

The seal is circular with a light beige background. The outer ring contains the text "COMMISSION TOBACCO REGION REVITALIZATION" in a serif font, arranged in a circle. In the center of the seal is a map of Virginia, with the western and southwestern portions shaded in a light brown color and the eastern portion shaded in a light blue color.

**Virginia Tobacco Region
Revitalization Commission**

Winter 2021 Meeting

JANUARY 8, 2021



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Virginia Tobacco Region Revitalization Commission

Winter Meeting

ELECTRONIC CONFERENCE CALL

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9:30 - 4:30 P.M.

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ITINERARY

If accessing the meeting from the internet via a computer or smartphone, use this link to access the electronic meeting:

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m329ba3c2cb02bc71aafc908bdd7c99ed>

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number: 132 894 5966# and meeting password: acVXJvy2576 (22895892 from phones and video systems)

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: JButler@revitalizeva.org or call 804-894-9652.

In accordance with §30-179 of the Code of Virginia, the public may provide comment on their experience with this electronic meeting format. A copy of the comment form may be found below: http://foiacouncil.dls.virginia.gov/sample%20letters/reporting_reqs.htm.

**Virginia Tobacco Region Revitalization Commission
Winter Meeting
Electronic Conference Call
Friday, January 8, 2021
9:30 am - 4:30 pm**

9:30 - 10:30 am	Executive Committee
10:30 am - 12:00 pm	Southwest Virginia Committee
<i>12:00 - 1:30 pm</i>	<i>Lunch Break</i>
1:30 - 2:30 pm	Education Committee
2:30 - 3:00 pm	Southern Virginia Committee
<i>3:00 - 3:15 pm</i>	<i>Break</i>
3:15 - 4:30 pm	Full Commission Meeting

**Stay Healthy
and Stay
Safe!!!**



EXECUTIVE COMMITTEE

Electronic Conference Call Meeting

Friday, January 8, 2021

9:30 A.M.

If accessing the meeting from the internet via a computer or smartphone, use this link to access the electronic meeting:

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m329ba3c2cb02bc71aafc908bdd7c99ed>

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If you have any access issues at the time of the meeting, contact Jordan Butler via email at: JButler@revitalizeva.org or call 804-894-9652.

Welcome and Call to Order	<i>The Honorable Terry Kilgore, Chairman</i>
Items Related to Remote Meeting	<i>Andy Sorrell, Deputy Director</i>
Call of the Roll	<i>Evan Feinman, Executive Director</i>
Approval of <u>04/29/20</u> Minutes	<i>(published on website)</i>
Public Comments	
Bylaws Update	<i>Evan Feinman, Executive Director</i>
Legislative Update	<i>Evan Feinman, Executive Director</i>
Other Business	<i>Evan Feinman, Executive Director</i>
Public Comments	
Adjournment	

TOBACCO REGION REVITALIZATION COMMISSION

BYLAWS

Adopted: 1999

Last Revised¹: ~~June 22, 2020~~ January 8, 2021

ARTICLE I. NAME AND PURPOSE

Section 1.1. Name. The Tobacco Region Revitalization Commission is created as a body corporate and a political subdivision of the Commonwealth, vested with those powers set forth in Chapters 31 and 31.1, Title 3.2- of the Code of Virginia (the “Code”).

Section 1.2. Purposes. The Commission’s purposes are to determine the appropriate recipients of moneys in the Tobacco Indemnification and Community Revitalization Fund (the “Fund”) and distribute such moneys consistent with the purposes provided in Chapter 31, Title 3.2 of the Code.

Section 1.3. Offices. The principal office of the Commission shall be located within the Commonwealth of Virginia, as established by the Commission. The Commission may also establish such other offices at such locations within the Commonwealth as may be designated by resolution of the Commission.

Section 1.4. Fiscal Year. The fiscal year of the Commission shall begin on the first day of July in each calendar year and shall end at the close of business on the thirtieth day of June in the following calendar year.

ARTICLE II. MEMBERS OF THE COMMISSION

Section 2.1. Membership. The Commission shall be governed and administered by members who shall be appointed and hold office as provided by Code Section 3.2-3102.

Section 2.2. Terms. Terms shall be as provided in Code Section 3.2-3102.

Section 2.3. Vacancies. Any vacancy on the Commission shall be filled by the entity charged by the Code with making the original appointment. The Executive Director shall forthwith notify such appointing entity whenever a vacancy occurs.

¹ Previously revised: 6/8/01, 1/10/12, ~~and 1/12/16,~~ and 6/22/20.

Section 2.4. Reimbursement. Members of the Commission shall receive reimbursement for expenses incurred in the performance of their duties on behalf of the Commission, as provided by the Code.

ARTICLE III. OFFICERS

Section 3.1. The Chairman. The Commission shall ~~elect~~ appoint from its membership a Chairman to serve for a period of two (2) years. ~~for a period of no more than two (2) years.~~ The Chairman, or in his absence, the Vice- Chairman, shall preside over all the meetings of the Commission. ~~The Chairman shall have supervision over the policies of the Commission, subject, however, to the control of the Commission.~~ Upon expiration of the Chairman's term, he or she shall continue to serve until the next meeting of the Commission.

In general, the Chairman shall perform all duties incident to such office and such other duties as may from time to time be assigned to him by the Commission, consistent with Code Sections 3.2-3100 through 3.2-3111. The Chairman or his designee shall sign all written authorizations to the State Treasurer and/or Comptroller for disbursements of expenditures from the Fund. The Chairman or his designee shall have the authority to sign contracts that may be entered into from time to time by the Commission.

Section 3.2. The Vice-Chairman. The Commission shall elect from its membership a Vice-Chairman to serve for a period of two (2) years. ~~for a period of no more than two (2) years.~~ The Vice-Chairman shall preside over meetings of the Commission and discharge such other duties pertaining to the office of the Chairman that may arise during the Chairman's absence. Upon expiration of the Vice-Chairman's term, he or she shall continue to serve until the next meeting of the Commission.

Section 3.3. The Executive Director. An Executive Director shall be appointed pursuant to Code Section 3.2-3105 and shall be compensated as provided by the Code. The Executive Director shall administer, manage, and direct the affairs and business of the Commission, in accordance with these Bylaws and the provisions of Sections 3.2-~~3101-3100~~ 3100 through 3.2-3111 of the Code, subject to the policies, direction, and control of the Commission.

The Executive Director shall have the authority to negotiate and sign one or more contracts when each such contract is not expected to exceed \$50,000 for the purchase or annual lease of goods, or for the purchase of annual services, annual insurance, or for construction in accordance with the small purchase procedures established by the Department of General Services, pursuant to Section 2.2-4303(G ~~and H~~) of the Code or pursuant to such procedures as ~~may hereafter be established by~~ the Commission may adopt pursuant to Section 2.2-4303(G ~~and H~~) of the Code.

The Executive Director is authorized to organize, hire, and manage all Commission employees; provided, however, regarding employees whose official job title is “Deputy Director,” “Grants Program Director” or “Director of Finance,” the Executive Director is authorized to take appropriate performance and disciplinary actions only with prior approval by the Commission. For all other employees, the Executive Director is authorized to take appropriate performance and disciplinary action without prior approval of the Commission ~~or any of its committees.~~

Further, The Executive Director has the authority to establish operational policies and procedures and to enter into agreements with non-profit organizations, other agencies and political subdivisions of the Commonwealth in order to perform essential business and operating functions on behalf of the Commission.

When the Executive Director is absent or otherwise unavailable, the Deputy Director may discharge the duties of the Executive Director.

Section 3.4. Other Officers or Appointees. The Commission may appoint or employ other officers, technical experts, agents, advisors or other persons (excluding legal counsel) either temporarily or permanently as it may require for the transaction of its business. The Executive Director Commission shall determine the qualifications, duties, and compensation, if any, of such appointees or employees. ~~The Commission may delegate such administrative functions, as it deems proper, to such appointees or employees, paying actual expenses of performing such duties from the Fund.~~

Section 3.5. Absence of Chairman and Vice-Chairman. Whenever the Chairman and Vice-Chairman are unable to attend or preside at a meeting of the Commission, the Commissioners present at such meeting shall designate a temporary Chairman from among the Commissioners present, who shall preside at such meeting.

ARTICLE IV. POWERS AND DUTIES

Section 4.1. Powers. The Commission shall have only those powers enumerated in Chapters 31 and 31.1, Title 3.2 of the Code.

Section 4.2. Duties. The Commission shall have the duties enumerated in the Code and these Bylaws.

Section 4.3 Establish Requirements. The Commission shall establish an application process detailing the requirements by which requests for disbursement from the Fund will be determined.

Section 4.4. Evaluate Proposals. The Commission shall evaluate proposals for the use of the assets of the Fund in accordance with the criteria established by the Commission and the provisions of Chapters 31 and 31.1, Title 3.2 of the Code.

Section 4.5. Evaluate Implementation by Recipient Organizations. The Commission shall establish criteria for determining whether a recipient organization or entity complies with the Commission's established goal of economic revitalization. Monitoring activities may be delegated to the Executive Director, or other employees of the Commission, but ensuring each recipient's compliance with the terms and conditions of disbursements from the Fund shall be the responsibility of the Commission.

Section 4.6. Disclosure Statements. Members of the Commission shall file applicable Financial Disclosure Statements as required by the Code.

Section 4.7 Strategic Planning. The Commission shall prepare and maintain a Strategic Plan in accordance with Section 3.2-3103(-C) of the Code.

ARTICLE V. COMMITTEES

Section 5.1. Executive Committee. The Executive Committee shall consist of the Chairman, the Vice-Chairman and the chairmen and vice-chairmen of all other permanent committees of the Commission. The Executive Committee may act on behalf of the Commission ~~during a recess of the Commission~~ when authorized to do so by the Commission, or in emergencies. The Chairman of the Commission shall serve as Chairman of its Executive Committee.

A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business by the Committee. Once a quorum is constituted, a majority vote of the quorum shall be required to adopt any motion.

Section 5.2. Other Committees. The Commission may create additional permanent or ad hoc committees, as it deems necessary, and the Chairman may create additional ad hoc committees, as s/he deems necessary, to assist with the work of the Commission, so long as the mission and function of any such committee is consistent with ~~the Commission's enabling statutes,~~ the Code, and these Bylaws. The Chairman shall have the authority to appoint members, a chairman, and a vice-chairman to serve on all such designated committees, unless otherwise provided by majority vote of the Commission.

A majority of the members appointed to any such additional permanent or ad hoc committee shall constitute a quorum for the transaction of business by the committee. Once a quorum is constituted, a majority vote of the quorum shall be required to adopt any motion.

ARTICLE VI. MEETINGS

Section 6.1. Meetings. The Commission shall meet three times per calendar year and may meet more frequently at the call of the Chairman or whenever the majority of the members of the Commission so request. To the extent possible, the Commission shall

agree on the date of its next regular meeting before adjournment of the meeting in progress, unless it previously adopted a meeting schedule.

Section 6.2. Notice of Meeting. Notice of each meeting of the Commission shall be made and posted as required by the Virginia Freedom of Information Act (Code Section 2.2-3707-3700 et seq.).

Section 6.3. Place of Meeting. The Commission may hold its meetings within the Commonwealth of Virginia at such place or places as the Chairman may from time to time determine (unless contrary to resolution of the Commission) or at such place as shall be specified in the respective notices. In addition, the Commission may hold meetings through electronic communication means in accordance with applicable law.

Section 6.4. Quorum and Voting. A majority of the members of the Commission shall constitute a quorum for the transaction of business. Once a quorum is constituted,

(i) Pursuant to Sections ~~3.2-3102-A and~~ 3.2-3104(-A) of the Code, a majority vote of the members of the Commission shall be required to request a payment of up to 6% of the corpus of the Endowment to the Fund, a two-thirds (2/3) vote of the members of the Commission shall be required to request that up to 10% be so paid, and a three-fourths (3/4) vote of the members of the Commission shall be required to request that up to 15% of the corpus be so paid;

(ii) a two-thirds (2/3) vote of the members of the Commission shall be required to amend, supplement or repeal these Bylaws, provided that notice of the proposed amendment, supplement or repeal shall have been included in the notice of such meeting, or such notice shall have been waived by a two-thirds (2/3) vote of the members of the Commission;

(iii) a two-thirds (2/3) vote of the quorum shall be required to adopt or amend formulary rules or guidelines for the allocation of monies from the Fund; and

(iv) a majority vote of the quorum shall be required to adopt any other motion.

If one or more Commissioners are disqualified or abstain from voting on any matter for any reason, the remaining Commissioners shall have authority to act for the Commission as prescribed in subparagraphs (i) through (iv) above. No vacancy in the membership of the Commission shall impair the right of a quorum to act for the Commission within the limits of the quorum's authority as described above. A majority of the Commissioners present at any meeting, whether or not constituting a quorum, may adjourn the meeting to another time and place.

Section 6.5. Manner of Voting. The yeas and nays of every vote by the Commission shall be entered upon the minutes of such meeting. Voting on all questions shall be by voice vote unless a roll call is requested by any Commissioner. The ~~chairman~~ Chairman of the Commission and the chairman of any of its duly constituted committees shall be entitled

to vote on any question properly brought before the Commission or the committee, as the case may be, whether or not such vote results in a tie (in which case the motion is lost) or changes the result.

Section 6.6. Resolutions and Effective Date. A transcript of all resolutions shall be prepared and maintained by the Executive Director. Resolutions shall become effective on the date of passage, upon adjournment of the meeting, unless otherwise stated in the resolution.

ARTICLE VII. REPORTS AND AUDITS

Section 7.1. Reports. The Commission shall be responsible for ensuring that the Executive Director, on behalf of the Commission, submits ~~a reports~~ annually to the Governor and the General Assembly as prescribed by the Code.

Section 7.2. Audits. The accounts of the Commission shall be audited annually by the Auditor of Public Accounts, or his legally authorized representative. The Executive Director shall make available the accounts and records of the Commission showing receipt and disbursement of funds in such form as prescribed by the Auditor of Public Accounts.

Section 7.3. Budget. The Executive Director shall present annually to the Commission a budget detailing the projected income and expenditures of the Commission for the next fiscal year.

Section 7.4. Financial Reports. The Executive Director shall present to the Commission financial reports detailing the actual income and expenditures of the Commission.

ARTICLE VIII. PARLIAMENTARY AUTHORITY

Section 8.1. Parliamentary Authority. In all matters of procedure not covered by these Bylaws, meetings shall be conducted in accordance with the most recent edition of Robert's Rules of Order.

ARTICLE IX. BYLAWS

Section 9.1. Effective Date. These Bylaws shall take effect immediately upon adoption by the Commission.



SOUTHWEST VIRGINIA COMMITTEE

Electronic Conference Call Meeting

**Friday, January 8, 2021
10:30 A.M.**

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<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m329ba3c2cb02bc71aafc908bdd7c99ed>

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If you have any access issues at the time of the meeting, contact Jordan Butler via email at: JButler@revitalizeva.org or call 804-894-9652.

Welcome and Call to Order	<i>The Honorable Chris Hurst, Chairman</i>
Items Related to Remote Meeting	<i>Andy Sorrell, Deputy Director</i>
Call of the Roll	<i>Evan Feinman, Executive Director</i>
Approval of <u>09/28/20</u> Minutes	<i>(published on website)</i>
Public Comments	
FY 21 Program Funding Applications	<i>Sara Williams, Southwest Regional Director</i>
Upcoming Funding Round	<i>The Honorable Chris Hurst, Chairman</i>
Other Business	<i>Evan Feinman, Executive Director</i>
Public Comments	
Adjournment	

FY2021 Southwest Virginia Program
Staff Summaries and Recommendations
January 8, 2021

Applications to the FY2021 Southwest Virginia Program were due on October 8th. Eleven applications were received, one of which was later withdrawn. Project Summaries, Staff Comments and Recommendations, and Financial Viability Assessments are provided below for the 10 active applications. The Committee will meet electronically on Friday, January 8th at 10:30 a.m. on to act on these applications.

Req #	Organization	Project Title	Requested	Staff Recomm.
3697	Abingdon Feeder Cattle Association	Improving Profits Through Sustainable Pastures	\$500,000	No award.
3699	Appalachian School of Law	Serendipity Project	\$250,000	\$100,000
3696	Blue Ridge Discovery Center	Blue Ridge Discovery Center Visitor Center	\$175,000	\$175,000
3698	Cumberland Plateau Company	Dickenson County Broadband Expansion	\$850,000	\$850,000 Loan
3691	Lee County EDA	Produce Auction for Lee County Planning Initiative	\$18,000	\$18,000
3689	Lee County Livestock Association	Grain Production Initiative for Far Southwest Virginia	\$255,000	\$127,500
3695	Lonesome Pine Regional Industrial Facilities Authority	Project Thoroughbred	\$500,000	(Withdrawn)
3692	Old Dominion University Research Foundation	Internet Access for Rural and Underserved Communities Through Wireless Hotspots	\$50,000 \$43,790 <i>(reduced by applicant)</i>	\$38,790
3690	Sunset Holler, Inc.	Southern Gap Amphitheater Project - Construction	\$500,000	No award.
3694	Virginia's Heritage Music Trail: The Crooked Road	Crooked Road Artist, Industry and Brand Excellence	\$70,000	No award.
3693	William King Museum of Art	Cultural Campus Development at William King Museum of Art Phase-II	\$500,000	No award.
Total (11 requests):			\$3,168,000	\$1,309,290

Abingdon Feeder Cattle Association
Improving Profits Through Sustainable Pastures (#3697)
\$500,000 Requested

Project Summary: This application is for a cost share program administered by the Virginia Cooperative Extension offices in 14 counties focused on forage support for livestock producers. Eligible activities include the purchase of application equipment, forage seed, and soil amendments including lime, phosphate and potash fertilizer. The 14 participating counties are Bland, Buchanan, Carroll, Dickenson, Floyd, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe. These improvements will support the region's livestock industry by increasing the quality of the forage consumed by cattle sheep and goats resulting in higher weights and increased sales value.

Matching Funds: Matching funds will be provided by the program's participants who will contribute a minimum of 67% of total costs. Commission funds will reimburse at a 33% rate up to a maximum of \$2,000 per participant.

Project Outputs: A cost share program serving a minimum of 360 producers resulting in a net increase in annual sales revenue of \$3,994 per producer.

Staff Comments: The application indicated that despite the importance of well maintained pastures to provide quality forage for the animal industry in Southwest Virginia, the majority are in poor condition. Information received during the review process indicates that lime and seeding are generally applied approximately every five years and fertilizer should be applied every two to three years. Cost and tight margins often result in longer gaps between applications. In addition, producers tend to prioritize row crop and hay fertility programs throughout the season as opposed to pasture maintenance.

The Southwest Virginia Program guidelines include cost share programs that offer incentives for producers to transition into alternative agriculture enterprises or implement best practices that result in new and increased livestock production. The activities supported under this cost share program, however, were removed from a similar application submitted to the FY20 Agribusiness Program. During review of that proposal, TRRC staff determined that these activities were primarily recurring expenses related to farmland maintenance. Information received during review of the current application verified staff's original assumption based on the expectation that lime, fertilizer, and seeding are typically applied every 2-5 years. TRRC's cost share programs are intended to provide incentives for expanding and diversifying agricultural production, or advancing innovative agricultural techniques; programs that supplant existing agricultural production costs and activities have been excluded.

Financial Viability Assessment: The Commission structures its cost share programs to effectively leverage private dollars. In this case, participants must fund 67% of eligible project costs. Nevertheless, the activities to be funded under this project constitute recurring maintenance expenses. Awarding Commission resources is unlikely to generate meaningful new economic activity or cause participants to undertake these activities at their own expense. If this cost share program is funded and producers take advantage of it, however, certain producers will have new equipment to apply fertilizer and lime and should experience higher net farm income in the long run.

Staff Recommendation: Because the activities to be funded under this cost share program are better characterized as routine maintenance expenses, staff recommends no award.

Appalachian School of Law
Serendipity Project (#3699)
\$250,000 Requested

Project Summary: The Appalachian School of Law (ASL) requests funds to assist with the renovation of the Serendipity building in Grundy. ASL currently owns the building and plans to convert it into a multiuse facility housing a coffee shop, office space for ASL’s Legal Aid Clinic and Medical-Legal Partnership Program, and a common area where students, faculty, and members of the community can gather and work (a “common area”). The resulting spaces, particularly the coffee shop, will improve the quality of life offered to ASL students and are expected to have a positive impact on the school’s recruitment and retention of students.

Matching Funds: ASL’s alumni association has committed to raising the required \$250,000 match for the project and ASL recently received a \$125,000 commitment from a private donor that wishes to remain anonymous at this time.

Project Outputs: The project will result in the renovation of the Serendipity building that will include a café, common area, and offices for ASL’s legal clinics. In addition, three jobs with average salaries of \$105,000 will be created. The space will also support 10 legal clinic clients each month. ASL’s enrollment will increase by 20 students producing \$396,000 of new local spending.

Staff Comments: ASL is one of the most significant contributors to the economy of the Town of Grundy and surrounding area. A recent report by Chmura Economics estimated that the total annual economic impact is \$10 million that supports 93 jobs in Buchanan. From 2006 to 2018, ASL’s enrollment dropped by nearly 50%, however, that trend has reversed. Its student body increased by 20% from 2018 to 2019 and it experienced a 37% increase in applications last year.

ASL wants to build on this momentum. It believes that the lack of opportunities for off campus dining and socializing and lack of suitable office space for its clinical programs hampers its ability to recruit prospective students. ASL projects that the development of a coffee shop and office space for its legal clinics will ultimately enable ASL to recruit 20 new students. Chmura projects that each additional student at ASL spends almost \$20,000 in the local economy annually (excluding tuition). If ASL increases and sustains its enrollment by 20 students, the local impact would approach \$4 million in associated spending over a 10-year period.

ASL characterized the common area as a coworking space in its application. During staff review and discussion with ASL, however, staff ascertained that this portion of the facility is a common area where students, faculty, lawyers, and members of the community can gather and work. Area residents very well may cowork there, but the common area will lack the hallmarks of a typical coworking space (i.e., in exchange for fees, access to a reserved desk, conference room, printers, etc.). At least initially, ASL plans to provide the coffee shop space to the private operator at no cost. Consequently, the facility is not expected to generate any operating income, however, ASL has committed to providing operating support for the facility because it believes that it will generate sufficient new tuition revenue to offset the expense.

Longstanding Commission policy is not to invest grant funds in retail operations—consequently, an investment in the café is not appropriate. In addition, the Southwest Virginia Program is not the ideal program for funding the construction of facilities that will offer new educational programs—in this case, the office space for ASL’s clinical operations. The primary performance metrics of this investment category of the Southwest Virginia Program are creation of new job opportunities and/or new private capital

investment. Finally, the Competitive Education Program invests in new or expanded educational facilities that will generate new credentials. While the office space for ASL's clinics will improve the quality of ASL's existing J.D. program, it will not lead to new credentials. Nevertheless, ASL is an important part of the local economy and it has credibly explained how the project will improve quality of life for current and future ASL students and improve its ability to recruit new students.

Despite the imperfect fit between this project and the Commission's grant programs, there are meritorious aspects of this project that may merit a reduced award. ASL has provided anecdotal information that suggests this project will improve its recruitment efforts and there is no doubt that ASL is the economic engine of the Town of Grundy. Finally, residents of the region will benefit from access to the common area and to the free legal services that ASL will make available through its clinical offerings.

Staff believes a reduced award that is proportional to the amount necessary to renovate the "common area" is appropriate. The total construction budget for this project is \$350,000—\$150,000 for exterior repairs and improvements and \$200,000 for interior improvements and renovation. The common area will occupy approximately 50% of the square footage of the facility. Consequently, staff recommends that the Commission award a grant in the amount of \$100,000 to fund 50% of the costs associated with interior improvements and renovation.

Financial Viability Assessment: ASL has a creative vision to provide a new amenity to benefit its student body, faculty, the community, and those that benefit from its legal clinics. ASL believes this project will improve its recruitment efforts and thereby generate additional revenue. Looking at the Serendipity facility in insolation, however, the facility will not be self-sufficient because ASL does not intend to charge rent from any tenants or users of the facility, including the one revenue-generating user—the café. The term of this lease will end in October 2021 and ASL could negotiate a market rent, provided the café operates profitably. ASL believes that the value this facility will add to its campus and its ability to improve its recruitment efforts, however, is worth taking on the additional operating expenses. In light of ASL's economic value to the Town of Grundy and the region, its willingness to assume the operating costs of this facility, the amount of additional revenue ASL will realize if it can recruit only a handful of new students, and the opportunity for ASL to charge rent from the café later in 2021, a reduced investment may be appropriate and this project should be viable.

Staff Recommendation: Staff recommends a reduced award of \$100,000 to be spent toward 50% of the interior construction costs.

Blue Ridge Discovery Center, Inc.

Blue Ridge Discovery Center Visitor Center (#3696)

\$175,000 Requested

Project Summary: The Blue Ridge Discovery Center (BRDC) is seeking funding to renovate a former service station into a Visitor Center that will offer access to restrooms, a water bottle filling station, a dog walk area, food, Wi-Fi, an electric vehicle charging station, and interpretive exhibits describing the area. The Visitor Center is one of five BRDC components that are under development. The property will also house a residential education facility, biological field station, campground & cabins, and interpretive grounds and will serve as a destination for visitors to Whitetop Mountain and the Grayson Highlands area. TRRC funds will be used for contracted expenses for renovation and exhibit construction.

Matching Funds: Matching funds for this project are partially committed with several funding opportunities still pending. Grayson County and Smyth County have each approved \$15,000 for the project and another \$15,000 has been requested from Washington County. Applications have been filed with the Smyth County EDA for \$75,000 and the Evergreen Soil and Water Conservation District for \$10,000. Huber Architects will contribute in-kind services valued at \$5,000 and the Blue Ridge Discovery Center has committed to raise an additional \$40,000 for landscaping and hardscape improvements.

Project Outputs: The project will result in the creation of a Visitor Center for the Blue Ridge Discovery Center. An estimated \$15,664 visitors will utilize the Visitor Center during its first year resulting in \$65,003 of associated spending. The facility will create four jobs with a combined payroll of \$99,840 (average \$24,960). The overall BRDC project predicts 23 new jobs and \$850,725 in visitor expenditures to the Tobacco Region by its third year of operations.

Staff Comments: The application provided a well developed feasibility and market study showing potential visitation and associated spending. While a portion of funding remains uncommitted, the applicant shows a positive history of successful fundraising efforts for the initiative. BRDC supports well established and popular outdoor recreation destinations such as Whitetop Mountain, Grayson Highlands State Park, the Appalachian Trail, and the Mount Rogers National Recreation Area, etc. with a proven track record of attracting visitors from national and international markets. The USDA Forest Service reports that the Mount Rogers National Recreation Area attracts over a million visitors each year. Targeted advertising with global ecotourism and adventure travel sites, social media, and YouTube channel placements will be used to attract additional visitors from around the world.

The Commission requires matching funds to be spent concurrently with Commission funds. Because a large portion of the required match remains uncommitted, there is concern that Commission funds would be used prior to matching funds. Consequently, adjusting the proposed timeline and budget will ensure that match is in place and spent concurrently with the Commission's grant if an award is made.

Financial Viability Assessment: So long as BRDC can perform the remaining fundraising successfully, it has provided a credible and detailed plan to construct and operate the proposed Visitor Center. The pro forma contained realistic projections of costs and revenues associated with operating the facility and a revenue-generating retail component. In addition, other parts of BRDC's facilities will generate revenue, thereby providing a secondary source of funds to support operations if the retail aspects of the Visitors Center are less successful than anticipated.

Staff Recommendation: Staff recommends an award of \$175,000 contingent upon staff's approval of a revised budget that ensures TRRC funds are spent concurrently with matching funds.

Cumberland Plateau Company Dickenson County Broadband Expansion (#3698) \$850,000 Requested

Project Summary: The project will offer service to 613 passings that are previously underserved or unserved. The communities of Trammel, Bee, and McClure are located in the eastern half of Dickenson County. The area is only served by Verizon DSL and satellite. Funding will support construction labor (\$450,000), make ready design (\$100,000), and construction materials (\$300,000).

Matching Funds: Matching funds will be provided by Point Broadband. This commitment reflects the usage of \$647,807 of private capital and \$480,524 of Point Broadband’s CAF (Connect America Fund to be provided over 10 years).

Project Outputs: The project will offer service to at least 613 locations with projected average speeds to be advertised of 100Mbps. Subscribers will pay approximately \$70.95/month for the service.

Staff Comments: The guidelines for the Southwest Virginia Program clearly specify that applications seeking support for broadband projects in amounts over \$250,000 will only be considered for loan funding. In addition, a significant portion of the CAF funding the applicant proposed to use as a portion of matching funds will not be available until after the Commission’s three-year grant period has elapsed.

Financial Viability Assessment: Point Broadband has successfully provided broadband service in Southwest Virginia and has an experienced leadership team. The guidelines for the Southwest Virginia Program provided that broadband projects seeking \$250,000 or more would only be considered for grant funding. Point Broadband prepared detailed forecasts of revenues and expenses associated with this project that appear reasonable. Those forecasts indicate that this project can support debt service with an appropriately structured loan. The implementation timeline provided in the application indicates the project would be completed within two to three months. Thus, there should not be a lengthy delay between when costs are incurred during construction and revenues are generated as new customers sign on.

Staff Recommendation: Staff recommends that the Commission award a loan to the Cumberland Plateau Company or Point Broadband, or both, of up to \$850,000 plus reasonable costs of issuance at 0% interest and for a term acceptable to the Executive Director. Staff further recommends that the Commission authorize the Executive Director to take any necessary actions to execute this transaction.

Lee County EDA

Produce Auction for Lee County Planning Initiative (#3691)

\$18,000 Requested

Project Summary: The funds requested in this application will be used to perform a feasibility study to determine if a produce auction is viable for Lee County. Produce auctions are wholesale marketing opportunities that require buyers such as independent grocery stores and restaurants to purchase a minimum amount of product. Most auctions require that the produce be grown within a 100-mile radius although some exceptions may be made at different times of the year. The feasibility study will provide information on possible locations, construction estimates, potential funders, supplier radius, buyer demand, etc.

Matching Funds: The applicant has filed an application to the Governor’s Agriculture and Forestry Industries Development Fund (AFID) Planning Grant program (\$20,000). The Lee County EDA will contribute \$1,000 and Virginia Cooperative Extension will provide in-kind support valued at \$1,500.

Project Outputs: A feasibility study examining the development of a produce auction will be produced.

Staff Comments: Produce auctions are well established in other farming communities across the country and have been growing in Virginia over the past several years. There are currently three established produce auctions in Virginia, however, Lee County is 3-4 hours away from the closest location. The County is over two hours from the Asheville NC Farmers Market where many area buyers obtain wholesale produce. If

determined to be feasible, a newly established auction could fill a void for the SWVA and NETN region and offer TRRC region producers an option to sell their produce at higher volumes compared to those typical of traditional farmers markets. An auction format also reduces the operational burden, such as audit requirements, that can be intimidating to growers considering other wholesale opportunities. The proposed feasibility study is critical to determining both the viability and expected impacts of an auction in the far Southwest TRRC region.

Financial Viability Assessment: While typically the Commission prefers funding capital expenses, the applicant is requesting a modest grant that will provide insight into the market and whether a produce auction is feasible for the project area. The feasibility study will yield valuable information that may guide a future application. That the Commission's partners at VDACS are willing to invest in this project demonstrates the applicant can leverage resources effectively.

Staff Recommendation: Staff recommends awarding a grant in the amount of \$18,000 to fund 50% of the costs of the produce auction feasibility study.

Lee County Livestock Association

Grain Production Initiative for Far Southwest Virginia (#3689)

\$255,000 Requested

Project Summary: This application requests Commission support for a cost share program serving farm operations in Lee, Scott, Wise, Dickenson, Buchanan, Russell, Tazewell, Washington and Smyth Counties. The cost share program will assist producers with the purchase of equipment such as combines, storage, and grain wagons needed for small grain production to develop the necessary supply for the forthcoming Project Thoroughbred grain terminal.

Matching Funds: Matching funds will be provided by the program's participants who will contribute a minimum of 67% of total costs. Commission funds will reimburse at a 33% rate up to a maximum of \$10,000. In-kind match of \$10,500 will be provided by the Virginia Cooperative Extension for agents' time spent administering the project and for educational meetings.

Project Outputs: If fully funded, this project will serve a minimum of 25 producers with an estimated net increase in annual sales revenue of \$14,740 per producer.

Staff Comments: This project will assist with the establishment of a grower network related to Project Thoroughbred, a grain terminal under development in the City of Norton, Virginia. The Lonesome Pine Regional Industrial Facilities Authority (LPRIFA) submitted a companion application (\$500,000) to assist with construction of the \$2.64 million grain terminal. The Department of Mines, Minerals and Energy awarded a \$2 million grant through its Abandoned Mine Land Program to the LPRIFA for this project. Likely due to timing, the application did not fully resolve all of staff's questions regarding post-construction operation of the facility. Consequently, the LPRIFA withdrew its application and indicated it may pursue other funding sources and/or narrow the scope of Project Thoroughbred.

While it appears that local farmers may already own some of the equipment needed to grow and harvest grains, there remain significant gaps among these farmers. This project will assist farmers with filling those gaps in capital purchases needed to usefully transition to grain production. To receive the maximum cost share of \$10,000 a producer will need to invest approximately \$23,000 of unreimbursed funds indicating that the capital needs of grain production could present a barrier to entry for local farmers.

The business plan that accompanied the Project Thoroughbred grain terminal project predicts that the grain terminal will initially support eight producers/suppliers in the first year. This number increases to approximately 20 producers by the fifth year of the grain terminal's operations. Because this application seeks support for up to 25 farmers and would be implemented over three years—before the grain terminal will have ramped up to full capacity—staff recommends funding this project at a reduced rate. This will cause the number of producers entering the small grains market to coincide with the grain terminal's projected demand for their crops.

Financial Viability Assessment: If funded, this cost share proposal will partially offset the expensive equipment costs associated with small grains farming. Project Thoroughbred, the grain terminal described above, expects to have an incrementally growing demand for barley once it is constructed and operational. As noted above, however, the LPRIFA recently withdrew its \$500,000 application to support the equipment costs associated with Project Thoroughbred. The LPRIFA indicated it was considering seeking alternative funding and/or narrowing the scope of the project. Without Project Thoroughbred proceeding and creating demand for barley, this cost share initiative should not be funded. Otherwise, this cost share will give producers an incentive to grow a crop for which there is no market. Consequently, I recommend conditioning this award on (1) the LPRIFA's award of a contract to proceed with the design, equipping and construction of the Project Thoroughbred grain terminal, and (2) the applicant's written confirmation that the scope of Project Thoroughbred has not changed in a manner that will materially affect its expected demand for barley.

Staff Recommendation: Staff recommends awarding a grant to the Lee County Livestock Association in the amount of \$127,500 contingent upon (1) the Lonesome Pine Regional Industrial Facilities Authority's award of a contract to proceed with the design, equipping and construction of Project Thoroughbred, and (2) the applicant's written confirmation that the scope of Project Thoroughbred has not changed in a manner that will materially affect its expected demand for barley.

Old Dominion University Research Foundation

Internet Access for Rural and Underserved Communities Through Wireless Hotspots (#3692)

\$43,790 Requested (Reduced by Applicant)

Project Summary: The Old Dominion University Research Foundation (ODU) is requesting support to assist with a pilot demonstration of a new technology allowing outdated cell phone devices to be used to create wireless hotspots. These hotspots will be used to provide free temporary internet access to students in Wise County. If the pilot is successful, the technology allow ODU to take an off-the-shelf android cellphone and run a computer script that will convert the device to a hotspot with little or no further intervention required. The converted device will allow only authorized end devices to connect to the internet to conserve data bandwidth. The device will have the ability to interface with off-the-shelf content filtering software to manage what the device will and will not allow. The final product will have an improved version based on feedback received to commercialize the product. Ultimately, the finalized product should be able to scale to thousands of users without impact performance at the device level.

Matching Funds: Match is committed by ODU and includes 1.55 months of calendar effort by the principal investigator, Kurt Maly (\$25,985) and waived tuition for the graduate assistants (\$7,332). Additional match (\$12,804) will be used for server infrastructure.

Project Outputs: 50 Wise County Public Schools students will be served with ODU's technology that converts unused cell phones into mobile hotspots for approximately 6 weeks during a pilot deployment of ODU's new technology. In addition, ODU will develop an improved version of the underlying software necessary to enable cell phones to function as mobile hotspots.

Staff Comments: Many students in the region have struggled with online learning due to lack of sufficient internet access. The proposed project presents an innovative approach that could reduce this barrier for local students. While the pilot project only serves a small number of students in Wise County, the technology that is under development could eventually be applied to many areas in the TRRC region. Few details related to a future expansion of the technology beyond Wise County were provided, however, the applicant indicates a plan to license the technology once ODU can demonstrate its technology is feasible. Should this occur, the industry partner will charge a small fee to the school systems to make the technology readily available.

Commission funds will be used for .93 months of calendar effort for the Director of Computing Resources (\$11,288), two Graduate Research Assistants for Spring Semester 2021 (\$12,852), and 1.5 months of undergraduate student effort with prototype testing and help desk support (\$2,500). A portion of the request (\$18,315) will be used for a subcontract with UVA-Wise who will provide project oversight and will be responsible for maintaining relationships with participating schools, supervising undergraduate students and communicating with the technical support teams. The funds requested in the subcontract will pay for program support provided by a UVA-W employee (\$5,400 salary and \$500 mileage) and for undergraduate technical support (\$3,750). Two Wise County Public Schools employees will be compensated for their efforts on the project (\$2,000). The subcontract budget also includes \$5,000 for \$100 incentive payments to the 50 program participants. Incentive payments are not an allowable use of Commission funds and must be removed from the request. The budget submitted with the application also contained reimbursement for ODU's indirect rate. Once staff informed the applicant that the Commission's Funding Policies prohibit funding these indirect charges, ODU reduced its request to \$43,790. With the additional deduction of program incentives (\$5,000), the allowable request amount is reduced to \$38,790.

The application indicates that ODU may pursue a future application for \$100,000 to fund a second phase of this project. The primary intent of the follow-on project will be to reduce human intervention to a minimum level and be able to scale the system to support thousands of devices. ODU would also like to give devices the ability to establish VPN connections to the student's school so that the student can access and take benefit of any resources provided on the school's network such as content filtering, URL filtering, security, and other educational software. The secondary objective would be to add iOS devices to the set of cell phones that can be converted.

Financial Viability Assessment: This is a modest request to pilot intriguing technology that could eventually provide a means for many additional students and residents in unserved areas to have broadband access at home. The pilot is an appropriate scale to be meaningful yet manageable. The project team includes several experienced researchers at ODU, and staff at UVA-Wise and Wise County Public Schools will assist with day-to-day implementation and troubleshooting. The only outstanding material item that is not yet fully resolved is the source of the Android devices to be provided to participating families, however, ODU indicated it will either seek donations or fund this relatively modest expense itself if needed. If this pilot is successful, it will result in the development of technology that can be commercialized. Consequently, ODU should be required to agree to share any resulting licensing revenues with the Commission.

Staff Recommendation: Staff recommends awarding a grant in the amount of \$38,790 to the Old Dominion University Research Foundation to fund the proposed wireless hotspot pilot project on the condition that ODU agrees not to license any of the associated intellectual property without the Commission's prior approval and to share a negotiated portion of any resulting licensing revenues.

Sunset Holler, Inc.

Southern Gap Amphitheater Project - Construction (#3690)

\$500,000 Requested

Project Summary: The Southern Gap Amphitheater project involves the development of a commercial-grade amphitheater at Southern Gap in Buchanan County, Virginia. The amphitheater will host a variety of events including live music performances, film screenings, sports events, etc. with a maximum capacity of 4,000 attendees.

Matching Funds: Construction of the amphitheater will require over \$5,000,000 of matching funds. No matching funds are committed at this time, however, the application indicates an intent to submit applications to the following funders: DMME - \$1M (application intended), ARC - \$500,000 (application intended), EDA - \$1.5M (application intended), McGlothlin Foundation - \$500,000 (application intended), ARC POWER - \$1M (application intended). The project team has submitted applications to the Ratcliffe Foundation (\$200,000) and the Thompson Charitable Foundation (\$500,000). An additional \$389,000 is needed to complete final design prior to construction that the project team plans to raise from undetermined foundations and agencies.

Project Outputs: Development of an amphitheater with a maximum capacity of 4,000 attendees; eight new jobs with average salaries of \$54,165; annual revenue from ticket sales resulting in approximately \$1,500,000 based on 64,000 attendees.

Staff Comments: The Commission provided a \$57,000 award in 2019 through the Southwest Economic Development Program associated with this project that supported 50% of the cost of the Initial Design Phase. While this phase was sufficient to develop construction estimates, the final design of the facility has not been completed. Final A&E work is estimated to cost approximately \$389,000. This cost is not included in the budget presented in the TRRC application. The project team plans to conduct additional fundraising to complete final design from to-be-determined foundations and agencies.

Until funding is in place to complete final design work and the project team has secured a significant portion of the remaining \$5 million necessary to fund this project, an award for construction of the amphitheater appears to be premature. Additionally, it is unlikely that full funding could be in place within the one-year period required for TRRC awards.

In addition, the application fails to explain whether or how the COVID-19 pandemic will affect the design, development and use of outdoor concert venues. It also did not take into consideration competition from other venues, such as the recently announced Hard Rock Hotel and Casino that is planned for development in the region.

Financial Viability Assessment: The project team should be commended for its thorough planning and the in-depth market and feasibility assessments it has performed. The business plan and feasibility study included in the application include detailed analyses and are relatively current (prepared in 2018). A project of this nature, magnitude and complexity, however, comes with significant risk. One such risk is competition

from other venues. In the time since this application was submitted, voters in the City of Bristol approved a referendum authorizing casino gambling and Hard Rock Hotel and Casino has announced its plans to develop a facility that will include a 3,200 seat indoor concert hall that opens to an outdoor amphitheater with an additional 20,000 seats. Although there is some distance between Bristol and Southern Gap, the facilities would likely compete for similar acts and audiences. In addition to these concerns, this project has not yet identified a venue operator with a successful track record of booking and operating a comparable facility nor has it secured the remaining \$5 million needed to fund construction. In light of the foregoing, I cannot give a favorable financial viability assessment at this time.

Staff Recommendation: Because this project has not yet secured any of the additional \$5 million of funds needed to fund the construction phase of this project and staff has concerns about competition from other venues expected to come to the region, staff recommends no award.

Virginia's Heritage Music Trail: The Crooked Road *Crooked Road Artist, Industry and Brand Excellence (#3694)* \$70,000 Requested

Project Summary: The Crooked Road is requesting support for three initiatives. The first will market the region to entertainment production professionals who may be interested in relocating to the region. The second will complete a community signage program as well as radio transmitter upgrades for existing wayside exhibits. Finally, funds will be used to continue the Crooked Road On Tour (CROT) Program. Both the music industry network initiative and the CROT program will target locations within a 400-mile radius of the SWVA region. These locations have demonstrated the highest potential in generating visitation to the region. The requested funds will be used to support the salary of the Executive Director (\$8,000), CROT contractual expenses (\$43,000) and community signage (\$7,500). Wayside exhibit upgrades and portable exhibit production activities are also supported (\$11,500).

Matching Funds: Matching funds from the Virginia Tourism Corporation (\$30,000) have been approved. The Crooked Road will contribute \$23,000 of available funding and will raise an additional \$40,000 from private sources (general public and private sponsors).

Project Outputs: The project will result in the continuation of the CROT program through the sponsorship of 25 performances. The radio transmitters will be upgraded at 26 wayside exhibits. A marketing plan to attract entertainment production professionals to the region will be developed. The application estimates that the project will generate 725 new visitors to the Crooked Road region resulting in \$106,250 of new revenue. This figure represents 625 visitors linked to the CROT program with an additional 100 visitors related to marketing and media exposure by presenting arts organizations and host venues. Two new jobs will be created with an average salary of \$70,000.

Staff Comments: The applicant submitted a similar request to support the continuation of the CROT program to TRRC in FY20. This program has been ongoing since 2014 and targets performances in metro areas within 400 miles of the Crooked Road region and seeks to entice attendees to visit the area. The Crooked Road, which has been supported with nearly \$2 million in TRRC funding over the past 15 years, has an established system for managing the CROT program. While this track record of coordinating with venues, promoters, and artists is commendable, it confirms that this is a well-established program that does not meet the Commission's priority of supporting new activities.

The proposed upgrades to the wayside exhibits as well as the community signage project were also supported by past TRRC awards. A grant that received a seventh year extension was recently closed due to lack of process on these efforts. In the past, coordination with local governments proved challenging. The application is not clear on why this aspect of the project could now be accomplished under a new grant.

Attracting entertainment production professionals to the area is a new and compelling idea that could result in associated private capital investment should these professionals establish studios or other businesses in the region. This initiative should be further developed, perhaps through an independent feasibility study, to determine if it is a practical approach for SWVA.

Financial Viability Assessment: Because CROT is an existing program, funding this portion of the request necessarily will not yield new economic activity in the region. The wayside improvement component of this project is a sound project, but it could not be completed successfully under a grant that expired in September 2020 and no explanation has been provided to explain how circumstances have changed. Finally, the marketing component of this project intended to bring music professionals to the region—whether to work temporarily or to relocate permanently—is intriguing but could benefit from further refinement. Because the bulk of the requested funds would be used for ongoing operating expenses without a means to generate new operating revenue, I cannot give this project a favorable financial viability assessment.

Staff Recommendation: Because this application primarily seeks funding for an existing program and not a new initiative that will result in new economic activity in the region, staff recommends no award for the Crooked Road On Tour portion of this application, however, staff invites the applicant to refine and resubmit the portion of its application for marketing and recruiting music professionals to the region in a subsequent round of funding.

William King Museum of Art (#3693)

Cultural Campus Development at William King Museum of Art Phase-II

\$500,000 Requested

Project Summary: Commission funds are requested to assist with capital improvements to the William King Museum of Art's (WKMA) 22-acre campus. These improvements will improve accessibility to the museum property to accommodate tour buses and visitors with mobility issues. The Cultural Campus project will develop a large green space with an amphitheater, a sensory garden, and a sculpture garden. This space will be an extension of the Town of Abingdon's Main Street with a goal of increasing community engagement and improving quality of life for residents. The project will be funded in two parts: Part 1, the Upper Campus, will be completed by March 31, 2022 at a total cost of \$1,077,560.50; Part 2, the Lower Campus, will be completed by December 31, 2022 at a total cost of \$865,665. Commission funds appear to be allocated for approximately 50% of Part 1 (Upper Campus).

Matching Funds: Matching funds of \$1,442,226 are needed to fully complete both parts of the total project. At time of application, WKMA reported that \$300,000 has been committed from various sources including a \$100,000 commitment from the Bella Vista Foundation. An application is intended for USDA Rural Development (\$50,000) and an application has been filed with Washington County, VA (\$200,000). The majority of remaining funding will be sought from the Appalachian Regional Commission and from private sources including WKMA board members and individuals.

Project Outputs: Commission funds will be used for "Part 1" improvements to the upper campus. These improvements include building access, parking, gardens and trails. Non-Local visitation is expected to

increase by 917 annually, however, no new revenue is attributed to this increase. The Museum does not charge for attendance and not information was provided for indirect spending associated with these visitors. 42 new jobs with an average salary of \$30,000 will be created, however, this was not substantiated in the application.

Staff Comments: This is a large request resulting in only a modest (10%) increase in visitation. The proposed budget appears to indicate that Commission funds would be used to pay for approximately 50% of Part 1 (upper campus).

While the accessibility issues are a well-known barrier for attendance at the Museum, the application failed to provide data to document how many tour buses and groups have declined to visit as a result. Additionally, no documentation was provided that can directly attribute the entrance and accessibility improvements directly to increased visitation. It is difficult to attribute the predicted 10% increase in visitation directly to the entrance improvements rather than the entire campus improvement project. Given that the application indicates that this project will provide an improved quality of life for Town residents, it appears to be more of an amenity for local residents as opposed to a tourism project that will attract visitors from outside the region and state. The Commission limits support for tourism projects to those that are likely to be of interest to national and international visitors.

Financial Viability Assessment: WKMA has proposed an ambitious project that will make significant improvements to its campus. The construction budget is based on preliminary construction estimates prepared by a landscape architecture firm and includes a slim 4.5% contingency. Because it will likely take significant time for WKMA to raise the remaining majority of matching funds, the construction estimate may have little value as construction costs will likely rise by the time a construction contract is awarded. For both of the foregoing reasons, it is likely premature to award funds to this project. More importantly, however, this project is not a tourism project that is likely to be of interest to national and international visitors. As a result, it is outside the scope of the Southwest Virginia Program guidelines and the Commission's Strategic Plan and should not be considered for grant funding. Nevertheless, WKMA may wish to consider applying for a loan through the Commission's Community & Business Lending Program.

Staff Recommendation: Because this application failed to demonstrate how this project would bring a significant number of new visitors to the region, staff recommends no award.



EDUCATION COMMITTEE

Electronic Conference Call Meeting

**Friday, January 8, 2021
1:30 P.M.**

If accessing the meeting from the internet via a computer or smartphone, use this link to access the electronic meeting:

<https://viriniatobaccocommission.my.webex.com/viriniatobaccocommission.my/j.php?MTID=m329ba3c2cb02bc71aafc908bdd7c99ed>

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number: 132 894 5966# and meeting password: acVXJvy2576 (22895892 from phones and video systems).

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: JButler@revitalizeva.org or call 804-894-9652.

Welcome and Call to Order	<i>Rebecca Coleman, Chairwoman</i>
Items Related to Remote Meeting	<i>Andy Sorrell, Deputy Director</i>
Call of the Roll	<i>Evan Feinman, Executive Director</i>
Approval of <u>09/28/20</u> Minutes	<i>(published on website)</i>
Public Comments	
FY 21 Workforce Financial Aid Applications	<i>Mike Kaestner, Grants Program Director</i>
Upcoming Funding Rounds	<i>Rebecca Coleman, Chairwoman</i>
Other Business	<i>Evan Feinman, Executive Director</i>
Public Comments	
Adjournment	

Education Committee

Workforce Financial Aid for the FY2021-22 School Year

January 8, 2021

The Education Committee will meet at 1:30pm on January 8, 2021 to consider the following Workforce Financial Aid (WFA) proposals. In recent years, the Commission has allocated \$3 million for the WFA program that provides last-dollar tuition assistance for Tobacco Region residents at community colleges and higher education centers during an annual school year.

In May 2020, the Committee recommended and the Commission approved \$2.9 million for 11 requests from community colleges serving Tobacco Region residents for financial aid in the current 2020-21 school year, with a maximum request of \$315,000 for most colleges. For the 2021-22 school year, staff instructed those recipients that the new requests summarized on the following pages should not exceed their current year's award, again with a maximum request of \$315,000 for most colleges. Twelve proposals seeking a total of \$3,048,000 were submitted for the 2021-22 school year by the November 23, 2020 deadline.

Applicants were instructed to align their requests with the Commission's five funding priority areas by allocating WFA funds to higher priority programs before allocating funding to lower priority programs. The categories for the WFA priorities are described below. As in previous years, TRRC funds are to be last-dollar after all other funding sources have been exhausted and must be matched at least dollar-for-dollar as required by the Code of Virginia. The following summarizes the salient portions of the WFA Program Guidelines:

Priority 1: Workforce Credentials - All certifications that can be completed in six months or fewer.*

Priority 2: STEM-H and Advanced Manufacturing students who can attain their degree/certificate within one year.*

Priority 3: STEM-H and Advanced Manufacturing students who are working toward a degree or certificate, for which completion will require more than one year.

For priorities #2 and #3, WFA funding may only be used to support programs in the list of eligible programs and majors included with the WFA Program Guidelines. Any WFA funding for priorities #4 and #5 below must be limited to targeted high-demand fields documented by the applicant and approved by TRRC. Applicants were required to submit documentation of employer demand with their application and funding in these categories are subject to approval by TRRC.

Priority 4: Students who can obtain their degree/certificate within one year in a targeted high-demand field approved by TRRC.

Priority 5: Other full-time, program-placed students for which completion will require more than one year in a targeted high-demand field approved by TRRC.

*For students receiving FastForward Workforce Credentials funding for non-credit training, TRRC will support one-sixth of the cost of the training program and certification (half of the one-third share the student is responsible for), with the remainder to be covered by FFWC and potentially state FANTIC fund or other sources. However, TRRC will allow up to 50% tuition reimbursement for FFWC-eligible training cohorts that are conducted during periods when FFWC funding is not available due to state funding limitations.

Staff Comments: This year's Workforce Financial Aid applications reflect applicants' clear progress in adjusting their proposed use of TRRC funds to the ranked priorities the Education Committee adopted four years ago. All requests comply with the Committee's long-standing objectives of providing last-dollar assistance to students working to obtain a nationally-recognized workforce or academic credential. The schools that propose to use WFA funding for

priority #4 and #5 programs provided evidence of regional employer demand for certain types of jobs relevant to a corresponding credential/program.

The requests anticipate serving a total of 2,177 students and resulting in 1,276 of those students obtaining a credential in 2020-21. The proposals also estimate matching funds of more than \$5.3 million for students receiving TRRC support.

Staff recommends approval of the requests as summarized below, for last-dollar Workforce Financial Aid for Tobacco Region residents in the 2021-22 school year, contingent on the following:

- **Grantees must provide at least dollar-for-dollar matching funds;**
- **Grantees may not seek reimbursement for students enrolled in priority #4 or #5 programs in excess of the approved amounts or for programs not listed. Any unused amounts allocated to priorities #4 or #5 may only be reallocated to priorities #1, #2 or #3;**
- **If no “High-Demand Occupations” are listed when WFA funding is allocated to priority #4 and #5 programs, the Executive Director must approve any programs before the Grantee may seek reimbursement for such programs and the Grantee must submit updated Results and Budget Worksheets for staff’s approval before the Commission executes the grant agreement;**
- **Grantees must report, on an individual student basis, the full distribution of all financial aid and/or other funding used to meet that student’s financial responsibility to the Grantee. This documentation may be marked “confidential” to protect student privacy, and the Commission asks that any other data that might make documentation sensitive (such as security numbers, student health or disability status, etc.) be redacted; and**
- **Grantees must report the program/major for each scholarship recipient in order for TRRC staff to validate eligibility under the approved priorities.**

Workforce Financial Aid for the FY2021-22 School Year

Req. #	Organization	Project Title	Request Amount	Recommended Amount
3718	Central Virginia Community College Educational Foundation	Tobacco Region Financial Aid for CVCC Workforce and General Education	\$315,000	\$315,000
3717	Danville Community College Educational Foundation, Inc.	DCC Educational Foundation Workforce Financial Aid 2021-2022	\$315,000	\$315,000
3722	John Tyler Community College Foundation	2021-22 Tobacco Region Scholarship Program at John Tyler Community College	\$126,000	\$126,000
3719	Mountain Empire Community College	MECC WORKS	\$315,000	\$315,000
3720	New College Institute	2021-2022 Workforce Financial Aid	\$147,000 \$108,000	\$108,000
3725	New River Community College Educational Foundation	Floyd County - Access to Community College Education (ACCE)	\$100,000	\$100,000
3714	Patrick Henry Community College Foundation	PHCC 2021-2022 Workforce Financial Aid	\$315,000	\$315,000
3723	Southside Virginia Community College Foundation	Investing in Southside Students	\$315,000	\$315,000
3715	Southwest Virginia Community College	2021-2022 SWCC WFA Tobacco Scholarship Program	\$315,000	\$315,000
3726	Virginia Highlands Community College Educational Foundation	Virginia Highlands Community College Workforce Financial Aid FY22	\$315,000	\$315,000
3716	Virginia Western Community College Educational Foundation	Workforce Financial Aid and Community College Access for Franklin County	\$155,000	\$155,000
3724	Wytheville Community College	Wytheville Community College Forging Futures Scholarship Program	\$315,000	\$315,000

Total (12 Applications): \$3,009,000

Staff recommends: \$3,009,000

Central Virginia Community College Educational Foundation, Inc.
Tobacco Region Financial Aid for CVCC Workforce and General Education (#3718)
\$315,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$75,000	149	0	149	0	0	149
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$140,000	77	5	19	5	0	29
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$100,000	57	4	7	34	0	45
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$315,000	283	9	175	39	0	223

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	283	\$315,000	283	\$630,000	283

High-Demand Occupations:

- N/A - All funding is allocated to priorities #1, #2, and #3.

Danville Community College Educational Foundation, Inc.
DCC Educational Foundation Workforce Financial Aid 2021-2022 (#3717)
\$315,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$65,000	65	0	65	0	0	65
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$130,000	65	45	0	15	5	65
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$120,000	60	40	0	10	10	60
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$315,000	190	85	65	25	15	190

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	190	\$315,000	190	\$630,000	190

High-Demand Occupations:

- N/A - All funding is allocated to priorities #1, #2, and #3.

John Tyler Community College Foundation

2021-22 Tobacco Region Scholarship Program at John Tyler Community College (#3722)

\$126,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$35,574	70	0	61	0	0	61
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$17,280	7	0	5	1	1	7
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$73,146	35	0	0	0	0	0
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$126,000	112	0	66	1	1	68

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$126,000	112	\$521,194	167	\$647,194	209

High-Demand Occupations:

- N/A - All funding is allocated to priorities #1, #2, and #3.

Mountain Empire Community College
MECC WORKS (#3719)
\$315,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$125,000	45	0	0	0	0	0
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$35,000	21	0	21	0	0	21
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$145,000	75	0	30	45	0	75
#4 - High-Demand Occupations, completing within one year	\$5,000	5	0	5	0	0	5
#5 - High-Demand Occupations, completing in more than one year	\$5,000	4	0	0	4	0	4
Total	\$315,000	150	0	56	49	0	105

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	150	\$6,856,943	1,420	\$7,171,943	1,570

High-Demand Occupations:

- Business Pathway - Legal (Certificate and Associates of Arts & Sciences)
- Public Safety Pathway (Career Studies Certificate, Certificate, and Associates of Arts & Sciences)

New College Institute

2021-2022 Workforce Financial Aid (#3720)

\$108,000 Request (Reduced by Applicant from \$147,000)

Anticipated Results – Revised 12/8/2020							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$108,000	48	0	48	0	0	48
#2 - STEM-H and Advanced Manufacturing, completing within one year							
#3 - STEM-H and Advanced Manufacturing, completing in more than one year							
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$108,000	48	0	48	0	0	48

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$108,000	48	\$108,000	48	\$216,000	48

High-Demand Occupations:

- N/A - All funding is allocated to priority #1.

Staff Comments:

The original request included two healthcare training certification programs (Certified Medical Assistant (CMA) and Certified Billing and Coding Specialist (CBCS)) with 18 students per program and a Class A/B Truck Driver program. NCI reduced its funding request to \$108,000 to focus only on the healthcare training certifications and remove the CDL program. NCI plans to contract with Centura College to provide the training programs at a cost of \$5,500 per student. Each student would pay \$1,000. TRRC and NCI would each pay \$2,250 per student to cover the remaining \$4,500. NCI will use its Star Telehealth Revenue Fund as matching funds.

New River Community College Educational Foundation
Floyd County - Access to Community College Education (ACCE) (#3725)
\$100,000 Requested

Anticipated Results – Revised 12/8/2020							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$10,667	8	0	8	0	0	8
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$30,667 \$38,167	23 TBD	0	23 TBD	0	0	23 TBD
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$40,000 \$47,500	30 TBD	0	0	30 TBD	0	30 TBD
#4 - High-Demand Occupations, completing within one year	\$9,333 \$1,833	7 TBD	0	7 TBD	0	0	7 TBD
#5 - High-Demand Occupations, completing in more than one year	\$9,333 \$1,833	7 TBD	0	0 TBD	7 TBD	0	7 TBD
Total	\$100,000	75 TBD	0	38 TBD	37 TBD	0	75 TBD

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$100,000	75 TBD	\$100,000	36 TBD	\$200,000	75 TBD

High-Demand Occupations:

- To be approved by the Executive Director.

Staff Comments: In its initial application, NRCC allocated 46% of TRRC funding to priorities #4 and #5. During the review process, staff encouraged NRCC to allocate a more significant proportion of TRRC funding to higher priority categories. In response to the WFA Guidelines’ call for schools to focus any funding for priority #4 or #5 programs in “high demand fields,” NRCC wished to include more than 14 different programs. In effect, this would convert priorities #4 and #5 into catchalls that would fund a variety of programs rather than the highly targeted fields the WFA Guidelines prescribed. With staff’s encouragement, NRCC reduced the amount of TRRC funding allocated to priorities #4 and #5 to \$18,666, however, it did not meaningfully refine the program areas that TRRC WFA funds would support. Other schools that proposed allocating funding to priorities #4 and #5 had no concerns when asked to focus WFA funds on one or two programs. NRCC, however, chose not to do so. In its final request to keep a broad list of programs, NRCC raised mental health services as an example for which it would like to retain funding for priority #4 and #5 programs, however, mental health services would be considered a priority #3 STEM-H program. Consequently, staff has reallocated \$7,500 to each priority #2 and #3 from each priority #4 and #5, leaving

the balance in those lower priority categories. Staff recommends that the Executive Director approve any priority #4 and #5 programs before NRCC may seek reimbursement for such programs and that NRCC be required to submit updated Results and Budget Worksheets (i.e., the tables above) for Staff's approval before the Commission executes the grant agreement.

Patrick Henry Community College Foundation
PHCC 2021-2022 Workforce Financial Aid (#3714)
\$315,000 Requested

Anticipated Results – Revised 12/10/2020							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$10,000	11	0	8	0	0	8
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$100,000	75	0	17	35	9	61
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$180,000	95	0	14	48	19	81
#4 - High-Demand Occupations, completing within one year	\$12,500	10	0	0	6	2	8
#5 - High-Demand Occupations, completing in more than one year	\$12,500	10	0	0	6	2	8
Total	\$315,000	201	0	39	95	32	166

Anticipated Results						
Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	201	\$357,654	153	\$672,654	354

High-Demand Occupations:

- Criminal Justice (Associates of Applied Science)

Southside Virginia Community College Foundation
Investing in Southside Students (#3723)
\$315,000 Requested

Anticipated Results – Revised 12/9/2020							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$75,000	133	0	133	0	0	133
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$150,000	80	0	80	0	0	80
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$90,000	30	0	0	30	0	30
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$315,000	243	0	213	30	0	243

Anticipated Results						
Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	243	\$914,000	269	\$1,229,000	512

High-Demand Occupations:

- N/A - All funding is allocated to priorities #1, #2 and #3.

Southwest Virginia Community College
 2021-2022 SWCC WFA Tobacco Scholarship Program (#3715)
 \$315,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$10,000	10	0	10	0	0	10
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$198,028	150	0	100	50	0	150
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$106,972	86	6	35	22	23	86
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$315,000	246	6	145	72	23	246

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	246	\$315,000	318	\$366,610	563

High-Demand Occupations:

- N/A - All funding is allocated to priorities #1, #2, and #3.

Virginia Highlands Community College Educational Foundation
Virginia Highlands Community College Workforce Financial Aid FY22 (#3726)
\$315,000 Requested

Anticipated Results – Revised 12/4/2020							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$60,000	40	0	40	0	0	40
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$135,000	48	12	0	0	36	48
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$80,000	18	6	12	0	0	18
#4 - High-Demand Occupations, completing within one year	\$28,000	18	10	8	0	0	18
#5 - High-Demand Occupations, completing in more than one year	\$12,000	6	6	0	0	0	6
Total	\$315,000	130	34	60	0	36	130

Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	130	\$315,000	130	\$630,000	260

High-Demand Occupations:

- Human Services (Associates of Arts and Sciences)
- Administration of Justice (Associates of Arts and Sciences)

Virginia Western Community College Educational Foundation Inc.
Workforce Financial Aid and Community College Access for Franklin County (#3716)
\$155,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$25,000	40	0	85	0	0	85
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$81,402	67	0	7	67	0	74
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$43,738	36	0	0	36	0	36
#4 - High-Demand Occupations, completing within one year	\$2,430	2	0	2	0	0	2
#5 - High-Demand Occupations, completing in more than one year	\$2,430	2	0	2	0	0	2
Total	\$155,000	147	0	96	103	0	199

Anticipated Results						
Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$155,000	147	\$322,483	0	\$477,483	147

High-Demand Occupations:

- Construction Management (Career Studies Certificate)
- Culinary Arts (Associates of Applied Sciences)

Wytheville Community College

Wytheville Community College Forging Futures Scholarship Program (#3724)

\$315,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
Sub-Program	TRRC \$ Requested	# of Students Served	TRRC Diplomas	TRRC Certificates	TRRC Associates	TRRC Transfers	Total
#1 - Workforce Credentials	\$50,000	70	0	68	0	0	68
#2 - STEM-H and Advanced Manufacturing, completing within one year	\$135,000	105	4	17	37	2	60
#3 - STEM-H and Advanced Manufacturing, completing in more than one year	\$130,000	95	0	0	0	0	0
#4 - High-Demand Occupations, completing within one year							
#5 - High-Demand Occupations, completing in more than one year							
Total	\$315,000	270	4	85	37	2	128

Anticipated Results						
Workforce Financial Aid Budget Worksheet						
Sub-Program	TRRC \$ Amount	TRRC # of Students Served	Match \$ Amount	Match # of Students Served	Total \$ Amount	Total # of Students Served
Total	\$315,000	270	\$415,000	270	\$730,000	470

High-Demand Occupations:

- N/A - All funding is allocated to priorities #1, #2, and #3.



SOUTHERN VIRGINIA COMMITTEE

Electronic Conference Call Meeting

**Friday, January 8, 2021
2:30 P.M.**

If accessing the meeting from the internet via a computer or smartphone, use this link to access the electronic meeting:

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m329ba3c2cb02bc71aafc908bdd7c99ed>

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number: 132 894 5966# and meeting password: acVXJvy2576 (22895892 from phones and video systems).

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: JButler@revitalizeva.org or call 804-894-9652.

Welcome and Call to Order	<i>The Honorable Edward Owens, Chairman</i>
Items Related to Remote Meeting	<i>Andy Sorrell, Deputy Director</i>
Call of the Roll	<i>Evan Feinman, Executive Director</i>
Approval of <u>09/28/20</u> Minutes	<i>(published on website)</i>
Public Comments	
Election of Vice Chairman	<i>Evan Feinman, Executive Director</i>
Extensions & Modifications	<i>Sarah Capps, Southern Regional Director</i>
Other Business	<i>Evan Feinman, Executive Director</i>
Public Comments	
Adjournment	

FY21 Southern Virginia Committee

January 8, 2021

EXTENSIONS AND MODIFICATIONS

Danville-Pittsylvania Regional Industrial Facilities Authority ***Berry Hill Industrial Park – Site Improvements for Project Lignum (#3358)*** **Request for Approval of Change of Scope, Budget Revision and 5th Year Extension to 1/31/2023**

Staff Overview & Comments: In January 2018, the Commission approved a \$2,624,800 grant to fund site development costs needed to create an 80-90 acre pad site on Lot 8 at the Berry Hill Megasite (now named the Southern Virginia Megasite). At the time, an economic development prospect that would create 80 new jobs and \$120 million of capital investment (Project Lignum) was considering locating there, however, Project Lignum did not proceed.

The RIFA is requesting to repurpose the grant to grade a 65-acre site on Lots 1 & 2 at the Megasite to accommodate a new active prospect—Project Cactus. Project Cactus is a recognized national company estimated to result in \$500 million capital investment and 1,100 direct jobs. This site is one of two finalist sites the prospect is considering. Staff supports the RIFA’s decision to focus on Lots 1 & 2 in order to reserve the larger Lot 8 for an even larger, transformative megaproject. Project Cactus’ aggressive timeline required the RIFA to submit permits to DEQ in December 2020. In November 2020, the Executive Director approved this scope change on an interim basis until the Commission could act at the present meeting. In addition, the change to Lots 1 & 2 from Lot 8 requires a budget revision because the site development work will necessarily be different. All funds will be spent to support site development and associated activities at Lots 1 & 2 at the Megasite.

Although the construction schedule targets completion of site work by the end of 2021, the RIFA is requesting a fifth year extension to January 31, 2023 to provide a buffer to allow construction to continue through 2022 in case unanticipated delays associated with permitting, weather conditions or the ongoing pandemic arise.

Staff Recommendation: Staff recommends approval of the change of scope, budget revision, and fifth year extension to January 31, 2023.

Lunenburg County ***Acquisition and Development New Industrial Park (#3035)*** **Request for Four-Month Extension to 9/30/2021**

Staff Overview & Comments: In May 2015, the Commission approved a \$550,000 grant to support development of a new industrial park in Lunenburg County. The County used \$72,000 of Commission funds to acquire the 20.95 acre property in 2016. Due to a lack of prioritization and changes in personnel at the County, there was very limited activity on the project during the first four years. In June 2019, the Commission approved a sixth year extension, conditioned upon Staff’s approval of a

revised budget, however, the Committee indicated the extension it granted would be the final extension.

Staff recently approved a budget for the \$483,000 balance of grant funds. The County has worked with Timmons to develop an asbestos abatement and building demolition plans and it has received bids from contractors. The County expects to complete the abatement and demolition work by April 2021, however, removal of the concrete pad requires DEQ approval, and Timmons expects this to require an additional four month extension. The County is requesting approval of an additional four months to complete the work and obtain the necessary DEQ permits.

Staff Recommendation: Staff supports approval of a final four month extension to September 30, 2021 to allow time for completion of the abatement and demolition work and receipt of DEQ permits.

Campbell County

2019 Last Mile Broadband Southeast Project (#3524)

Request to Approve Revised Scope and Budget

Staff Overview & Comments: In June 2019, the Commission approved a \$156,313 grant to support deployment of a wireless broadband service in underserved areas of Campbell County. The Commission was aware of challenges the County faced with the internet service provider (ISP) included in the original approved project and the County has since contracted with a new ISP, B2X. The County received CARES Act funding to install broadband in the areas originally targeted by this grant.

Given that the County has completed the scope of work this grant originally contemplated, the County is requesting a revised scope to install broadband in additional unserved areas of the County. The new area proposed to be targeted is around the Concord region and primarily focuses on Mt. Athos Road and Oxford Furnace Road areas. The revised project scope will result in broadband being made available to more households and businesses than the original scope. If approved, broadband will be made available to an estimated 1,485 households and 144 commercial units, a meaningful increase over the 1,419 households and 38 businesses under the original scope.

Staff Recommendation: The County is to be commended for pursuing other funding opportunities to provide broadband service to underserved communities. The requested change of scope will authorize B2X to serve as the ISP, expand on the tower locations and wireless network established with the CARES Act funding, and make broadband available to additional underserved communities in Campbell County. **Staff recommends approval of the revised scope and budget.**

Virginia Tobacco Region Revitalization Commission

Tobacco Region Opportunity Fund (TROF)

POLICIES & PROCEDURES

Effective November 4, 2020
Last Revised November 4, 2020

Overview

The purpose of the TROF program is to help make localities in the Tobacco Region more attractive to potential business expansion or attraction projects. It accomplishes this goal by providing performance-based monetary grants and loans to localities for the purposes of supporting specific projects.

Projects are evaluated based on job creation, workforce participation rate, community affluence, prevailing community wage, and newly-created taxable assets.

In all circumstances, the Commission favors businesses that are in traded sectors and bring new capital into the Tobacco Region rather than contribute to the velocity of money within the Tobacco Region. In general, this precludes retail and food-service projects, as well as local provision of services and non-competitive projects.

Operational Framework

1. Eligibility – Unless otherwise approved by the Commission, TROF projects must meet the following minimum eligibility requirements:
 - Applicants - The Commission accepts TROF applications from localities and other local or regional political subdivisions within the Tobacco Region (“Applicants”). TROF performance agreements are three-party agreements typically among the eligible applicant, its industrial or economic development authority (IDA/EDA), the Company and the Commission.
 - Salary Threshold – Projects must provide an average weighted annual salary above the locality’s prevailing average wage (not including benefits).
 - Industry Sector – Projects must be in a traded economic sector (i.e., projects bringing in outside capital and jobs).
 - Minimum Award Amount – Utilizing the project parameters, the TROF incentive estimator shall provide for an award of at least \$10,000 (for a grant or a loan).

- Competitive – New projects must be competitive. Expansion projects must demonstrate verifiable competition.
 - Matching funds from non-Commission sources - are committed to the project and evidence thereof is satisfactory to the Executive Director.
2. Application Evaluation – TROF applications are evaluated and amounts are awarded commensurate with the project’s impact on the community and/or region in which the project is locating. Calculation of award amount is based on the following criteria:
- project competitiveness;
 - industry type;
 - provision of a weighted annual average salary above the locality’s prevailing wage;
 - number of new or saved jobs; and
 - the amount of private taxable capital investment.
3. Award Amounts – The award amount varies based upon the parameters of a project and the availability of Commission funds. Staff uses a TROF incentive estimator that takes into account application variables including location, employment, wages and private taxable investment. Larger incentives are typically available for projects that will provide high numbers of jobs above the prevailing average wage with large amount of private taxable capital investment.
4. Award Amount Authorizations - The Commission’s Incentives and Loans Committee (“the Committee”) reviews all eligible submitted TROF applications regardless of award amounts. Unless the Committee has issues or concerns with an application, the following award authorizations are permitted:
- TROF grants and loans up to the lesser of either the amount requested by the applicant or the amount calculated by the incentive estimator (or 150% of that amount if a TROF loan), can be approved by the Executive Director for awards up to \$1 million.
 - The Committee must approve all TROF grant or loan awards greater than \$1 million and up to \$3 million.
 - The Full Commission must approve all TROF grant or loan awards over \$3 million.
 - The aggregate amount of TROF grant and loan awards made during any fiscal year shall not exceed the sum of:
 - i. The amount set forth in the Commission’s approved budget for such fiscal year, and
 - ii. refunds of prior TROF awards credited to the TROF account without prior approval of the Commission.
5. Prospect Incentive Funds - Some very large regionally transformative projects do not fit

well within the existing TROF incentive estimator framework. The few projects with thousands of jobs and hundreds of millions of capital investment simply command greater attention and competition among states than do smaller projects, which is why the Commission created the additional Prospect Incentive Fund (the "Fund"). The threshold to access the Fund be competitive projects that:

- Provide at least 400 full-time new jobs; **OR**
 - Provide a taxable capital investment of at least \$250 million dollars.
6. Type of Awards - TROF awards are typically composed of a grant and a loan portion. The Commission's incentive formula provides a total possible award amount based on the project variables and half of the total award is offered as a grant and half as a zero-interest loan.
7. Award Disbursement – TROF grants may be paid in advance before the company has performed, or paid in arrears after the company has performed at the election of the local applicant. Because the purpose of TROF loans is to provide affordable financing to assist with initial development of the project, loans are only offered prior to performance.

All TROF awards paid in advance require the local applicant to obtain adequate security to fully cover the amount of award funds if full or partial repayment is necessary.

8. Performance Periods – The typical performance period is 36-months from the award date of the project. Performance period extension may be requested prior to the end of the period. The first extension may be approved administratively and subsequent extensions require Commission approval.
9. Expansions of Existing Facilities - Expansions of existing facilities may not always be the most competitive projects because the facility already exists and it often makes sense to expand an existing facility than to build a new one. TROF awards shall be reserved for truly competitive projects that are seriously considering other sites outside of Virginia for an expansion.

Therefore, for facility expansions that otherwise meet TROF parameters, the Commission directs staff to only accept TROF applications for expansion projects that demonstrate a true and verified (from the Company in writing) competition for the project.

10. Performance Agreements Required - Unless otherwise approved by the Commission, all TROF grant and loan awards are to be disbursed pursuant to a Performance Agreement among the Applicant, the Commission, and a private entity beneficiary, which the

Executive Director is authorized to negotiate and enter into in substantially the same form as *Exhibit A, for the Grant Agreement and Exhibit B, for the Loan Agreement*, each attached hereto, provided that such Performance Agreements shall contain the appropriate grant/loan and performance information for the TROF Grant or Loan as provided in the Commission's incentive formula guidance. The terms of all Performance Agreements are subject to audit and verification by the Commission.

11. Acknowledgements -- An acknowledgement of the Commission must appear in any publication, announcement, or significant event related to any project.
12. Minimum Project Targets – Both TROF grant and loan awards require a minimum target be met before a company earns any of the awarded amount.

For TROF grants, the Minimum Investment Target is what is required to be invested by the company before any of the grant is earned. The minimum investment target for TROF grants shall be:

- \$1 million for projects generating \$2 million or more in private taxable capital investment, and
- Half of the private taxable capital investment for projects generating less than \$2 million in private taxable capital investment.

TROF loans are disbursed in advance and repaid, so a slightly different minimum target is used. For TROF loans, the Minimum Project Targets are:

- Half of the promised capital investment **AND**
- Half of the promised jobs.

13. Performance Evaluation - The Commission utilizes confidential data from the Virginia Employment Commission and local Commissioners of Revenue to verify employment and capital investment. As performance-based grants and loans, the Commission monitors performance and requires repayment if performance targets are not met for projects that receive awards in advance. Projects that choose to receive funds in arrears may receive full or prorated payment at the conclusion of the performance period once the company's actual performance is determined.
14. Repayment (i.e. "Clawbacks") - In instances when funds are disbursed in advance and the company does not fully attain its performance obligations, the Commission expects to receive repayment of some or all of the disbursed funds. If the company does not make the Minimum Investment Target of at least \$1 million (or half when capital investment is less than \$2 million), it must repay the entire grant. If a project meets the minimum investment target, but does not meet its full capital investment and/or job creation targets, it must repay a prorated amount.

For TROF loans, if the Minimum Project Targets are not met, 5% is added to the remaining loan balance due. If the company refuses or is unable to repay then the local applicant is obligated to make the Commission whole. It is routine to negotiate repayment agreements with localities to avoid negative budget impacts, particularly with smaller or less-affluent localities.

In repayment situations, the Executive Director is authorized to negotiate and enter into repayment agreements with entities seeking to make such repayments in installments over a mutually agreed upon period.

The following remedies shall be employed as deemed appropriate by the Executive Director for all grants or loans under which contractual obligations are owed to the Commission and have not been fulfilled within 60 days after delivery of a written demand notice to all parties to the Performance Agreement and its control affiliates:

- Freeze all disbursements to the grantee and its control affiliates.
- Decline to accept any application for new grants from the grantee or its control affiliates.
- Enter the name of the grantee and its control affiliates into the State debt set-off system.
- Refer the file to counsel for appropriate steps up to and including collection proceedings.

Virginia Tobacco Region Revitalization Commission

Tobacco Region Opportunity Fund (TROF)

APPLICATION PROCESS

Incentive Estimate - TROF projects begin with an incentive estimate that may be requested online via the Commission's application portal here:

https://vtc.smartsimple.com/s_Login.jsp

In general, estimate requests come from local and regional economic development staff pursuing a potential project. Some see the estimate request as a pre-application stage.

TROF incentive estimate requests are evaluated by staff to determine if the project is eligible and if so, what incentive amount may be available. Staff provides incentive estimates via the above application portal and such estimates are valid for **60 days** from issuance (and may be renewed upon request).

Although a TROF estimate is not required prior to submitting a TROF application, requesting an estimate is **strongly suggested** to ensure a proposed project ultimately meets the intent and purpose of the TROF program. To ensure projects are eligible from the very beginning, staff confirms project eligibility at the estimate stage by requiring the following application variables from an applicant:

- Name and contact information of the applicant;
- Name and contact information of private entity beneficiary (if applicable);
- Name of the locality in which the private entity beneficiary is (or will be) located (if applicable);
- Number of new and/or saved jobs;
- Average annual wage of new and/or saved jobs;
- Amount of private capital investment into taxable assets;
- North American Industry Classification System code of the private entity beneficiary (if applicable); and
- Project Competitiveness (*including but not limited to*):
 - Evidence of competition for the project within the region, state or elsewhere;
 - Evidence of a funding gap; and
 - Evidence of community need.

Application & Commission Review - If a company desires the TROF incentive provided in an estimate and project parameters remain the same, the company will partner with an eligible applicant who submits an official TROF program application via the same above online application portal. Applications are accepted on a rolling basis. If project parameters change from the time an estimate is requested and when an application is submitted, the incentive amount is very likely to change as well.

Upon receipt of an eligible and completed application, staff provides the Incentives and Loans Committee with a copy of the application and the incentive estimate along with a staff recommendation via email. All completed and eligible applications are provided to the Committee for review and comment prior to approval. Staff provides the Committee with several days to review and comment on the application. If no comments or concerns are received and there are no unresolved issues or questions, staff will route the application to the Executive Director for approval. If Committee members have unresolvable questions or other concerns, staff will hold action on the application until the Committee is able to meet and discuss and vote on the application. Approvals are typically effective for **90 days** from the date of the approval letter.

In instances in which the award amount is in total (both grant and loan) under \$1 million, the Executive Director has the final approval authority. In instances in which the award amount in total is over \$1 million and under \$3 million, the Committee has final approval authority. For all award amounts over \$3 million, the Full Commission must approve any award.

TROF Awards FY 2016 - FY 2021 to date

Project #	Date Approved	Status	Organization	Project Title	Jobs Promised	Capital Investment Promised	Approved Grant Amount	Approved Loan Amount	Total Approved Amount
3721	12/18/2020	Pending award documents	Scott County EDA	Project Navigator	160	\$375,000	\$94,000	\$94,000	\$188,000
3709	12/18/2020	Pending award documents	Joint IDA of Wythe County	Project KP	26	\$48,551,000	\$263,500	\$263,500	\$527,000
3701	12/18/2020	Pending award documents	Pittsylvania County	Project Impala	50	\$45,000,000	\$276,500	\$0	\$276,500
3700	12/18/2020	Pending award documents	Pittsylvania County	Project EW	45	\$500,000	\$23,500	\$0	\$23,500
3685	12/18/2020	Pending award documents	Smyth County	Project Hurricane	80	\$8,100,000	\$57,500	\$0	\$57,500
3673	12/18/2020	Pending award documents	Pittsylvania County	Project Iso	150	\$3,500,000	\$86,500	\$0	\$86,500
3672	9/11/2020	Active	Washington County	SPIG Industry LLC	113	\$7,964,000	\$99,500	\$0	\$99,500
3671	9/11/2020	Pending award documents	Charlotte County IDA	Project Peanut	13	\$6,943,000	\$24,500	\$24,500	\$49,000
	FY 2021 (to date)		# of Projects	8	637	\$120,933,000	\$925,500	\$382,000	\$1,307,500
3654	6/15/2020	Active	Grayson County	Metalworx, Inc.	60	\$4,775,000	\$265,500	\$265,500	\$531,000
3616	1/22/2020	Pending award documents	Washington County	1901 Group, LLC	150	\$1,150,000	\$140,000	\$0	\$140,000
3611	1/14/2020	Pending award documents	Franklin County	Traditional Medicinals, Inc.	56	\$29,580,000	\$245,000	\$245,000	\$490,000
3612	12/09/2019	Pending award documents	Pittsylvania County	Just Greens, LLC	92	\$41,836,000	\$190,000	\$0	\$190,000
3609	11/25/2019	Pending award documents	Cumberland County	Project Walton	52	\$31,650,000	\$65,000	\$65,000	\$130,000
3608	10/25/2019	Pending award documents	Pittsylvania County	Morgan Olson LLC	703	\$57,840,000	\$1,195,000	\$0	\$1,195,000
3585	11/25/2019	Pending award documents	Mecklenburg County	Project Schyler	351	\$61,050,000	\$640,500	\$640,500	\$1,281,000
3583	09/12/2019	Active	Danville, City of	PRA Group Inc.	300	\$10,858,219	\$1,095,000	\$1,095,000	\$2,190,000
3556	08/06/2019	Pending award documents	Danville-Pittsylvania Regional Industrial Facility Authority	Project Heart	45	\$6,445,000	\$270,000	\$270,000	\$540,000
	FY 2020		# of Projects	9	1,809	245,184,219	4,106,000	2,581,000	6,687,000
	FY 2019		# of Projects	20	1,334	\$215,915,399	\$4,490,000	\$2,665,000	\$7,155,000
	FY 2018		# of Projects	28	1,035	\$126,009,797	\$3,640,000	\$642,500	\$4,282,500
	FY 2017		# of Projects	20	715	\$143,288,700	\$3,170,000	\$997,500	\$4,167,500
	FY 2016		# of Projects	25	2,056	\$841,383,750	\$10,173,000	\$0	\$10,173,000

TROF Loans as of Dec. 2020

Project #	Date Approved	Organization	Project Title	Loan Amount	Remaining Loan Amount to be Repaid
3721	12/18/2020	Scott County EDA	Project Navigator	\$ 94,000	\$ 94,000
3709	12/18/2020	Joint IDA of Wythe County	Project KP	\$ 263,500	\$ 263,500
3671	9/11/2020	Charlotte County IDA	Project Peanut	\$ 24,500	\$ 24,500
3654	6/15/2020	Grayson County	Metalworx, Inc.	\$ 265,500	\$ 265,500
3611	1/14/2020	Franklin County	Traditional Medicinals, Inc.	\$ 245,000	\$ 245,000
3609	11/25/2019	Cumberland County	Project Walton	\$ 65,000	\$ 65,000
3583	9/12/2019	Danville, City of	PRA Group Inc.	\$ 1,095,000	\$ 1,095,000
3556	8/6/2019	Danville-Pittsylvania Regional Industrial Facility Authority	Project Heart	\$ 270,000	\$ 270,000
3550	5/22/2019	Danville, City of	Litehouse Inc.	\$ 220,000	\$ 220,000
3545	4/30/2019	Carroll County	Blue Ridge Designs, LLC	\$ 50,000	\$ 40,000
3544	4/30/2019	Joint IDA of Wythe County, VA	Seven Sisters Brewery, LLC	\$ 15,000	\$ 15,000
3507	6/6/2019	Russell County Industrial Development Authority	Polycap LLC	\$ 140,000	\$ 126,000
3501	12/12/2018	Danville, City of	Essel Propack	\$ 330,000	\$ 330,000
3482	10/15/2018	Danville-Pittsylvania Regional Industrial Facility Authority	Harlow Fastech LLC	\$ 630,000	\$ 630,000
3481	10/9/2018	Franklin County	Empire Bakery Commissary	\$ 140,000	\$ 112,000
3476	10/9/2018	Danville, City of	VitalPlan Inc	\$ 70,000	\$ 70,000
3448	6/6/2018	Nottoway County	UAV Pro, Inc.	\$ 260,000	\$ 260,000
3406	2/22/2018	Floyd County	Daley Acquisitions, LLC	\$ 50,000	\$ 30,000
3393	12/7/2017	Buchanan County Industrial Development Authority	Trina Health of Pounding Mill, LLC DBA Trina Health Town Center	\$ 27,500	\$ 16,500
3340	9/12/2017	Appomattox County EDA	Innovatio Sealing Technologies, LLC	\$ 40,000	\$ 20,000
3300	5/31/2017	Town of Tazewell Industrial/Economic Development Authority	Sunset Digital Communications Incorporated	\$ 680,000	\$ 408,000
3299	5/23/2017	Carroll County Industrial Development Authority	VA Produce	\$ 47,500	\$ 18,998
3297	4/27/2017	Russell County Industrial Development Authority	Jennchem, LLC	\$ 107,500	\$ 43,000
3296	4/27/2017	Tazewell County Industrial Development Authority	Trina Health of Pounding Mill, LLC	\$ 45,000	\$ 22,500
3295	6/8/2017	Greensville County	Oran Safety Glass, Inc. (OSG)	\$ 117,500	\$ 47,000
TOTALS				\$ 5,292,500	\$ 4,731,498

Status of Active TROFs with Concluded Performance Periods as of Dec. 2020

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Repaid	Clawback Remaining
1861	7/20/2009	6/30/2010	12/31/2017	Greenville	The Good Earth Peanut Company, LLC	Performance Period Ended	Full performance not met	Repayment plan approved pending signatures	\$ 20,896	\$ 15,000	\$ 5,896
2482	12/20/2011	6/30/2012	6/30/2017	Danville	River District Development, LLC(RDD, LLC.)	Performance Period Ended	Gathering Performance Data	TRRC provided Locality deadline of 12/31/2020 to submit data or clawback begins			
2490	11/28/2011	9/30/2011	6/30/2017	Bristol	IstobalUSA Corp (IUSA)	Performance Period Ended	Full performance not met	Negotiating repayment terms	\$ 93,721	\$ 65,278	\$ 28,443
2505	7/1/2012	1/1/2012	12/31/2016	Brunswick	Virginia Electric & Power Company (VEPCO)	Performance Period Ended	Gathering Performance Data	Confirming full performance			
2592	8/23/2012	6/30/2012	6/30/2015	Danville	Norhurst Inc.	Performance Period Ended	Full performance not met	Negotiating repayment terms	\$ 375,000	\$ 375,000	\$ -
2706	7/1/2013	3/31/2013	3/31/2016	Brunswick	Virginia Electric & Power Company (VEPCO)	Performance Period Ended	Gathering Performance Data	Confirming full performance			
2724	8/23/2013	6/30/2013	6/30/2018	Danville	North American Mold Technology, LLC	Performance Period Ended	Full performance not met	Repayment plan executed	\$ 130,000	\$ 18,000	\$ 112,000
2747	8/14/2013	6/30/2013	6/30/2017	Russell	Steel Fab, Inc., A Division of Samuel Pressure Vessel Group, Inc.	Performance Period Ended	Full performance not met	Repayment plan executed	\$ 64,000	\$ 38,400	\$ 25,600
2845	1/14/2014	12/31/2013	12/31/2017	Scott	Secure Mountain LLC.	Performance Period Ended	Full performance not met	Negotiating repayment terms	\$ 460,000	\$ 412,408	\$ 47,592
2864	5/27/2014	1/1/2012	12/31/2016	Brunswick	Virginia Electric & Power Company (VEPCO)	Performance Period Ended	Gathering Performance Data	Confirming full performance			
2892	5/5/2014	3/31/2014	3/31/2018	Lunenburg	Coast 2 Coast Trucking, Inc. (This is a sister company to ABC Recycling)	Performance Period Ended	Full performance not met	Repayment plan executed	\$ 100,000	\$ -	\$ 100,000
2896	5/27/2014	3/31/2014	3/31/2018	Lunenburg	Global Refining Group, Inc.(sister company to ABC)	Performance Period Ended	Full performance not met	Repaid unearned amount in full	\$ 25,520	\$ -	\$ 25,520
2941	8/1/2014	6/30/2014	6/30/2017	Russell	APPALACHIAN BIOFUELS, LLC	Performance Period Ended	Full performance not met	Negotiated repayment plan - monitoring performance of negotiated revised performance terms			
2994	12/19/2014	9/30/2014	9/30/2017	Martinsville	Integrative Centers for Science and Medicine & College of Henricopolis School of Medicine	Performance Period Ended	Repayment Plan Executed	Repayment Plan Executed	\$ 780,000	\$ 468,000	\$ 312,000
2999	1/15/2015	12/31/2014	12/31/2017	Grayson	Oak Hall Industries (Oak Hall Cap & Gown)	Performance Period Ended	Reviewing Performance Data	Negotiating repayment terms	\$ 251,901		\$ 251,901
3002	2/6/2015	12/31/2014	12/31/2017	Grayson	McAllister Mills, Inc.	Performance Period Ended	Reviewing Performance Data	Negotiating repayment terms	\$ 80,713		\$ 80,713
3006	3/6/2015	12/31/2014	12/31/2017	Russell	3B CONSULTING SERVICES, LLD & HIGHLAND STONE COMPANY, LLC	Performance Period Ended	Reviewing Performance Data				
3044	5/26/2015	3/31/2015	3/31/2018	Bedford County	Innerspec Technologies Inc.	Performance Period Ended	Reviewing Performance Data				

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Repaid	Clawback Remaining
3049	7/16/2015	6/30/2015	6/30/2018	Wise	NorrisBuilt Fabrication, LLC.	Performance Period Ended	Reviewing Performance Data	Negotiating repayment terms	\$ 9,375	\$ -	\$ 9,375
3050	7/21/2015	6/30/2015	6/30/2018	Scott	Teletech Healthcare Solutions, Inc, Teletech Holdings, Inc, Teletech Services Corporation (Project Peoria)	Performance Period Ended	Gathering Performance Data				
3101	10/8/2015	9/30/2015	9/30/2020	Tazewell	Blue Wolf Sales and Service	Performance Period Extended by Commission	Gathering Performance Data				
3132	2/8/2016	9/30/2015	9/30/2018	Franklin County	MW Manufacturers, Inc (PlyGem Window Group)	Performance Period Ended	Fully met performance.	Project closed 11/18/2020			
3138	2/8/2016	9/30/2015	9/30/2020	Henry	Starsprings	Performance Period Ended	Reviewing Performance Data				
3169	3/31/2016	12/31/2015	12/31/2018	Wythe	Branch Botanicals, Inc.	Performance Period Ended	No Performance Met	Full Repayment Received	\$ 200,000	\$ 200,000	\$ -
3171	4/13/2016	3/31/2016	3/31/2020	Henry	Performance Livestock & Feed Company Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3173	4/29/2016	3/31/2016	3/31/2019	Greensville	CHN, LLC. (aka: Sadler Bros Oil Co., Jade Food Woks, LLC & Slip In Food Marts, Inc.)	Performance Period Ended	Gathering Performance Data	n/a			
3177	5/4/2016	3/31/2016	3/31/2020	Henry	RTI Martinsville, Inc. (Project LID)	Performance Period Ended	Gathering Performance Data	n/a			
3181	6/24/2016	6/30/2016	6/30/2019	Danville	Overfinch North America	Performance Period Ended	Gathering Performance Data	n/a			
3182	6/24/2016	3/31/2016	3/31/2020	Grayson	River Ridge Land and Cattle Co., LLC	Performance Period Ended	Partial performance met	in process of closing file			
3214	8/30/2016	6/30/2016	6/30/2019	Prince Edward	Hotel Weyanoke, LLC	Performance Period Ended	Gathering Performance Data	n/a			
3217	9/30/2016	6/30/2016	6/30/2019	Dinwiddie	Wal-Mart Stores East, LP	Performance Period Ended	Gathering Performance Data	n/a			
3244	12/7/2016	12/31/2016	12/31/2019	Washington	Universal Companies, Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3245	12/7/2016	9/30/2016	9/30/2020	Henry	Novatech USA Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3265	3/6/2017	9/30/2016	9/30/2020	Henry	Bassett Furniture Industries, Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3266	3/6/2017	12/31/2016	12/31/2019	Wise	DP Facilities, Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3292	4/24/2017	3/31/2017	3/31/2020	Franklin County	Liquid Performance of America, Inc.	Performance Period Ended	Repayment plan executed.	first payment received.	\$ 10,000	\$ 3,333	\$ 6,667
3295	6/8/2017	3/31/2017	3/31/2020	Greensville	Oran Safety Glass, Inc. (OSG)	Performance Period Ended	Gathering Performance Data	n/a			
3296	4/27/2017	3/31/2017	3/31/2020	Tazewell	Trina Health of Pounding Mill, LLC	Performance Period Ended	Gathering Performance Data	n/a			
3297	4/27/2017	3/31/2017	3/31/2020	Russell	Jennchem, LLC	Performance Period Ended	Gathering Performance Data	n/a			
3299	5/23/2017	3/31/2017	3/31/2020	Carroll	VA Produce	Performance Period Ended	Gathering Performance Data	n/a			
3300	5/31/2017	3/31/2017	3/31/2020	Tazewell	Sunset Digital Communications Incorporated	Performance Period Ended	Reviewing Performance Data	n/a			

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Repaid	Clawback Remaining
3316	7/31/2017	6/30/2017	6/30/2020	Greensville	Beach Mold and Tool Virginia, Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3333	8/16/2017	6/30/2017	6/30/2020	Carroll	Vanguard Furniture	Performance Period Ended	Gathering Performance Data	n/a			
3339	8/25/2017	6/30/2017	6/30/2020	Bristol	American Merchant Inc. (formerly Merchant House International Ltd)	Performance Period Ended	Gathering Performance Data	n/a			
3340	9/12/2017	6/30/2017	6/30/2020	Appomattox	Innovatio Sealing Technologies, LLC	Performance Period Ended	Gathering Performance Data	n/a			
3342	9/12/2017	9/30/2017	9/30/2020	Pittsylvania	Intertape Polymer Corporation	Performance Period Ended	Gathering Performance Data	n/a			
3348	10/10/2017	9/30/2017	9/30/2020	Washington IDA	Highlands Automotive Inc	Performance Period Ended	Gathering Performance Data	n/a			
3375	12/7/2017	9/30/2017	9/30/2020	St. Paul (town of)	Willis LLC	Performance Period Ended	Gathering Performance Data	n/a			
3376	11/13/2017	9/30/2017	9/30/2020	Pittsylvania	Panacea BioMatx	Performance Period Ended	Gathering Performance Data	n/a			
3380	12/7/2017	9/30/2017	9/30/2020	Carroll IDA	Mohawk Industries	Performance Period Ended	Gathering Performance Data	n/a			
3393	12/7/2017	9/30/2017	9/30/2020	Buchanan	Trina Health of Pounding Mill, LLC DBA Trina Health Town Center	Performance Period Ended	Gathering Performance Data	n/a			
3399	1/29/2018	12/31/2016	12/31/2019	Halifax	Reynolds Presto Products	Performance Period Ended	Gathering Performance Data	n/a			
3428	3/27/2018	12/31/2017	12/31/2020	Scott	Mountain Top Timber Products, LLC	Performance Period Ended	Repayment Plan Executed	Default - bankruptcy	\$ 250,000	\$ 50,000	\$ 200,000
TOTALS									\$ 2,851,126	\$ 1,645,419	\$ 1,205,707



FULL COMMISSION

Electronic Conference Call Meeting

**Friday, January 8, 2021
3:15 P.M.**

If accessing the meeting from the internet via a computer or smartphone, use this link to access the electronic meeting:

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m329ba3c2cb02bc71aafc908bdd7c99ed>

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number: 132 894 5966# and meeting password: acVXJvy2576 (22895892 from phones and video systems).

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: JButler@revitalizeva.org or call 804-894-9652.

Welcome and Call to Order	<i>The Honorable Terry Kilgore, Chairman</i>
Items Related to Remote Meeting	<i>Andy Sorrell, Deputy Director</i>
Call of the Roll	<i>Evan Feinman, Executive Director</i>
Approval of <u>09/28/20</u> Minutes	<i>(published on website)</i>
Public Comments	
Executive Committee	<i>The Honorable Terry Kilgore, Chairman</i>
Southwest Virginia Committee	<i>The Honorable Chris Hurst, Chairman</i>
Education Committee	<i>Rebecca Coleman, Chairwoman</i>
Southern Virginia Committee	<i>The Honorable Edward Owens, Chairman</i>
Incentives and Loans Committee	<i>The Honorable Lashrecse D. Aird, Chairwoman</i>
TROF Update	<i>Andy Sorrell, Deputy Director</i>
Election of Officers	<i>Evan Feinman, Executive Director</i>
Foreign Direct Investment Update	<i>Evan Feinman, Executive Director</i>
Other Business	<i>Evan Feinman, Executive Director</i>
Public Comments	
Adjournment	

Tobacco Region Revitalization Commission

Financial Summary

As of November 30, 2020

TICR Fund Balance	\$ 217,304,385
Restricted Endowment Balance	\$ 75,976,441
Unrestricted Endowment Balance	\$ 93,000,378
Restricted Endowment Accum Interest	\$ 3,814,191
Unrestricted Endowment Accum Interest	\$ 5,470,362
Total Cash & Investments	\$ 395,565,756

Cash Disbursements - this month	\$ 3,340,187
Cash Disbursements - FYTD	\$ 11,476,258

Fund	Unobligated Balances
Special Projects	\$ 1,408,048
Education	\$ 4,550,316
Education-Workforce Training	\$ 3,289,576
Education-TAP	\$ 2,100,000
TROF (Deal Closing)	\$ 13,746,401
Southside Economic Development	\$ 16,294,874
Southwest Economic Development	\$ 482,881
Agribusiness	\$ 556,809
R&D/Broadband	\$ 3,639,710
Reserve	\$ 17,293
Megapark	\$ 3,169,109
Megasite Prospect Incentive	\$ 10,500,000
Southern Va Committee	\$ 5,500,000
Southwest Va Committee	\$ 3,000,000
Loan Program	\$ 48,488,621
Administration	\$ 1,567,327
TICRC General Account	\$ 917,700
FY2021 Budget Balance	\$ 119,228,664

Tobacco Region Revitalization Commission
Statement of Revenues, Expenditures, and Changes in Fund Balance (Cash Basis)
As of November 30, 2020

	<u>FY21 Budget</u>	<u>YTD Actual</u>	<u>YTD Actual as % of Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Other Revenue (all cost codes)	\$ -	\$ 846,080.51		846,080.51
Total Revenues	\$ -	\$ 846,080.51		\$ 846,080.51
EXPENDITURES				
Administration				
Salaries, Fringe Benefits, Per Diems	\$ 1,475,900	\$ 697,569.16	47.3%	\$ 778,330.84
Contractual Services	513,500	129,262.79	25.2%	384,237.21
Supplies and Materials	5,200	1,256.72	24.2%	3,943.28
Transfer Payments	263,680		0.0%	263,680.00
Rent, Insurance, Agency Svc Charges	197,900	86,382.06	43.6%	111,517.94
Furniture and Equipment	5,800	3,222.25	55.6%	2,577.75
Subtotal - Administration	\$ 2,461,980	\$ 917,692.98	37.3%	\$ 1,544,287.02
Community Revitalization	19,000,000	10,558,565.14		
Total Expenditures	\$ 21,461,980	\$ 11,476,258.12		
Revenues Over (Under) Expenditures	\$ (21,461,980)	\$ (10,630,177.61)		
OTHER FINANCING SOURCES (USES)				
Transfers In (endowment and earnings)	\$ 42,004,593			
CASH BALANCE, June 30, 2020	\$ 227,934,563	\$ 227,934,562.54		
CASH BALANCE, November 30, 2020	\$ 248,477,176	\$ 217,304,384.93		

VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION
Commission Standing Committees
(rev. 12/20)

EDUCATION COMMITTEE

Ms. Rebecca “Becky” Coleman, Chairwoman
The Honorable Lashrecse D. Aird, Vice Chairwoman
Ms. Gretchen Clark
Mr. Joel Cunningham, Jr.
Dr. Alexis I. Ehrhardt
The Honorable Franklin D. “Frank” Harris
The Honorable Chris L. Hurst
The Honorable L. Louise Lucas
The Honorable Sam Rasoul
Ms. Sandy Ratliff
Mr. Cecil E. Shell
The Honorable Roslyn C. “Roz” Tyler

EXECUTIVE COMMITTEE

The Honorable Terry Kilgore, Chairman
Vacant, Vice Chair
The Honorable Lashrecse D. Aird
The Honorable A. Benton “Ben” Chafin, Jr.
Ms. Rebecca “Becky” Coleman
Dr. Alexis I. Ehrhardt
Ms. Julienne D. “Julie” Henley
The Honorable Chris L. Hurst
The Honorable Edward “Ed” Owens

INCENTIVES AND LOANS COMMITTEE

The Honorable Lashrecse D. Aird, Chairwoman
The Honorable A. Benton “Ben” Chafin, Jr.
Vice Chairman
Mr. Edward “Ed” Blevins
Ms. Gretchen Clark
Ms. Coley Jones Drinkwater
The Honorable Chris L. Hurst
The Honorable Terry G. Kilgore
The Honorable Aubrey Layne
The Honorable Thomas J. Miles, III
The Honorable Joseph D. “Joe” Morrissey
The Honorable Sam Rasoul

SOUTHERN VIRGINIA COMMITTEE

The Honorable Edward “Éd” Owens, Chairman
Vacant, Vice Chairman
The Honorable Lashrecse D. Aird
Ms. Coley Jones Drinkwater
The Honorable James E. Edmunds, II
Dr. Alexis I. Ehrhardt
The Honorable Franklin D. “Frank” Harris
The Honorable L. Louise Lucas
The Honorable Thomas J. Miles, III
The Honorable Joseph D. “Joe” Morrissey
Mr. Cecil E. Shell
Mr. Walter H. “Buddy” Shelton
The Honorable Roslyn C. “Roz” Tyler

SOUTHWEST VIRGINIA COMMITTEE

The Honorable Chris L. Hurst, Chairman
Ms. Julienne D. “Julie” Henley, Vice Chairwoman
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