

FY20 Special Projects Summaries & Staff Recommendations

In October the Commission received 8 requests for FY2020 Special Projects funds under the application categories of Regional Economic Development and Access to Healthcare. Two additional proposals tabled in the FY19 round are also included herein. Those requests total \$5.5 million, and the Committee has an available balance of \$2,175,062. There are also six Other Business items regarding extensions requested for existing active grants.

Req #	Organization	Project Title	Requested Amount	Staff rec
<i>Regional Economic Development</i>				
3602	Blue Ridge Public Television, Inc.	Digital media content and delivery system Sights Sounds and Stories	\$460,000	\$0
3601	Town of Damascus	Appalachian Trail Center of Damascus	\$150,000	\$150,000
3597	Franklin County	Sewer Extension for Summit View Business Park	\$250,000	\$250,000
3610	Greensville County	MAMaC Utility Infrastructure	\$861,631	\$75,000
3589	Mecklenburg County	Expansion of the Civil Rights in Education Heritage Trail	\$70,000	\$70,000
3595	Southwest Virginia Higher Education Center Foundation	Virginia Rural Information Technology Apprenticeship Pilot Program	\$700,000	Refer to Competitive Education
3334	Southwest Virginia Workforce Development Board	SWVA Regional Certified Work Ready Communities Initiative	\$248,950	Resubmit to Competitive Education
3467	Edward Via Virginia College of Osteopathic Medicine	Railways to Healthways: Serving SWVA Health, Education and Economy	\$180,000	\$0
<i>Subtotal - Regional Economic Development</i>			\$2,920,581	\$545,000
<i>Access to Healthcare</i>				
3600	University of Virginia	Expanding Access to Cancer and Healthcare Services	\$427,346	\$0
3596	Virginia Commonwealth University	Implementing the Mobile Health Initiatives and Resources Experts (mHIRE) Program	\$2,151,642	\$0
<i>Subtotal - Access to Healthcare</i>			\$2,578,988	\$0

Total (10 requests) \$5,499,569 \$545,000

Regional Economic Development

Blue Ridge Public Television, Inc.

Digital media content and delivery system Sights Sounds and Stories (#3602)

\$460,000 Requested

Executive Summary Provided by Applicant: Sights, Sounds and Stories is an ongoing project designed to tell the positive stories of the underserved areas of southwest and southern Virginia. Our project gives dedicated journalists the opportunities to tell stories in a positive way that can be shared with the masses. It uses the platform of digital media allowing these communities to come together. We will create a new channel (on the YouTube platform) that gives a continuous program stream, much like a tv channel, to the VTRRC footprint. With a lead producer and 2 project producers we can generate over 150 segments a year creating an unprecedented 24-hour stream for the region. Addition equipment must be purchased. Once the channel is in place, we ask for content contributors from others in the region. These contributions will be facilitated by our lead producer and project journalists. Future opportunities will involve creating town hall meetings and open forums.

Staff Comments and Recommendation: This request seeks funding for three staff, equipment (\$94K), travel, \$150K for "online costs" to create edited video content of stories from the Tobacco Region on arts and culture, agriculture, education, politics and other topics, for posting online. Matching funds would come largely from the applicant (\$263K), a proposed \$150K ARC grant application, as well as a \$50K request to the Newman's Own Foundation. TRRC staff has advised the applicant in discussion prior to this submission, that the project does not align with our Strategic Plan Logic Models, since there are no direct measurable economic outcomes. As such, this was one of the two lowest scoring proposals in this application cycle.

Financial Viability Assessment: For this project to publish positive stories from the Tobacco Region, it is unclear what economic action the video content would lead viewers to take, or how many viewers would see this and act in some measurable economic manner such as visiting the region, or as the proposal suggests, starting a business in the region. Likewise, it is unclear how any resulting actions could that be tracked and attributed directly to this project. Sustainability beyond a period of grant funding is also unclear. Staff suggests the Committee should consider the "opportunity cost" of using \$460K in this way, and question whether this proposed project is consistent with Commission enabling legislation to revitalize the economy.

Staff recommends no award.

Town of Damascus

Appalachian Trail Center of Damascus (#3601)

\$150,000 Requested

Executive Summary Provided by Applicant: A region-wide outdoor recreation initiative was started in 2012 to promote community and economic development through outdoor recreation by developing outdoor assets, uniting them under a common brand, supporting downtown revitalization, and cross-promoting assets and their communities. This project seeks to leverage funds from the Tobacco Region Revitalization Commission, the Appalachian Regional Commission POWER Initiative, Virginia's CDBG program, and other local sources to take the next step in the development and enhancement of the natural assets within and surrounding the Town of Damascus. This project will allow completion of the Appalachian Trail Center of Damascus, a facility owned by

the Town and staffed/operated (by Agreement) by the ATC for a period of 20 years. This project is the centerpiece of the Town's overall revitalization and economic restructuring plan.

Staff Comments and Recommendation: The application requests additional funding to address larger than anticipated construction costs of the Appalachian Trail Center being developed in Damascus. The project's initial two bids both returned results of a minimum \$150k over the estimated construction budget of \$575,300. With the third round of bids due in early December, this application was submitted to request additional funding to address these cost overruns. During Staff's review of the proposal, through follow up conversations with the applicant, we learned that while the December bids came in on budget, the decreased estimates were based on the decision to cut approximately 30% of the Center's proposed square footage. The estimated 600 sq. ft. cut from the design were intended to house the ATC's training room as well as the exhibit room which would be used to highlight other AT communities in the region. Although the impact of the ATC will be largest in the immediate Damascus area, the Appalachian Trail runs through 5 TRRC localities (Washington, Smyth, Wythe, Grayson, and Bland) and attracts a national and international audience to the region. An estimated 20,000 visitors are expected annually, and the Center's exhibits will promote other surrounding AT communities to spread the impact across the region. The current application estimates a total development cost, including site acquisition and design as well as start up staffing and non-exhibit related equipment, of \$1,360,500. Additional funding has been committed by ARC (\$49,000 – A&E, site work, construction), ARC-POWER (\$530,500 - A&E, site work, construction, exhibits), and Tobacco Commission (\$150k awarded to Friends of SWVA in grant #3198 – construction). The Town of Damascus provided \$250k for site acquisition and will contribute \$85,000 for construction of the Trail Center. While the currently approved funding will allow construction of the ATC to move forward on a reduced scale, the applicant has asked that the current request be considered to allow the previously removed sections of the project to be re-bid to explore the potential of completing the project in its original form. The training room and exhibit space are considered critical areas that will generate much of the associated regional impact of the project.

Financial Viability Assessment: The premise of supporting visitor centers rests on the notion that these facilities promote local and regional destinations, and thereby extend the length of stay and spending by visitors. In this case, the AT Center in Damascus has committed to promoting multiple regional destinations, is a priority project of the regional Friends of Southwest Virginia marketing and destination development partnership, and further solidifies Damascus - once a town dependent on a single industrial employer that is now long gone - as a major AT stop that has earned its reputation as "Trail Town" and resulted in a surprising array of Trail-oriented private businesses including lodging and outfitters. The case for regional impact and support for the creation of this Center is endorsed by co-funders such as DHCD/ARC, meshes solidly with other TRRC-supported outdoor recreation tourism efforts in SWVA, and is strongly invested in by the Appalachian Trail Conservancy.

Staff recommends award of \$150,000.

Franklin County

Sewer Extension for Summit View Business Park (#3597)

\$250,000 Requested

Executive Summary Provided by Applicant: The Summit View Business Park (SVBP) is a premier business park for the Virginia Tobacco Region. It encompasses 550 acres and will one day be home to an estimated 15-20 new businesses, \$300 million in private investment, and create over 2,200 new jobs for the County and region. The park is hampered by the lack of sewer capacity to

handle new businesses moving into the park. The park is currently served by a small sewer package plant that has a total daily capacity of 20,000 gallons per day (GPD), of which 10,000 is or will soon be taken leaving 10,000 GPD available. The proposal will extend sewer service down U.S. Route 220 to the outskirts of the town of Rocky Mount and tie into the Town's much larger sewer treatment system. This extension will increase the daily GPD capacity to 115,000 GPD thus allowing further development within the park.

Staff Comments and Recommendation: This project is to address obvious wastewater treatment capacity limitations necessary for attracting additional new companies to Franklin County's 550-acre Summit View Business Park, with \$250,000 requested to support the \$845,900 estimated project cost. The existing package treatment plant serving the SVBP has a capacity of 20,000 GPD, of which 10,000 GPD is committed for two recently announced companies, leaving a 10,000 GPD reserve. The County is working with a third prospect, a food and beverage company, which has sewer requirements estimated at 20,000 GPD that exceed the available capacity of the current system. The County - in partnership with the Western Virginia Water Service Authority - plans to tie into the Town of Rocky Mount's larger sewer treatment system with a 7,100 linear foot 8-inch sewer force main extension, increasing sewer capacity to 115,000 gallons per day at SVBP, and longer term plans are for an additional extension (if needed) that could increase wastewater capacity for SVBP to 400,000 GPD. WVWA provided a \$3.4 million preliminary engineering estimate from 2016 for the US 220 commercial corridor (with the majority of this work having now been completed) and the remaining force main segment requested for TRRC support estimated to cost \$845,900. Recognizing that the route is along the busy US 220 corridor, and to address cash flow revenue questions raised by staff, WVWA confirmed that no customers outside the SVBP will be required to connect, noting that for system engineering purposes the Authority does not typically allow individual property connections to major pressurized force mains. Previous investments by TRRC in SVBP total \$1,319,649 under three grants (two from SSED and one SP); and Franklin County's local investments in SVBP are estimated at \$35 million. This project is eligible for Special Projects funding consideration based on the balance in the County's allocation under the SSED program being insufficient to cover the requested funding need. The Commission has provided a TROF estimate for Project Kingston - which would be SVBP's third committed occupant - of a \$245,000 grant and \$245,000 loan incentive, based on economic outcomes projected at 56 new jobs with average salary/wage of \$50,281, and private capital investment of \$30.58 million.

Financial Viability Assessment: The subsequently-provided information has affirmed the primary focus of this project is for addressing wastewater capacity needs for new companies locating to SVBP - a core TRRC program objective - with little obvious new cash flow that would support a recommendation for loan financing, and any additional future sewer revenues being speculative at this time. Franklin County's own investments in SVBP are visionary, well-leveraged and thoroughly validated by the recent private investments by Stik-Pak Solutions and ValleyStar Credit Union, with substantial potential future returns on those public investments through prospects that are both current and can be anticipated with the additional site and infrastructure development provided by this and previous TRRC grants in site grading, broadband and utility infrastructure.

Staff recommends award of \$250,000.

Greenville County
MAMaC Utility infrastructure (#3610)
\$861,631 Requested

Executive Summary Provided by Applicant: Greenville County in partnership with Mecklenburg County and the City of Emporia, have taken great strides in preparing MAMaC for an MEI client. Two infrastructure projects have been designed and bid to shorten the time frame to operation for a client. Both project bids, a road and sewer extension, came in over the preliminary estimates. The County is requesting \$449,840 to complete Otterdam Road, phase II. The County also requests \$336,791 to complete the sewer extension from where it connects to Otterdam road to the site. In addition to the utility construction, the County is preparing to engineer a natural gas extension that will serve MAMaC as well as several other industrial sites. The County is requesting \$75,000 for 1/2 of the engineering cost.

Staff Comments and Recommendation: This request primarily serves the TRRC-funded MAMaC megasite, which is a regional partnership with Emporia and Mecklenburg. TRRC grants to create MAMaC have totaled \$25.9 million. Funds requested herein would fill cost overruns for bids received on Otterdam Road phase 2 widening (\$450K) and a sewer extension (\$337K). Those projects are primarily funded by VDOT (\$1.48M) and GoVirginia (\$2.19M) respectively. Greenville is also contributing more than \$786K to those two projects, and an active 2015 TRRC Megasite grant (903K) is assisting the road improvement. The proposal has been revised to request an additional \$75K (matched equally by the County) to allow Columbia Gas to begin engineering of a gas line to serve both MAMaC and the County industrial park, where a current prospect requires natural gas service. While Staff acknowledges the cost overruns for the road and sewer bids received, which could potentially be funded from the current available Megasite Program balance of \$2.99M, it is suggested that those limited funds to further advance the readiness of the nine sites funded by the Megasite Program should be reserved for a Spring 2020 open competition, based on remaining development needs at the nine Megasites. The County has indicated in this proposal that a Spring Megasite funding cycle might result in a shifting of the local priority to natural gas line construction, which is estimated as a \$21M project. Staff does, however, support a Special Projects award at this time of \$75,000 sought in this request to support 50% of the \$150K cost to begin engineering the natural gas line. This engineering is estimated to have a 6-8 month timeline, which would greatly shorten the time to deliver gas services to MAMaC and the current County industrial park prospect.

Financial Viability Assessment: MAMaC, as well as other TRRC region megasites, have been a funding priority for the Commission for a decade, and MAMaC in particular has been a finalist for at least two transformational OEM prospects. It is not known at this time if a future MAMaC prospect would require a multi-million dollar natural gas line, but making this small investment in gas line engineering is a low risk and potentially critically important step in shortening the timeline to deliver gas service should it eventually be needed.

Staff recommends award of \$75,000.

Mecklenburg County
Expansion of the Civil Rights in Education Heritage Trail (#3589)
\$70,000 Requested

Executive Summary Provided by Applicant: In 2004, The Civil Rights in Education Heritage Trail®, (CRIEHT), a self-guided driving tour of 41 important Civil Rights in Education sites, was developed and installed throughout Central and Southern Virginia. A few years ago, Virginia's Crossroads sought to expand the trail, adding 12 new sites to the existing trail. The funding

requested in this grant application, matched by Virginia's Crossroads, will be used to complete the following:

1. Add 12 new CRIEHT locations to the existing 41 sites.
2. Complete the design portion of the graphic panel inserts to reflect the newly designed map and trail listing for continuity with the existing 41 locations (see Project Location Map).
3. Refurbish the existing 41 pedestals with some paint, polish and new parts, as required. Said parts will include replacing some pedestal parts, or even entire pedestals.
4. Make every existing site ADA compliant.
5. Install new wayfinding signs.

Staff Comments and Recommendation: This request is to support 50% of the \$140,000 estimated costs for a priority project of the regional tourism marketing alliance, Virginia Crossroads (previously known as Virginia's Retreat), for expansion of the Civil Rights in Education Heritage Trail. Virginia Crossroads is recognized as a long-standing regional collaboration receiving annual operating support contributions, and serving fourteen tobacco region counties. With this project, the 41 existing sites that are part of the CRIEHT driving tour, would be expanded with 12 new sites bringing the total to 53 sites, the majority being in the tobacco region. A list of the new site locations was provided. (Costs associate with a site in Petersburg will be covered from Match.) Grant and matching funds would be used to support costs to finish design work on graphic panel inserts, costs for new site markers and fabrication of graphic panels and wayfinding signs, new graphic panel inserts for existing sites to tie the entire trail together, and updates to existing sites including addressing ADA compliance issues. Content for the new pedestals has already been developed and is ready to use in completion of the graphic panel designs and revised route maps and marketing materials. The CRIEHT is being promoted through brochures available at all Virginia Tourism Welcome Centers and in county visitor centers; and on the Virginia Crossroads website, currently being updated to provide more emphasis on the opportunities for visitors to travel this driving trail while in the region. Limited information is available for assessing the economic impact of the trail, despite it being a keystone of the marketing efforts of this regional tourism organization. Recognizing the limited economic impact data specifically for this driving trail, staff inquired about consideration to contracting for a modestly-priced, economic impact study with survey data collection mechanism to get a current understanding of visitors to the trail. This suggestion was received favorably. A revised detailed budget was provided for the \$140,000 estimated project costs, correcting two errors identified during the review process, and allocating ~ \$13,500 toward the economic impact study.

Financial Viability Assessment: With the CRIEHT trail including the Robert Russa Moton Museum, a national landmark and part of the U.S. Civil Rights Trail, this project meets the Commission's criteria for supporting nationally-recognized tourism destination. The CRIEHT receives funding support from fourteen tobacco region localities meeting the Special Projects program criteria for regional participation and governance. The major aspect of this long-standing regional tourism partnership that is lacking – periodic economic impact assessment – will be addressed by the impact study that is a condition of this grant.

Staff recommends award of \$70,000 including support for the economic impact study to be completed as a condition of this grant.

Southwest Virginia Higher Education Center Foundation
Virginia Rural Information Technology Apprenticeship Pilot Program (#3595)
\$700,000 Requested

Executive Summary Provided by Applicant: In 2019, the General Assembly of Virginia established the Virginia Rural Information Technology Apprenticeship Grant Program for the purpose of awarding grants on a competitive basis to small, rural information technology businesses to establish apprenticeship programs. The Southwest Virginia Higher Education Foundation is seeking an award to fund the proof of concept for the program to be overseen by the Southwest Virginia Higher Education Center in collaboration with the Chief Workforce Development Officer of the Commonwealth of Virginia as stated in the Code of Virginia. The funds will support the first round of competitive apprenticeships for the identified tobacco region localities of Bland, Buchanan, Carroll, Dickenson, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise and Wythe and the Cities of Bristol, Danville, Galax, Martinsville, and Norton. Guidelines and policies for the program will follow the criteria set in place by the Center and approved by the Chief Workforce Development Officer.

Staff Comments and Recommendation: The application requests funding to initiate a pilot for paying entry level salaries for the first cohort of 12 IT apprentices, to be employed and mentored by small rural IT businesses and supported for an 18 month period. The General Assembly and Governor approved the Rural IT Apprenticeship Grant Fund in the 2019 session under Code of Virginia 23.1-3129.1. However, no state funding was approved in 2019 to initiate the program, which per Code is to be administered by SWHEC and available on a competitive basis to IT employers in Southwest (except Floyd), the Southside cities of Danville and Martinsville and four Western Virginia counties outside the Commission footprint. Commission funds would be used in a cost-share approach as an initial pilot (in lieu of state funding) to reimburse participating employers for 70% of the proposed \$58,333 annual salary and benefits for the apprentices. Matching funds will be provided by the participating employers who will contribute \$300k for the apprentice salaries and benefits and \$270k representing the salary and benefits for the mentoring employees. The participating mentor organizations will also contribute computers and other equipment valued at \$30k. The program requires that the apprentice maintain full time employment for an additional 18 months after the apprenticeship period had ended. The HEC will contribute \$70k representing a portion of the salary and benefits for the Grant Program Director (\$60k) and Executive Director (\$5k) for the time spent working on the project as well as rent and administrative expenses (\$5k). This contribution should be reclassified as in-kind match since these are well established positions at the HEC. Additionally, \$30k will be provided by the applicant for apprentice salary and benefits. The details of this cost-sharing arrangement, including commitments from both the employer and apprentice beyond the 36 month period, were not provided in the application which states that final policies and procedures are being developed with assistance from the Commonwealth's Chief Workforce Development Officer. These details should be provided prior to funding approval. Similarly, prior to any Commission funding being considered, reconsideration of state appropriation funding should be allowed to play out in the 2020 General Assembly budget deliberations. The proposed 70% reimbursement seems extremely generous compared to other TRRC supported cost share programs which are often at 33% reimbursement. Staff suggests that a 50/50 cost share may be more appropriate, but that the request either be tabled until after the 2020 session, and/or alternatively referred to the Education Committee for consideration in May during the FY20 Competitive Education cycle.

Financial Viability Assessment: This request seeks a high level of funding per apprentice (\$58K each) for just 12 positions, and could be viewed by the General Assembly as a message that the Commission is willing to be the primary funder of the program in future years, (including

apprentices in non-TRRC counties), which would be a costly and ultimately unsustainable drain on future Commission budgets.

Staff recommends the project be referred to Competitive Education, pending the outcome of the state biennium budget adopted in the 2020 session.

Southwest Virginia Workforce Development Board
Southwest Virginia Regional Certified Work Ready Communities Initiative
(#3334)
~~\$377,025 Requested~~ – Reduced to \$114,620

Executive Summary Provided by Applicant: The 17 jurisdictions in Workforce Development Areas I and II, in partnership with local governments, regional economic development agencies, school divisions, higher education, and employers, will become ACT Certified Work Ready Communities (CWRC) for purposes of economic development and for quantifying and verifying work readiness skills that employers require for job placement and advancement. This includes using the National Career Readiness Certificate (NCRC) as a competency-based, industry-recognized, third-party validated, portable and stackable certification that validates work readiness skills in: applied mathematics, locating information, and reading for information. It will be administered to high school seniors in addition to Workforce Innovation and Opportunity Act (WIOA) participants, college students and other job seekers, and incumbent workers. Economic developers will use it as a recruitment tool per Site Selection Magazine. Employers will use job profiling for high-need positions as a means to match job-specific requirements to requisite skill attainment levels.

Staff Comments and Recommendation: FY2020 Update (December 2019): This request to promote the National Career Readiness Certificate (NCRC) across 21 region localities was submitted to the Special Projects Committee in FY18 but was tabled each of the past two years. This effort will result in their recognition as ACT Certified Work Ready Communities (CWRC). It is modeled on a similar initiative in Southern VA that was funded by the TRRC Education Committee, and to date has resulted in national certification of several SoVa localities as Work Ready Communities. It was originally submitted to cover two workforce development board regions (Areas One and Two, serving 17 TRRC region localities in SWVA). The updated request, received in December 2019, seeks funding to support only the Area 2 service area (Mount Rogers and New River) serving nine TRRC localities and four non-TRRC localities (NRMRWDB also seeks to be the grantee/fiscal agent instead of the original applicant organization for Area One). The requested amount has been accordingly reduced to \$114,620. Those funds would be used for a small percentage (5-10%) of time for four current staff members (\$31K requested) and for \$83K of various projects costs including WorkKeys NCRC test fees for 1,500+ Tobacco Region residents (\$54K), as well as software license fees for training and job profiling, travel, outreach, supplies and other related expenses. While some progress has been made over the past two years to promote NCRC testing across the region, there remains a substantial need for assistance to see the effort through to a successful completion. The Area 2 (New River/Mount Rogers) Workforce Development Board will contribute \$117,738 in matching funds however a large portion of this (\$61,742) is for expenses associated with testing expenses for the 4 localities in their service area that are not in the TRRC region. Staff does not feel that these expenses are appropriate match for this project. The remainder of the match is proposed for existing salaries, use of computers, rent, etc. Approximately \$24,000 of match is allocated for testing fees and proctoring. Staff feels that this project would be better suited to the Competitive Education Program where similar projects, such as the one implemented in Southern VA were funded. A referral to the Education Committee would provide the additional benefit of allowing

additional time for Staff to work with the applicant to identify more suitable match and to continue to refine the budget.

Financial Viability Assessment: This regional project, while reduced to one workforce region, has been successfully initiated by the WDBs and localities without the benefit of TRRC funding, which is a testament to the regional collaboration and desire to have communities certified as Work Ready. The NCRC is a known economic development recruitment tool and this regional effort will ensure that SWVA does not fall behind levels achieved in other parts of the state, including Southern VA. If the intended outcomes of more than 1,500 NCRC-certified residents is achieved, this could potentially be one of the most cost-effective investments the Commission could make. Assistance from the Commission could ramp up efforts and address funding shortfalls that have been identified in the initial project period, however the flaws mentioned above regarding matching funds is a significant weakness of the proposal in its current state, and should be addressed in a new follow-up request in the name of the NRMWDB to the Commission's Competitive Education program in Spring 2020. Having originally been submitted by the Area One WDB two years ago, and revised multiple times since, a new current proposal to Education (as opposed to referring this one) would be much cleaner to comprehend and consider for assistance.

Staff recommends this project be resubmitted as a new proposal – with revised applicant, budget and outcomes - in the Spring 2020 Competitive Education round.

Edward Via Virginia College of Osteopathic Medicine

Railways to Healthways; Serving Southwest Virginia's Health, Education and Economy (#3467)

\$180,000 Requested

Executive Summary Provided by Applicant: “Railways to Healthways” legitimizes the common agenda of a grass roots effort initiated in May of 2016. Community and government leaders in the coal fields of Virginia approached regional educators to advance enrollment of students in local medical and health professional schools. The challenge was eagerly accepted. The existing partnership between Tazewell County Public School (TCPS) system and Southwest Virginia Community College (SWCC) and a new Master of Arts in Biomedical Sciences (MABS) degree program at Bluefield College will be offered on the VCOM-Virginia campus. Our initiative will advance the following goals: 1) strengthen the SWCC career coaching programs at public schools (Buchanan, Tazewell, Russell) to focus on health professions, 2) enhance student admission and graduation rates at local 4-year colleges 3) advance health business partnerships for offer youth opportunities and 4) most importantly, inspire area youth to see health professions as a reality; academically, financially and culturally.

Staff Comments and Recommendation: December 2019 update: This project was tabled in September 2018. TRRC Staff followed up with the applicant in anticipation of this meeting and spoke at length about the concerns with the project and possible solutions. During those discussions it became clear that the project as presented in 2018 continues to be the preferred direction. In a nearly identical budget to the original 2018 submission, TRRC funding of \$60,000 per year for 3 years will be used to support a VCOM faculty member (\$26,900) to serve as the Program Director tasked with coordinating efforts with partner schools as well as collecting and reporting data to measure program effectiveness. The budget continues to allocate \$24,600 to be used over three years to supplement current career coach positions at SwVCC and Bluefield College and expand the time they are able to spend with students. Currently career coaches do not necessarily focus on particular career paths and this funding would be used to support positions dedicated to healthcare

professions. These partnerships would allow students to be exposed to several healthcare career pathways that require varying levels of educational attainment. The remaining funds are budgeted for the development of program materials (\$8,000) and the Director's travel (\$500). The majority of matching funds continue to be allocations of time from several VCOM-based positions (percentages for faculty/staff contributions to the project).

Financial Viability Assessment: While the objectives of the project and the project leader's vision are commendable, this project results in neither healthcare services to residents nor academic credentials for students, so alignment with TRRC program metrics are lacking. Directing limited TRRC funds to career coaching is a long-term investment that lacks sustainability, with indirect outcomes that are difficult to reliably quantify. While there is little doubt that the demand for both healthcare services - and professionals to provide those services - will continue to rise far above the region's supply for each, a proposal such as the one presented here simply does not align with the Commission's stated performance measures outlined in the Strategic Plan, and would take a decade or more to see results from students completing healthcare education and returning to work in the region. Staff concedes there is value in raising awareness among K-12 students about career opportunities such as healthcare, and commends the project partners for working toward a 2+2+graduate post-secondary education pipeline, but remains focused on targeting the Commission's limited resources to projects that directly deliver healthcare service to residents (through the Special Projects Program), and supporting educational projects that directly award healthcare workforce credentials to students (through the Education Program).

Staff recommends no award.

Access to Healthcare

University of Virginia

Expanding Access to Cancer and Healthcare Services (#3600)

\$427,346 Requested

Executive Summary Provided by Applicant: Virginia's rural tobacco region continues to have high rates of colorectal and breast cancers, as well as poor access to other healthcare services. Residents in this region commonly face financial barriers, lack of insurance or transportation, and shortage of practicing providers as barriers to receiving needed care. To address this need, we propose to expand our cancer screening programs that includes mobile breast cancer screening and a comprehensive colorectal cancer program, and will implement two outreach programs that will promote cancer screening, Medicaid enrollment, and support for a health clinic to provide free medical services. These programs will help increase access to cancer prevention through screening, as well as access to needed procedures for those who otherwise may be forced to go without. Our screening programs have already proven to be life-saving services, and the medical services offered through outreach have already successfully provided needed services to thousands of patients.

Staff Comments and Recommendation: Since 2008 the Commission has provided approximately \$4.9M to support the expansion of UVA healthcare services including cancer screening and prevention and telehealth services to the TRRC region. Of this amount there are currently 2 active grants with a total balance of approximately \$765K. The current request seeks funding to continue to provide screenings for breast and colorectal cancer, both of which have been supported by previous Commission grants. In 2018 an award of \$266,562 was made to support these activities for one year. There has been no activity on this grant and the current proposal appears to request support in years 2 and 3, which were requested but not approved in the 2018 award. TRRC funds

are requested for general program support (\$102,049), colorectal screenings (\$186,658), and mobile mammography (\$32,639). The application requests \$6,000 for printing and marketing costs associated with VHCF screening and Medicaid enrollment referrals. Finally \$100,000 is requested to support the Health Wagon's Move Mountains Medical Mission Clinic (M7) which will replace the RAM clinic that operated in the region for many years providing dental, vision, and general medical treatment. Commission funds are requested for volunteer compensation, event staff, dental stipends, etc. No information was provided on how this event would be sustained beyond the initial three year period covered by this application. The application presents impressive outcome estimates for these activities. The mobile mammography van will serve 350 women (175 per year). Colorectal screenings (FIT test) will be provided for 1,500 tobacco region residents with 1,000 of these returned and processed resulting in 60 follow up colonoscopies. The M7 clinic will serve an estimated 3,600 patients over three years. UVA will contribute matching funds of \$427,451 primarily for program administration, mobile mammography, and the colorectal cancer expenses. No match was shown for the Medicaid enrollment or M7 activities. As in previous applications UVA has presented percentages of multiple existing positions, nearly all Charlottesville-based, in order to meet the match requirement. Of the \$427,451 match shown for the current application, over half (\$221,787) is from UVA-based leadership and program administration expenses related to management of the project. Many of these same positions have appeared in numerous UVA applications as far back as 2008.

Financial Viability Assessment: Despite the unquestioned commitment to providing much needed healthcare services to the TRRC region (in particular to the SW), and a clearly-detailed budget, activities and outcomes, there does not appear to have been an effort by UVA to assume any of the financial needs associated with providing these services which have received Commission support for over a decade. With these factors in mind, the majority of the match presented in this application would be better classified as "in-kind" and would exceed the limit for non-cash match. Much of this proposal would utilize TRRC funds in years two and three, as current active grants cover much of the year one activities. Given the sizable balances on the two current grants (\$765K) there does not appear to be great urgency to fund this plan for the next year, and year one activities could be accommodated with budget revisions to those current grants. Per Committee discussion at recent meetings, Staff has been directed to begin shifting the focus of Special Projects - Healthcare funding away from supporting the two cancer centers at UVA and VCU after a decade of support that assisted the centers due to state budget constraints at the start of the 2008 recession.

Staff recommends no award.

Virginia Commonwealth University

Implementing the Mobile Health Initiatives and Resources Experts (mHIRE) Program (#3596)

\$2,151,642 Requested

Executive Summary Provided by Applicant: Using a mobile health program called mHealth Initiatives and Resource Experts (mHIRE), we will provide health access opportunities to rural communities of the VA Tobacco Region. The purpose of mHIRE is to decrease the burden of cancer in Virginia by increasing access to health care. mHIRE will employ a mobile health unit to provide on-site access to cancer services in Danville, Farmville, and Brunswick County. We plan to use telemedicine to deliver health care services to rural residents in order to reduce or minimize challenges patients encounter (e.g., transportation). mHIRE will provide the following cancer-related services: 1) CRC screening; 2) oral cancer screening; 3) prostate cancer education and navigation to screening for high risk men; 4) human papillomavirus (HPV) vaccinations; 5) telemedicine to deliver

genetic counseling risk assessments; 6) telemedicine to deliver palliative care; 7) telemedicine to deliver tobacco cessation; and 8) patient navigation to appropriate cancer-related care and services.

Staff Comments and Recommendation: Massey Cancer Center at VCU has received nine TRRC grants for \$8.88M since 2008. This current request seeks 99% of available Special Projects balance that was published in the Program Guidelines. This specifically seeks \$1.22M for personnel including \$272K for Richmond-based faculty and staff, \$253K for contractual travel, conferences and 2 med professionals, \$151K for supplies/materials, \$256K for continuous rent and office costs for the two Tobacco Region Cancer Research and Resource Centers located in Danville and Lawrenceville, and \$267K for purchase of a mobile van. Funding by year breaks out to \$890K in year one, and \$630K in each of years two and three. All required matching funds are listed but not specified in any detail that would allow TRRC staff to know the source or uses (presumably, as in past grants, these are all Richmond-based costs). The proposal lists four initiatives, each requesting \$538K, for cancer screening/services, telehealth delivery, navigation to cancer care/services and tobacco cessation services. Cancer screening would be focused on colorectal, oral, prostate and HPV. Outcomes are listed as a total of 635 residents served, primarily through access to cancer screening and services (550) and patient navigation to cancer care/services (50). This current proposal states that in 2018, the CRRCs provided cancer-related services and information to 3,763 residents through a variety of events, and assisted 65 residents with navigation to cancer care services. **Financial Viability Assessment:** As stated in the FY19 Staff Report, after a decade of outreach and education through the two Centers, there is no definitive data provided to indicate that cancer detection and treatment rates have improved in the region. In grants over the past five years, the Commission has only supported staffing and operating expenses for the two Tobacco Region CRRCs for a one-year continuation period (an average of \$533K/year), with the admonition that matching funds in future requests should be secured to fund half of the Centers. To date, and as reflected in this proposal, Massey has resisted funding any portion of TRRC region costs, relying 100% on TRRC support to staff and operate those Centers. In this same timeframe, Massey's FY18 "Philanthropic Review" annual donor report cites \$10.5M of philanthropic giving, \$12.5M of state appropriations and \$33.4M of research grant funding. MCC now seeks to continue Commission support of the Centers over an additional three-year period, while also seeking additional Richmond-based expenses, which have been relegated to the matching fund categories in the most recent grants. Given the Committee's discussion and direction at its two most recent meetings regarding phasing out support of the two Virginia cancer centers (which was initiated as a response to the 2008 recession) and in light of the current budget surplus, as well as Massey's failure to secure adequate matching funds to sustain the Centers and reduce the need for Commission support, Staff feels it would be contrary to the Committee's direction to recommend continuation of funding for even one additional year.

Staff recommends no award.

OTHER BUSINESS

Danville-Pittsylvania Regional Industrial Facilities Authority Berry Hill Mega Park (#2264) Request for Extension to January 11, 2022

Staff Overview & Comments: This \$2.7 million grant from the Megasite program was approved in January 2011, to support design and engineering and ROW acquisition for utilities and road infrastructure including new electrical transmission lines and substations, nature gas, and a new

connector road from US 58. The entire Megasite project development was delayed for several years as the localities and their engineers worked through permitting issues. In September 2019, the Commission approved a fourth extension on the grant providing a 9th year extension to January 2020. This approval also provided for a revised project budget to support \$2 million for engineering and environmental studies (NEPA) and right-of-way acquisition for the US 311 Connector Road; and \$1.7 million toward engineering, environmental studies and ROW for the planned 138K AEP electric transmission line with breaker/substation. The RIFA received notification in June 2019, that the Commonwealth Transportation Board approved \$33 million in funding through the Hwy. 58 Corridor Development Fund for the road design and construction. The RIFA also reports that AEP has selected the preferred route for the electric utility infrastructure and is negotiating ROW acquisition with property owners; with initial engineering and design work completed. The RIFA is requesting an additional two year extension to January 11, 2022, or order to complete the final elements of the agreed upon scope and deliverables for infrastructure serving Berry Hill.

Staff recommends approval of an extension to January 11, 2022.

Liberty University

Center for Medical and Health Sciences Phase II (#2590)

Request for Six Month Extension to July 8, 2020

Staff Overview & Comments: This \$8.5 million grant was approved in September 2012 to support 50% of equipping costs for Liberty's new medical school. Recognizing the substantial time involved in startup of a new medical school, in January 2019, the Commission approved an extension through January 8, 2020, to support identified equipping costs for the remaining \$2.5 million in grant funds. Following this approval, grants staff asserted the Commission interests in TRRC funds being used for the Simulation and Skills Lab and Anatomy Lab equipment, with Liberty's matching funds to be used for Research Lab and Furnishing expenses. There remains a balance of \$704,015.33 on the TRRC project account, and Liberty has identified \$533,000 of eligible expenditures from July to mid-December for equipment purchases already received by the University, to be submitted for reimbursement. In early December, Liberty reported to staff that equipment deliveries for contracts entered into in February 2019, with Von Hagens Plastination, for plastination models budgeted to TRRC funds for the Anatomy Lab would be delayed. The plastination models are made to order from actual human body parts, requiring 12 months from order to completion. Based on the February 2019 order date, and recognizing that they are being shipped from Germany, these items are not expected to arrive at LUCOM for acceptance and final payment until ~ April 2020. All other equipment purchases supported by TRRC grant funds are on schedule to be completed by the current end date of January 8, 2020. From Liberty's matching funds, the \$1.7 million 3D printer for the Research Lab is under contract with a Sweden-based manufacturing company and is to be delivered in spring 2020. This purchase will complete Liberty's required match obligations under the grant. Liberty is requesting a six month extension to July 8, 2020, to allow sufficient time for these final equipment orders to be fulfilled and paid.

Staff recommends approval of a six month extension of July 8, 2020.

Greenville County

Mid Atlantic Advanced Manufacturing Center (#3010)

Request for 6th year Extension to May 21, 2021

Staff Overview & Comments: This \$1,480,320 grant was approved in May 2015 to support acquisition of electric utility ROW and construction costs for Phase 2 Otterdam Road Extension. The county initially requested a budget revision for a portion of the grant to be used for Phase 1 Otterdam Road cost overruns, and later a revision to reallocate \$160,000 for an increase to the engineering/project management cost. There remains a balance of \$841,949.72 on the TRRC project account to support the Phase 2 road construction. In June 2019, the Commission approved a fifth year extension to May 21, 2020, at which time engineering was reported to be 99% complete and the project was to be bid in the following months. In September, staff received a sixth extension request to extend the grant for a sixth year to May 21, 2021. The delays were identified as being related to problems obtaining right-of-ways on lands that were within restrictions of a conservation easement. The project was bid again and the County plans to initiate the construction contract in late December, with construction expected to take nine months. The County is requesting a full additional year extension to allow for any further unanticipated delays related to the weather.

Staff recommends approval of a 6th year extension to May 21, 2021.

Danville-Pittsylvania Regional Industrial Facility Authority

Water System Improvements Phase II (Virginia System) (#3011)

Request for 7th year Extension to May 21, 2022

Staff Overview & Comments: This \$2,241,567 grant was approved in May 2015 to support Phase II waterline construction and related costs to bring water from the North Carolina line into the Berry Hill Megasite. This included construction of 10,465 linear feet of 20" waterline and appurtenances extended along VA SR 863. The Commission approved a 5th year extension in January 2019, at which time the RIFA reported that design, permitting, and bidding had been completed with construction activities scheduled to start in early 2019. The current project end date is March 1, 2020, with the full balance remaining on the TRRC project account. The RIFA reports that the contractor has been installing the new waterline since July 2019, having accrued \$715,122 of expenses eligible for TRRC reimbursement. The waterline construction was halted with a decision by the RIFA to relocate the waterline segment within the park. This change was determined to be necessary due to facility layout and infrastructure location needs of several active prospects. Dewberry & Davis is in the process of redesigning the waterline, and will then pursue required permitting approvals. Construction of the remaining waterline extension is expected to be complete within two years. The RIFA is requesting approval of a 7th year extension to May 21, 2022.

Staff recommends approval of a 7th year extension to May 21, 2022.

Mid-Atlantic Broadband Communities Corporation

Dynamic Spectrum Wireless Broadband Access for Southern VA: Phase 1 (#3088)

Request for 5th Year Extension to September 23, 2020

Staff Overview & Comments: This \$300,000 grant was approved in September 2015, to support construction of six towers and related capital costs for the TV White Space initiative also supported by Microsoft and in partnership with the equipment provider Adaptrum. One of the tower locations

serving the Virgilina community in Halifax County had to be relocated due to bedrock issues at the original location. Tower construction at the new location has been delayed and MBC is again requesting additional time for this work to be completed. MBC reported that the experimental network has produced mixed results for users served by a total of thirteen (13) tower sites, and has worked to troubleshoot performance issues related to the base stations and customer premise equipment. Adaptrum took over operation of the network in July 2018 and will continue to operate the network through June 2020. While enrollment in the TVWS project were curtailed in 2018, the tower site in Virgilina is still identified as a priority by MBC for deployment of wireless broadband services in this unserved area of Halifax County. There remains a balance of \$86,597.57 on the TRRC project account, of which \$25,000 is estimated to be drawn down for this last tower. Construction of the tower is expected to be completed in early 2020, and MBC is requesting a full 5th year extension to accommodate any unanticipated weather related delays.

Staff recommends approval of a 5th year extension to September 23, 2020.

**A.L. Philpott Manufacturing Extension Partnership
TRRC Trade Adjustment Assistance Program (TAAP) (#3097)
Request for 5th year extension**

Staff Overview & Comments: This grant, which was approved for \$300,000 in September 2015 (current balance of \$227,439) seeks a fifth year extension, through September 30, 2020 to allow completion of the work that is being performed with TRRC region based manufacturers. This project reached its expiration date on September 23, 2019 but was granted a grace period by the Executive Directory in order to continue work on the project until a formal extension could be presented to this committee for approval. Since that time one of the outstanding contracts has been completed however the Grant Report states that one additional client remains in the pipeline. It is not known if additional clients will be recruited during the fifth year of the grant. This grant has operated on a cost share basis to cover one half of the company's cost to participate in the program. The remainder of the cost is paid utilizing federal funding through the Trade Adjustment Act that is managed by the Mid-Atlantic Trade Adjustment Assistance Corporation (MATAAC). Through this program, Genedge worked to provide support to companies address operations that have resulted from foreign trade inequities.

Staff recommends an extension through September 20, 2020.