene Haas Centre being there, an institute
15 for advanced learning research. And then we're
16 also having folks that are looking to be here,
17 based upon Brexit and also Mac economic conditions
18 and they're really looking more at the larger
19 commercialization manufacturing aspect.

20 Knowing questions on a previous case
21 before you here was, is the building expandable.
22 The answer to this, of course, for our facility is
23 yes. It's -- lot 3 could handle a pad up to
24 200,000 square feet.

25 At this time we have six prospects

1 that have actually looked at the site. We have
2 some other folks coming from Spain in February to
3 also look at the site. So the activity level is
4 very real, both generated from our consultant,
5 mainly you folks had graciously hired to represent
6 Southwest and Southern Virginia, but also VDP and
7 locally generated sources, as well.

8 CHAIRMAN WRIGHT: Delegate Marshall?

9 MR. MARSHALL: Yes. Matt, Telly
10 mentioned a modern manufacture facility. So what's
11 the different between modern and why we have, you
12 know, so many empty buildings in our areas,
13 old-fashioned space?

14 MR. ROWE: I think the main thing
15 that is inhibiting our area really comes down to
16 the ceiling height. You know, textiles and
17 assembly in general, all the lights had to be low
18 so you could see what you were doing.

19 With the new CNC machines and the
20 larger processes that you see and with automation
21 that is coming, ceiling height and to be able to
22 get access to turning movements, you have to have a
23 building in this day and age to accommodate
24 aerospace and automotive manufacturing of at least
25 18 plus feet.

1 The ceiling is 24 plus and that's
2 why you see both the cities' application and the
3 counties' going for that higher ceiling height. I
4 guess also to add to that, Delegate Marshall, is
5 the fact that the two parks are different in
6 aesthetics and so the cost of manufacturing and the
7 cost of research is going to be different in both
8 parks.

9 MR. MARSHALL: Thank you.

10 CHAIRMAN WRIGHT: Any further
11 questions?

12 If not --

13 MR. MARSHALL: I make a motion that
14 we approve 3352.

15 MR. OWENS: Second.

16 CHAIRMAN WRIGHT: Motion is made and
17 properly second to be approved, Grant Number 3352.
18 All in favor say aye (Ayes). Opposed, no (No
19 response.)

20 The motion carries.

21 We're going to go back to Patrick
22 County, number 3351. I don't believe anyone is
23 here to speak to that, but we do need to vote on
24 it, so I'd ask at this time for a motion on 3351.

25 MR. RUFF: I make a recommendation.

1 CHAIRMAN WRIGHT: We have a motion.

2 MR. MILLS: Second.

3 CHAIRMAN WRIGHT: And a second to
4 accept the Staff recommendation of the award on
5 3351. All in favor say aye (Ayes). Oppose, no.

6 MR. EDMUNDS: No.

7 CHAIRMAN WRIGHT: That motion
8 carries.

9 All right. As I mentioned earlier,
10 Number 3396 will be discussed in executive session,
11 so we will proceed with Number 3358 as a joint
12 project of Danville and Pittsylvania Regional
13 Industrial Facility Authority.

14 MR. SIDES: Thank you, Mr. Chairman
15 and commissioners. This application was -- I'm
16 Greg Sides, I'm the Assistant County Administrator
17 of Pittsylvania County. And as Mr. Tucker
18 mentioned, the Staff works with the
19 Danville-Pittsylvania Regional Industrial
20 Facility's Authority and this particular grant was
21 submitted on behalf of the Regional Authority.

22 The project would be located in the
23 Berry Hill Industrial Park. As you well know, both
24 the locality and commission has made significant
25 investments in that park to this day. This is an

1 exciting project. It is in the wood product
2 industry, so not only does it create approximately
3 81 direct jobs, but it also benefits the entire
4 region in terms of the forest products that are
5 involved in the manufacturing process.

6 So the project is, because it's done
7 through the authority, we did propose the
8 allocation be split 50/50 between the City of
9 Danville and Pittsylvania County and we're very
10 excited to see activity in the Berry Hill
11 Industrial Park.

12 One of the conditions of this
13 project that we dealt with this company for quite
14 sometime, is they did make it clear from the very
15 beginning that they did require a graded pad site.
16 So, that is the nature of this project, is to
17 create the graded pad site. And they would be
18 responsible for the construction there on.

19 CHAIRMAN WRIGHT: Delegate Marshall.

20 MR. MARSHALL: Greg, for the new
21 members, if you will, explain a little bit about
22 Berry Hill; size, scope, et cetera.

23 MR. SIDES: Yes. The Berry Hill
24 Industrial Park is a very large scale industrial
25 park. It's approximately 3,500 acres. It's

1 physically located in Pittsylvania County, but it's
2 done as a joint project between Pittsylvania County
3 and the City of Danville.

4 City of Danville has a lot of
5 economic development activity but sometimes they
6 are somewhat limited in terms of a large industrial
7 site. So this allows us to provide the industries
8 that need the 100-acre sites. And we got it
9 divided up into approximately, I think, 13 lots at
10 this time and we have recently, or are in the
11 process of completing a grading project that will
12 have an approximately 122-acre pad site in place,
13 utilities in place, ready to go. So, we're, again,
14 excited about what's happening in Berry Hill.

15 MR. MARSHALL: Thank you.

16 CHAIRMAN WRIGHT: Any further
17 questions?

18 MR. MARSHALL: I have a motion, if
19 you want.

20 CHAIRMAN WRIGHT: Delegate Marshall.

21 MR. MARSHALL: I approve Staff
22 recommendations on number 3358.

23 MR. MILLS: Second.

24 CHAIRMAN WRIGHT: Motion's made and
25 second to approve Grant Number 3358. All in favor

1 say aye (Ayes). Opposed, no (No response.)

2 Motion carries.

3 Halifax, Southern Virginia Higher
4 Education Center.

5 MS. ADAMS: Good afternoon, Mr.
6 Chairman, members of the commission. My name is
7 Betty Adams. I'm the Executive Director of the
8 Southern Virginia Higher Education Center and I
9 appreciate you giving us this time.

10 I want to take just a few minutes to
11 explain what we're trying to accomplish and why we
12 feel it is worthy of your support and respond to
13 the Staff's concern about our application.

14 For the last several years, the
15 Southern Virginia Higher Education Center has been
16 working with a regional stakeholder group, some of
17 whose members are with us today, including Jim
18 Halasz, who is County Administrator of Halifax
19 County. Mr. Marc Adelman who is the Director for
20 Danville Transit.

21 Danville Transit has been
22 functioning for 40 years. Marc has been there not
23 for 40 but 12, 13, I think.

24 MR. ADELMAN: 25.

25 MS. ADAMS: 25. Wow. Okay. Greg

1 Sides, as you have just been introduced, is the
2 Assistant County Manager for Pittsylvania County.

3 So, our request, as Sarah has
4 already shared with you, is on behalf of Halifax
5 and Pittsylvania Counties, and we're requesting a
6 total of about \$317,000 that will be used to match
7 and acquire almost \$800,000 in state and federal
8 transportation funding. So we're asking for about
9 158,000 from each allotment.

10 Now, you know, that's -- that's not
11 huge, but it's not small either. And I understand
12 Staff's explanation that it's a low funding
13 priority. I would hope that this would not be a no
14 funding priority, though. The funds will be used
15 to expand through Danville Transit a bus service to
16 high demand routes on Highway 58 in Halifax and
17 Pittsylvania County and Highway 29 in Pittsylvania
18 County.

19 And we've heard already today about
20 how the Tobacco Commission is investing in shell
21 buildings. That's wonderful. We need those. And
22 they have invested in technical training. We've
23 benefited from that, but the reality is, is that we
24 have to have a way to get people to training and to
25 the jobs that will land in these facilities. And

1 right now transportation is very difficult in
2 Southern Virginia.

3 These routes that we will expand to
4 are the location of major employers and also key
5 educational institutions, including DCC, the
6 Pittsylvania Career and Technical Center and the
7 Southern Virginia Higher Ed Center.

8 So the City of Danville has
9 authorized Danville Transit to expand these
10 services and Danville Transit will be applying for
11 state and federal transportation funds in February
12 with -- if we are successful today.

13 So, a couple of things I want to
14 acknowledge, and I've asked Patty Nelson to
15 distribute some information. She's going to do
16 that right quickly here. But I want to point to
17 you two comments that Staff acknowledged with
18 regards to our application.

19 First of all, Staff acknowledges
20 that lack of automotive or public transportation is
21 a pervasive rural issue that prevents students and
22 employees and citizens to get to training and
23 education. They also pointed out that the
24 feasibility study upon which this application is
25 based on was thorough, it was comprehensive. It

1 involved lots of research and it demonstrates the
2 need for this service.

3 So, this is something that we've
4 been working on for several years now and it's
5 something that we have approached very
6 analytically, very systematically, and very
7 collaboratively.

8 Two things that I have learned --
9 and I've learned a lot about transportation,
10 because I knew nothing before I took on this
11 project that really surprised me. Number one, how
12 transportation is funded in the United States.

13 So, it is not unusual -- and this
14 funding has been stable since the late '60s. State
15 and federal funds are available to support transit
16 systems up to about 80 percent, leaving the
17 locality with about 20 percent to carry, which is
18 not a lot. But that's -- that's a real bargain.
19 That's how current transit systems -- that's the
20 second surprise that I had, is there actually are
21 public transit systems operating in Southern
22 Virginia successfully.

23 Danville Transit has been in
24 operation for 40 years. There's also the
25 Blackstone area bus, Farmville area bus. Recently

1 Emporia and Greensville have opened a transit
2 system. There's one in Martinsville, there's one
3 in Lynchburg.

4 So, one of the Staff's concerns was
5 that by approving our project it would open the
6 flood gates. I think that's a reasonable concern,
7 but based on what we have learned through our
8 project, is that there are lots of transportation
9 systems that are already existing in Southern
10 Virginia, but there's one -- there's a group of
11 counties right in the center that have no
12 transportation service. And that's what led to us,
13 the Southern Virginia Higher Ed Center, approaching
14 the feasibility study.

15 Our big idea, why we went down this
16 road was, could we not get the counties who are not
17 currently being served to come together to
18 establish a new transit system that would then
19 connect with all of the existing systems and
20 thereby forming a regional network. So that was
21 what we went into this study, that was the study
22 question, is that feasible, is that doable, is
23 there demand. And the study answered yes to all
24 those questions.

25 However, they felt that standing up

1 a new transit service was too big a reach at first,
2 and they recommended that we work with an existing
3 provider and demonstrate that two of the highest
4 demand routes would be supported. Those are the
5 routes that we're asking funding for today. We
6 don't believe that you're going to have people, you
7 know, stampeding your door for transportation
8 funding, because they pretty much already exist.

9 And the last point I want to speak
10 to with regard to Staff concern is feeder systems.
11 That's right on the mark. You're exactly right and
12 we did not include information about that, because
13 we weren't asking for funds to develop feeder
14 systems.

15 We're working with existing
16 community transportation initiatives in
17 Pittsylvania, in Halifax County that will serve as
18 that feeder system to get people to the eventual
19 stops along these two corridors. So,
20 transportation is critical.

21 We do have some -- we have
22 transportation systems in Southern Virginia, but
23 there are a number of counties that have no
24 service. We're working -- our big picture is
25 working towards standing up another system that

1 will connect, but we need to have a track record to
2 show the counties and their constituencies that
3 these transit services and these routes can be
4 sustained and that they're a good use of public
5 funds.

6 We have a lot of momentum. I've
7 been really -- had a lot of gratitude for seeing
8 the collaboration between Halifax and Pittsylvania
9 County and the City of Danville. Please help us
10 maintain this momentum.

11 I'll stop now and take any questions
12 you might have.

13 CHAIRMAN WRIGHT: Delegate Marshall.

14 MR. MARSHALL: So, Betty, on the
15 handouts you gave us, that -- I guess the third
16 paragraph down says, long-term funding commitment
17 for counties.

18 MS. ADAMS: Yes.

19 MR. MARSHALL: It says, so after the
20 three-year starting period, the annual cost expense
21 for each use participated to be approximate 50,000
22 bucks.

23 MS. ADAMS: Right.

24 MR. MARSHALL: So that's 50,000
25 for --

1 MS. ADAMS: Yes.

2 MR. MARSHALL: 50,000 for Halifax
3 County.

4 MS. ADAMS: That's correct.

5 MR. MARSHALL: 100,000 bucks.

6 MS. ADAMS: Right.

7 MR. MARSHALL: Per year.

8 MS. ADAMS: That's right.

9 MR. MARSHALL: So if it's 100,000
10 for them, the 317 that I asked for is for two years
11 or three years?

12 MS. ADAMS: It's for three years.
13 And keep in mind, we've got to purchase the buses,
14 so that's \$330,000 right there. Although, 90
15 percent of that is covered through federal funding.
16 So, there's some upfront costs that have to be
17 taken in that first year.

18 MR. MARSHALL: So, you may have told
19 us this and I didn't see it.

20 MS. ADAMS: That's okay.

21 MR. MARSHALL: But has Pittsylvania
22 County Board of Supervisors, Halifax Board of
23 Supervisors agreed to this and --

24 MS. ADAMS: Yes.

25 MR. MARSHALL: -- have they made a

1 commitment for the \$50,000?

2 MS. ADAMS: They have not made a
3 commitment for the \$50,000, but the resolution from
4 Halifax County indicates that -- that if we can't
5 get the funding for the three years, that they will
6 make up the difference. Pittsylvania County is not
7 in this -- in that position.

8 The counties can't agree to, or
9 won't agree to funding past the three years until
10 they see a track record. They want to be assured
11 that we can make this happen. I'm confident we
12 can. Our study is a solid study.

13 MR. MARSHALL: Thank you.

14 CHAIRMAN WRIGHT: Anyone else?

15 MR. FEINMAN: Mr. Chairman?

16 I would just say that, you know,
17 Betty, the Southern Virginia Higher Education
18 Center is a great part of ours and certainly we are
19 always happy to see the level of collaboration that
20 we have between, you know, the Danville,
21 Pittsylvania and Halifax region. I think it's a
22 model for the rest of the Commonwealth.

23 That said, you know, I think the
24 arguments put forward by the applicant cut both
25 ways. The fact that places like Blackstone and

1 Greensville were able to set up their transit
2 systems in the absence of Tobacco Commission
3 funding would suggest that it could get done here,
4 as well.

5 Second, while there are transit
6 systems in Southside Virginia, the commission
7 serves both Southside and Southwest Virginia.
8 There exists transit gaps in Southwest. We need to
9 be able to articulate why we're going to fund this
10 program and not those programs when those folks
11 come knocking on our door.

12 Finally, and I'll beat the same drum
13 I've been beating since I got here, we're in an era
14 of diminishing funds. We need to be -- as far as
15 Staff is concerned, as focused as we can be on our
16 top priorities and avoid bleeding funds into low
17 priority projects.

18 The commission, when it adopted its
19 strategic plan, saw fit to say that transit was
20 among the lowest of the priorities that the
21 commission had. And I think it's generally best to
22 stick with your stated policies when it comes to
23 making award donations or recommendations.

24 Thank you.

25 CHAIRMAN WRIGHT: Any further

1 questions?

2 MS. CARTER: Mr. Chairman.

3 CHAIRMAN WRIGHT: Yes, Ms. Carter.

4 MS. CARTER: Betty. Betty, it's my
5 understanding that this -- that what you are doing
6 that may be different from other localities is that
7 you're going to have stops at major employers and
8 at the training centers, is that correct?

9 MS. ADAMS: That's correct.

10 MS. CARTER: Is that different from
11 other transportation systems?

12 I mean, this is very specific to
13 workforce development.

14 MR. FEINMAN: I can't speak to all
15 of the existing transit routes throughout Southern,
16 Southwest Virginia. I would suggest that the well
17 designed transit systems move people from where
18 they want to go to the other places they want to
19 go.

20 MS. CARTER: Well, with this one
21 being very specific to workforce development, I
22 think that we ought to consider this application.
23 I know that Betty and Southern Virginia Higher Ed
24 Center and her staff have worked very diligently on
25 this and, you know, sometimes we have to take a

1 chance. And this may be a very successful program.

2 I think that she's done everything
3 that is needed for us to look at this and decide
4 whether or not we, we as a commission, want to do
5 it.

6 CHAIRMAN WRIGHT: Any further
7 questions --

8 MR. RUFF: Mr. Chairman.

9 CHAIRMAN WRIGHT: -- or comments?

10 MR. RUFF: Couple questions.

11 CHAIRMAN WRIGHT: Delegate Ruff --
12 excuse me, Senator Ruff.

13 MR. RUFF: Where would the -- where
14 would the route start in Halifax County?

15 MS. ADAMS: The route will -- the
16 Southern Virginia Higher Education Center, but
17 there will be stops in between the center and
18 Danville.

19 MR. RUFF: Just on 58?

20 MS. ADAMS: That's correct.

21 MR. RUFF: According to these
22 numbers, you're only going to do this Monday
23 through Friday?

24 MS. ADAMS: Well -- that's correct.

25 MR. RUFF: So you have to have about

1 75 riders a day, is that right?

2 MS. ADAMS: Well, if you are
3 equating the fare that you need to have to cover
4 your cost, is that what you're getting at?

5 MR. RUFF: Well, your projection of
6 14,500 annually.

7 MS. ADAMS: Oh, okay.

8 MR. RUFF: That would be about 75 --

9 MS. ADAMS: Well, we know that over
10 3,000 people already are crossing the locality
11 borders to get to jobs. We also know that there
12 are close to 150-200 DCC students that are
13 traveling from Pittsylvania and Halifax County to
14 DCC.

15 So, we believe that those numbers
16 will climb when we have this transit system in
17 place. And keep in mind, the Tobacco Commission
18 has been really good about building up training
19 programs, but not duplicating them.

20 So take, for example, the precision
21 machining program in the Haas Center Capstone
22 Course in Danville. There is no other program of
23 its kind in Southside Virginia. So, you know
24 this -- these routes will help get people to that
25 program.

1 By the same token, the Southern
2 Virginia Education Center is the only institution
3 that provides Level I, II and III of the
4 mechatronics non-credit certification training.
5 That's another technical training program that
6 modern manufacturers need.

7 CHAIRMAN WRIGHT: Any further
8 questions?

9 I'll remind you, time is -- maybe
10 given kind of short, Delegate Marshall.

11 MR. MARSHALL: Okay. Let me get
12 down to the weeds. Let's talk about the schedule
13 itself.

14 MS. ADAMS: Okay.

15 MR. MARSHALL: I assume buses are
16 going to be based in Danville.

17 MS. ADAMS: That's correct.

18 MR. MARSHALL: So let's just talk
19 about the routes. What time are you going to start
20 in Danville, what --

21 MS. ADAMS: Yeah.

22 MR. MARSHALL: -- go to -- I assume
23 the bus leaves Danville, goes to South Boston, back
24 and forth --

25 MS. ADAMS: Yes.

1 MR. MARSHALL: -- all day long. So,
2 tell me, let's get into the weeds and tell us about
3 the --

4 MS. ADAMS: Sure. Sure. So, I'm
5 going to call on Marc, because Marc is the one.
6 And I think Marc would tell you that with federal
7 funds you have to have public hearings. So, we've
8 based our estimates on what we think will be the
9 service level, but we will have to have public
10 hearings to, you know, be sure that that's what the
11 public will support.

12 MR. ADELMAN: Thank you. My name is
13 Marc Adelman, the Transportation Services Director
14 for the City of Danville.

15 Concerning Delegate Marshall's
16 question, the specific times have not been
17 identified. They were planned for an early morning
18 and mid-morning and afternoon and a late afternoon
19 or late evening scheduled departure time from
20 Danville that would complete a round trip, four
21 round trips to both Halifax County and also four
22 round trips to Pittsylvania County.

23 CHAIRMAN WRIGHT: Any further
24 questions?

25 MR. OWENS: If I may, and I've

1 spoken to Dr. Betty. I really appreciate her
2 enthusiasm for this and I think we can all attest
3 to that.

4 I have a couple of questions. If
5 the 90 percent, the buses themselves, if the feds
6 will pay 90 percent of, the 10 percent will be
7 covered through this grant.

8 MS. ADAMS: That's correct.

9 MR. OWENS: And if it were not to be
10 supported, let's just say nobody rides the thing,
11 the buses then would be retain -- the Danville
12 transit system would retain ownership of the buses,
13 I take it?

14 MS. ADAMS: Right. And Marc may
15 want to comment on this too, but we have been
16 advised by the Virginia Department of Regional and
17 Public Transportation that they would -- they
18 should revert to Danville transit and go into their
19 service.

20 MR. OWENS: To be used for whatever
21 they want to?

22 MS. ADAMS: That's correct.

23 MR. OWENS: Okay. I just want to
24 bring that -- I want the commission to understand
25 that. Okay.

1 And I know originally the intent,
2 which is why the Higher Ed Center is making this
3 application, not the counties, is because they
4 wanted to, you know, transfer students, as you
5 said, to curriculums where they cannot get in
6 Halifax and vice versa. Is that why -- and, of
7 course, as this thing progressed, we realized there
8 may be a lot of opportunity for work, which is
9 probably, in my view personally, the reason this
10 may have merit, would be for those workers who
11 could not -- who don't have transportation and
12 can't get a job in Halifax, for example, and could,
13 perhaps, get one in Danville.

14 Is that why the Higher Ed Center is
15 still the applicant?

16 MS. ADAMS: The Higher Ed Center
17 took the lead on this after we received the Center
18 of Excellence Award and we were working with our
19 two community college partners to determine how we
20 could stand up welding, precision machining and
21 mechatronics in about an 11 county area. And it
22 was then that we realized we didn't have funds to
23 put three programs, you know, in each county. And
24 so we selected -- each of us took an area of
25 expertise; Danville, precision machining,

1 Southside, welding, and we took mechatronics. We
2 had already gone down that road. And then when we
3 started looking at the distance between those
4 points, we realized -- you know, we asked ourselves
5 as a team, how are we gonna get people back and
6 forth, because we knew transportation was a
7 problem. And that's when I began talking with Jim
8 Halasz.

9 Jim, in his job before he came to
10 Halifax County, helped stand up a rural regional
11 transportation network in Stanton. And, so, he
12 began sharing information with me. And this is
13 when I began to learn how transportation in the
14 United States is funded and that's when I began
15 looking at, okay, how do you get something like
16 that started. And that's why we did the
17 feasibility study.

18 MR. OWENS: I appreciate that. And
19 are the resolutions by Pittsylvania County and
20 Halifax County identical?

21 And the reason why I ask that is
22 because, let's say Halifax has committed funds, if
23 it perceives -- I mean, if it is successful, but
24 Pittsylvania is not committed to, who will then
25 hold up the -- if the county decides to -- could it

1 all fall on Halifax to --

2 MS. ADAMS: No. No. If
3 Pittsylvania decides that they do not want to fund
4 the route after the three years, then Danville
5 Transit will not continue the route service. They
6 will just continue the service to Halifax County.

7 But we believe, and we went into
8 this proposition with both counties, with the
9 understanding if we could show a track record that
10 the routes can be sustainable, that that would give
11 the counties time to, A, build it into their
12 long-term budgets and, B, have a track record to
13 show to the public that this is a good use of
14 public funds.

15 Does that answer your question?

16 MR. OWENS: Kind of. Yeah. I
17 just -- you can't -- I mean, if Halifax -- the
18 buses have to go to Danville, so if Pittsylvania
19 didn't participate, it's still got to go there,
20 whether their riders don't -- their county doesn't
21 pay or not, it's still got to make a two-way trip.

22 MS. ADAMS: It will not go on
23 Highway 29, though, into Pittsylvania County.

24 MR. OWENS: I understand. I
25 understand. But, anyway, I would -- no further

1 questions, Mr. Chairman.

2 CHAIRMAN WRIGHT: I'd like Staff to
3 make a final comment, after all the information
4 we've heard, although that the comment was made
5 about if we do this project, however, applications
6 will come in from other regions and the Tobacco
7 footprint, such as Southwest so forth; based on
8 everything else that's been said today, I'd like to
9 have your all's, Staff's final comments.

10 MR. FEINMAN: Mr. Chairman, my view
11 has not changed in the intervening couple of
12 minutes. I don't know if Tim or Sarah have
13 anything to add.

14 Fundamentally, the argument that
15 this is the only part of Southside Virginia that
16 doesn't have this sort of regional transit network
17 is both an argument for it, I see that, and also an
18 argument against it, in that the rest of Southside,
19 much of which is far less economically successful
20 than Halifax and Pittsylvania Counties. They were
21 able to do it without our funding.

22 My suggestion is that Halifax and
23 Pittsylvania County can do it without our funding.
24 Where they sufficiently committed it to, they've
25 got a feasibility study that says it will pay for

1 itself to the amount that they're expecting. And
2 if they have the political will to move forward
3 with it, they will. If they don't, they won't.
4 And I'm not sure it's the commission's job to give
5 that sort of cover.

6 CHAIRMAN WRIGHT: Okay. We had a
7 lot of discussion on this, I'm ready for a motion.

8 MS. CARTER: Mr. Chairman, I make a
9 motion that we award \$317,490 to the Southern
10 Virginia Regional Transport Transportation Project,
11 Number 3356.

12 CHAIRMAN WRIGHT: We have a motion.

13 A SPEAKER: I'll second.

14 CHAIRMAN WRIGHT: And a second. All
15 those in -- any further discussions?

16 Good. All those in favor, say aye
17 (Ayes). Opposed, no.

18 MR. OWENS: One abstention.

19 MR. RUFF: Betty, I hate to do it,
20 but I'm going to oppose it. I think that --
21 Chairman, cut me off, but I was gonna ask this, but
22 the public support --

23 CHAIRMAN WRIGHT: It sounds like
24 you're going ahead anyways, so --

25 MR. RUFF: You -- either you or Marc

1 said there had to be a public hearing to whether
2 the public would buy into this.

3 MS. ADAMS: To determine the service
4 route and the timing and that kind of thing, yeah.

5 MR. RUFF: And I believe that that's
6 important information before we put money into it.
7 I just don't believe without the counties buying in
8 and without -- financially buying in and the public
9 not weighing in as to whether they would ride it.

10 I spoke to somebody last night.
11 Their child went from Clarksville to Danville and
12 they would not have taken this simply because they
13 worked afternoons certain days. So, there would be
14 no consistency. And, so, I'm just concerned
15 that -- they'd rather spend money on education --

16 MS. ADAMS: I hear what you're
17 saying and this will be my last comment.

18 CHAIRMAN WRIGHT: Just a second.
19 We're through with the discussion, we've passed
20 that point and taken a vote. So, really the --
21 after the motion was seconded and I called for
22 discussion, that was the time to have any
23 discussion. The vote's been taken.

24 MR. MARSHALL: He's the new guy
25 here.

1 MR. RUFF: I hadn't heard any
2 recorded vote yet.

3 MS. ADAMS: Can I make a last
4 comment?

5 MR. MARSHALL: You don't need to.

6 MR. OWENS: You don't need to.

7 Thank you.

8 CHAIRMAN WRIGHT: I think you're
9 ahead.

10 MS. ADAMS: Oh, good. Terrific.

11 CHAIRMAN WRIGHT: What was the
12 final?

13 MR. FEINMAN: Mr. Chairman, the vote
14 I heard was all ayes, but a nay from Senator Ruff
15 and an abstention from Mr. Owens.

16 CHAIRMAN WRIGHT: Okay. The motion
17 passed. Now we've --

18 MS. ADAMS: Thank you.

19 CHAIRMAN WRIGHT: -- before we go
20 into executive session --

21 MR. MARSHALL: Can I make a
22 suggestion?

23 CHAIRMAN WRIGHT: Delegate Marshall.

24 MR. MARSHALL: Number 3358, I don't
25 know if we need to go into executive session. So

1 may I suggest that we hear from the -- unless they
2 want to go into executive session, but due to time,
3 I think if we can hear from Pittsylvania County
4 about Number 3396 --

5 MR. FEINMAN: Delegate, could I
6 suggest that maybe we do go into executive session?

7 MR. MARSHALL: Okay.

8 CHAIRMAN WRIGHT: I think we have a
9 resolution prepared for executive session and I'd
10 ask those who are not connected to this particular
11 project, please --

12 MR. OWENS: I'll make a motion to
13 go.

14 MR. RUFF: I move that we go into
15 closed meeting in accordance with the Virginia
16 Freedom of Information Act. The purpose of this
17 closed session is to discuss only on-going economic
18 development project's where no public announcement
19 has been made. The subject of this closed session
20 is to discuss Project Apple. The applicable
21 extension from open meeting requirement under the
22 Freedom of Information Act is -- it looks like
23 52.2-3711a 5.

24 MR. OWENS: Second.

25 CHAIRMAN WRIGHT: Okay. We've heard

1 the motion. All those in favor say aye (Ayes).

2 Oppose say no (No response.)

3 Motion carries. We're now in
4 executive session.

5 MR. MARSHALL: So, Mr. Chairman, for
6 new members, you might want to tell them who can
7 stay and who cannot stay.

8 CHAIRMAN WRIGHT: Yes.

9 MR. FEINMAN: Any member of the
10 commission can stay and, of course, the folks from
11 Pittsylvania County can stay. Everybody else needs
12 to leave the room.

13

14 NOTE: At this time, the
15 executive session is held;
16 whereupon, the proceeding continues,
17 as follows:

18

19 MR. RUFF: I move that we come out
20 of the closed session and we only discussed those
21 issues which was related to Project Apple and that
22 is all we did discuss. I move we come back into
23 session.

24 MR. OWENS: Second.

25 CHAIRMAN WRIGHT: Motion's been made

1 and second. We're back out of executive session.

2 All those in favor say aye --

3 MR. FEINMAN: You need a roll call
4 vote.

5 CHAIRMAN WRIGHT: Roll call.

6 MR. FEINMAN: I apologize.

7 Ms. Barts?

8 MS. BARTS: Yes.

9 MR. FEINMAN: Delegate Byron?

10 MS. BYRON: Yes.

11 MR. FEINMAN: Delegate Edmunds?

12 MR. EDMUNDS: Yes.

13 MR. FEINMAN: Ms. Carter?

14 MS. CARTER: Yes.

15 MR. FEINMAN: Delegate Marshall?

16 MR. MARSHALL: Yes.

17 MR. FEINMAN: Mr. Mills?

18 MR. MILLS: Yes.

19 MR. FEINMAN: Mr. Owens?

20 MR. OWENS: Yes.

21 MR. FEINMAN: Senator Ruff?

22 MR. RUFF: Yes.

23 MR. FEINMAN: Senator Stanley?

24 MR. STANLEY: Yes.

25 MR. FEINMAN: Delegate Wright?

1 CHAIRMAN WRIGHT: Yes.

2 MR. FEINMAN: Motion's approved.

3 MR. MARSHALL: Mr. Chairman, I have
4 a motion.

5 CHAIRMAN WRIGHT: Delegate Marshall.

6 MR. MARSHALL: Mr. Chairman, I move
7 that we approve 3396 for Pittsylvania County for
8 the amount of \$2.3 million --

9 MR. MILLS: Second.

10 MR. MARSHALL: -- grant.

11 CHAIRMAN WRIGHT: Do I have a
12 second?

13 MR. MILLS: Second.

14 CHAIRMAN WRIGHT: Motion's made and
15 properly second. We approve Grant Number --

16 MR. MARSHALL: 3396.

17 CHAIRMAN WRIGHT: 3396. All in
18 favor say aye (Ayes). Opposed, no (No response.)

19 The motion carries.

20 Any more business to come before the
21 committee?

22 MR. FEINMAN: No, sir, Mr. Chairman.

23 MS. MYERS: Public comment?

24 Mr. Chairman, can you call for any
25 public comment?

1 MR. FEINMAN: Oh, public comment.

2 CHAIRMAN WRIGHT: Any public

3 comment?

4 Hearing none, we're now adjourned.

5 (At this time, the hearing is
6 adjourned.)

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CERTIFICATE OF THE COURT REPORTER

I, Jacqueline Barreto, Certified Court Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the Court Reporter who took down and transcribed the proceedings of the Virginia Region Revitalization Commission, Southside Economic Development Committee Meeting, when held on Monday, January 8, 2018, at 1:30 p.m., at the Homewood Suites, Richmond, Virginia.

I further certify this is a true and accurate transcript, to the best of my ability to hear and understand the proceedings.

Given under my hand this 5th day of May, 2018.

Jacqueline Barreto

Certified Court Reporter

Notary Public for the State of Virginia at Large

MY COMMISSION EXPIRES: October 31, 2018