

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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8 **STRATEGIC PLANNING COMMITTEE MEETING**

9 **(BY CONFERENCE CALL)**

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11 When Heard On: Tuesday, March 31, 2020

12 11:30 o'clock a.m.

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1 **APPEARANCES:**

2 Dr. Alexis I. Ehrhardt, Co-Chairman

3 The Honorable Daniel W. Marshall, III

4 The Honorable Kathy J. Byron

5 Mr. Ed Blevins

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7 **COMMISSION STAFF:**

8 Mr. Evan Feinman, Executive Director

9 Mr. Andy Sorrell, Deputy Executive Director

10 Mr. Jordan L. Butler, Public Relations Coordinator

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1 March 31, 2020

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3 DR. EHRHARDT: Are you ready to begin?

4 MR. FEINMAN: I am. Go ahead, Madam Chairman.

5 DR. EHRHARDT: Great. Then, I'll go ahead and call
6 us to order. Here's your knock, I hope everybody heard that.

7 Evan, I want to thank you and your team by putting
8 together what I think is a really robust outline for the plan, and I
9 think all things considered when the last time when you and I
10 spoke about this was sort of pre-, I think we were in pandemic,
11 but pre-real crisis. So, I think this is even more appropriate for
12 us now as we're considering the world we live in. So, I want to
13 thank you and your team for all the hard work you put into it. I
14 assume, and I know you had planned to talk with most of the
15 members of the Committee individually prior to this meeting, and
16 I know I found our conversation very helpful.

17 So, with that, I'd love to turn it over to you to kind of
18 walk us through the plan, and we can certainly address questions
19 and concerns as we move through.

20 MR. FEINMAN: Sure. If I may suggest, we do still
21 need to do a roll call.

22 DR. EHRHARDT: Yes, forgive me.

23 MR. FEINMAN: Ms. Ehrhardt.

24 DR. EHRHARDT: Here.

25 MR. FEINMAN: Delegate Marshall.

1 DELEGATE MARSHALL: Here.

2 MR. FEINMAN: Mr. Blevins.

3 MR. BLEVINS: Here.

4 MR. FEINMAN: Secretary Ball.

5 SECRETARY BALL: (No response).

6 MR. FEINMAN: Delegate Byron.

7 DELEGATE BYRON: (No response).

8 MR. FEINMAN: Well, you've got a quorum.

9 Now, turning to the business of the meeting. I did
10 have a chance to talk with everybody on the phone individually
11 about this document, and so I'll move through it very swiftly
12 because the primary purpose of this call is for you and the
13 Committee members to be able to talk with each other and for us
14 to have a conversation. But to hit the highlights, we really
15 wanted to take into account two important aspects of where the
16 Commission is and where we think the Commission needs to be.

17 So, focusing first on where the Commission is, you
18 know we continue to have a fair, significant problem with
19 revenues. We are not earning a lot in the treasury, and we're
20 spending a lot because neither are significant. So, the first thing
21 that we tried to do in this document is lay out a future by which
22 we're able to really, you know, the way I characterize it is play a
23 lot more offense. I want to see us bringing resources into the
24 Commission. We've done that to a lesser extent with things like
25 revenue sharing, with things like the loans through VRA, which

1 do carry an interest rate, but, you know, there's a lot more that
2 we need to do if we're going to be able to fund Commission
3 operations into the future. And there's really two big approaches
4 to getting that funding in.

5 The first is a proposal that we worked to create an
6 outside nonprofit entity that accepts donations and grants. And
7 the second is that we engage in really dramatic ramping up of
8 lending activity and do that at or only just below market rate.
9 That second piece is a significant departure for the Commission,
10 but, one, there has been an availability of capital issue, you
11 know, I don't know entirely what's driving that, I suspect a lot of
12 it comes from over-regulation of the banking industry following
13 the 2008 crisis, particularly as it pertains to small and community
14 banks.

15 The other big change that we would, you know, big,
16 significant change at the Commission is a change in the way in
17 which we actually operate internally, recognizing that we have
18 reduced funds, at least for the period that would be covered by
19 this document, which would be the next two years.

20 We propose first streamlining the Committee, which
21 will force projects that might have been in separate committees
22 into competition with each other. That's been something that
23 has been difficult for the Staff to communicate to Commissioners
24 when we've done rounds that were so specific. You know, it's
25 hard for us to say yes relative to the other projects before the

1 Southwest Economic Development Committee, this is a relatively
2 good theater renovation, but this theater renovation remains a
3 less good use of resources than would be investment in a shell
4 building or something of that nature.

5 So, by streamlining the Committee, we can force
6 projects to compete with each other in a way that should be
7 really effective. But that doesn't mean we'll stop doing the work
8 of the Committee that gets sort of idle for the time being. And,
9 you know, when I, the second or the third, I guess, big meaty
10 part of this document is the area, the priorities, and I do propose
11 that we narrow some of our work there. In particular, you know
12 we start with business and community lending, then we do
13 workforce and economic development, and education and
14 workforce development, then agribusiness, then TROF, then
15 industrial and business infrastructure, then programmatic
16 building and project development.

17 What you'll see left out there is grant-making for
18 health care entirely. You'll see community development,
19 anything that's community development must be a loan as
20 opposed to a grant. Currently left out is tourism. Now, that's
21 something that I think there'd be some pushback, particularly in
22 Southwest, that's such a growing industry. But I wanted to sort
23 of, that could still be a lending option, but it would no longer be a
24 grant-making option.

25 Those are the big departures, I'm happy to walk

1 through the document item by item, but some of the rest of
2 what's there is codification of work that we're already doing or
3 that's already reflected in a prior plan. How do you all feel about
4 that?

5 DR. EHRHARDT: I'm open to other members of the
6 Committee, too. I would say that we definitely want to walk
7 through in some detail and some of the newer, and I'm very
8 interested to hear what the Committee members think
9 particularly about the, well, all of it, but the Committee piece,
10 particularly.

11 DELEGATE MARSHALL: Evan, this is Danny, let's go to
12 30,000 feet and look at a timeline of how we're going to roll this
13 out. This is one piece of it that you roll out to this Committee, so
14 what's the next step after that, what's the next step after that,
15 what's the next step after that?

16 MR. FEINMAN: Well, so, first, you know, we want to
17 get guidance from this Committee . As soon as we get that,
18 what we'll do is we'll beef up the document that you've got in
19 front of you. I mean what we have right now is, there is some,
20 the beginning of the document looks a lot like what it'll look like
21 in final form. But then, you know, the operational pieces we left
22 as an outline, because there's just any sense doing a bunch of
23 work, missing stuff if you guys didn't like it. So, we wanted to
24 make sure that that was a direction that the Committee wanted
25 to go before we, you know, sort of filled out the language around

1 it.

2 The next sort of question would be once we've got a
3 final, what I can do is, you know, we'll take guidance from you
4 guys today, I'll circulate a document that's more complete to all
5 of you guys for your edit. And we can do that via email, there's
6 no real reason that we would need to do that in another call at
7 first.

8 Then I think we do one more call to get the final, and
9 then we can present that to the May meeting, and the
10 Commission will adopt it or not. That is a similar process to what
11 we did in the prior strategic planning exercises.

12 The one thing we'll want to do is make sure that we've
13 got this document in a near final form with enough time ahead of
14 the May meeting to accept public comments. I think we want to
15 give our stakeholders an opportunity not to do full-on , I mean
16 they'd be illegal now anyway, but not to do the full-on kind of
17 stakeholder comment sessions that we've done in the past, but
18 rather to at least weigh in within us in writing about, you know,
19 how they feel about our new direction.

20 An important piece of that will be making clear what
21 our current fiscal situation is. I don't think we do a good enough
22 job communicating with our partners that, you know, in the
23 absence of a real plan for fiscal sustainability, the Commission
24 would cease to be a usefully operating entity in the next five to
25 ten years. I think a lot of people assume that we just have an

1 endless pot of money.

2 DELEGATE MARSHALL: So, Evan, one of the things
3 that I did not, I don't think I heard was the, does the plan need
4 to go through the Executive Committee?

5 MR. FEINMAN: It does not need to, it certainly can.
6 You know, I think at the same time we get the draft out for the,
7 for public comment, you know, I would welcome edits and input
8 from Commissioners, as well. We haven't in the past done it that
9 way. This is a committee like any other, and we can make
10 recommendations from this Committee to the Full Commission.

11 DELEGATE MARSHALL: Thank you.

12 MR. FEINMAN: All right. So, why don't we just start
13 walking through the document and we can go item by item. As I
14 said, the first couple of pages are, you know, frankly, not a
15 problem, but, you know, I will draw your attention to the vision
16 which was updated a little bit. You know, we started to try to
17 say that the Commission's work is done in an objective and
18 quantifiable economic faith analysis in general, directly
19 productive industry and workforce training and development,
20 which supports them to more further that goal and should be
21 favored. And then we make an explicit call-out in our vision to,
22 insuring maximum impact through expenditures and the
23 Commission's financial sustainability. So, those are departures
24 there and I don't think we have issues with that, I'm happy to go
25 to Item 1, which is our new structural approach.

1 Hearing none, first streamline committees. I outlined
2 some of the reasoning behind that, but, you know, to restate it
3 really briefly, when we split the pot too many ways, we tend to
4 over, there's not enough money to do significant projects. And
5 one second, guys, I apologize, give me one moment. In
6 addition to worrying about splitting the pot too many ways
7 through, there is real advantage to having different sorts of
8 projects to compete against each other. And by streamlining
9 down to Southside Committee and Southwest Committee and an
10 Education Committee, which would be our grant-making and
11 lending committee, we really pull all our projects together.

12 Now, that Southside and Southwest Committee would
13 not be the current Southside and Southwest Economic
14 Development Committee, it would now become basically just two
15 versions of special projects in that, you know, they will hear
16 everything that is sensible that does not fit into the Education
17 category. And I think that makes a lot of sense for us,
18 particularly in the near term because we'll be able to have two
19 committees that can take on a lot of different work and still have
20 healthy budgets that they can do grants. And I would need
21 probably each committee meeting, I would say probably one
22 committee in the summer and one committee in the fall and then
23 both committees in the winter, you know, to finish up any, any
24 needs that surface over the course of the year.

25 DELEGATE MARSHALL: Evan, let me ask a question

1 about the two committees. Do you foresee as membership of the
2 Southwest Committee and membership in the Southside
3 Committee, that all Commissioners on the Southside would be on
4 the Southside Committee and all the Commissioners in the
5 Southwest would be on the Southwest Committee, and then a
6 few would be on the Education Committee?

7 MR. FEINMAN: I'm actually not sure, I know in
8 particular that a set of Commissioners will be really interested in
9 staying on the committee that represents their region, but in a
10 lot of ways I actually think that it would be better and lead to
11 more objectivity if we kind of reversed it. If there were a lot of
12 Southwest folks on the Southside Committee, and vice versa,
13 because it lends objectivity if you're no longer talking about your
14 community.

15 With that said, you know, I'd let, as we do with
16 committees now, by and large, we let folks pursue their interest
17 and inclination. We want to make sure that we have a complete
18 balance across both those committees. So, you know, to the
19 extent that we collapse, the R&D and Agribusiness Committees
20 into these committees, we still want to make sure that we have
21 folks who know what they're talking about in the Agribusiness
22 phase and know what they're talking about on infrastructure and
23 R&D, you know, and have some experience there on both sides.

24 DELEGATE MARSHALL: My only thought is that, you
25 know, I think that if some members are not on a committee

1 we're going to have problems. I think that people, I think one of
2 the reasons the Tobacco Commission has been so successful is
3 because of the involvement of its members.

4 MR. FEINMAN: I agree, and, you know, I'll be honest,
5 I'm not entirely wedded to the specific committee structure that's
6 been described here, so, you know, if this Committee wants to
7 move in a different direction and whether that's, you know,
8 maintaining one additional committee or creating very explicit
9 subcommittees that, you know, are designed to work in tandem
10 with the other committees, you know, I think that's fine.

11 What I wanted to do though was push projects
12 together to the greatest extent possible, as well as, you know,
13 really try to insure that we weren't dividing our pot up into too
14 many different pieces.

15 DR. EHRHARDT: Any thoughts from any other
16 Committee members?

17 MR. BLEVINS: This is Ed Blevins. I see the objective
18 there with the streamlining and I think that is probably a good
19 direction, but I think it's also very important that we go to
20 whatever lengths we need to, to have a balance there, on those
21 committees to make sure that the areas affected have a voice
22 and are able to interact. It kind of goes along with what Danny
23 said, and I think we need input from particularly the
24 Commissioners that have been involved in some of the
25 Committees that we are eliminating. I just think it's critical that

1 we have a balance there on those proposed new committees.

2 MR. FEINMAN: I think that makes a lot of sense.

3 DR. EHRHARDT: Ed, I'm sorry, just to be clear, are
4 you saying a balance, a geographic balance on those
5 committees?

6 MR. BLEVINS: Yes. Again, I see the benefit of
7 objectivity by having the overlap between the two regions,
8 Southside and Southwest, but I also think we need to be very
9 cautious about having input from the localities and local areas
10 that are affected.

11 DELEGATE MARSHALL: This is Danny. Let me tell you
12 one thing that's going to be brought up is, and Tommy Wright is
13 going to bring this up, is the, when the Commission was first
14 started long before I was there, I think my numbers are going to
15 be close, that it was originally set up that 70 percent of the
16 funding was going to be at Southside and 30 percent in
17 Southwest. And the reason it was done like that, so I have been
18 told from Tommy, is because that is about tobacco that was
19 grown and sold in Southside versus Southwest. I know we've got
20 two new members on this call that maybe have heard that or
21 maybe have not heard that.

22 MR. FEINMAN: Well, the thing I'll say is, you know, I
23 like Tommy a lot and Tommy is a great guy, but like any other
24 body, whether it's a board or a legislature, the actions of past
25 membership can't bind the future membership. This Commission

1 could decide and say we're going to spend all our money in
2 Dickenson County, and that's just the way it is. You know, I
3 don't think you'd see a lot of support for that proposal, but it is
4 certainly something that we could do. So, I don't think we're
5 obliged to stick to that divide, particularly now when we are 20
6 years out from the original economic situation that we were in, in
7 the beginning.

8 The economy has changed a lot. And so, you know, I
9 think it's incumbent upon us to continue to meet the challenges
10 of today's economy. And, moreover, you know, when you look
11 at the economy of the region, you've got, you know, we didn't
12 just lose tobacco. We lost textiles and we lost furniture. And in
13 the process of losing coal, a long process, but it's happening.
14 And so, you know, we've got to meet all those needs. I think we
15 should certainly acknowledge that. My argument would be, in
16 part, because I don't want to violate the Governor's order if a
17 bunch of you all showed up from Southside with torches and
18 pitchforks. We're not suggesting we eliminate accumulated
19 allocation in the Southside budget that exists there, which is like
20 \$22 million right now. I think that's enough of a kind of a hold-
21 over of that preference for Southside that, you know, would
22 make sense to me.

23 First, it would make sense to me, and I'll say this
24 again, I failed, it's the one thing that Carson tried and failed at,
25 Neil tried and failed at, and I tried and failed at, both of them

1 told me not to bother, but I did anyway to eliminate the
2 allocation formula in Southside.

3 If we just put that into one central pot and took on
4 projects as they came, we'd be able to take on a lot better
5 projects and do more for eastern Southside, but, you know, I'm
6 kind of done having that fight unless it's something that you guys
7 want to take on.

8 DELEGATE MARSHALL: We don't want to take that
9 fight on, as coming from someone who has the two highest, two
10 of the highest allocations.

11 MR. FEINMAN: All right, so how do you feel about this
12 Committee break, break-down, you know, we just to have these
13 four? Do you want to do a different version of it, or do we want
14 to call this something different so there's a cleaner break from
15 the prior Economic Development Committee? We could even
16 change our regions, but I think that would confuse people more
17 than is necessary and it would force us to re-do our logo.

18 DR. EHRHARDT: One of the things that, Evan and I
19 talked about was originally those committees still have economic
20 development, and we talked about taking that out so that they
21 would be sort of quasi Special Project committees and people
22 would recognize them as being broader than Economic
23 Development.

24 DELEGATE MARSHALL: So, Alexis, you'd have a
25 Southside Special Projects and a Southwest Special Projects?

1 DR. EHRHARDT: Oh, forgive me, I wasn't implying
2 that we use Special Projects, I was just referencing Evan's
3 comment that essentially that's what they've become, right?
4 Because it's sort of a hybrid for taking on a variety of projects
5 that come our way, exclusive of education.

6 DELEGATE MARSHALL: Well, originally, Special
7 Projects was for localities that did not get a large allocation, and
8 that, again, was before my time. Am I correct, Evan?

9 MR. FEINMAN: That was an eligible use of Special
10 Projects, and it was also for the big regional projects, things like
11 mega-parks, and I actually think initially some of the broadband
12 funding went through Special Projects before R&D.

13 DELEGATE MARSHALL: So, back to the question
14 should we, and I talked to Kathy Byron yesterday, and I thought
15 she'd be on the call today, but she called me and we talked about
16 if we had the Southside and Southwest and looking like the
17 General Assembly, you know, Kathy and I and Kilgore are on a
18 committee called Labor and Commerce, that's Full Committee.
19 And we have, I guess, maybe three or four subcommittees under
20 there, and subcommittees do kind of most of the work so you
21 can do this similar situation where you can have a Special
22 Projects or a number, under Southside, same thing in Southwest.
23 They would meet and report to the Full Committee and then the
24 Full Committee reports to.

25 MR. FEINMAN: And we could certainly do that, you

1 know, I think we can create subcommittees if we'd would like,
2 you know, that cuts again the idea of pulling projects together to
3 compete against each other. Bur it doesn't necessarily, as long
4 as a subcommittee meets prior to the Full Committee, right?

5 So, if you had subcommittees approved instead of, if
6 we didn't give the subcommittees individual budgets and they
7 just approve projects that sort of come before the Full
8 Committee, and then the Full Committee still had to make
9 decisions about what to fund and what not to fund, we could do
10 both.

11 DELEGATE MARSHALL: I understand the issue you're
12 trying to deal with is trying to keep people from, and I'm guilty of
13 it and I've done it before, you know, trying to keep home cooking
14 and trying to convince members that say I've got it wrong and
15 we didn't fund this. So, I understand where you're going from.

16 MR. FEINMAN: Yes, I mean that has been an issue in
17 the past and it's one that I'm, I'm committed to helping the
18 Commission overcome. I think it's in the Commission's interest
19 to move past that, that issue and operation.

20 All right, unless somebody has a specific change that
21 they want to make, we'll move on.

22 This next one I think also, you know, that's a good
23 Segway, Danny, into the next piece, which is professionalization
24 of the Commission's work. The theory here is to raise the bar for
25 deviations from Staff recommendations, and here I think we

1 should actually make a note, and I think this came up, Danny,
2 either in my call with you or Alexis, or my call with you, rather
3 than have there be a super majority required at the committee
4 level, we could just do one at the Full Commission, which is more
5 in keeping with the way the legislature does it. And we could
6 also make it so that it would merely be, the super majority is for
7 a deviation from a yes/no aspect of it, but that the Commission
8 could still tailor condition at its discretion without the
9 requirement for a super majority.

10 DR. EHRHARDT: Evan, I think we did talk about that.

11 DELEGATE MARSHALL: We did talk about that, also.

12 MR. FEINMAN: What do you all think?

13 DELEGATE MARSHALL: I think a super majority will,
14 have you looked at the actual votes and see it pass, if this would
15 have made a difference or not?

16 MR. FEINMAN: I haven't done any kind of organized
17 survey of previous votes. I also think though, you know, there
18 hasn't been as much push to, you know, try to gin up no votes
19 outside of a couple of specific instances because, you know, once
20 I know that there's no chance we're going to get a majority of
21 no's, you know, I kind of stop politicking, it's not worth running
22 around trying to make it a 40 to 50 loss instead of a 20 to 80
23 loss, a loss is a loss.

24 DELEGATE MARSHALL: It would change the
25 dynamics, it changes the rules of the game. I guess we don't

1 know what we don't know about that.

2 MR. FEINMAN: We can certainly, we do this exercise
3 every other year, but there's no law that says we can only do it
4 every other year. We try something and it doesn't work, and I'm
5 all for trying out ideas and then when they work, great, and
6 when they don't, we come up with something else. All right. No
7 significant pushback on that so far. That's surprising, but great.

8 The next piece of the explicit decision to create an
9 outside nonprofit to fund our education and talent attraction
10 work. The theory behind that, as I've laid out for each of you is
11 that, you know, that is the kind of work that it's very attractive
12 to charitable funders and grant-makers, and I believe we could
13 get a pretty talented and well-connected development person
14 and we have the resources to pay them commensurate with their
15 talent level and so we could certainly do that in a way that would
16 allow us to raise a lot of funds. And that's just another area we
17 can kind of play off in, is the way I've been characterizing it.

18 So, one thing we would need is legislature, and I'm
19 exploring a little bit whether or not we could make that
20 amendment. That's probably going to be too tough, in this
21 current environment, but we could take it on next year in
22 whatever sort of the nature, we know there's going to be some
23 kind of change proposed to the Commission in the coming
24 legislative session, we don't know what that's going to be yet,
25 and I think that we need to stay engaged on that, but we'll find

1 out. What do you folks think?

2 DELEGATE MARSHALL: I think it's worth pursuing. I
3 think that, you know, we have some success stories, and get
4 back to the community colleges and the institute decision
5 machining, and I think that we have been successful with those,
6 and I'm sure there's other success stories.

7 DR. EHRHARDT: I shared this with Evan when we
8 spoke, but one of the reasons I like the idea is that I think it
9 makes the case to those frankly who are newer in the General
10 Assembly, or for whatever reason less familiar with the work of
11 the Commission. I think it helps to make the case that there are
12 other efforts to raise money, not simply relying on Commission
13 funds, which, frankly, we are entitled to do, but I think this is a
14 good faith effort that if we want to have the Commission in
15 perpetuity doing good work in the Footprint.

16 DELEGATE MARSHALL: That's a good point.

17 MR. FEINMAN: Kathy just texted me, let me send her
18 the following information. I agree with that. I think there's a lot
19 of opportunity to get an awful lot done and really, you know,
20 make us some money, frankly. We could fund a lot of our
21 education work in that way. And by pushing that off budget, it
22 means there's more money for the other program and it's more
23 money coming into the Commission, and I'd love to see some
24 day that foundation be a major player throughout the region and
25 something that we could really do. But, again, it'll be a challenge

1 in the current legislative environment.

2 All right, moving on, we've got the improved fiscal
3 management piece. One, we did this in the last strategic plan,
4 but I think that we can be more forceful this time about not just
5 a goal of sustainability, but a plan to get there. And that starts
6 with saying, you know, we did have our four percent corpus
7 invasion this year, and we can do that again in the coming year,
8 but then saying we're going to decline to three percent and then
9 two percent and then one percent, so that by 2024, we are at,
10 you know, true fiscal sustainability, that really needs to dovetail
11 with ideally both, but at least one of the foundation and a
12 significant foray into lending. Absent that, if we just try to live
13 on the interest earnings from the treasury, that'll be a very small
14 budget.

15 So, the whole idea here is, you know, we can sort of
16 maintain effort in the current year, and there probably will be a
17 dip in '21 and '22, in particular '22, will probably will be a lean
18 year, because we won't have gotten a ton of our loan earnings
19 back in, nor would we have raised a boatload of money to the
20 foundation probably, but you never know. But by '23 and '24,
21 when we are reducing our corpus invasion to one percent and
22 then zero percent, we should have made a significant number of
23 loans that are yielding significantly increased interest relative to
24 what they were making in the treasury. And some of those loans
25 will have been short-term loan that will have come back and

1 gone back out.

2 We will have a lot out in the field that would be
3 making money, and that'll be a couple of years into a
4 development associate working on raising money. And so that
5 always takes a little while to get off the ground. I think if we hire
6 somebody who's really good, that can lead to a really, really,
7 really strong outcome. And when you think about, now,
8 obviously, it's a little different, but if you think about the fact that
9 UVA can go on multi-billion dollar capital campaigns, we don't
10 need anything like that. And there sure are a lot of people who
11 care about workforce development and service to our region and
12 who care about rural America generally.

13 I think about some of these big charitable
14 foundations, I think they would love to see our talent attraction
15 program be more aggressive and widespread, and I think we
16 could work really closely with the community colleges to build up
17 the competitive education funds, as well. So, there's a lot of
18 opportunity to do great stuff in that phase. But, you know,
19 there's, what do people think about this, a plan for financial
20 sustainability within five years?

21 MR. BLEVINS: Evan, this is Ed Blevins. I think that
22 you're right in saying that we do need a plan. And I think this is
23 a viable plan and I think the opportunities through the foundation
24 are definitely significant. But I also think that there's probably a
25 tremendous opportunity from the lending portfolio aspect and

1 particularly for localities, and in my world of commercial lending
2 and agricultural lending, I could right off the bat see
3 opportunities that would probably be available for lending, and I
4 think that is a good opportunity.

5 DR. EHRHARDT: Danny, I know you can't speak for
6 all the legislators on the Commission, but how does, does this
7 give you any heartburn, or are you comfortable with that?

8 DELEGATE MARSHALL: No, I think it's just the
9 opposite, I think it gives us a, you know, I have always said that
10 I get heartburn on the Commission last year if you ran out of
11 money. So, I think this is just the opposite and I think this is a
12 path that looking forward to next generations.

13 MR. FEINMAN: All right. The next piece is Asset
14 Management. This is something that we're doing with the Staff,
15 but the real key is, and I think it will elevate it by putting in the
16 strategic plan. We've got property interest in land and in
17 buildings and equipment across the Footprint, millions and
18 millions and millions of dollars of property. And we're not doing
19 anything with that.

20 Now, I don't know exactly what we can do with it, but
21 the first thing that we need to do is catalog all of it, and the
22 second thing we need to do is report liens on all the pieces of it
23 that are over a specific value. We threw out \$100,000, and it
24 looks to be the right number. We could certainly drop it to 50.
25 Then the third thing is figure out whether or not there's any way

1 to leverage this portfolio of assets. I think there probably is, but
2 I couldn't say for sure. And that comes after we would get a
3 complete accounting of it done anyway. So, what do you guys
4 think about that?

5 MR. SORRELL: Delegate Byron joined the call just a
6 minute ago.

7 MR. FEINMAN: Hey, Kathy. Maybe I'm mute, Kathy,
8 we are on the document I sent out, we are on 2-C or 2-B.

9 MR. SORRELL: She's going to find that.

10 MR. FEINMAN: Gotcha. All right, well, so, not a lot of
11 talk about that. We'll move on.

12 Focus on lending. We talked about this a little bit, but
13 we're going to dive in here. The theory here is that we still have
14 significant capital, so, this year by doing our full corpus invasion
15 in pursuit of the partnership investment strategy, which, you
16 know, and I told you guys I don't mind trying new ideas and it's
17 okay when they don't work out, but the partnership investment
18 strategy is not working out well. I had high hopes for it, and I
19 think we're going to wind up getting across the finish line with
20 the Virginia Community capital. The remainder of the funds are
21 there. We've got \$18 to \$25 million that we could put on the
22 street right now. If we do that full corpus invasion again next
23 year, it'll possibly yield us between to \$20 to \$25 million, and
24 that depends on how some other things turn out.

25 So, the idea is over the course of this coming five-

1 year period and transition to full sustainability, we can probably
2 lend a hundred odd million dollars, which at five percent, that's
3 bringing in an extra \$5 million a year. And relevant to business
4 as usual bringing in an extra \$4 million, and if rates go up, which
5 they're likely to do in this state, we can talk about even more
6 funds coming in from that.

7 So, there's an opportunity for us to leverage our
8 money in a really significant way while still meeting a significant
9 community and business need. What do you guys think about
10 that? This is a big part of this plan, so if we're not all on the
11 same page, then I think we need to rethink our approach.

12 DELEGATE MARSHALL: My concern is a company is --
13 (unintelligible).

14 MR. FEINMAN: Yeah, I hear you on that, and I think
15 the way that we can alleviate that concern is to find the folks
16 who are not currently able to do, to be served through the
17 commercial banking phase and we can do that a couple of
18 different ways. One thing we can do is not undercut the
19 commercial bank fund rate and if we're not offering a
20 significantly better interest rate than is a commercial bank, then
21 there's no particular reason to deal with us and all of the
22 attendant headaches of a government entity relative to a
23 commercial bank that, you know, is a private transaction
24 between you and your banker.

25 The second thing we can do is try to insure that, you

1 know, we can even set it as a gatekeeping mechanism, we could
2 say if you don't or you need to try and get turned down by a
3 bank before you come to us. And that's another approach we
4 could take.

5 But I also think, you know, what I've seen at least
6 anecdotally is there are a lot of people who already have banking
7 relationships who go to those banks and aren't successful in
8 getting access to capital before they can pick up the phone and
9 call me or call their attorney and ask them what the
10 Commonwealth can do. And so, you know, I think there is a gap
11 that we would be filling, but it wouldn't be directly competitive
12 with the commercial banking sector.

13 DR. EHRHARDT: I think that's the key, and, Evan, I
14 know you and I talked about that because that was a question I
15 had. Again, I don't live in this state like others do and the
16 lending phase, but why duplicate, and I think what you had
17 articulated to me was that, that gap, but we're really looking for
18 folks who can't, can't access funds in other ways, or have tried
19 and not been successful. And we want to make good loans, but
20 we're really filling the gap here as opposed to duplication. And I
21 think that's really important.

22 MR. FEINMAN: Yeah, and then I think, you know, on
23 top of that we, when you think about what VCEDA does, for
24 example, they're not really competing with commercial banks. A
25 lot of the folks that make loans, and some of these folks, it's

1 tough for them to access capital. And we could certainly do that
2 provided we've got enough value on the other side to
3 collateralize it.

4 DELEGATE MARSHALL: So, Evan, I'm on the Virginia
5 Housing Commission, so VHDA comes before us all the time.
6 And one of the things they have told us many, many times is
7 they make bad loans, and it is not up to, they're not underwritten
8 or a tool backing of the state, the government is not behind
9 them.

10 In this case, if we do this, and we make bad loans,
11 does the Commonwealth of Virginia give us full backing on that,
12 or are we on our own?

13 MR. FEINMAN: Well, a debt to a state agency, we can
14 implore the Attorney General's Office to collect that debt. So,
15 that would be an option that's available to us. The thing that I
16 would have us do, though, is insure that we either had, you
17 know, full or over-collateralization of any loan that we made or a
18 guarantee from the locality. So, that we could be confident that
19 we were not going to be in a situation where the taxpayers had
20 lost money.

21 DELEGATE MARSHALL: Let's go back a year. If we
22 had done this last year, if we would have had some loans out,
23 you know, November and December of last year, that was a
24 really strong time for companies out there, that you don't know if
25 they're going to survive right now with the crazy world we're

1 living in. And so, you know, we don't know what the future
2 brings. Would we have the backing of the government if we
3 would, if our loans would belly-up? I know you have the
4 Attorney General to go out and collect it and try to collect that
5 money, but if the money is uncollectible, what happens?

6 MR. FEINMAN: That would be where we get the
7 benefit of either a local guarantee or the collateral. So, the other
8 benefit that we have being a state agency is we've got the
9 General Services Administration, which is routinely in the process
10 of selling off surplus state government equipment, property,
11 building, etc. That makes it relatively easy for us to go ahead
12 and force our lien, gather the capital, gather the collateral rather,
13 and sell it to get back our money. And if that doesn't work, then,
14 you know, or if we'd rather, if we have a guarantee instead of a
15 collateralized loan, then we work out a payment plan with the
16 guarantor, whether it's an IDA or an EDA or the county or
17 whomever.

18 DELEGATE MARSHALL: So, I heard something new
19 there. So, would a guarantee would be almost like a TROF?

20 MR. FEINMAN: Yes.

21 DELEGATE MARSHALL: So, a local company would
22 come, they would have to get a guarantee from their locality?

23 MR. FEINMAN: Or offer us collateral or some other
24 form of security that was adequate, a letter of credit or a
25 performance bond or something like that.

1 DELEGATE MARSHALL: Okay.

2 MR. FEINMAN: We'd be working on minimizing our
3 risk, so one of the things that we focus on is insuring that we had
4 access to these other forms of value that could get us our money
5 back if the thing went belly-up.

6 DELEGATE MARSHALL: Ed, go ahead, I was going to
7 put you on the spot.

8 MR. BLEVINS: Okay, go ahead and put me on the
9 spot.

10 DELEGATE MARSHALL: In your world, what do you
11 think of this?

12 MR. BLEVINS: Well, I've listened to your comments
13 and listened to Evan's comments, you know, I, to address one
14 question you raised about competing with other lenders. I think
15 there would be opportunities for participation with other lenders
16 in this lending world that we're talking about. And, you know, I
17 think we could use more obligations from localities as a risk
18 mitigation tool. I can't help but think that there is opportunity
19 here by engaging in participation with other lenders and using
20 moral obligations. You have to keep in mind though that you
21 look really, really good when you make a loan to get a business
22 started, or help the locality grow. But when you have to collect
23 it, you don't look as good. And that's always a risk with lending,
24 and we need to keep that in mind. And I think we really need to
25 put a lot of time and effort into our underwriting guidelines and

1 what our exposure to risk is going to be.

2 MR. FEINMAN: Yeah, I agree. To my mind, the most
3 important piece to this would be how we actually or how we
4 actually construct the loan portion and we want to do that, and
5 we are explicit in this document that we want to engage with our
6 partners who have specific expertise, that we wouldn't want to
7 do this by the seat of our pants.

8 All right, if there's no more conversation about that,
9 the next piece is just sort of noting the fiscal side of the
10 developing strategy into the nonprofit, and that's something we
11 talked about.

12 The next step is investing in the region, and so this is
13 something that we have talked about a fair amount. The key
14 aspect to this strategy is really recognizing that Sarah Capps and
15 Sara Williams have more and deeper expertise in economic
16 development efforts in Southside and Southwest Virginia than
17 anybody else in the world save maybe Steven Bursen (sp.) and
18 Ms. Blevins (sp.), frankly, I would stack either of the Sarahs up
19 against them any day of the week.

20 They are also doing when they have spare time or
21 when they really care about a project, Project Development and
22 advising. The thing that they are not doing is, it's always kind of
23 a gold star and adds a lot of value, but it's never been a mainline
24 portion of their job, and what we would do by putting it in the
25 strategic plan is say we are going to carve out explicitly a piece

1 of our regional grant staff's time to work with local leaders and
2 civic leaders to develop new projects. Sarah and Sara are very
3 enthusiastic about this, and this is also an opportunity for us to
4 leverage their expertise and their connections to the rest of the
5 state government to have a lot of value without writing a lot of
6 checks. So, that's another sort of piece of this that we really
7 like.

8 Then the final bit of it is we will need to change, and
9 as a part of this, I would like to change the bylaws. The way the
10 bylaws are written right now, which makes a lot of sense for
11 what they were trying to do, it says I report to the Commission
12 and the Commission or all the Staff reports to me, and I think
13 that's the proper arrangement, but each department head, if I
14 want to hire or fire for those positions, I need to get Commission
15 approval. That makes sense, they are a big part of the
16 organization, and I should be engaged in that. But the way it
17 was drafted in the bylaws, it merely says anyone with director in
18 their title. Well, Sarah and Sara have staff that directly report to
19 them. They're in remote locations, and they're going to be
20 taking on more leadership positions here. So, what I want to do
21 is change our bylaws to just say those three positions, the
22 Deputy Director, the Grants Program Director, and the Finance
23 Director, and the Commission approve hiring and firing decisions,
24 but that's it, so that we can elevate Sarah and Sara to be
25 Southside and Southwest Regional Directors. I think they

1 deserve it and it makes a lot of sense.

2 DR. EHRHARDT: We talked about this, and I agree
3 with all of that. Can you talk a little bit about a question I had
4 when we first spoke about the capacity issue, so we're going to
5 be encouraging them to kind of take on more and different
6 things? Is there a capacity issue and how do we fill that from a
7 staff perspective?

8 MR. FEINMAN: I don't believe there is a capacity
9 issue currently. If you hit a capacity issue with this, the thing we
10 could do, when we originally hired Jessie and Michele, who are
11 the assistants in Southside and Southwest, they were really
12 doing administrative tasks. But as the workload has grown,
13 they've really taken on the same effort as Sarah and Sara,
14 obviously reviewed by Sarah and Sara. We could wind up seeing
15 a need to take on or bring in somebody to truly be an admin.,
16 because they really don't have that now, but I would see doing
17 that at no more than 15 or 20 hours a week in the field offices.

18 I think for the value we would generate relative to the
19 costs, we'd be talking about, including benefits, maybe \$50,000
20 in each office. If we can generate good projects and more value
21 by freeing up 15 hours a week of Sarah and Sara's time, I think
22 that's a good investment. But I think we could fund it a year and
23 see if we get there, Sarah and Sara really love this idea, this side
24 of the work. And I think there's a reasonably good chance that
25 they wind up taking it on as a labor of love and doesn't

1 necessarily lead to a reduction in their other work.

2 DR. ERHHARDT: Thank you.

3 DELEGATE MARSHALL: Evan, Southside or
4 Southwest, Sarah, is part of their job to coordinate their efforts
5 through the local economic development offices, or like
6 Pittsylvania County or Danville, would they work through those
7 offices, or are they a free agent, trying to get maybe existing
8 businesses to expand, how do you see that?

9 MR. FEINMAN: I think it would be much more working
10 with existing folks. They've got the relationships that they've
11 got. And I think what they'd be able to do is to talk to Linda or
12 Mack or whoever and learn what projects are out there and who
13 is thinking about things. And that's just not on the economic
14 development projects side either. That's also if ILAR wants to
15 take something on, UVA-Wise wants to take something on, or the
16 City of Bristol. And there's going to be a lot coming in about
17 these casinos and a lot of work needs to be done to figure out
18 how we best take advantage of building any tourism economy
19 around that.

20 Those are all things, and I think it makes sense for us
21 to, there's going to be, and I hope the Committee is set up to try
22 to take maximum advantage of these new casinos. I think it
23 makes sense for Sarah Capps to be sitting on that committee as
24 part of her job in Southside, and I think it makes sense for Sarah
25 Williams to be sitting on that committee for Southwest. And I

1 think we should be explicit about that because we want to know
2 what's going on. They have the expertise to really push those
3 committees in a good direction.

4 DELEGATE MARSHALL: So, Evan, Danville and
5 Pittsylvania County and Henry County or maybe Halifax County,
6 do they have dedicated economic developers, so I could see
7 really Sarah could work with the County Manager to facilitate and
8 help bring businesses into those areas?

9 MR. FEINMAN: Yes, absolutely. I would to a certain
10 extent leave it up to them, and some of the time will be taken up
11 by the new Southside program, a small towns program rather.
12 But the idea is to leave some flexibility so they can take on the
13 projects that they see coming across their desk that would seem
14 to add the most value or that would have the highest impact.
15 So, to me, that is the right approach. If we're elevating their
16 expertise in terms of project development to focus on the highest
17 impact projects and the places where they can add the most
18 value.

19 DELEGATE MARSHALL: I think it's a good idea.

20 DR. EHRHARDT: Danny, I appreciate your question.
21 And, Evan, I agree I think we need to be explicit about not
22 specific, we don't want to get into the leads on responsibility,
23 how they operate, but being explicit about the role, because I
24 think right now we're very fortunate that the two Sarahs are
25 team players and they have their respective regions and put that

1 above and beyond everything. While I would not anticipate the
2 Commission having someone who didn't operate that way,
3 always predict the future, so I just think be explicit about how
4 we're going to partner and work with existing partners is really
5 important. And sometimes that doesn't go well and like to do
6 everything we could to avoid that in a future scenario.

7 MR. FEINMAN: I would agree.

8 DELEGATE MARSHALL: If you look at the model with
9 Joe Anwyl, that's what Joe does, he brings those clients from the
10 U.K. to the locality so that works well. And Sarah and Sara can
11 somewhat follow that same model.

12 MR. FEINMAN: Yeah, I think the difference would be
13 we wouldn't have Sarah out beating the bushes like Joe does, it
14 would be more once something has landed in the Footprint,
15 making sure it gets across the finish line, whether that's a new
16 business or the new project at a community college or a regional
17 agribusiness proposal, those kinds of things are where we're at.
18 I wouldn't recommend sending Sarah and Sara out for corporate
19 meetings.

20 MR. BLEVINS: This is Ed Blevins, I definitely think we
21 could better utilize the resources we have with Southwest, Sarah,
22 in this capacity. I think that's a tremendous resource that could
23 be better utilized.

24 MR. FEINMAN: Moving on. The next piece is the
25 Regional Marketing and Development effort. This is not anything

1 new, it's just about, we've got Will Payne in Southwest and Joe
2 Anwyl in Southside, those guys are working with us and have
3 contracts. As we saw with Joe Anwyl in the past, he got caught
4 up in a different issue and he wasn't clear that we were going to
5 keep working with him. And we want them to feel secure So, I
6 think exclusively saying that we're going to remain in contract
7 with these people as long as the Commission continues to
8 approve their work will give them some comfort, and make clear
9 the Commission is behind them long-term or at least for the two
10 years the strategic plan is in force.

11 This last piece is the area of priority. And this is an
12 area, and we did this in our last strategic plan, and I've got these
13 in kind of order of priority and I am open to changes. We really
14 say business and community lending is the largest per dollar
15 activity in the Commission. So, it's our top priority, and followed
16 behind that is Education and Workforce Development. And we
17 break that down into three categories we currently have, which is
18 competitive education and grant making, which is capital grants
19 to our institutions of higher learning, talent attraction, which is
20 getting student loans for folks to come and live and work in the
21 Footprint. And then finally Workforce Financial Aid and making it
22 less costly to attend community colleges.

23 The next priority, I think should be Agribusiness. I
24 think we have under-invested in Agribusiness in the past, and I
25 would like us to focus on systemic and value added over research

1 and individual processor benefits. I think there's a lot of
2 programs out there to help in the research phase, particularly at
3 the federal level. I don't know that that's as good an investment
4 on our part in the past.

5 Next would be TROF. And the one behind that would
6 be Industrial and Business Infrastructure. This is broadband,
7 megasites, and the shell buildings. And then finally would
8 programmatic capacity building and project development. These
9 would be small dollar investments for things like wind in a
10 project, and the two Sarahs, and I'm thinking about our small
11 towns program here. If we find out that Kenbridge cannot
12 afford to do the VHCD community business launch because they
13 don't have or they can't free up \$20,000 for a match. Well,
14 Sarah can recommend the Commission fund that and we can
15 certainly do that. And that would be kind of a high impact thing,
16 but I think that would be the lowest dollar. How does that list
17 strike you all?

18 DELEGATE BRYON: Evan, are they in any particular
19 order?

20 MR. FEINMAN: I have them in my recommended
21 order, A through F, but it's up to you guys.

22 DELEGATE BYRON: Does there need to be an order
23 areas of priority without specifying, you know?

24 MR. FEINMAN: They certainly don't need to be. We
25 have put them in order in the past, and I think sometimes it's

1 helpful, particularly when we've got people comparing projects
2 that fall into different categories to know the Commission has
3 made a decision about what's a priority and what is not. A
4 project that's a lower priority should still probably take
5 precedence over a so-so project of value that's a higher priority,
6 but I don't know that there's necessarily a ton being explicit
7 because it's the highest priority.

8 DELEGATE BYRON: We haven't really experienced the
9 business of community lending yet, so I had some concern about
10 some of these that are still being developed and some,
11 something we're quite familiar with, that by prioritizing them
12 that we're trying to send messages out again that maybe that's
13 not necessary at this point and maybe it's the uncertainty right
14 now that many of us are feeling Just have some concerns about
15 that.

16 MR. FEINMAN: I think that's fair. I'm not wedded to
17 the idea having them being in priority order.

18 DR. EHRHARDT: You don't say, unless I'm missing
19 something, you don't say explicitly they're in order of priority,
20 which gives them, and I don't mean intentionally, covert in any
21 way, but people may assume that, but you don't affirm that in
22 the text.

23 MR. FEINMAN: Yeah, that's true.

24 DR. EHRHARDT: Yes, and I have a question, and I
25 don't know if it is possible, and I just know that we're having a

1 lot of discussions in our region on the funding or in the funding
2 community about pivoting, and I know GO Virginia is thinking
3 about, in the current crisis, what can we do to particularly
4 support small businesses. I'm not suggesting we put it in the
5 strategic plan because it is shorter term and operational. What I
6 was going to say and what I like about this order it does allow
7 some if we wanted to take steps in recovery effort for
8 businesses, particularly come fall, God willing, giving us some
9 leeway to do that if there was something innovative we wanted
10 to do in that space.

11 MR. FEINMAN: Yes, certainly. And we can also or we
12 can move faster, but I do worry about or that's a different
13 conversation, but I worry that some of the COVID responses that
14 we're seeing are people being responsive to the needs, quote,
15 unquote, do something rather than people being deeply
16 thoughtful about whether or not what they're doing is the
17 smartest thing.

18 DR. EHRHARDT: I couldn't agree more. That's why I
19 think our timeline would be better suited because businesses
20 don't know what they need right now for recovery, but they know
21 what they need today. I like our timeline.

22 MR. FEINMAN: Is there anything we're missing
23 explicitly not in here and I think it's worth noting. The things
24 that are not covered in B through F would mean that they're not
25 eligible for grants. So, they would be loan candidates only,

1 which would leave out some projects that we have done in the
2 past, things like Tourism Project, things like grants to hotels. I
3 tend to think those were not higher impact grants, but we should
4 be clear about that.

5 DELEGATE MARSHALL: That's grant dot loan, is that
6 right, so could do a loan to a hotel.

7 MR. FEINMAN: We certainly could.

8 DELEGATE BYRON: My question is and I was late on
9 the call, and if so we can discuss it offline later, but I'm just
10 really wondering what's your goal line, did this just happen to get
11 mixed in with a pandemic and the focus or is there a, we still
12 have to get back together and discuss it. And there's some
13 background noise here.

14 MR. FEINMAN: The lending has been on the horizon
15 for a while. That's not driven by the pandemic, though I think
16 that the pandemic helps make the case for it a little bit. Really,
17 the idea behind the lending is I tried to and oftentimes you're
18 working on something and it's hard to kind of see above the
19 bushes. I tried to step back and take a broader look and it
20 started just with a thought. If I knew I just didn't want to spend
21 the money, I wanted the money to last, and I knew I wanted to
22 support economic development and growth. If I had four
23 hundred million dollars, what would I do, and what would the
24 people do? The answer is they lend it.

25 So, you combine that thought with the recognition

1 that there is an access to capital problem in our Footprint and
2 that we need to raise more revenue. And I think the argument
3 for making loans just grows from there.

4 DELEGATE BYRON: Your response to the goal when
5 do you hope that this would be completed?

6 MR. FEINMAN: I think that we could, if this plan is
7 approved in the May meeting in whatever form that takes, I think
8 we could, depending on how much other stuff got in the way and
9 how quickly partners could move, I think at the outside we'd
10 have all of the Guidelines for the lending program ready and get
11 it to you guys by the December meeting, then I think it's very
12 likely we could have it by the September meeting. In fact, I bet
13 we could have it even sooner than that if we wanted to do a
14 special meeting, not that there are a lot of silver linings to this
15 with the pandemic, but the fact that we've opened up the open
16 meetings tool to permit some of these remote meetings actually
17 makes it a lot easier to get the Commission together, because
18 filing into a conference call is a much lighter lift than traveling
19 somewhere. We can get some things more swiftly, particularly if
20 we could discover in late summer, for example, that there is a
21 real need for us to be lending this money out more swiftly.

22 All right, that's the whole shebang, do you all have
23 any other thoughts? I have a little more time, but I do have a
24 call at 1:30.

25 DR. EHRHARDT: Evan, is there anything that you

1 want to add as we move forward in the process, any ways that
2 we can be helpful?

3 MR. FEINMAN: The first thing is as soon as we get out
4 of here, we're going to start adding some language turning this
5 from an outlying form and turning it into a real plan. When we
6 send those versions out, and I know it's not any fun, but to the
7 extent that you guys can turn around any edits you have back to
8 us, that's really helpful.

9 We've all been in this document for a while, and it's
10 the easiest thing in the world to read right past typos or if you
11 cannot recognize that a sentence you wrote does not fully
12 capture the idea you're trying to convey because you know the
13 idea. So, you guys outside input make the document better and
14 that's tremendously valuable and then, also, catching things that
15 we missed because there will be items we missed or ways to
16 phrase things that would have unintentional consequences, and
17 we should be careful about that, because once we adopt the
18 strategic plan we're bound by it.

19 DR. EHRHARDT: I don't know who doesn't think that's
20 fun, but I'll be happy to proof away.

21 DELEGATE BYRON: Evan, at some point, I missed the
22 beginning part, so I'm not sure what the consensus was, if there
23 was any, and the makeup of the committee, but that's something
24 I'm certainly interested in, we can talk about it later.

25 MR. FEINMAN: I can schedule a call to brief you on

1 the first half of the meeting.

2 DELEGATE BYRON: I'm sorry, I came on when you
3 were talking about lending.

4 MR. FEINMAN: All right, that's easy then, we can find
5 20 or 30 minutes to chat later in the week.

6 DELEGATE BYRON: Okay.

7 DR. EHRHARDT: Evan, is there any other official
8 business before we adjourn?

9 MR. FEINMAN: No, I'm encouraged that you guys
10 seem to appreciate the work that Staff has put into this and the
11 direction we're laying out, this is going to be a change in the way
12 the Commission operates on some level. But in another, it's a
13 new way to try to stay true to our core mission, and that's really
14 the way we approach it the whole time and hopefully where we're
15 going to end up. So, thank you very much for your time and
16 attention. I really appreciate all of you being engaged with the
17 document and thought about it.

18 DELEGATE MARSHALL: Before we leave, if I could
19 make a brief comment. This is kind of uncharted work in terms
20 of what we're living in. This is the first conference call I've been
21 on where it's been a back and forth. Most of them have been like
22 a lecture. I'm just sitting there listening to someone else discuss
23 the information, but it's -- as opposed to sitting across the table
24 from someone. And I guess we'll get a little bit better at this as
25 we go forward. Hopefully, it won't be too much longer, but a

1 little awkward for me.

2 MR. FEINMAN: Yeah, I think it does help if you guys
3 are in front of your computers. Andy and I are the only ones
4 that did the video. I think it helps a little bit because there's a
5 lot of communicating that people do with their facial expressions
6 and body language. That partially comes through when you do
7 the video chat. I'm doing five or six of these a day, and when
8 people are in the video chat, it does work better.

9 DR. EHRHARDT: I agree. And my internet is back
10 working. Danny, you'll be interested in that. I agree with you,
11 Evan, I'm pretty much on it all day in the video.

12 MR. FEINMAN: Whoever owns the Zoom Corporation,
13 this is the best thing that ever happened to their business.

14 DR. EHRHARDT: It's rumored they invented the virus.

15 MR. FEINMAN: Would have been the best business
16 move they could make.

17 DELEGATE BYRON: Evan, you just quite frankly, you
18 just don't want to see it.

19 MR. FEINMAN: I think that's all of us. Thank you. I
20 did have a meeting earlier in the week, I guess last week at 9:00
21 a.m., and I didn't realize it was a video call, and where are you?
22 Okay, thank you guys very much. Keep your eyes peeled in the
23 next week or so for the updated version of the document.

24 DR. EHRHARDT: That sounds good. Evan, thanks to
25 you and your team for all your work and we appreciate it.

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MR. FEINMAN: Thank you.
DELEGATE MARSHALL: Stay healthy.

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, Strategic Planning Committee Meeting**, when held on Tuesday, March 31, 2020, at 11:30 o'clock a.m., (by conference call).

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 _____ of April, 2020.

Medford W. Howard

CCR