

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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9 **Southwest Economic Development Committee Meeting**

10 Wednesday, May 17, 2017

11 4:00 P.M.

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14 Appomattox County Community Center

15 Appomattox, Virginia

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1 **APPEARANCES:**

2 The Honorable Charles W. Carrico, Sr., Chairman

3 The Honorable A. Benton Chafin. Jr.

4 Ms. Mary Rae Carter

5 Ms. Becky Coleman

6 Ms. Cathy Lowe

7 Mr. H. Ronnie Montgomery

8 The Honorable James W. Morefield

9 Mr. Richard L. Sutherland

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11 The Honorable Terry Kilgore

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1 **APPEARANCES: (cont'd)**

2 COMMISSION STAFF:

3 Mr. Evan Feinman – Executive Director

4 Mr. Christopher E. Piper – Deputy Director

5 Mr. Timothy S. Pfohl – Grants Director

6 Ms. Stephanie S. Kim – Director of Finance

7 Ms. Sarah K. Capps – Grants Program Administrator,
8 Southside Virginia

9 Ms. Michele Faircloth – Grants Assistant, Southside Virginia

10 Ms. Sara G. Williams – Grants Program Administrator,
11 Southwest Virginia

12 Ms. Jessica Stamper – Grants Assistant, Southwest Virginia

13 Ms. Stacey Richardson – Administration Supervisor

14 Mr. Jordan L. Butler – Public Relations Coordinator

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16 COUNSEL FOR THE COMMISSION:

17 Ms. Elizabeth Myers, Assistant Attorney General
18 Richmond, Virginia.

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1 SENATOR CARRICO: I'm going to call
2 the meeting of the Southwest Economic Development
3 Committee to order. And I'll ask Evan to call roll?

4 MR. FEINMAN: Senator Carrico?

5 SENATOR CARRICO: Here.

6 MR. FEINMAN: Senator Chafin?

7 SENATOR CHAFIN: Here.

8 MR. FEINMAN: Ms. Carter?

9 MS. CARTER: Here.

10 MR. FEINMAN: Ms. Coleman?

11 MS. COLEMAN: Here.

12 MR. FEINMAN: Ms. Lowe?

13 MS. LOWE: Here.

14 MR. FEINMAN: Mr. Montgomery?

15 MR. MONTGOMERY: Here.

16 MR. FEINMAN: Delegate Morefield?

17 DELEGATE MOREFIELD: Here.

18 MR. FEINMAN: Mr. Sutherland?

19 MR. SUTHERLAND: Here.

20 MR. FEINMAN: You have a quorum, Mr.
21 Chairman.

22 SENATOR CARRICO: Can I get a motion
23 to approve the minutes of December 20th, 2016?

24 MR. MONTGOMERY: So moved.

25 SENATOR CARRICO: I have a motion

1 and a second to approve the minutes. All in favor say aye.
2 (Ayes.) Opposed? (No response.) The minutes are approved.

3 Moving on to reconsideration of the FY17
4 tabled grant proposals. We have a group of those projects and
5 we have staff recommendations. Sara, if you would please go
6 over those.

7 MS. WILLIAMS: We've had several
8 projects that we need to have reconsidered. The first one is
9 request 3191, the Floyd County EDA. They requested
10 \$696,000 for a Phase Two development of Floyd Regional
11 Commerce Center Phase Two development. They submitted a
12 request for ARC access road funding, which would be matched
13 to this project and they're still awaiting a decision on that but
14 have asked that that project remain tabled. Staff recommends
15 the proposal remain tabled.

16 SENATOR CARRICO: Is there a motion
17 for that to remain tabled?

18 MS. LOWE: So moved.

19 SENATOR CARRICO: It's been moved
20 and seconded that grant 3191 remain on the table. All in
21 favor say aye. (Ayes.) All opposed? (No response.)

22 MS. WILLIAMS: 3192, LENOWISCO
23 Planning District Commission \$1.25 million request. This is
24 to develop a two hundred acre site. This proposal was
25 contingent on an application award with a match, which they

1 did not receive. However, they have continued to pursue other
2 federal funding through EDA and RECLAIM. They're asking
3 that project remain tabled while they seek those matching
4 funds. Staff recommends this project remain tabled.

5 SENATOR CARRICO: Grant number
6 3192, is there anyone in the audience that wishes to speak?
7 Any motion?

8 SENATOR CHAFIN: I move we accept the
9 staff's recommendation.

10 SENATOR CARRICO: Is there a second?

11 MS. COLEMAN: Second.

12 SENATOR CARRICO: It's been moved
13 and seconded that we table grant number 3192. All in favor
14 say aye. (Ayes.) Opposed? (No response.)

15 MS. WILLIAMS: Grant 3190. Ninth
16 District Development Financing application 3190. They're
17 requesting a million dollars. Since this application was tabled,
18 the applicant has provided us updated material showing us
19 some information which it wasn't able to fund due to lack of
20 capital. However, staff is of the opinion that which they've
21 looked into other sources of financing such as the loan
22 programs that have been capitalized through People
23 Incorporated or through VRA loans. Staff is recommending no
24 award at this time.

25 SENATOR CARRICO: Anybody in the

1 audience like to speak to this project?

2 SENATOR STANLEY: I did talk to the
3 applicant and asked to table this.

4 SENATOR CARRICO: Is there a motion?
5 We've got a motion and a second. It's been moved and
6 seconded that we table grant number 3190. All in favor say
7 aye. (Ayes.) All opposed? (No response.)

8 Before we move on to 3186, I failed to ask
9 if anyone from Floyd County in reference to their grant. All
10 right then, we'll move on 3186.

11 MS. WILLIAMS: That is the Raven
12 Theater. There is a \$250,000 request and that's been reduced
13 to \$125,000. This project has submitted several applications
14 over the years, I think the number is three, to renovate the
15 Raven Theater and that's for a performance phase and also for
16 an ice cream parlor. In September the project failed to meet
17 the one on one match requirement and was not up for
18 consideration. But since then they were seeking VCEDA
19 funding and VCEDA approved an award in December of
20 \$125,000 contingent upon receiving an equal amount from
21 the Tobacco Commission. It's now up to the match
22 requirement and their original request has been reduced to
23 reflect that. However, staff remains concerned about the long
24 term sustainability of the facility, so we are recommending no
25 award at this time.

1 SENATOR CARRICO: Recommendation
2 from staff is no award. Is there anybody here that would like
3 to speak to this? Please state your name.

4 MR. GRAY: I'm Jack Gray.

5 MR. BOYD: I'm Joe Boyd.

6 SENATOR CARRICO: You're speaking
7 about the Raven Theater.

8 MR. BOYD: Yes, I think there's a
9 misunderstanding here and it was an estimate about eight
10 hundred visitors but that's nowhere near what it will be. It's
11 not going to be a community center or something like that.
12 What it's going to be is tying in with the Crooked Road. We'll
13 have bluegrass music there and we'll be having different
14 shows along with connected with the Crooked Road that's
15 going to be marketed through that. Also, the ice cream parlor
16 and we're going to make homemade ice cream there. Back
17 years ago when the place was opened, people came
18 everywhere from that time for the ice cream. I am a
19 motorcycle enthusiast myself and every time we go riding and
20 people talk about it, the ice cream. We're going to have a lot of
21 people coming from out of town and visit the area there.
22 Instead of a few hundred, we're talking about a few thousand
23 people when we get it going. When we get this going it's going
24 to be something that will support itself. We don't owe any
25 money on it. We spent \$167,000 of our own and put in all

1 kinds of things. We've got money from everywhere we can get
2 the money. So what we need is these funds and we have the
3 matching funds from VCEDA. If you all would let us have the
4 \$125,000 that would make it possible for all these things to
5 happen. We live there and \$125,000 is really not that much
6 money but it's a whole lot when you don't have it. If you all
7 could help us, we'd really appreciate it. A VCEDA
8 representative has visited the site. Jonathan from VCEDA
9 visited the site and he was impressed with what we've done
10 and what it could be. We are going to expect a lot of people
11 from all the counties and people from Kentucky and West
12 Virginia and people that lived in the area will be visiting all
13 through the summer for the music and the ice cream.

14 SENATOR CARRICO: You're saying you
15 have \$125,000 from VCEDA?

16 MR. BOYD: We've spent \$167,000 of our
17 own money and we went before VCEDA and they said we'll let
18 you have \$125,000 if you can get the other \$125,000 from the
19 Tobacco Commission. If we don't get your \$125,000, we won't
20 get theirs. This is a big thing for us.

21 SENATOR CARRICO: Anyone on the
22 Commission have any questions?

23 MS. COLEMAN: I'm confused about the
24 use of the money. The grant application said something about
25 the feasibility. Is this for a feasibility study or construction?

1 MR. BOYD: It's for construction. The
2 project is ready right now to walk in finishing all the work.
3 We've got the walls and the water and the sewer, three phase
4 power. All we need is the money to start framing some walls
5 and do some plumbing, HVAC and all that.

6 DELEGATE MOREFIELD: Mr. Chairman,
7 did you do your business plan?

8 MR. BOYD: We've done that.

9 DELEGATE MOREFIELD: She's been
10 working on this for quite some time?

11 MR. BOYD: Yes, she has.

12 DELEGATE MOREFIELD: You
13 mentioned your funding and you mentioned \$167,000, if I'm
14 not mistaken Tazewell County had contributed through your
15 board of supervisors, they've approved it?

16 MR. BOYD: Yes.

17 DELEGATE MOREFIELD: Are there any
18 other main tourist attractions in the western part of Tazewell
19 County other than this proposed business?

20 MR. BOYD: We're hoping that when we
21 meet this goal and tie it up with the ATVs and we have
22 Pocahontas and things up in West Virginia and Dickenson
23 County and these things could all tie in and draw a lot of
24 people into our area working together.

25 DELEGATE MOREFIELD: You

1 mentioned tying this in with the Crooked Road and I'm not
2 aware of this but the only presence Crooked Road has in
3 Buchanan and Tazewell County are a couple of road signs. Do
4 you think this attraction would certainly encourage people to
5 come there?

6 MR. BOYD: Yes. And we've talked to
7 people and trying to work together and also through
8 Heartwood and that type of thing. But we think we can bring
9 people in. It's not just going to be us. It's going to be a big
10 area.

11 SENATOR CARRICO: Anyone else?

12 EE: Mr. Chairman, I would just offer to
13 the Committee one of the main reasons staff recommends no
14 award here tourist results are uncertain and some of these
15 projects are really community development projects and
16 Tazewell is a wonderful community but when you have
17 uncertain tourism results, there's no bottom to that well. So if
18 you start funding these, this Committee may find itself with
19 new requests of similar character having to explain why some
20 are funded and some are not.

21 DELEGATE MOREFIELD: Members of
22 the Committee, I respectfully disagree with Mr. Feinman.
23 Earlier I made mention of that the only tourism attraction in
24 the western part of Tazewell County, which I might add at one
25 time was a very large tobacco producing community, not only

1 coal producing as well. With the expansion and support of
2 other tourism projects, I think in order for those other projects
3 to be successful particularly within the coal fields that are also
4 producing tobacco, it's imperative that we support a project
5 like this.

6 SENATOR CARRICO: Any further
7 comments?

8 SENATOR CHAFIN: How close is this
9 project to the county line in Russell County?

10 MR. BOYD: Russell would be about two
11 miles. Buchanan is probably six miles. West Virginia state
12 line is probably twenty miles and Kentucky state line probably
13 25 miles. We're going to have these people coming in there, I
14 know we will.

15 SENATOR CARRICO: Further questions?

16 SENATOR CHAFIN: Do you have a new
17 roof on the building and did you put a new floor in?

18 MR. BOYD: Let me tell you what we
19 started with. The building had been there for years and
20 nobody had done anything to it. The roof completely caved in
21 and you had an upstairs and the upstairs floor to the ground.
22 We went in there and loaded all that stuff up by hand and we
23 worked on it and now we've got a marquee on it and it can
24 light up through the night. The building was in terrible shape
25 but we got an engineer to look at it and okay it and gave us

1 some good information. But we worked on it together. That
2 would be a bright spot for our community and the
3 surrounding area as well. They talk about Tazewell, the back
4 of the dragon and bringing people in in that part of the world.
5 We can tie in with that. We can bring a lot of people in our
6 area.

7 DELEGATE MOREFIELD: I have one
8 more comment. I understand the Chairman's concern on this
9 but it's up to our discretion to determine which projects are
10 eligible or not eligible. I understand we don't necessarily want
11 to set a precedent in funding projects but the Commission was
12 formed for a certain purpose and obviously we're trying to
13 consider the economy of Southwest Virginia. If we look at
14 what one investment can do to the community and I can give
15 you an example. The town of Tazewell, which has had
16 virtually no real development in the past twenty years has
17 started back of the dragon and that attracted an investor and
18 there was a restaurant built and since that time, one
19 restaurant and back of the dragon, there's now construction
20 for a brewery and two other restaurants. So projects like this
21 could potentially bring back a lot to our community.

22 MS. COLEMAN: Has a feasibility study
23 been done indicating what could be anticipated?

24 MR. BOYD: Yes, there were indications
25 of how much money could be brought in and all that. I don't

1 mind saying this is a good project. We've already spent
2 \$167,000 and what we're actually saying is if we can get the
3 \$250,000 together and see what we can do. We can make this
4 go.

5 MS. COLEMAN: A commitment from the
6 Crooked Road would be huge, what could you get from the
7 Crooked Road?

8 MR. BOYD; I don't know what you'd get
9 at this point but there was a letter written to encourage but as
10 far as the Crooked Road, there's other trails, anything like that
11 can tie in.

12 SENATOR CARRICO: Any other
13 comments?

14 SENATOR CHAFIN: I know that this
15 project is not ranked very high but the theater has existed for
16 quite some time and I believe it was successful in the past.
17 The theater was formed during the Depression and it's a key
18 feature for that community, the western part of Tazewell
19 County. These gentleman and many others have worked long
20 and hard and put in a lot of time and energy to make this
21 project go and to bring the project to where it is, put a roof on
22 it, new flooring and they got it to the point where the marquee
23 is lighted and the community is very supportive of the project
24 and put in \$167,000 so far. They also have gone out and
25 achieved a match of \$125,000. I like the fact that they've

1 done the things, the extraordinary things that these people
2 can do and done what they needed to do to further the
3 application. For that reason, I'm going to move we support
4 this project.

5 SENATOR CARRICO: We have a motion,
6 I do have a question because you showed eight new jobs, do
7 you have any other analysis?

8 MR. BOYD: At the end of four years, we
9 think maybe fifteen jobs. There's also going to be a coal
10 museum on the adjoining property that's really going to be
11 nice and this will tie in with the crab orchard in Tazewell.

12 SENATOR CARRICO: We have a motion
13 that we approve the \$125,000, is there a second.

14 DELEGATE MOREFIELD: Second.

15 SENATOR CARRICO: There's a motion
16 and a second that we approve this project at \$125,000. All in
17 favor say aye. (Ayes.) All opposed? (No response.) That is
18 approved.

19 MR. GRAY: Thank you, thank you, thank
20 you.

21 SENATOR CARRICO: Grant number
22 3200.

23 MS. WILLIAMS: Grant 3200 is a
24 \$500,000 request for the Scott County EDA Riverside
25 Development Phase Three site development. There's a fifteen

1 acre pad at that site. In September the project was tabled.
2 They're continuing to seek matching funding and they're
3 planning to apply to ARC in the fall. They have requested that
4 this project remain tabled and the staff recommends the
5 project remain tabled.

6 SENATOR CARRICO: Any questions from
7 the Committee? Anyone from the audience want to speak?
8 All right, is there a motion we table the project?

9 MS. LOWE: So moved.

10 MR. MONTGOMERY: Second.

11 SENATOR CARRICO: It's been moved
12 and seconded that we accept the staff recommendation and
13 table this project, grant number 3200. All in favor say aye.
14 (Ayes.) Opposed? (No response.) Next 3195, the Southwest
15 Virginia Recreation Authority.

16 MS. WILLIAMS: This proposal was
17 referred to VRA in September. It was a \$500,000 request and
18 this was used to establish an ATV rental business. The FY17
19 application requests \$200,000 to establish an ATV rental
20 business. Part of this funding will help create five trail
21 technical positions. The \$200,000 is for equipment and the
22 remaining \$300,000 was for staffing. VRA has expressed
23 preference to fund capital expenses and for that reason the
24 Southwest Region Recreational Commission or Authority, they
25 have requested that the \$300,000 that was to be used for

1 salaries be reconsidered as a grant. They are continuing to
2 work with VRA to work on the \$200,000 loan request for the
3 equipment portion of it. The staffing needs have changed a
4 little bit and they have other funding to help pay for the trail
5 technicians. This would help provide two years support for
6 sales manager, engineer and construction supervisor
7 positions. Staff recommends the award of \$300,000 to fund
8 staff positions to expand construction of the trail network and
9 implementation of the ATV rental business.

10 SENATOR CARRICO: Anyone here that
11 wants to speak to grant 3191?

12 MR. LINDSEY: I'll be glad to speak to it
13 and answer any questions the Commission has. I'm Sean
14 Lindsey and I'm the executive director of Spearhead Trails.
15 The park trails are expanding and we're hoping to continue
16 that expansion, approximately a hundred miles of new trails,
17 and with that you have to expand your staff. One of the
18 biggest problems we have is that we need to be able to have a
19 way of renting the ATVs. There's not a group in Southwest
20 Virginia that has the ATVs, so we're losing business because
21 people call all the time wanting to rent an ATV. So we want to
22 start this business with others and rent ATVs along with us.
23 We would have to move some of the ATVs to the counties and
24 there are some private companies interested. Right now we
25 have three or four that want to start up and partner with us.

1 Not only do we need the ATVs but we need the help of the
2 employees. We're having some difficulty with the growth.
3 Although the growth has been very good, we think it will be
4 much better. We also need a full time trail engineer and in
5 the past there's been a field operating supervisor. That person
6 will now become more of a full time engineer design of new
7 trails and continue that hundred mile per year growth. Some
8 of our money has been from the VCEDA fund has been
9 running out but we'll need to build our staff. One or two
10 counties this year want to build trails. What I'm saying is
11 we're getting a lot more counties that want to work with us
12 than we had before.

13 I'd also say our marketing effort has been
14 picking up. We partnered with the Heart of Appalachia and
15 that market is exploding and we're starting to get people from
16 New England, Canada, we even got a call the other day from
17 Spain. People want to come to our area to ride the ATVs and
18 explore these trails.

19 Thirty percent of our customers come
20 from Virginia, with seventy percent out of state. The next is
21 Tennessee, North Carolina and South Carolina. They're not
22 coming so much from West Virginia and Kentucky. They have
23 trails and we're trying to compete with their tourism. These
24 funds would help us to remain the same for at least the next
25 two years and help us realize the eight hundred miles of trail

1 for the next three years and we want to capture that market.
2 We want to see one day that we could tell you that fifty
3 percent of our customers come from overseas. In order to do
4 that, we have to have that they can get here and that they'll
5 enjoy this when they are here.

6 That's the reason for the grant and we
7 feel we can do a great job and have done a great job but of
8 course with your help and we recognize we wouldn't have an
9 organization if it weren't for the help from this Commission
10 and we thank you for that. I'll be glad to answer any
11 questions.

12 SENATOR CARRICO: Any questions from
13 the Committee? Hearing none, then on grant 3195, is there a
14 motion?

15 MS. LOWE: I heard \$500,000 and I
16 heard Sara say the \$300,000.

17 MS. WILLIAMS: The \$200,000 is for
18 equipment and that is still being considered by VRA. So this
19 would be the \$300,000 for the portion of that to request the
20 staff positions.

21 SENATOR CARRICO: Any further
22 questions?

23 SENATOR CHAFIN: Do we have any idea
24 when VRA will make a decision?

25 MR. FEINMAN: We had a staff meeting

1 with VRA the other day and they went through all the projects
2 and we went with them and varying degrees of comfort, just
3 being honest about it. On this project, but if they were to get
4 this grant award, this is just our view, they're now only taking
5 loans on things against which could be used as collateral.
6 What that means in the loan making world still at least a
7 month or so.

8 SENATOR CARRICO: Any other
9 questions? Hearing none, then is there a motion? Since
10 there's no motion, we'll move on to grant number 3201.

11 MS. WILLIAMS: 3201 is a request from
12 Wythe County requesting \$750,000 for the Appalachian
13 Regional Exposition Center. This project received \$750,000
14 award in 2015 and this is the second request for funding for
15 this project. The information received from Wythe County
16 indicates they're planning to approach the Commission for an
17 additional \$1.5 million in future rounds for this project. They
18 have taken on \$5 million of debt service for the project
19 already. The staff felt that the nature of this project because it
20 is revenue sharing and that could fit into the VRA loan
21 program. In September, we recommended referral to VRA for
22 consideration of a loan and that is still our recommendation
23 that the project be referred to VRA for a loan evaluation.

24 SENATOR CARRICO: So they have not
25 drawn down the whole \$750,000?

1 MS. WILLIAMS: They're in the process of
2 drawing it down. They expect that the grading will be
3 complete in late summer July or August. The first grant is
4 being used.

5 SENATOR CARRICO: When we first
6 heard about this project, the recommendation was to do it in
7 phases, \$750,000 each phase. Once that phase one was
8 completed, then go to the next phase.

9 MR. PFOHL: Mr. Chairman, I don't
10 believe that that initial \$750,000 award made any additional
11 commitment for future funding. That's beyond the purview of
12 the Commission for one year to allocate the Commission in
13 future years.

14 MR. FEINMAN: When we do multiple
15 years of funding, we're still looking for it at the moment we
16 give the funding. We don't give promises for future years.

17 SENATOR CARRICO: I understand that
18 but when they came before us the first time on the first phase
19 of the project –

20 MR. PFOHL: I believe the request was for
21 \$3 million to begin with and the Commission committed
22 \$750,000 toward the grading.

23 SENATOR CARRICO: All right. Anyone
24 in the audience want to speak to this projected?

25 MR. REEDS: Mr. Chairman, my name is

1 Jim Reeds and I'm the chairman of the Wythe County board of
2 supervisors. We have our vice chairman. I have several
3 people from our board here and the director of the expo board
4 here.

5 UNIDENTIFIED: Good afternoon. I
6 appreciate you having us today. I sent an email to everybody
7 on the Commission to give them an update as to where we
8 were on the project. One of the statements on the email was
9 concerning the grading. The grading is approximately eighty
10 percent complete at the site. In the beginning we had quite a
11 bit of rain and it's been a blessing and a curse but we expect
12 to have our request submitted to the Commission the first
13 week in June. We're excited about that and excited about
14 moving forward.

15 Just as an update, just this past couple
16 of days we met with and this past December we agreed on the
17 first part of that, the original \$750,000. I just want to
18 emphasize this is a regional project and we have the support
19 from all the neighboring localities. Those folks recognize this
20 is not just a Wythe County project, this is a Southwest
21 Virginia project. We're located right next to North Carolina,
22 West Virginia, Tennessee and Kentucky. Wythe County is
23 unique because we have two interstate highways, which
24 makes access to our area very easy. Being in the panhandle
25 of Southwest Virginia, this gives us an incredible opportunity

1 to bring additional money to the Commonwealth from all the
2 neighboring localities. This will be a unique facility west of
3 Roanoke. The total budget for this project is \$9.5 million plus.
4 Our original request from the Tobacco Commission was \$3
5 million. Even with the full \$3 million amount, the county is
6 still going to be supporting this by investing \$6.5 million on
7 this project. We certainly need your money but at the end of
8 the day, this is a much broader, we have so much more of a
9 stake in it. We really appreciate what you guys are doing and
10 we need your part in this to make it a success as a match and
11 then some as far as the county is concerned. It's all about us
12 working together. We feel it's good for Southwest Virginia and
13 good for the entire Commonwealth.

14 SENATOR CARRICO: Thank you.

15 MR. MILLER: Good afternoon. I'm the
16 chairperson, Appalachian Regional Exposition authority, the
17 second member of the board that's been appointed by the
18 board of supervisors. Just to clarify so you all understand,
19 we're in the process of construction. Once that's done, it's
20 going to be the authority's job to manage it.

21 So as the chairperson, I'll give you an
22 update where we are. We have secured an outside consultant
23 part of the SMG Consulting Group. Our job now is to market
24 that facility and secure future events. What we've looked at in
25 all of our so called competitors and our partners in

1 authority and the authority's involvement. I just want to point
2 out the great work that has been done there so far is nearly
3 completed. We had a meeting last night and the grading work
4 should be done in the next two to three weeks barring any
5 weather disaster. We've also been informed by the county that
6 the bid process on the building will go out in the very near
7 future and then the construction would start in a timeline of
8 about August, construction of the main building in August.
9 I'd be glad to answer any questions I can or Tim or Jeremy,
10 whatever we can answer for you guys.

11 SENATOR CARRICO: Anyone on the
12 Commission have any questions?

13 MR. REEDS: I'd like to make one more
14 comment. We've done the 75% plan review and submitted our
15 comments back to them and we should have the full set of
16 plans by the second week in June and obviously put the
17 building out on bids.

18 SENATOR CARRICO: You already have
19 the plans in the works?

20 MR. REEDS: 75%.

21 SENATOR CARRICO: Any questions from
22 anyone?

23 MS. COLEMAN: You may have noticed
24 that our available balance is eight hundred and some
25 thousand. The \$750,000 combined with another project will

1 exhaust our funding. There's a suggestion they look to VRA.

2 MR. REEDS: We'll certainly take what
3 the Commission can give us. As far as the loan, I know the
4 county has already borrowed five million. We're doing a three
5 to one match with the Tobacco Commission. I think that
6 should be enough from the county putting forward on this
7 project and as a regional partner.

8 SENATOR CARRICO: Just to be clear,
9 we're now at \$695,000.

10 MR. FEINMAN: One of the things I would
11 say when the Executive meets and discusses the budget from
12 last year to this year and next, our available budget will be
13 shrinking. Your carry forward in some ways will be a
14 significant and you have to consider what part of your budget
15 is committed.

16 DELEGATE KILGORE: Next year's
17 budget and what's been proposed in the past is only \$2
18 million totally in the whole Southwest budget.

19 SENATOR CARRICO: If we have a carry
20 forward of \$695,000, then it would be \$2,695,000?

21 MR. FEINMAN: That's correct.

22 MR. PFOHL: We've also tabled nearly \$2
23 million of requests here today, so competition is steep.

24 MR. MILLER: If I could say one more
25 thing, as we drove down here today and we're going to have to

1 operate and market our site, as we drove down here, we
2 passed nothing. Considering the capability of our structure, it
3 doesn't exist. If I get in my car and drive out to Lee County or
4 from here to us. So what I'm saying is this can be the
5 structure that we can hang our hat on and we can say if we
6 can do this, look what we've done for Southwest Virginia. This
7 is not something where we would have a competitor out there.
8 There's not a competitor in Southside. We have a partner we
9 feel confident about that's going to host events in Southside.
10 We're going to be monitored in that structure and what I'm
11 saying is that there's nobody out there that's going to compete
12 with us and we're not taking business away from anybody that
13 you guys have already helped. We want to foster our
14 participants to come to our community. We're all aware of
15 what used to happen in Southwest Virginia when people came
16 in with NASCAR events and tourism. In the town of
17 Wytheville, you couldn't book a room when NASCAR or
18 another event like that happened and now there's plenty of
19 rooms available. We've looked at these competing structures
20 and out of state and looked at the events. I just want to know
21 we want every possible event we can have at that structure.
22 When we were in Fletcher for example, there was a food
23 festival and a wellness festival and they had fifteen thousand
24 people and the Ag center had nothing to do with agriculture.
25 We want to book as many things as we

1 possibly can and the Commission's logo would look great in
2 our marquee. Where we need to put it and position it and it's
3 a great logo and we'd be happy to put it wherever it needs to
4 go.

5 SENATOR CARRICO: Anyone else have
6 any questions for Wythe County? Is there any
7 recommendation from the Committee on the project? Being
8 mindful we have \$695,000. All right, hearing none, does that
9 complete the number of grants?

10 MS. WILLIAMS: We have a couple of
11 extensions to consider. We have two extensions, both related
12 to the Scott County Economic Development Authority Daniel
13 Boone Interpretive Center. The first is grant 1642, approved
14 in July of 2008 for \$70,000 and has a \$41,123.60 balance.
15 The current end date is May 31, 2017 and there's a request
16 for additional time.

17 The second grant is 2117 for the same
18 project and this is approved for the reserve program in July of
19 2010. It has a full balance of \$159,600 and the current date
20 is June 30, 2017, so there's a request for additional time. The
21 Commission's funds serve as a required twenty percent match
22 to VDOT award, which covers eighty percent of the expenses.
23 The good news is, is that the property was successfully bid in
24 October 2016 and a contract awarded. Construction has
25 begun and is estimated for completion in the first quarter of

1 2018. Staff is recommending of approval of extensions for
2 both projects and for both grants May 31st, 2018.

3 SENATOR CARRICO: Is there a motion
4 on the staff's recommendation and these extensions go to May
5 31, 2018.

6 MS. LOWE: So moved.

7 SENATOR CARRICO: It's been moved
8 and seconded that we extend the grants to May 31, 2018. All
9 in favor say aye. (Ayes.) Opposed? (No response.) Those
10 extensions are granted.

11 MR. PFOHL: I'd like to clarify
12 LENOWISCO.

13 MR. FEINMAN: I'll just point out that the
14 motion to accomplish for project 3192 was not to continue to
15 table but approve funding contingent on their receipt of
16 matching funds.

17 MR. PFOHL: Mr. Chairman, the
18 Committee and the Commission approved \$1.25 million for
19 the LENOWISCO project back in September. The condition
20 was it was contingent on approval of POWER grants sufficient
21 to complete acquisition and site readiness. They were
22 unsuccessful in obtaining the POWER funding last fall as Sara
23 pointed out and now will have to go for federal funding. What
24 LENOWISCO was asking was that the Commission's obligation
25 under that grant approval continue and contingent on other

1 matching funds and POWER. It's not a new grant approval.
2 They're asking us to affirm the approval that was made last
3 September, contingent on other federal matching funds. The
4 concern was that if we tabled it and they were successful in
5 getting matching funds and then they had to come back to us.
6 We want you to keep the obligation like we made last
7 September.

8 SENATOR CARRICO: Senator Chafin?

9 SENATOR CHAFIN: Yes, I would make
10 that motion to continue the provision of matching funds in
11 American dollars.

12 SENATOR CARRICO: There's a motion.

13 MS. LOWE: Second.

14 SENATOR CARRICO: There's a motion
15 and a second that we continue LENOWISCO and the grant
16 until matching funds are obtained. All in favor say aye.
17 (Ayes.) Opposed? (No response.) That takes care of that. Is
18 there any public comments? Hearing none, we're adjourned.

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20 PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional 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 **Tobacco Region Revitalization Commission Southwest Economic Development Committee meeting when held on Wednesday, May 17, 2017 at 4:00 p.m. at the Appomattox County Community Center, Appomattox, 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 27th day of May, 2017.

Medford W. Howard
CCR #0313137