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**TOBACCO REGION REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501  
Richmond, Virginia 23219

**Special Projects Committee Meeting**

Tuesday, September 18, 2018  
1:30 o'clock p.m.

Floyd Event Center  
188 EcoVillage Trail, Southeast  
Floyd, Virginia 24091

1     APPEARANCES:

2     The Honorable Daniel W. Marshall, III, Chairman  
3     The Honorable Charles W. Carrico, Sr., Vice Chairman  
4     Ms. Gayle F. Barts  
5     The Honorable Kathy J. Byron  
6     The Honorable A. Benton Chafin, Jr.  
7     Ms. Gretchen Clark  
8     Mr. Joel Cunningham  
9     Mr. Demeria  
10    Ms. Julie Hensley  
11    Mr. Robert Mills, Jr.  
12    The Honorable Edward Owens  
13    Ms. Sandy Ratliff  
14    Mr. Robert Spiers

15

16    COMMISSION STAFF:

17    Mr. Evan Feinman, Executive Director  
18    Mr. Andy Sorrell, Deputy Director  
19    Mr. Timothy S. Pfohl, Grants Director  
20    Ms. Sarah K. Capps, Grants Program Administrator,  
21        Southside Virginia  
22    Ms. Sara G. Williams, Grants Program Administrator -  
23        Southwest Virginia  
24    Ms. Jessica Stamper, Grants Assistant  
25        Southwest Virginia

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COMMISSION STAFF *(Continued)*:

Ms. Stacey Richardson, Administrative Supervisor

COUNSEL FOR THE COMMISSION:

Ms. Elizabeth Myers  
Assistant Attorney General  
Richmond, Virginia 23219

1 September 18, 2017

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DELEGATE MARSHALL: Good afternoon. I'm going to  
5 call the Special Projects Committee Meeting to order, and ask  
6 Evan to call the roll.

7

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

8

Ms. Ratliff.

9

MS. RATLIFF: Here.

10

MR. FEINMAN: Ms. Barts.

11

MS. BARTS: Here.

12

MR. FEINMAN: Delegate Byron.

13

DELEGATE BYRON: Here.

14

MR. FEINMAN: Senator Carrico.

15

SENATOR CARRICO: Here.

16

MR. FEINMAN: Ms. Clark.

17

MS. CLARK: Here.

18

MR. FEINMAN: Senator Chafin.

19

SENATOR CHAFIN: Here.

20

MR. FEINMAN: Ms. Hensley.

21

MS. HENSLEY: Here.

22

MR. FEINMAN: Delegate Marshall.

23

DELEGATE MARSHALL: Here.

24

MR. FEINMAN: Mr. Mills.

25

MR. MILLS: Here.

1 MR FEINMAN: Mr. Owens.

2 MR. OWENS: Here.

3 MR. FEINMAN: Mr. Spiers.

4 MR. SPIERS: Here.

5 MR. FEINMAN: Mr. Cunningham.

6 MR. CUNNINGHAM: Here.

7 MR. FEINMAN: You have a quorum.

8 DELEGATE MARSHALL: I have a motion to approve  
9 the minutes.

10 MR. OWENS: So moved.

11 DELEGATE MARSHALL: I have a motion and a second.  
12 All those in favor, say aye. (Ayes). Opposed? (No response).  
13 The minutes are approved.

14 First, we've got to take up this health care. The  
15 Special Projects Committee originally was designed to look into  
16 the very high impact areas as far as healthcare programs and  
17 projects, but within the Footprint. I believe it was optional for  
18 Southside and especially some of the counties that didn't have a  
19 high enough allocation to undertake certain projects. And later  
20 on, there were some cancer research projects that we engaged in  
21 involving MCV, always with an eye to the fact that all this  
22 wouldn't continue forever.

23 The Commonwealth, or at least the last ten years, has  
24 dedicated a significant amount of resources to these projects,  
25 also with an eye towards our priorities from this Committee and

1 that were supposed to be spent in the Footprint. So that's why  
2 we're having this meeting to get some Committee input on what  
3 you think.

4 Now, Tim, how much money have we invested in  
5 healthcare in the last decade, in these programs?

6 MR. PFOHL: That's a very good question, sir. The  
7 majority of the investment has been in the cancer centers, UVA  
8 and MCV, and then we've had several of these clinics. One figure  
9 that comes to mind off the top of my head is \$23 million, but at  
10 least \$17 million, \$18 million a year, but the actual figure I don't  
11 have right now. I can get that for you.

12 MR. FEINMAN: Well, it's certainly a significant amount  
13 of money and when the Staff recommends the funding, partial  
14 funding of the Cancer Centers, we've certainly done a good share  
15 of financial support that we've been asked to do. But I think we  
16 need to be active as far as the legislature, as far as continued  
17 funding of these programs. Now, we're ten years into this, and  
18 the question is can we continue? That's up to the Committee.

19 DELEGATE MARSHALL: So, are there any questions or  
20 thoughts or comments from any Committee members you'd like  
21 to make?

22 MR. MILLS: Well, I think that we ought to be  
23 spending these funds in the Footprint, and I think that ought to  
24 be our primary concern. I think we have enough to do in the  
25 Footprint.

1 MR. FEINMAN: When we get into the act of promoting  
2 healthcare and more broadly, but I think maybe the proper  
3 course would be for the Committee to adopt a resolution and  
4 really it would be a statement that we're willing to work with you  
5 so you're not interrupting your funding, but there needs to be a  
6 plan to seek continued funding in the budget while reducing  
7 funding from the Commission.

8 DELEGATE MARSHALL: Listening to what Evan just  
9 said, are there any questions?

10 MR. SPIERS: My question is will this impact medical  
11 education? Because many of these projects, it's hard to see any  
12 short-term, the way, the Committee, there may be long-term  
13 impacts, but my question would be could we still be involved with  
14 some of the medical education?

15 MR. FEINMAN: I think the specific instruction would  
16 be the two entities sitting outside the Footprint. VCU and the  
17 Center at UVA, and the question is whether or not the  
18 Commission and the Committee wants to undertake other  
19 healthcare funding projects, I think there's a project in the  
20 budget or in Special Projects while Special Projects maintain  
21 some health funding and considering the strategic plan within the  
22 purview of this body. The real question is, are those specific  
23 projects that are significant expenditures outside the program to  
24 do what we all acknowledge should be done and we don't want  
25 there to be any decrease in the cancer research going on that

1 might not really be the main function of this organization?

2 Certainly, we're in support of these programs and  
3 we've shown that as far as the Committee, but I think we need  
4 to look at all the spending.

5 DELEGATE MARSHALL: Any other questions or  
6 thoughts? All right. Evan has put on the table a resolution, and  
7 we'd like to put that before the Committee for a vote and bring it  
8 up to the Full Commission tomorrow or make that offer. All  
9 right, we have a motion.

10 MR. MILLS: I'll second.

11 DELEGATE MARSHALL: Any discussion on the motion?

12 MR. FEINMAN: Maybe a friendly amendment. Maybe  
13 it's a directive to the Director and the Staff to create a letter and  
14 signed by the Commission leadership.

15 DELEGATE MARSHALL: Any further discussion on the  
16 motion?

17 MR. SPIERS: I'm trying to understand what we would  
18 be voting on, that we will be asking the General Assembly to  
19 begin funding more of this research?

20 MR. FEINMAN: We would be asking them to seek  
21 funding other than the Commission, in other words, reducing  
22 funding from the Commission.

23 DELEGATE MARSHALL: Any more comments? All  
24 those in favor of the resolution, say aye. (Ayes). Opposed? (No  
25 response). All right, that passes.

1 All right. Let's go then to Item Number 3467.

2 MR. PFOHL: Mr. Chairman and members of the  
3 Committee, to set the stage a little bit here, this is the annual  
4 cycle for Fiscal Year 2019 for the Special Projects program, and  
5 the Commission announced in mid-July the application due dates,  
6 and these were all submitted online, and we got 23 proposals.  
7 And one was subsequently withdrawn by the applicant, and there  
8 was some staffing turnover and they'll withdraw this and then  
9 submit it at a later date.

10 So, we have 12 active proposals put into two  
11 groupings. One is Access to Healthcare for Tobacco Region  
12 residents, and the second one is Regional Economic  
13 Development, and that requires participation by multiple  
14 localities, and there's an exception to that, and we'll talk about it  
15 when we get to those proposals. We have a total of \$9 million of  
16 requests, and most importantly, the Committee has a balance of  
17 \$4.7 million, just over \$4.7 million, and we'll go through those  
18 recommendations for you. I'll try to be brief.

19 The first one up is 3467, Edward Via Virginia College  
20 of Osteopathic Medicine, Railways to Healthways; Serving  
21 Southwest Virginia's Health, Education, and Economy. This  
22 project was previously submitted to the Competitive Education  
23 Program, an estimate of 2,700 students could be helped through  
24 the career coaching system. The applicant would work with the  
25 school system of Buchanan and Tazewell Counties and the

1 Southwest Virginia Community College and with Bluefield College  
2 to expand the career coaching systems of those school districts  
3 to increase focus on healthcare-related educational and career  
4 opportunities. The funding would be used over a three-year  
5 period to supplement current career coach positions at  
6 Southwest Community College and Bluefield College and expand  
7 the time they are able to spend with students. That education  
8 would be used to back up those careers.

9 This proposal does not directly align or provide health  
10 care services to any Commission residents. The proposal such as  
11 the one presented here simply does not align with the  
12 Commission's stated performance measures outlined in the  
13 strategic plan back in May. This does not directly provide  
14 healthcare services to Tobacco Region residents, which is the  
15 primary objective. The impact of career coaches is difficult to  
16 measure, given that it is difficult to attribute a student's career  
17 choice to counseling that was received years before.

18 The applicant also states an interest to submit  
19 additional requests to sustain and expand the program in future  
20 years. Without a plan to sustain the program, we're also  
21 recording measurable direct outcomes consistent with the  
22 Tobacco-funding priorities, it is unlikely that a request such as  
23 this can be supported.

24 We commend the project partners for working toward  
25 a two-plus-two-plus graduate post-secondary education pipeline,

1 but Staff is suggesting that funds should be focused on, because  
2 of the Commission's limited resources, to projects that directly  
3 deliver healthcare service to students through the Special  
4 Projects program and supporting educational projects that  
5 directly award healthcare workforce credentials to students  
6 through the Education Program. Staff recommends no award.

7 DELEGATE MARSHALL: Are there any questions?

8 SENATOR CHAFIN: Why would this project not be  
9 better suited to Education?

10 MR. PFOHL: It actually was submitted to the  
11 Education Program, and it was passed by this past spring, but it  
12 was passed by because the objective of that program is to  
13 support programs that directly deliver education credentials, CNA  
14 certificates and so forth and nursing degrees, so the Education  
15 Committee passed it by back in May.

16 SENATOR CHAFIN: So, they had already considered  
17 it?

18 MR. PFOHL: Yes.

19 DELEGATE MARSHALL: Next up.

20 MR. PFOHL: Okay, next up is University of Virginia  
21 request for just under \$800,000, 3462, University of Virginia,  
22 Providing Access to Cancer Screening and Cancer Care Services.  
23 They provide this cancer screening program for cancer patients  
24 and their caregivers. This includes a combination of career  
25 screening programs, insomnia treatment services for recovering

1 cancer patients and their caregivers, and providing full-service  
2 colorectal services to those that may be forced to go without.

3 There's actually three projects here. The colorectal  
4 cancer and ongoing screenings for breast and cervical cancer and  
5 the SHUTi project addressing insomnia in cancer patients and  
6 caregivers. The SHUTi program is estimated to serve 300  
7 participants. A hundred fifty-five thousand plus is allocated to  
8 continue to provide mobile breast and cervical cancer screenings  
9 onboard the mobile mammography van, both the van and  
10 screening services have been supported under previous  
11 Commission grants.

12 Mammography services will be provided to 525  
13 women, and 100 women will receive HPV screening. Mobile  
14 follow-up services will be provided for 45 women. The Colorectal  
15 Cancer Care Program will dispense FIT screening tests. Half of  
16 these will result in processed FIT tests for testing services, and  
17 72 positive screens will receive free colonoscopies.

18 Commission funds will be used for testing services  
19 (FIT tests and colonoscopies) and travel assistance for patients.  
20 This results in about \$316,000 and change for non-program  
21 specific, general support. These funds will be used to continue to  
22 support the Cancer Navigator position based in Wise, Virginia,  
23 which has been supported under previous Commission grants.

24 Additionally, a region-based Community Resource  
25 Navigator will be added in years two and three to provide

1 patient-partnered sites for colonoscopies. If necessary, patients  
2 could be transported to places like Charlottesville when services  
3 can't be secured.

4 Staff is recommending that or suggests that funding  
5 one-third of this proposal would be sufficient resources for UVA  
6 to use well into a second year, and sustain these initiatives until  
7 the FY20 round and its healthcare funding priorities are known.

8 So, Staff recommends an award of \$266,562.

9 DELEGATE MARSHALL: Does anyone have any  
10 questions about that project? All right. Tim.

11 MR. PFOHL: The next is 3461, Virginia  
12 Commonwealth University for more than \$2.4 million for three  
13 initiatives. Our priority initiative is Initiative Number 1, which  
14 will increase access to colorectal cancer screening and treatment  
15 services. Initiative 2 will identify, prioritize and provide access to  
16 effective treatment focused interventions that address known  
17 cancer risks. Initiative 3 will identify rural practices interested in  
18 conducting CPC research and test ways to improve uptake of  
19 cancer screening and prevention behaviors. Our primary  
20 outcome will be to increase the number of Tobacco Region  
21 residents that have access to colon cancer preventions, control,  
22 and screening opportunities.

23 Previous grants, including the current grant to the  
24 VCU's Massey Cancer Center, previous grants, including one  
25 current grant, have primarily funded cancer education and

1 outreach provided by Staff at two Cancer Research and Resource  
2 Centers located in Lawrenceville and Danville. Similar to UVA's  
3 Cancer Center proposal in this grant cycle, the Massey Cancer  
4 Center's top priority is on increased access to colorectal cancer  
5 screening and prevention services, while two additional initiatives  
6 would educate residents about lifestyle behaviors that increase  
7 the risk of contracting cancer, and recruit primary care clinics  
8 and oncology practices in the region to participate in research  
9 and screening prevention.

10 A primary deliverable on Initiative 1 is to recruit and  
11 train Colorectal Health Resource Champions to serve as  
12 community ambassadors to encourage screening and prevention.  
13 Initiative 2 intends to evaluate and inform patients on lifestyle  
14 behaviors, such as smoking, obesity, exercise, and healthy diets,  
15 and includes the involvement of VCU's Department of Social and  
16 Behavioral Health. Initiative 3 builds on an existing statewide  
17 research network to recruit rural practices to collect patient data  
18 and expand the continuing education for staff.

19 Each of the three-named initiatives are requesting  
20 \$814,000 over three years. This request seeks nearly 52 percent  
21 of the available Special Projects balance of \$4.73 million, for a  
22 three-year project period. Of this \$2.44 million request, 37  
23 percent of the personnel funds requested and 30 percent of the  
24 overall request would be spent outside of the region. \$1.72  
25 million in-region total versus \$720,000 spent in RVA, primarily

1 for already funded existing positions. Matching funds on all  
2 previous grants have almost entirely come from existing  
3 Richmond-based research and administrative staff at Massey  
4 Cancer Center. No detail was provided on specific match in this  
5 request, although Massey states that those would once again  
6 come from Richmond-based activity.

7 Outcomes and deliverables make heavy use of terms  
8 including evaluate, assess, measure, compare efficacy, inform,  
9 engage, educate, and are projecting 4,900 Tobacco Region  
10 residents receiving services per year, an increase from 4,600 in  
11 the current year. However, it should be noted that the majority  
12 of those will primarily receive education material.

13 There is heavy emphasis on data collection rather  
14 than the delivery of specific healthcare treatment services aside  
15 from education, so the actual number of residents who receive  
16 expanded access to critical and direct health treatment services,  
17 a funding priority for this program, is difficult to determine.

18 The four most recent annual grants to Massey have  
19 funded only expenses within the Tobacco Region to fund the  
20 Cancer Research and Resource Center, have averaged \$525,000.  
21 Until such time as significant matching funds are committed to  
22 in-region expenses, and the healthcare funding that you just  
23 discussed, the Staff proposes that funding be limited to one year  
24 of in-region expenses, as proposed in the budget.

25 The Staff recommends a grant award of \$565,000 for

1 one-year funding to be spent exclusively on Tobacco Region  
2 personnel and operating costs, matched at least equally by non-  
3 Commission Richmond-based funds.

4 MR. FEINMAN: Mr. Chairman, to put some context  
5 around the Staff recommendation, like all programs, you have a  
6 long period of time and we're not recommending we're going to  
7 pull the rug out from anybody, and all these will be in full  
8 operation for a year at least, these programs, in the Footprint.  
9 So, we're giving sufficient time and then go to the General  
10 Assembly, and this will give the Committee time to come back  
11 around and evaluate it.

12 DELEGATE MARSHALL: Any questions from the  
13 Committee. All right, thank you.

14 MR. PFOHL: To carry on our fourth and final  
15 healthcare project is Virginia Health Care Foundation for the Sign  
16 Up Now Project, Creating a New Market for Healthcare Services,  
17 3463, requesting \$500,000. Richmond-based VHCF, a creation  
18 of the 1992 General Assembly and an IRS-designated 501(c)(3)  
19 nonprofit, has nearly two decades of experience contracting for  
20 local Outreach Workers and extensive partnerships with local and  
21 regional organizations in the Tobacco Region that have been  
22 assisting and advising families in signing up for the state FAMIS  
23 programs.

24 VHCF is also well-acquainted with the Tobacco Region,  
25 having provided more than \$22 million of grant funds to

1 healthcare professionals and facilities in the region since its  
2 inception. The passage of healthcare expansion in the 2018  
3 General Assembly session, along with the reduction of state  
4 funding for the FAMIS Outreach Workers, presents a unique  
5 opportunity to focus those patient navigators and the local  
6 sponsoring organizations to assist families in completing  
7 paperwork to sign up for medical Insurance.

8 Outcomes are estimated, based on typical caseload for  
9 a FAMIS Outreach Worker, to assist 5,600 Tobacco Region  
10 citizens in enrolling for medical insurance during the two-year  
11 period of this proposed project, eight Outreach Workers, each  
12 enrolling 350 individuals per year. Fifteen Tobacco Region cities  
13 and counties in Southwest and Southside will be served based on  
14 matching funds from foundations serving these localities.  
15 Partners include local and regional organizations that will provide  
16 a base for the Outreach Workers, including Virginia and  
17 Southwest Virginia Legal Aid Societies, The Health Wagon,  
18 Piedmont Access to Health Services, Martinsville Henry Coalition  
19 for Health and others. Matching funds have been approved by  
20 Sentara, \$125,000, and Danville Regional Foundation, \$125,000,  
21 and are anticipated from Harvest Foundation, \$65,000. The  
22 United Companies Foundations request is \$200,000.

23 VHCF has deep experience using a client-tracking  
24 software that will provide reliable reporting of caseloads and  
25 successful enrollments. Chmura Economics estimates annual

1 medical spending at \$6,000 per enrollee, which would result in  
2 nearly \$35 million of annual new healthcare spending in the  
3 Tobacco Region by the 5,600 newly-enrolled citizens when the  
4 two-year period meets its goals.

5 This is clearly a very significant new infusion of federal  
6 healthcare funding into the Tobacco Region on an annual basis.  
7 It will also measurably improve access to healthcare, increase  
8 revenues for local medical practices and health systems, help  
9 patients avoid debt incurred to pay for medical care, and  
10 according to studies in other states that have expanded  
11 healthcare coverage, will improve workplace productivity for the  
12 enrolled individuals and have new access to healthcare.

13 The proposal can arguably be equated to offering  
14 \$500,000 incentive to attract new companies that generates \$35  
15 million of new annual revenues and pays 5,600 part-time  
16 workers across the Tobacco Region. Based on factors, such as  
17 the number of citizens served in the project period, the direct  
18 applicable experience VHCF and its partners have in this  
19 endeavor, and the ability to attract significant funds to the  
20 region, this was the highest scoring proposal in this funding  
21 cycle.

22 Staff recommends a grant award of \$500,000.

23 DELEGATE MARSHALL: Any questions from the  
24 members?

25 DELEGATE BYRON: Are you paying people to fill out

1 these applications on themselves or helping other people?

2 DELEGATE MARSHALL: Is there somebody from the  
3 Healthcare Foundation here?

4 MS. OSWALT: My name is Debbie Oswald, I'm the  
5 Executive Director of the Virginia Healthcare Foundation.

6 DELEGATE MARSHALL: I couldn't hear your question.  
7 I wanted to know if this gives some people an opportunity to sign  
8 up for the Federal programs available, and I don't know about all  
9 the foundations that were mentioned.

10 THE COURT REPORTER: Can you please speak up.

11 MS. OSWALT: I don't know what the Commission has  
12 funded in the past.

13 MR. FEINMAN: We have not, but when Obamacare  
14 passed, we were going to try to help people figure this stuff out.  
15 I know those Navigators have been reduced in number, and in  
16 response to that, we grappled with that and in a number of  
17 different contexts, this question of whether or not the flow of  
18 Federal healthcare dollars should be fully granted or partially  
19 granted or not granted. And it's always the idea will this increase  
20 the access to healthcare and the new capital in the Footprint, and  
21 that's always a question.

22 At the end of the day, the leverage here was just so  
23 strong, \$500,000, \$35 million in the pocket of the Footprint and  
24 involved are nurses, physicians, and so forth. That's pretty  
25 straightforward. When you consider the Federal dollars, of

1 course, we're going to be in the region anyway. And for that  
2 reason, it scored very well in terms of the Staff-scoring measure.

3 DELEGATE BYRON: But it's the same question, will  
4 these people get signed up?

5 MS. OSWALT: I don't know if you realize it, but  
6 Southside and Southwest Virginia have the highest rates of  
7 uninsured people in the state. We've got over 50,000 people in  
8 the Tobacco Region Footprint who will be eligible for Medicaid  
9 when the new eligibility criteria becomes effective. It'll take a  
10 tremendous number of people helping those people. This will  
11 take care of a little more than 10 percent. We do have other  
12 organizations that have people here and there who will be able to  
13 help also, but these are things we have to recognize about the  
14 population in the Tobacco Region, is that over 50 percent don't  
15 have a very high literacy level and over 50 percent of those  
16 housed in the Tobacco Region have adults from age 19 and older  
17 only might have a high school diploma or GED or less.

18 What we've done from states that have already done  
19 this Medicaid expansion is that when it comes to an online  
20 system, these forms and applications, no matter how long these  
21 forms are, and it contains an awful lot of detail and trying to get  
22 all this accurately done, it's really going to take a lot of time and  
23 organization.

24 From the Healthcare Foundation point of view, and  
25 we've been existing in the Tobacco Region by the General

1 Assembly 26 years ago. We've actually invested \$22 million in  
2 the Tobacco Region alone since that time. Some of that  
3 investment has been for average workers, and we've also been  
4 involved in that famous program, and over that period of time,  
5 which is about 19 years ago, and we've had about \$19,000 in  
6 that famous program.

7 There's a lot of factors that aren't always made  
8 known, but people do need a lot of assistance. And sometimes  
9 people just can't do it on their own.

10 SENATOR CARRICO: When it comes to this question  
11 of navigation, would that be in addition to or reducing that  
12 amount the states are already given?

13 MS. OSWALT: Well, that's a good question. The state  
14 did put some money in for more social services service, I think  
15 300 for all around the state, and there's 134 localities and the  
16 social service departments are going to need all that help and  
17 probably more, I don't know about removing that money, but  
18 there are 400,000 uninsured Virginians who will be for Medicaid.  
19 Just because they're eligible doesn't mean that they're going to  
20 enroll. So, they have to do something to get enrolled. I don't  
21 know if there'll be more match money quickly enough, because in  
22 the rural Tobacco Regions, those people are going to need help  
23 no matter what.

24 SENATOR CARRICO: So the question is maybe we're  
25 putting the cart before the horse. And when you have 300 and

1 some people go out and now we're saying that's not enough.

2 MS. OSWALT: When you consider the work that  
3 Social Services is going to do, they're going to handle all the  
4 applications that come in to determine if these folks are eligible  
5 based on these applications, and that's very different than the  
6 Outreach Workers that you're talking about that you're seeking  
7 help for who will actually, and they'll be helping people fill out the  
8 applications. And then those are turned in to the Eligibility  
9 Worker. The Eligibility Workers don't go out and help people fill  
10 things out, people come to their office. The whole idea is to help  
11 get as many applications as possible and get as many people  
12 enrolled as possible and as soon as possible. So, I don't think  
13 you're putting the cart before the horse, to be honest with you.  
14 People have to be hired and trained, and this will be at least  
15 January 1<sup>st</sup>.

16 DELEGATE MARSHALL: Any other questions?

17 UNIDENTIFIED: I heard somebody say one Outreach  
18 person to do 350 applications, I think that's what I heard. So, if  
19 you went with the assumption that these other folks are helping  
20 and that's really not their place. See, that's the real problem.  
21 We'd be looking at something like three or four times that  
22 number if Outreach Workers accomplished all this. Are there any  
23 other entities that are working in the Tobacco Region with  
24 Outreach?

25 MS. OSWALT: There are some people that are

1 qualified to do it in the Tobacco Region, and they have a handful,  
2 maybe one, two, maybe three folks who help people, and they  
3 help people apply for the federal marketplace. They'll certainly  
4 work with their patients they already have, because a lot of those  
5 folks will be eligible and 70,000 of all the Federal qualify, these  
6 are the Health Center patients, and these folks are served, of  
7 course, in Virginia, and they'll be eligible for Medicaid in time.  
8 They are very busy dealing with their own patients.

9 DELEGATE BYRON: You mentioned training, what sort  
10 of education and training will there be for these Outreach  
11 Workers, what's required?

12 MS. OSWALT: We have a special amount of training  
13 that we have for these workers, and that teaches them about  
14 handling the application and the Medicaid programs. There are  
15 certain requirements for entering the system, different portals  
16 are better, but it goes to classification and for clients and that's  
17 one sort of training.

18 Then we have a different training, and we teach this  
19 to the workers so they can track how they are helping every  
20 person that they come into contact with, and that involves  
21 accountability, and that way they can get these applications  
22 approved and enter that into the system. And then that way we  
23 can report statistically the number of people helped.

24 DELEGATE MARSHALL: Any other questions? All  
25 right, thank you.

1                   Now, before we move on to the next issue, before we  
2 move into Regional Economic Development, let's have a motion  
3 on Access to Healthcare. Do you want to vote by the block?

4                   DELEGATE BYRON: I move that we accept the Staff  
5 recommendations for 3467, 3462, and 3461.

6                   DELEGATE MARSHALL: We have a motion on those  
7 three. Do we have a second?

8                   SENATOR CARRICO: Second.

9                   DELEGATE MARSHALL: All those in favor, say aye.  
10 (Ayes). Opposed? (No response). All right.

11                   Next is 3463, Virginia Healthcare Foundation.

12                   MR. MILLS: I move we accept the Staff  
13 recommendation.

14                   A COMMITTEE MEMBER: Second.

15                   DELEGATE MARSHALL: We have a motion and a  
16 second to accept Staff recommendation on 3463. Any  
17 discussion?

18                   SENATOR CARRICO: Mr. Chairman, we can go out,  
19 we've got to get all these things taken care of and nor does any  
20 healthcare facility provide assistance to anyone out there to help  
21 fill out all this paperwork and they may have to or a hospital stay  
22 or something like that. I just think that right now we don't know  
23 how all this is going to be handled.

24                   MR. OWENS: Mr. Chairman, when you consider  
25 400,000 people, of course, people need healthcare today, and we

1 have just got to step up and do this.

2 MR. MILLS: Mr. Chairman, this is an opportunity for  
3 once, we've got to change all this and we've been behind since  
4 the beginning and serving on the board of directors for an  
5 organization who offers healthcare opportunities. We've just got  
6 to step up and help provide this assistance, and this is certainly  
7 an opportunity. I support this because I think a one time should  
8 be prepared for this instead of trying to sidestep.

9 DELEGATE BYRON: Considering a \$90,000 TROF  
10 grant, and I appreciate all the discussion. We are where we are,  
11 and whether we like it or not, we are where we are, but we've  
12 got to move forward.

13 A COMMITTEE MEMBER: Mr. Chairman, in making our  
14 population healthy and that they have the services they need to  
15 make them more productive. Beyond that, I don't know of any  
16 other grant. We're talking about \$500,000 with an expectation  
17 that this could drive, and that would be an economic  
18 development, because without the additional healthcare and the  
19 impact this not only has on the health, but on jobs, all kinds of  
20 employment, I think the representatives have been pretty clear  
21 that the million dollars that the State spends is not in and of  
22 itself the solution. I can tell you that Eligibility Officers are in the  
23 office waiting to see people, and they're waiting for the  
24 applications to arrive. They don't sit there waiting for the  
25 applications to be filled. When you consider eight pages of

1 attachments is very, and we need to get all that sort of thing  
2 done, as well.

3 DELEGATE MARSHALL: Anything else? We've got a  
4 motion and a second.

5 MR. FEINMAN: We have a motion to accept the Staff  
6 recommendation on 3463, \$500,000.

7 Mr. Demeria?

8 MR. DEMERIA: Aye.

9 MR. FEINMAN: Delegate Byron?

10 DELEGATE BYRON: Aye.

11 MR. FEINMAN: Senator Carrico?

12 SENATOR CARRICO: No.

13 MR. FEINMAN: Ms. Barts?

14 MS. BARTS: Yes.

15 MR. FEINMAN: Ms. Clark?

16 MS. CLARK: Yes.

17 MR. FEINMAN: Senator Chaffin?

18 SENATOR CHAFFIN: No.

19 MR. FEINMAN: Mr. Cunningham?

20 MR. CUNNINGHAM: Yes.

21 MR. FEINMAN: Ms. Hensley?

22 MS. HENSLEY: Yes.

23 MR. FEINMAN: Delegate Marshall?

24 DELEGATE MARSHALL: Yes.

25 MR. FEINMAN: Mr. Mills?

1 MR. MILLS: Yes.

2 MR. FEINMAN: Mr. Owens?

3 MR. OWENS: Yes.

4 MR. FEINMAN: Mr. Spiers?

5 MR. SPIERS: Yes.

6 MR. FEINMAN: The motion carries.

7 DELEGATE MARSHALL: Moving on to the Regional  
8 Economic Development.

9 MR. PFHOL: Shifting gears to the Regional Economic  
10 Development. This was established in the early days of the  
11 Commission. The first one is the City of Emporia, this is  
12 Engineering for the Norwood Site Utilities and Site Work, Number  
13 3454, requesting \$130,000. Funds are requested to support  
14 engineering for the provisions of water and sewer to the Norwood  
15 Property. This 38-acre site is located off of U.S. Route 58 and in  
16 close proximity to a four-land-divided highway and access to  
17 Interstate 95.

18 It was purchased by the City of Emporia in 2016 and  
19 targeted for advanced manufacturing or other high water use  
20 industrial sectors. They have done some preliminary  
21 engineering. It's 38 acres. It's in an enterprise zone, a Federal  
22 opportunity zone, and that'll provide additional incentives for a  
23 buildout, which should assist in attracting private investment.

24 Emporia is a member of the Virginia Growth Alliance  
25 Regional Economic Development Partnership, which should also

1 assist in raising visibility of the well-located site for economic  
2 development purposes.

3 Staff recommends a grant award of \$130,000.

4 DELEGATE MARSHALL: Any questions about 3454.  
5 Seeing none, Tim.

6 MR. PFOHL: Moving on to Heart of Appalachia  
7 Tourism Authority, Coalfield Regional Tourism Destination  
8 Project, 3464, requesting \$483,220.

9 This multi-faceted request will continue to build Heart  
10 of Appalachia's capacity to serve as the primary tourism  
11 marketing group for the Southwest Virginia Coalfield Region,  
12 consisting of the Counties of Buchanan, Dickenson, Lee, Russell,  
13 Scott, Tazewell, and Wise, and the City of Norton. HOA provides  
14 marketing services for Spearhead Trails, and elements of this  
15 request will be used to increase capacity related to growing  
16 visitation for the trail system and associated businesses and  
17 related destinations.

18 Additionally, funding has been requested to initiate  
19 development of a Regional Destination Visitor Center to be  
20 located in the Town of Saint Paul and owned by Russell County.  
21 These priorities are reflected in the budget provided for \$483,220  
22 total request amount. To expand marketing and support for  
23 venues and tourism-related businesses, HOA has requested three  
24 years of support to add a Digital Specialist and a Marketing  
25 Coordinator to their staff.

1                   Previous Commission grants, such as 3189, approved  
2 in 2016 for \$217,000 have also added to the organization's staff.  
3 The ongoing growth of the tourism industry in the region has  
4 necessitated the addition of these new positions. Contractual  
5 Services totaling \$144,000-plus, supporting primarily A&E  
6 design and planning for the Visitors Center is requested. This  
7 line item also allocates \$5,000 for Outdoor Trails GPS/Mapping  
8 services to support the development of horse and biking trails.  
9 The budget includes \$17,000 to be used for half of the estimated  
10 cost for a van to be used to transport staff, brochures, trade  
11 show equipment. During review, Staff requested data on past  
12 mileage expenses and learned that in 2017, HOA paid \$4,580 in  
13 mileage reimbursements.

14                   Heart of Appalachia provided \$11,990 for preliminary  
15 design work for the Visitors Center and will contribute half the  
16 cost, \$17,000, of the van purchase.

17                   The outcomes presented for the application represent  
18 the combined impact of all elements of the request. It is  
19 estimated that visitation will increase by 1,800 annually, with an  
20 annual revenue increase of \$47,000. A hundred and ten new  
21 jobs, with an average salary of \$35,000, will be created.

22                   This was a large request covering a wide range of  
23 expenses and funding priorities. It is not clear how the match  
24 requirement would be met if one or both of the intended ARC  
25 applications is not successful. A reduced award will help to

1 mitigate this risk and will help the project to align with  
2 Commission-funding priorities and polices. Until the design  
3 process is completed and Visitors Center construction is funded,  
4 it is premature to commit funding for the development expenses.  
5 Support for Contractual Services for GPS mapping and A&E  
6 design services is recommended at \$142,720. Assistance with  
7 accounting services was also requested; however, supplemental  
8 information received during the review of the proposal indicates  
9 that this expense is related to fiscal management of the grant,  
10 which is not allowable use of funds.

11 Staff is recommending \$17,000 to be used to fund up  
12 to one-half of the cost of the van, HATA's most recent grant  
13 demonstrates that its marketing in Southwest Virginia is reaching  
14 audiences across North America, as demonstrated by request for  
15 visitor materials resulting from ad placements and industry trade  
16 shows, and the partnership to co-promote Spearhead Trails is a  
17 sensible and commendable collaboration. While visitor center  
18 construction financing is being explored, Staff supports funding of  
19 the primary tourism marketing efforts serving the region.

20 So, Staff recommends an award of \$229,720 for the  
21 two requested marketing positions for two years, and for  
22 contracted mapping services, van purchase, and architectural  
23 engineering design work for the proposed visitor center.

24 DELEGATE MARSHALL: Any questions on 3464?

25 UNIDENTIFIED: Obviously, there are certain

1 conditions on all grants?

2 MR. PFOHL: Yes, that's certainly a condition that we  
3 made on all grants. The State Code requires a match, and the  
4 proposed ARC, any non-commissioned source.

5 MR. FEINMAN: There is a concern, and you can talk  
6 about different parts of the project. A visitor center is a nice to  
7 have thing, but you've also got A&E, and these marketing efforts  
8 are good for the region, but we have certain regulations that we  
9 have to abide by when it comes to funding. And there are  
10 certain goals and outcomes to be considered.

11 DELEGATE MARSHALL: Any other questions? How far  
12 is it to Saint Paul?

13 MR. PFOHL: Maybe 30 or 40.

14 DELEGATE MARSHALL: What is the difference in  
15 Heartwood's mission and what Saint Paul's is, don't they do the  
16 same thing?

17 MR. PFOHL: Yes, promoting tourism sites in  
18 Southwest Virginia. A rolling concentration of outdoor recreation  
19 sites and specifically considering the Spearhead Trails.

20 DELEGATE MARSHALL: Please identify yourself.

21 MS. BARKER: I'm Ms. Barker, and I am the Director  
22 of the Virginia Coalfield Tourism Authority. We're not anywhere  
23 close to being finished, and I'm sorry to disagree with you, I love  
24 you, sir. We are part of an environmental education project. We  
25 will also, this visitor center will also act as an office like a state

1 park, it'll have hands-on aquariums that show such things as elk  
2 and salamanders. It'll be more of an educational center. We'll  
3 also have an incubator for Outfitters. We are expanding outdoor  
4 recreation in our region and we have a lot of tourism involved in  
5 that. We don't have enough Outfitters. This will be a good place  
6 for outfitters to practice and they can put into practice what  
7 they've learned.

8 SENATOR CARRICO: Kitty, I'll tell you --

9 THE COURT REPORTER: Could you please speak up,  
10 Senator.

11 UNIDENTIFIED: There is an area in Saint Paul, I  
12 might say a park initiative, and we're finally getting some funding  
13 to get it off the ground and with the help of ARC. So, this is a  
14 project and this request is of the utmost importance, which is  
15 very positive for like Saint Paul, and there's a big need for all of  
16 this.

17 DELEGATE MARSHALL: Any further questions?

18 UNIDENTIFIED: We're in a very depressed area and  
19 we served over 93 entrepreneurs last year, and we're building a  
20 foundation.

21 DELEGATE MARSHALL: All right, let's go ahead and  
22 move on, Tim.

23 MR. PFOHL: Mountain Empire Community College  
24 Center for Workforce and Innovation of Appalachia, 3459,  
25 requesting \$425,905. This is a \$1.8 million project to establish

1 this center in Appalachia. Currently, the college leases space in a  
2 former Armory Building owned by the Town of the Big Stone Gap.  
3 This lease will expire the end of October, 2018. The college is  
4 saying that the Armory is too small to allow the expansion of  
5 existing programs to accommodate that. The facility also needs  
6 a substantial amount of repairs.

7 The proposed site at the former Appalachia  
8 Elementary School building is in much better condition and offers  
9 ample space for both current and future programs. The school  
10 closed in 2017 and only minor renovations are needed for the  
11 building. Several Tobacco Commission high priority programs  
12 will be expanded, including Power Lineman and Commercial  
13 Driving and additional new construction trades training programs  
14 will be added. The college's unmanned aerial systems programs  
15 will be relocated to this facility. New programs in the fields of  
16 Agriculture, Hospitality, and Culinary will be created. That  
17 impact that this facility will have on the college's ability to  
18 increase training opportunities is reflected in its application and  
19 impressive outcome projections.

20 The number of credentials will be more than double  
21 from the current 247 to 556 anticipated as a result of expanded  
22 programs. Matching funds of \$1,413,000 are proposed from a  
23 number of sources too numerous to mention. The majority of  
24 this request, \$387,000, will be used for equipment, including  
25 furnishings such as work stations, chairs, tables and network

1 infrastructure, et cetera. Kitchen equipment presumably related  
2 to the culinary program has also been requested.

3 Due to the timing and use of the proposed match, it  
4 appears that the Commission funds would be used almost  
5 immediately to prepare the building for occupancy with matching  
6 funds used in the months or years to follow. This can be an issue  
7 since the Commission's matching funds policy requires that at a  
8 minimum a one-for-one ratio of Commission funds to match is  
9 achieved prior to allowing full disbursement of the grant.

10 However, while certainly impressive, the outcomes  
11 projected for this project align most closely with the competitive  
12 Education Program. A referral to this program would allow the  
13 college additional time to secure matching funds that could be  
14 spent concurrently with potential Commission support to expand  
15 program offerings as opposed to relocation costs, which would be  
16 sufficient to fully build out the new site and achieve the  
17 anticipated net new outcomes.

18 So, Staff recommends this project be referred to the  
19 FY19 competitive education funding cycle to be conducted in the  
20 Spring of 2019, when the outcomes of other intended funding  
21 applications are known.

22 SENATOR CARRICO: There are guidelines for special  
23 causes, and this training or these programs that we, or what the  
24 guidelines say, so does the Staff realize that this involves  
25 workforce training?

1 MR. PFOHL: Yes, in fact, that's the primary objective,  
2 but this is in line with the competitive education grant, and they  
3 did not previously apply to that program, and they were trying to  
4 get Special Projects to help them with the move at the end of  
5 October, but if we refer this over to Competitive Education, in the  
6 Spring, we'll know the outcomes of the majority of the proposed  
7 matching funds.

8 SENATOR CARRICO: Do we have information or are  
9 we matching dollars?

10 DELEGATE MARSHALL: I think we have somebody  
11 that wants to speak.

12 MS. GREEAR: Mr. Chairman, thank you for allowing  
13 me to speak today. My name is Amy Greear, and I'm from the  
14 Mountain Empire Community College, and we have several other  
15 folks here from Mountain Empire Community College, and we  
16 have several other folks here from Mountain Empire Community  
17 College, including Dr. Victoria Ratliff.

18 To answer your question about funding, since the  
19 application was presented, we've had other funding approved.  
20 We actually didn't consider all that a match for the application at  
21 the time. We still have a power grant and we've got \$485,000 or  
22 under that program we have \$485,000 remaining for that  
23 project, and that funding will extend through December 31,  
24 2019. We, also, since that time have received \$136,364 for the  
25 Higher Education Center, specifically related to for several

1 different entities. We also received some funding for the  
2 foundation, \$50,000, as well as \$106,476 for the facility. All  
3 that, in addition to, and that comes out to \$368,952. The  
4 \$235,900 --

5 SENATOR CARRICO: What was the total of that?

6 MS. GREEAR: We have on hand for the project  
7 \$1,235,950.

8 SENATOR CARRICO: How long do you have for the  
9 matching?

10 MS. GREEAR: We're only asking for \$425,000.

11 SENATOR CARRICO: You have those other funds in  
12 hand?

13 MS. GREEAR: Yes.

14 SENATOR CARRICO: The 425 would put you in good  
15 shape?

16 MS. GREEAR: Yes.

17 DELEGATE MARSHALL: Any other questions? All  
18 right, thank you all for being here.

19 Tim.

20 MR. PFOHL: The next one is Southwest Virginia  
21 Workforce Development Board. This is a project that was  
22 submitted a year ago, requesting \$377,000. It was tabled by  
23 your Committee a year ago. We corresponded with the  
24 applicants, and they submitted a revised request this summer for  
25 \$214,950. This is to promote the National Career Readiness

1 Certificate across 21 Region localities and is modeled after a  
2 similar one in Southern Virginia that's being funded by the  
3 Commission and has seen certification of several Southern  
4 Virginia localities. It's based on something very similar in  
5 Southern Virginia. This is certified Workforce Ready  
6 Communities.

7           The ACT is the certified Work Ready Communities.  
8 Over the past year since this was in front of the Committee, all  
9 participating localities, 21 total, 17 in the Commission's region,  
10 have participated in strategic planning and ACT training, and  
11 local committees have been formed. ACT agreed to hold its  
12 academy in the region, which resulted in substantial cost savings  
13 for each of the jurisdictions. A revised request reflecting the use  
14 of funds over a two year-period. Funds will be used for two part-  
15 time, 20-hour per week software licenses. Contracted expenses  
16 including NCRC test fees, software licenses, soft skills training,  
17 job profiler training, travel, et cetera. Funds have also been  
18 budgeted for marketing, office furniture, equipment, and related  
19 expenses for the project coordinators. Significant matching  
20 contributions will be provided from various sources.

21           At the time of the update, 40 regional employers have  
22 signed on in support of the project. Outcomes of the 1,700  
23 NCRC credentials are anticipated for the two-year project period.  
24 When this project was tabled a year ago, the organizations  
25 involved in this project moved forward to continue to build

1 support for the NCRC initiative across the region, and the  
2 progress made was apparent to Staff when reviewing the revised  
3 application.

4 A year later, this project appears poised to launch on  
5 a more realistic scale compared to the plan outlined originally.  
6 NCRC is a well-known Economic Development recruitment tool  
7 and this regional effort will insure that Southwest Virginia does  
8 not fall beyond levels achieved in other parts of the state,  
9 including Southern Virginia. While the outcomes of this project  
10 also fit with those of Competitive Education programs, Staff  
11 recommends funding support from Special Projects to avoid  
12 potential delays that could result from a referral to the  
13 Committee. Testing is expected to commence this month, and  
14 an award from the Committee will align with that timeframe.

15 Therefore, Staff recommends an award of \$248,950.

16 DELEGATE MARSHALL: Any questions. All right, Tim.

17 MR. PFOHL: Next up is Virginia Highlands Community  
18 College Educational Foundation, a request for \$2.7 million for  
19 Advanced Technology and Workforce Development Center,  
20 Number 3465.

21 The applicant is requesting the balance of a desired  
22 \$3 million total contribution from the Commission for 50 percent  
23 of the estimated construction cost of a new Advanced Technology  
24 and Workforce Development Center located adjacent to the  
25 Virginia Highlands Community College campus. The project

1 received \$300,000 in May of 2018 from the Competitive  
2 Education program to support half of the anticipated cost of  
3 developing a Preliminary Engineering Study for the project and  
4 for related A&E activities. At that time, the Staff recommended  
5 that any additional support from the Commission should be  
6 considered only after design planning was completed and an  
7 accurate estimate of the actual total development cost was  
8 known.

9           Additionally, Staff suggested that the college should  
10 approach other potential funders, such as Federal ARC and  
11 Economic Development Authority. The initial feedback from the  
12 Federal EDA has been positive, and the Highlands has planned to  
13 submit an application the next month. Also, an application has  
14 been submitted to GO Virginia. Depending on the requested  
15 amount, and the outcomes of those applications, it is not possible  
16 to determine how much of the current \$2.7 million request will  
17 be needed to complete the project. A \$3 million private match  
18 has been secured for the project by an anonymous donor. This is  
19 due to the fact that while the new facility will consolidate several  
20 programs, there does not appear to be substantial expansions in  
21 the enrollment of these programs. A baseline figure of 285  
22 annual completers and 321 as a result of the consolidation. This  
23 is a modest increase that does not result in an ROI, which would  
24 be required to justify the desired level of Commission support.

25           Regardless, Staff recommends that this is a worthy

1 project which compliments other investments made in the  
2 region's Advanced Manufacturing Training programs. So, Staff  
3 stands by its May, 2018 Competitive Education recommendation  
4 that any additional support from the Commission should be  
5 considered only after A&E planning has been completed and the  
6 total development cost in project financing is known. And that  
7 would include Federal sources.

8 Staff recommends that this project be referred to the  
9 Competitive Education Program, to be conducted in the spring of  
10 2019 when design work is complete and the outcomes of other  
11 intended funding applications are known.

12 DELEGATE MARSHAL: Any questions from the  
13 Committee?

14 DELEGATE BRYON: This is going to be submitted, do  
15 we know what these costs will be then?

16 MR. FEINMAN: No, Delegate Byron. And the way we  
17 spend the Education Project or the way to fund it, working with  
18 Financial Aid is to help divide the costs and then capital support.  
19 Generally, in the winter, we do the financial aid, and then,  
20 generally, in the spring, we'll have to consider several capital  
21 projects, but we have to determine the, or the Education  
22 Committee would have to determine just what the Competitive  
23 Education will be.

24 DELEGATE MARSHALL: Any further questions? All  
25 right, Tim.

1 MR. PFOHL: Next up is the Virginia Museum of  
2 Natural History Foundation, requesting \$75,000. Virginia  
3 Museum of Natural History Foundation, Outdoor Education  
4 Pavilion, requesting \$75,000. Funds are requested to support 50  
5 percent of the estimated \$150,000 costs for construction of an  
6 outdoor education pavilion as an attached extension to the  
7 Virginia Museum of Natural History in Martinsville.

8 This request was submitted to Special Projects due to  
9 the City not having an allocation within the Southside Economic  
10 Development Program, although VMNH clearly is a regional and  
11 statewide attraction as indicated below. Architectural schematics  
12 for the design were provided, as well as a detailed cost estimate  
13 from the A&E consultant for the Pavilion, which will be an outdoor  
14 extension of the indoor central atrium that visitors use to access  
15 exhibit and research spaces at the Museum.

16 The design for this new facility is projected to facilitate  
17 an increase in visitation of more than 2,800 annually and \$6,166  
18 increase in ticket sales annually at the museum. The museum  
19 provided Staff with demographic information on current visitors,  
20 demonstrating that a majority are from outside the local area  
21 and includes visitors from North Carolina and many other states.

22 Matching funds are intended from Harvest Foundation,  
23 Women in Philanthropy, and individual donors, with the  
24 foundation funding decisions expected to be made this Fall.  
25 While this modest request may have accompanying modest

1 outcomes, the addition of a sizeable outdoor event space at the  
2 Commonwealth's designated natural history museum can  
3 reasonably be expected to increase the number of events and  
4 attendees at the museum, which could translate into extended  
5 visitors stays for that benefit lodging, restaurants, and other  
6 businesses that benefit from the spending of out-of-area visitors.

7 Staff would add that outdoor event space at other  
8 more locally-focused venues should not view this as a new  
9 funding priority, and cites the statewide mission and promotion  
10 of the museum as a clear distinction that adds merit to this  
11 proposal. Therefore, Staff recommends a grant award of  
12 \$75,000 for up to 50 percent of the costs for the Pavilion.

13 DELEGATE MARSHALL: Questions? All right, Tim.

14 MR. PFOHL: Next up is Virginia's Growth Alliances,  
15 requesting \$750,00 for Regional Marketing Organizations and  
16 Support Project. The project was brought to the Commission by  
17 a coalition of seven regional Economic Development  
18 organizations serving the Tobacco Region, as a means to  
19 accelerate prospect lead generation and visits to Tobacco Region  
20 sites over the next three years.

21 The request was submitted on behalf of those regional  
22 EDOs by Virginia's Growth Alliance, which serves ten counties  
23 and one city in Southern Virginia, but funds would be allocated to  
24 the seven Regional Economic Development Organizations under  
25 an equitable formula. That formula, while not yet finalized,

1 would be based on the number of Tobacco Region cities and  
2 counties participating in each Economic Development group, and  
3 currently a total of 27 of the 40 Tobacco Region cities and  
4 counties, and would be used to contract for lead generation  
5 consultants and assist in costs to bring prospects to the region  
6 and/or visit them at their headquarters.

7 Standard operating expenses for the Regional Group,  
8 such as staff salaries and benefits and office expenses would not  
9 be eligible for these requested funds. Commission Staff and the  
10 Tobacco Region localities are seeing a rebounding economy and a  
11 growing interest in private business attraction and expansion.  
12 The addition of \$250,000 per year of additional marketing, lead  
13 generation and prospect visit support equitably spread among  
14 the seven regions could greatly assist in securing additional  
15 business announcements across a majority of the region.

16 While the total cost appears significant, the funding  
17 available per year would be something less than \$10,000 per  
18 locality. As Virginia's Growth Alliance is an unincorporated  
19 organization with a single staff person, Staff has discussed other  
20 options for eligible grantee that has access to support resources.

21 Virginia's Industrial Advancement Alliance, supported  
22 administratively by the Mount Rogers Planning District  
23 Commission, has agreed to serve as grantee and administrator  
24 for this project.

25 So, Staff recommends an award of \$750,000 to

1 Virginia's Industrial Advancement Alliance, with final  
2 development of the distribution formula, eligible/ineligible uses  
3 and prospect tracking and reporting protocol to be approved by  
4 the Commission Executive's Director.

5 DELEGAT MARSHALL: Any questions?

6 MR. OWENS: This is the first time ever seen --

7 THE COURT REPORTER: Could you please speak up  
8 on the mike.

9 MR. FEINMAN: This is a project that gets right in the  
10 heart of an issue we've had, and the whole time I've been here  
11 and probably before. And one is the regeneration, and, two,  
12 economic development capacity internal for the different  
13 localities, which wildly varies. We have some counties where  
14 we've got a County Administrator and an Economic Developer,  
15 and he's also Public Works Director and really doesn't have time  
16 or capacity to do all those things. So, we often kick it up to the  
17 regional organization and try to fill in that gap. Unfortunately,  
18 the region sources are also not developed, and this is an attempt  
19 to solve several of those problems in one go.

20 We, unfortunately, because everyone is very busy, it's  
21 difficult to get all of the different regional organizations in the  
22 same room or on the same phone call to finalize the distribution  
23 formula. So, really, the only thing that would be remaining to be  
24 solved would be how to specifically allocate \$250,000 among the  
25 various organizations. Based on population in a number of

1 localities, and we want to do it equitably across the Footprint and  
2 the specific allocation of that formula is yet to be finalized.

3 Rather than try to force this on or to specifically  
4 finalize the distribution, \$250,000 a year would only be spent by  
5 the organizations for purposes of regeneration, and that would be  
6 the only expenses they'd be allowed to use it for and the money  
7 to be distributed equitably among them.

8 DELEGATE BYRON: I understand what you said and  
9 when you talk about regeneration, you're talking about  
10 consultants' fees and when the localities talk about these  
11 expenses, but where do we draw the line, how would this be  
12 distributed?

13 MR. FEINMAN: The money would not be divvied out  
14 to the individual localities, but it would be retained at the  
15 Regional Economic Development Organization and a number of  
16 leads generated and the benefits to these localities could be  
17 increased. For example, if the Virginia Growth Alliance serves 11  
18 localities and got a prospect and shared that prospect in each of  
19 the different localities, depending on who had the ability to serve  
20 that prospect. What we're seeing here is there's been a  
21 significant problem with areas and resources. We often try to  
22 work through Regional Economic Development Organizations  
23 when we have a new prospect. And because they're Economic  
24 Development, we can better serve it that way and maybe bring  
25 that person to us.

1                   On the regeneration side, what I've heard and the  
2 right to regeneration consultant work, a pretty strong evidence-  
3 based list of companies that are looking to expand and a good fit  
4 for what's contracted. Most organizations in and outside the  
5 Footprint feel that to get a good return on contracting  
6 negotiations.

7                   MR. OWENS: Well, who is funding this?

8                   MR. FEINMAN: These organizations are funded by the  
9 localities and provided through a match. The localities already  
10 pay a certain amount into the organization, match what the  
11 organization gets. And that's a one-for-one match. This would  
12 all be shared in the Footprint, that's the idea, like Appomattox,  
13 Bedford, and Campbell would not.

14                  DELEGATE BYRON: In making sure about this  
15 alignment, the idea is this a partnership in this alignment?

16                  DELEGATE MARSHALL: Any questions? Yes, sir?

17                  MR. LEWIS: My name is Josh Lewis. Virginia's  
18 Industrial Advancement Alliance.

19                  DELEGATE MARSHALL: First of all, tell us what  
20 region, there was a question about why GO Virginia is not in one  
21 of these activities.

22                  DELEGATE BYRON: Well, when you consider all of  
23 these programs together.

24                  THE COURT REPORTER: Could you please use the  
25 microphone.

1 DELEGATE BYRON: I just want to make sure we're all  
2 in alignment on these different things that are going on, and I'm  
3 concerned with that.

4 MR. LEWIS: These Regional Economic Development  
5 Organizations, most of them have been established by 1990.  
6 The GO Virginia Footprint does not align with the region formula  
7 in Virginia, and some of these will not support some of these  
8 other activities and things of that nature. The seven Regional  
9 Directors trying to put this together and trying to be standard in  
10 the Footprint, and when you consider that and consider the  
11 matches for the money they provide and pool their resources.  
12 You can take a larger regeneration activity, trade shows and  
13 things of that nature that support the region, whereas you share  
14 the lead among the localities instead of the localities trying to do  
15 it all on their own. When several localities go together, but  
16 basically working together is the answer.

17 DELEGATE BYRON: Well, how about sharing costs?

18 MR. LEWIS: Apparently the way we have it set up  
19 and all the details will have to be worked out about what  
20 expenses will be approved and what the support is, but in your  
21 region, working with the Regional Director there, there would  
22 have to be pre-approval of the things that they would want to  
23 fund, and that would be submitted and then a decision is made  
24 whether that would be reimbursed.

25 MR. FEINMAN: Just like our other grants where they

1 would submit a voucher and then the regional staff would do a  
2 pre-approval just like we do on other grants.

3 UNIDENTIFIED: What is the return on investment  
4 here? Basically, everybody knows we have a certain expenditure  
5 going out for regeneration, and then, of course, you have to  
6 consider the number of leads in a particular project, how many  
7 projects, and we have to track through the conversion rate. We  
8 have to establish some type of monitoring on a baseline in order  
9 to be successful, but it would be fairly easy to track how much is  
10 going out and then, of course, how many jobs and so forth.

11 UNIDENTIFIED: If the Staff recommended so much  
12 funding and how long does it take to determine if this is going to  
13 be successful?

14 MR. FEINMAN: Well, many of these Economic  
15 prospects or Economic Development prospects, I should say, for  
16 lack of a better term, the courtship phase, a one-year timeframe  
17 wouldn't give us very good data. The concerns is that if we make  
18 an award, prospects are gathered and leads are arranged, every  
19 once in a while you find that uniform and everything works out  
20 and they locate within a calendar year, but that's really pretty  
21 rare. We kind of figured three years would give us a good idea.  
22 We can track the Economic Development prospect and we want  
23 to see if the needle raises on that.

24 What we found is that some of the Commission's prior  
25 investments in regeneration has been pretty good. In particular,

1 I point to our effort with CCAM where Joe Anwyl has been a  
2 pipeline with the United Kingdom for the Tobacco Footprint.

3 UNIDENTIFIED: I thought you said there were several  
4 reasons, did I miss the second reason?

5 MR. FEINMAN: The first is that it takes a while, and  
6 the second is similar projects that we take on.

7 DELEGATE MARSHALL: Let's move on to the next  
8 project.

9 MR. PFOHL: The last Regional Economic Development  
10 project, Virginia Tech Office of Economic Development, Regional  
11 Workforce Assessment and Skills Analysis, requesting \$138,820.  
12 This was submitted by the Virginia Tech's Office of Economic  
13 Development as an eligible sponsor on behalf of a proposed  
14 partnership between the Commission and Virginia Tech Office of  
15 Economic Development, and the Appalachian Power's Office of  
16 Economic Development, to conduct an in-depth regional  
17 workforce analysis similar to the one that was completed in 2016  
18 for Eastern Kentucky, which shares a border with Southwest  
19 Virginia's coalfields.

20 The proposed analysis, which would be completed  
21 within a seven-month timeline, would address workforce skills  
22 and needs across the entire Tobacco Region Footprint, and would  
23 provide detailed worker skills demand on a region and sub-region  
24 basis. The proposed study process would supplement public data  
25 sources with significant stakeholder input through regional

1 employer forums, discussion groups, and online surveys of  
2 employers, residents, students, and career coaches. Boyette  
3 Strategic Advisors, a Little Rock, Arkansas-based company  
4 completed a 27-county East Kentucky study and is proposed as  
5 the consultant for the Virginia study.

6 Data will be made available for the region and cities  
7 and counties and a dozen non-tobacco localities in Virginia.  
8 Appalachian Power would provide the required matching funds to  
9 assess its service area localities, as well as nonlocalities in the  
10 Tobacco Footprint. APCo is a key partner in marketing industrial  
11 sites in the Tobacco Region, including six Tobacco Region mega  
12 parks.

13 Virginia Tech Office of Economic Development is a  
14 logical partner on this project as an additional repository or  
15 disseminator of data and convener of events to inform economic  
16 developers of the availability and how to benefit from usage of  
17 the data.

18 As the nation and Tobacco Region appear to be  
19 entering a period of greater prospect activity and tighter labor  
20 availability, this analysis and process could be a robust, critical  
21 tool to assist Tobacco-region communities in competing more  
22 effectively for business expansions and attractions, with  
23 appropriate partners to make the best use of the products  
24 generated by the analysis.

25 Therefore, Staff recommends a grant award of

1 \$138,820 for consulting services to conduct the analysis.

2 DELEGATE MARSHALL: Any questions? All right.

3 Does that complete --

4 MR. PFOHL: That completes the grant requests, Mr.  
5 Chairman.

6 DELEGATE MARSHALL: Are you ready to vote?

7 SENATOR CARRICO: I move to support the Staff for  
8 3454, 3459, 3334, 3465, 3457, 3458, and 3475.

9 DELEGATE MARSHALL: Do I have a second?

10 MR. OWENS: Second.

11 SENATOR CARRICO: I believe 3459, the Staff  
12 recommends to send it to the Competitive Education Committee  
13 when they meet. I think 3459 fits within the guideline.  
14 Workforce Training testified to \$1.2 million already there  
15 matching dollar, and that Workforce Training fits within Special  
16 Projects, and I make the motion that we recommend  
17 approximately \$425,000.

18 DELEGATE MARSHALL: Do you want to move it out of  
19 the block? All right, we'll remove 3459.

20 SENATOR CARRICO: Yes.

21 DELEGATE MARSHALL: We have a motion and a  
22 second. Any discussion? All those in favor, say aye. (Ayes).  
23 Opposed? (No response).

24 So, what we've got is 3464.

25 SENATOR CHAFIN: With regard to 3464.

1 THE COURT REPORTER: Would you please speak up.

2 MR. PFOHL: Mr. Chairman, you've got \$1.8 million  
3 after the Staff recommendations.

4 DELEGATE MARSHALL: Let me make sure I've got the  
5 motion. The motion is to accept the Staff recommendation for  
6 3464, plus \$70,000, and \$216,000 for Southwest. So, we've got  
7 a motion and a second.

8 MR. OWENS: Are you saying \$70,000 the third year  
9 or \$35,000? You've already got the match, that would be  
10 \$35,000 --

11 MR. PFOHL: Mr. Chairman, that would exceed the  
12 amount they asked for. I think the intent of Senator Chafin  
13 would be to totally fund the \$483,220.

14 DELEGATE MARSHALL: Any further discussion?

15 MR. SPIERS: Do I understand the \$216,000 would be  
16 competitive?

17 DELEGATE MARSHALL: Evan, do we need two  
18 motions or one?

19 MR. FEINMAN: One. The motion I think that would  
20 make sense is to do it in one. Go ahead and fund what's  
21 currently matched and the rest obligated based upon a match for  
22 that portion.

23 DELEGATE MARSHALL: Everybody understand what  
24 we're doing? Any further questions? Why don't we call the roll  
25 on that.

1 MR. FEINMAN: Mr. Demeria.  
2 MR. DEMERIA: Yes.  
3 MR. FEINMAN: Delegate Byron.  
4 DELEGATE BYRON: Yes.  
5 MR. FEINMAN: Senator Carrico.  
6 SENATOR CARRICO: Yes.  
7 MR. FEINMAN: Ms. Barts.  
8 MS. BARTS: Yes.  
9 MR. FEINMAN: Senator Chafin.  
10 SENATOR CHAFIN: Yes.  
11 MR. FEINMAN: Mr. Cunningham.  
12 MR. CUNNINGHAM: Yes.  
13 MR. FEINMAN: Mr. Mills.  
14 MR. MILLS: Yes.  
15 MR. FEINMAN: Mr. Owens.  
16 MR. OWENS: Yes.  
17 MR. FEINMAN: Ms. Ratliff.  
18 MS. RATLIFF: Yes.  
19 MR. FEINMAN: Mr. Spiers.  
20 MR. SPIERS: Yes.  
21 MR. FEINMAN: Motion carries.  
22 DELEGATE MARSHALL: Next is 3459.  
23 SENATOR CARRICO: This is in the grant involving  
24 workforce training at the facility there. They had \$1 million, and  
25 they've already secured \$1,245,000 already, and if you move to

1 another grant-funding process, and I think we're in the Special  
2 Projects guidelines, and any delay won't help us at all. It just  
3 delays any workforce training. So, I'd make a recommendation  
4 that we fund the \$248,950, a total of \$425,905.

5 DELEGATE MARSHALL: We have a motion on 3459 to  
6 fund \$425,905. Do I have a second.

7 SENATOR CHAFIN: Second.

8 DELEGATE MARSHALL: Any discussion?

9 MR. SPIERS: Is this going to delay implementation of  
10 these programs totally?

11 UNIDENTIFIED: Yes, a delay in funding, of course,  
12 will hinder our start and, of course, that delays getting people  
13 ready, a delay will actually delay everything and what we're  
14 trying to do and accomplish.

15 DELEGATE MARSHALL: Any further questions or  
16 discussion? All right, we have a motion and a second to fund  
17 3459 for \$425,905. All those in favor, say aye. (Ayes).  
18 Opposed? (No response).

19 Now, let's go to the other business items, the  
20 extensions.

21 MR. PFOHL: Number 3091. Yes, the corporation for  
22 Jefferson's Poplar Forest, Construction of the Poplar Forest  
23 Parkway, a \$500,000 grant approved in September of 2015.  
24 They're asking for a fifth-year extension. They're asking for this  
25 extension for two years until September 23, 2020.

1 DELEGATE MARSHALL: Any questions? I've got a  
2 motion to approve that. Do I have a second?

3 MR. OWENS: Second.

4 DELEGATE MARSHALL: We have a motion and a  
5 second.

6 MR. FEINMAN: I think some of that relates to the  
7 Army Corps of Engineers. We are expecting a favorable response  
8 from the Army Corps of Engineers to issue the permit for  
9 crossing streams.

10 DELEGATE MARSHALL: So, we have a motion and a  
11 second to extend 3091. All those in favor, say aye. (Ayes).  
12 Opposed? (No response).

13 MR. PFOHL: Next up is the Danville Pittsylvania  
14 Regional Industrial Facilities Authority, 2264, Berry Hill Mega  
15 Park. This grant award was made on January 11<sup>th</sup> of 2011. This  
16 involves repurposing, which is engineering and environmental  
17 studies and right-of-way acquisition for a connector road off of  
18 U.S. 58 bypass, and this involves an Appalachia powerline. The  
19 Staff supports this request.

20 DELEGATE MARSHALL: Any questions, any  
21 comments? Do I have a motion?

22 MR. MILLS: So moved.

23 MR. OWENS: Second.

24 DELEGATE MARSHALL: I have a motion and a second  
25 to extend 2264. All those in favor, say aye. (Ayes). Opposed?

1 (No response). That motion passes.

2 MR. PFOHL: Mr. Chairman, we have one mega park  
3 extension. This is for the Greenville site, and it's Grant 2820,  
4 approved in January of 2014, \$4.5 million, and this would involve  
5 widening road to serve the facility or the site, and they're asking  
6 for an extension through January 7, 2019. And the Staff  
7 supports that extension through January 7, 2019 for Grant  
8 Number 2820, the Greenville MAMac.

9 DELEGATE MARSHALL: Do I have a motion?

10 MR. OWENS: So moved.

11 DELEGATE MARSHALL: I have a motion and a second  
12 to extend Grant 2820 to January 7, 2019. All those in favor, say  
13 aye. (Ayes).

14 UNIDENTIFIED: I need to abstain.

15 DELEGATE MARSHALL: One abstention.

16 MR. PFOHL: Then finally Liberty University is  
17 requesting a 90-day extension, and this is the University Center  
18 for Health Sciences, Phase Two, an \$8.5 million grant that was  
19 approved six years ago. There's approximately a \$3 million  
20 balance following a two-year extension that was granted and  
21 approved by the Committee. On September 7<sup>th</sup>, Staff received a  
22 correspondence from Liberty, and we have a representative here  
23 today requesting a final 90-day extension, and that leaves a \$2.6  
24 million balance.

25 DELEGATE MARSHALL: Would you please come

1 forward.

2 MR. SCOTT -- : I'm Scott -- from Liberty. Why we  
3 need the extension concerning our simulation labs and a skills lab  
4 and a research lab. Several of those labs are around \$2.5  
5 million. In partnership with the Tobacco Commission in the past  
6 few years, we spent approximately \$17.9 million from a grant  
7 previously, Grant 2368, and then \$8.5 million on the current  
8 grant. Combined with that, the University has spent \$8.5 million  
9 in partnership. We've had over 126 doctors graduate, and of  
10 that, 17 percent are remaining on Southside. Of those 126 are  
11 going to be primary care physicians, and we're exceeding the  
12 national average with a 70 percent graduation rate.

13 I'll be glad to answer any questions you have, but we  
14 are requesting a 90-day extension to finish the purchasing of this  
15 equipment and what we started back in 2011.

16 DELEGATE MARSHALL: So, the equipment you  
17 purchased, would that be used in the Footprint?

18 SCOTT: Yes, primarily in Danville.

19 DELEGATE MARSHALL: Any other questions?

20 DELEGATE BYRON: You're involved heavily with or  
21 have formed a partnership with the medical community?

22 MR. SCOTT -- : Yes.

23 DELEGATE BYRON: The work you've done and the  
24 graduation of these students is something that we should all be  
25 proud of, as I know you are, and this partnership. The outcomes

1 that you talk about and the students who benefit from all this will  
2 certainly inure to our benefit for years and years.

3 We had a discussion earlier about the increased  
4 revenues that'll come to the Southside region and the medical  
5 research that'll be done in the region, and certainly another  
6 example of how we can empower and help with an opportunity  
7 for people and the service that will be provided to all these folks,  
8 as well.

9 Something I wanted to point out, there's been a lot of  
10 different things that have occurred, and I know in meetings with  
11 the staff at Liberty, I know there's different ideas, and a lot of  
12 that can benefit folks in the Southside for various reasons and  
13 opportunities for residences. So, what we're looking for is to  
14 continue our commitment that we've made and I believe you've  
15 certainly exceeded all these matches. I think a 90-day  
16 extension, so we can proceed with what was originally intended  
17 to be done for this grant.

18 DELEGATE MARSHALL: Any further comments?

19 MS. CLARK: I think I've got to agree on that point,  
20 we need to continue with the commitment we've made, because  
21 it's only 90 days.

22 MR. FEINMAN: We've had a long-standing policy  
23 based on fairness. We don't usually do this for late-arriving  
24 projects, and it's impossible to take a project and do a complete  
25 evaluation when they're late. So, there has been no formal

1 effort.

2 One thing I would say, they fulfilled their first grant  
3 very well, and they did an excellent job with the College of  
4 Medicine, and this body has supported them. The thing I would  
5 like to say is that this is an awful lot of money without having a  
6 Staff evaluation. In my opinion, right now, the Commission has  
7 got what it paid for, and the college graduated their first class  
8 and currently has about 506 students currently, and is doing the  
9 things it said it's going to do. And if the College of Medicine  
10 came before the Commission right now and when you consider  
11 all factors, they may have gotten a very favorable look from the  
12 Commission when you consider budget and all that, and  
13 especially to defend this amount of money.

14 However, so as far as the budget, the Staff really  
15 hasn't had much of a chance to evaluate, to spend \$2.6 million,  
16 which is larger than the total Agribusiness Program and larger  
17 than the Southwest Economic Development Program. It's a lot of  
18 money going out the door without really having taken a hard look  
19 at it.

20 So, I would argue the best choice would be to let the  
21 grant expire and invite Liberty College of Medicine to come  
22 before us and lay out how a new grant using the balance  
23 returned to the Committee would serve the Committee's  
24 objectives and the region.

25 DELEGATE BYRON: Mr. Chairman, I would say we got

1 what we paid for and paying for what we're trying to get done,  
2 but to just cut off the funding that we originally to fulfill our  
3 commitment. So, what they're really asking for is this 90-day  
4 extension under the original agreement and partnership and the  
5 very reason that they utilized these funds. Many times, the  
6 match is higher than what we require, or sometimes you're  
7 unable to get to that match. I move that we approve this 90-day  
8 extension.

9 MR. OWENS: Mr. Chairman, I very rarely disagree  
10 with my partner here, and just to make it clear, we got what we  
11 paid for.

12 MR. FEINMAN: We have not spent the amount of  
13 money that we were going to spend on equipment, but  
14 fundamentally, I think the college deserves a lot of credit for  
15 what they've done. But with all that being done, I think the right  
16 choice in how we spend \$2.6 million is to have that be evaluated  
17 on the merits having to do with specific outcomes that come from  
18 that specific expenditure.

19 DELEGATE MARSHALL: An alternate would be to table  
20 this until our next meeting and ask Liberty to come back.  
21 Normally, we don't take things up that Staff has not had time to  
22 evaluate.

23 MR. FEINMAN: We could certainly work with Liberty  
24 and the budget if we could figure out the outcomes and how they  
25 correlate to what this Committee has laid out.

1 MR. OWENS: In the application, is there a certain  
2 amount stated?

3 MR. FEINMAN: We need to go back to the original --

4 MS. CAPPs: The entire \$8.5 million.

5 MR. OWENS: Mr. Chairman, you said we'd spend that  
6 amount of money, correct?

7 MR. FEINMAN: I believe that's correct. The original  
8 grant was a three-year grant, and we've completed now six  
9 years, and the College of Medicine submitted a proposed budget  
10 to spend the remaining \$2.6 million, 90 days in the seventh year.

11 MS. CLARK: Had they spent this money prior to the  
12 cutoff, there would be no question. Is that correct?

13 MS. CAPPs: There's a change from the original  
14 budget.

15 MR. FEINMAN: This is a complicated project, and  
16 you'll have an initial budget either written in broad strokes and is  
17 specific or maybe operational during the project different uses  
18 come up. Each new budget brings, but Staff will often say this is  
19 not in keeping with the original grant, but will accept a budget  
20 revision might be substantially similar, but if it's a departure or  
21 significantly new, then what we do is come back and say this is  
22 something unusual. I think the reason we're here or two  
23 reasons. One, and this is a significantly new expenditure of  
24 money on a grant where from our perspective the things that we  
25 had that had been proposed have been met. What we wanted to

1 ask, and it's the same way when we have a corporate entity and  
2 we offer them a grant and a loan and in phases when they draw  
3 money down, we consider that a grant.

4 SENATOR CHAFIN: Mr. Chairman.

5 THE COURT REPORTER: Would you please speak up  
6 on the mike.

7 SENATOR CHAFIN: Can we come back in January and  
8 advise Liberty to give a presentation and explain this?

9 DELEGATE MARSHALL: So, is there a motion to table  
10 this until the January meeting?

11 DELEGATE BYRON: The other problem when you give  
12 a 90-day extension, and if the Staff does not work out what the  
13 true intent was for equipment purchases and made a very strong  
14 demand from day one with their former executive director and if  
15 they can't come to an agreement on that, and then come back,  
16 otherwise, it's a delay again and considering the outcomes. And,  
17 of course, there's always other circumstances that come up, why  
18 not give them the extension and give them the time, just the 90-  
19 day extension and work something out?

20 DELEGATE MARSHALL: So, we have a motion to  
21 continue. Do we have a second? We have a second.

22 DELEGATE BYRON: I'd like to offer a substitute  
23 motion.

24 DELEGATE MARSHALL: What is the substitute  
25 motion?

1 DELEGATE BYRON: The substitute motion is that you  
2 approve the 90-day extension to work with the Staff, and if the  
3 Staff cannot work something out, then they'll come back to the  
4 Commission at our January meeting.

5 UNIDENTIFIED: Second.

6 DELEGATE MARSHALL: We have a motion and a  
7 second. Any discussion on the substitute motion?

8 MS. HENSLEY: What is the fundamental difference  
9 between those two motions?

10 MR. FEINMAN: My understanding of the difference  
11 between those two motions, the initial motion, the matter is  
12 tabled, the Staff would evaluate the proposed budget, and then  
13 return to this body in January for an approval to follow whatever  
14 the Staff recommends, whether to spend the whole \$2.6, or  
15 spend \$2.1, or not spend any. The way I interpret the last  
16 motion to make the extension and give Liberty the opportunity to  
17 pursue any budget that the Staff approves between now and 90  
18 days or just wait until January. So, with the revised budget  
19 receiving Staff approval.

20 MR. FEINMAN: If the grant is extended, then, yes, as  
21 soon as Staff approves the budget.

22 MS. HENSLEY: So, if it's tabled, everything is on hold,  
23 money doesn't get disbursed.

24 DELEGATE MARSHALL: Any further discussion on  
25 Delegate Byron's substitute motion?

1 MR. OWENS: Just to be clear. You are saying let the  
2 Staff say no, there's no money to be spent?

3 MR. FEINMAN: Yes. Well, I don't want to confuse  
4 anybody. If we extend it for 90 days from now and the Staff  
5 doesn't approve some things, then 90 days prior to our January  
6 meeting, the grant would expire.

7 DELEGATE BYRON: Extend it until the meeting --

8 DELEGATE MARSHALL: Any further discussion on the  
9 substitute motion? Everybody understand? The question is on  
10 the substitute motion. All those in favor, say aye. (Ayes).  
11 Opposed? Nos. So, the substitute motion passes.

12 Do we have any public comment? Seeing none, I  
13 believe we're adjourned.

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16 **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, Special Projects Committee Meeting**, when held on Tuesday, September 18, 2018, at the Floyd Event Center, 188 EcoVillage Trail, Southeast, Floyd, Virginia 24091.

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 \_\_\_\_\_ day of November, 2018.

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Medford W. Howard

Registered Professional Reporter

Notary Public for the State of Virginia at Large

MY COMMISSION EXPIRES: October 31, 2022.