

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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8 **Full Commission Meeting**

9 Friday, January 8, 2021

10 3:15 o'clock p.m.

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14 (Electronic Conference Call Meeting)

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1 **APPEARANCES:**

2 The Honorable Terry G. Kilgore, Chairman

3 The Honorable Lashrecse D. Aird

4 Mr. Ed Blevins

5 Ms. Gretchen Clark

6 Mr. Joel Cunningham, Jr.

7 Ms. Coley Jones Drinkwater

8 Dr. Alexis I. Ehrhardt

9 The Honorable James E. Edmunds, II

10 The Honorable John S. Edwards

11 Dr. Alexis I. Ehrhardt

12 The Honorable Franklin D. Harris

13 Ms. Julie Hensley

14 Mr. Richard T. Hite, Jr.

15 The Honorable Chris L. Hurst

16 Ms. Jennings

17 The Honorable L. Louise Lucas

18 The Honorable Jordan Miles, III

19 The Honorable Joseph D. Morrissey

20 The Honorable Edward Owens

21 Ms. Sandy Ratliff

22 The Honorable Bettina Ring

23 Mr. Cecil E. Shell

24 Mr. Buddy Shelton

25 Mr. Richard L. Sutherland

1 **APPEARANCES:** *(Continued)*

2 The Honorable Roslyn C. Tyler

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4 **COMMISSION STAFF:**

5 Mr. Evan Feinman, Executive Director

6 Mr. Andy Sorrell, Deputy Director

7 Mr. Michael F. Kaestner, Grants Program Administration Director

8 Ms. Sarah K. Capps, Grants Program Administrator -
9 Southern Virginia

10 Ms. Michele Faircloth, Grants Assistant -
11 Southern Virginia

12 Ms. Sara G. Williams, Grants Program Administrator -
13 Southwest Virginia

14 Ms. Jessica Stamper, Grants Assistant -
15 Southwest Virginia

16 Mr. Jordan Butler, Public Relations Coordinator

17 Ms. Stephanie Kim, Director of Finance

18 Ms. Joyce Knight, Administrative Supervisor

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20 **COUNSEL FOR THE COMMISSION:**

21 Ms. Elizabeth B. Myers, Assistant Attorney General
22 Richmond, Virginia 23219

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1 January 8, 2021

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DELEGATE KILGORE: Welcome, everybody. I want to
5 welcome everybody to the Full Commission meeting. I'll call on
6 Andy Sorrell to give the items that we have to state for this
7 remote meeting.

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MR. SORRELL: Thank you, Mr. Chairman. I'm going
to read the brief electronic meeting ground rules. Due to the
Governor's declared state of emergency, this meeting is being
held electronically without a quorum of the public body physically
assembled at one location. The nature of this pandemic makes it
impractical and unsafe to assemble a quorum in a single location.

In addition, the purpose of this meeting is to discuss
or transact business that is statutorily required to continue the
operations of the Commission. Public notice of this meeting was
provided on both the Commonwealth's calendar and the
Commission's website contemporaneously with the notice
provided to the Commission members. A recording of this
meeting, as well as the minutes, shall be posted on the
Commission's website as soon as practical after the conclusion of
this meeting. The agenda and all other meeting materials can be
found on the Commission's website. And there will be an
opportunity for public comment at both the beginning and the
end of the meeting.

1 Relating to the electronic meeting ground rules, for
2 those that are just calling in on the telephone, you can mute
3 yourself if you're not speaking. If you are participating only by
4 phone, you can do that by pressing Star 6, and you can mute or
5 unmute yourself. All participants are unmuted at the start of the
6 meeting, and participants will be returned to mute if background
7 noise or disruptions occur. If repeated disruptions occur,
8 participants will be removed from the meeting.

9 As mentioned, public comment will be provided at the
10 beginning and at the end of the meeting. And if a member of the
11 public desires to speak or address the Commission, please
12 reserve your questions until this portion of the meeting.
13 Participants may also use the raised-hand feature or send a
14 comment in the chat box feature of the electronic meeting
15 program, and the comment will be read during the public
16 comment session.

17 At the time of public comments, please state your full
18 name, your location, and the organization that you may
19 represent. Please keep your comments to two minutes each.
20 That's all that I have, Mr. Chairman, thank you.

21 DELEGATE KILGORE: Thank you, Andy. And at this
22 time, I will ask Evan to call the roll.

23 MR. FEINMAN: Delegate Kilgore.

24 DELEGATE KILGORE: Here.

25 MR. FEINMAN: Delegate Aird.

1 DELEGATE AIRD: Present.
2 MR. FEINMAN: Secretary Ball or Ms. Rasnick.
3 SECRETARY BALL OR MS. RASNICK: (No response).
4 MR. FEINMAN: Mr. Blevins.
5 MR. BLEVINS: Here.
6 MR. FEINMAN: Ms. Clark.
7 MS. CLARK: Yes.
8 MR. FEINMAN: Mr. Cunningham.
9 Ms. Drinkwater.
10 MS. DRINKWATER: Here.
11 MR. FEINMAN: Senator Edwards.
12 SENATOR EDWARDS: Here.
13 MR. FEINMAN: Dr. Ehrhardt.
14 DR. EHRHARDT: Here.
15 MR. FEINMAN: Mr. Harris.
16 MR. HARRIS: Here.
17 MR. FEINMAN: Ms. Hensley.
18 MS. HENSLEY: Present.
19 MR. FEINMAN: Mr. Hite.
20 MR. HITE: Here.
21 MR. FEINMAN: Delegate Hurst.
22 DELEGATE HURST: Present.
23 MR. FEINMAN: Secretary Layne or Ms. Jennings.
24 MS. JENNINGS: Here.
25 MR. FEINMAN: Senator Lucas.

1 SENATOR LUCAS: Here.

2 MR. FEINMAN: Mr. Miles.

3 MR. MILES: Here.

4 MR. FEINMAN: Senator Morrissey.

5 SENATOR MORRISSEY: Here.

6 MR. FEINMAN: Ms. Ratliff.

7 MS. RATLIFF: Here.

8 MR. FEINMAN: Secretary Ring.

9 SECRETARY RING: Here.

10 MR. FEINMAN: Mr. Shell.

11 MR. SHELL: Here.

12 MR. FEINMAN: Mr. Shelton.

13 MR. SHELTON: Here.

14 MR. FEINMAN: Mr. Sutherland.

15 MR. SUTHERLAND: Present.

16 MR. FEINMAN: Delegate Tyler.

17 DELEGATE TYLER: Present.

18 MR. FEINMAN: You have a quorum, Mr. Chairman.

19 DELEGATE EDMUNDS: Mr. Chairman, I'm here.

20 DELEGATE KILGORE: Before we get started, let me

21 just say that we lost, condolences to the Chafin family, and we

22 lost a good member. Ben Chafin passed away unexpectedly on

23 the 1st. He was a great friend to the Tobacco Commission, been

24 a great member on the Tobacco Commission, and fought hard for

25 Southwest Virginia. So, remember that family in your prayers as

1 they move forward with that unexpected loss.

2 Now, do we have a motion to approve the minutes of
3 9-28?

4 DELEGATE AIRD: Second.

5 DELEGATE KILGORE: I have a motion and a second.
6 All those in favor of approving those minutes, say aye. (Ayes).
7 That motion carries.

8 Next, do we have any public comment? Hearing none,
9 now, we will go to the Executive Committee. The Executive
10 Committee met today, or this morning, and adopted some
11 changes to the bylaws. I have a motion here, I don't know that I
12 can move it, but I'll read it and then somebody can move it, that
13 the Commission accepts the Executive Committee's
14 recommendation to approve the general clarifying revisions to
15 the Commission's bylaws as found on pages 4 through 9 of the
16 Commission book, and as revised to reflect the word appoint
17 rather than elect in the first sentence of Section 3.2, the Vice
18 Chairman. And that was a good catch by Ed Owens.

19 With counsel, we wanted to make sure that we
20 followed the Virginia Code that set up the Tobacco Commission,
21 how that they said we should appoint the Chairman and the Vice
22 Chairman. But all the rest of any changes to the bylaws were
23 simply clarifying, and we had a discussion on that. Any more
24 discussion on the bylaws, bylaw changes? If not, do I have a
25 motion that would outline my, the comments that was made? I

1 have a motion by Delegate Aird?

2 DELEGATE AIRD: Yes.

3 DELEGATE KILGORE: Second?

4 MR. OWENS: Second.

5 DELEGATE KILGORE: I have a second. All those in
6 favor of adopting the Executive Committee change, say aye.

7 (Ayes). All opposed? (No response). That motion carries.

8 Next on my agenda, we go to the Southwest Virginia
9 Committee. Chairman Hurst has a report.

10 DELEGATE HURST: This is showing up now from Andy
11 of the Southwest Committee meeting which was this morning.
12 So, we met at 10:30 this morning, and we have some motions
13 based off of Staff recommendations for grants and loans to be
14 made of those requesting organizations.

15 Mr. Chairman, I would move that the Commission
16 accept the Southwest Virginia Committee's recommendation to
17 approve grants and loans totaling \$1,309,290 and subject to the
18 listed conditions for the following ten fiscal year 2021
19 applications and as described on pages 11 through 23 of the
20 Commission book. I'll read just these request numbers and the
21 organization titles here.

22 Request Number, these are the ten applications,
23 Request Number 3697, Abingdon Feeder Cattle Association;
24 3699, Appalachian School of Law; 3696, Blue Ridge Discovery
25 Center; 3698, Cumberland Plateau Company; 3691, Lee County

1 EDA; 3689, Lee County Livestock Association; 3692, Old
2 Dominion University Research Foundation; 3690, Sunset Holler,
3 Inc.; 3694, Virginia's Heritage Music Trail: The Crooked Road,
4 and 3693, William King Museum of Art. I move those, approval
5 of grants, in a block for those ten applications, Mr. Chairman.

6 UNIDENTIFIED: I'll second that, Mr. Chairman.

7 DELEGATE KILGORE: Do we have anyone that needs
8 to take any of those out of that block? Hearing none, I have a
9 motion and a second to adopt those in a block. All in favor, say
10 aye. (Ayes). All opposed? Hearing none, that motion passes.

11 Chairman Hurst, does that complete your report?

12 DELEGATE HURST: Yes. The Committee also extends
13 its condolences to Senator Chafin and family from the Southwest.
14 He will be sorely missed as a man, as a family man, and certainly
15 as an advocate for Southwest Virginia.

16 DELEGATE KILGORE: Thank you for those kind words,
17 Chairman Hurst.

18 Moving on to the Education Committee. Who's that,
19 Chairman Coleman, is Becky on today? Delegate Aird, did you
20 chair that Committee meeting?

21 DELEGATE AIRD: I did chair that Committee meeting.

22 DELEGATE KILGORE: I'm getting some feedback
23 there. Delegate Aird, okay.

24 DELEGATE AIRD: Yes. Do not have a motion from
25 this meeting earlier, and I am --

1 DELEGATE KILGORE: Andy, I believe you sent that
2 email out. Can you read off the motion that was prepared for
3 this reflecting the Committee's work?

4 MR. SORRELL: Certainly. Delegate Aird, I think you
5 may have some feedback. I do have that motion, and I'll be
6 happy to read that, Madam Chair.

7 DELEGATE AIRD: Thank you.

8 MR. SORRELL: The first would be in reference to
9 Grant Number 3725, the New River Community College
10 Educational Foundation. The Committee recommended that the
11 Commission accept the Education Committee's recommendation
12 to approve Grant Number 3725 to the New River Community
13 College Educational Foundation subject to the following
14 conditions:

15 The Foundation may use the Workforce Financial Aid
16 funds for the second and final year of any existing participants in
17 the access to Community College Education Scholarship Program
18 who received a Workforce Financial Aid funding during the 2020-
19 2021 school year;

20 Two, the Foundation must provide a revised results
21 and budget worksheet that shows how all remaining Workforce
22 Financial Aid funds will be used;

23 And, three, all such remaining funds must be spent in
24 accordance with the Commission's five ranked priority programs.

25 That was the first recommendation from the

1 Committee.

2 DELEGATE KILGORE: Chairman Aird, do you make
3 that motion on the first one?

4 DELEGATE AIRD: I do make that motion. Thank you
5 so much.

6 DELEGATE KILGORE: Do I have a second?

7 UNIDENTIFIED: Second.

8 DELEGATE KILGORE: Any discussion? All those in
9 favor of that particular motion, say aye. (Ayes).

10 Andy.

11 MR. SORRELL: Madam Chair, I'll be happy to read the
12 next one. The Committee recommended that the Education
13 Committee's recommendation to approve \$2,909,000 for the
14 2021-22 school year Workforce Financial Aid grants, as described
15 on pages 25 to 39 of the Commission book and subject to the
16 conditions listed on page 26 of the Commission book. Action has
17 already been taken on Grant Number 3725 and removing that
18 one from the block, but it would be continuing with the block for
19 3718, 3717, 3722, 3719, 3720, 3714, 3723, 3715, and 3726,
20 and two additional ones, 3716 and 3724.

21 DELEGATE KILGORE: Which one did you remove from
22 the block?

23 MR. SORRELL: It was 3725, the New River
24 Community College Educational Foundation for action already.

25 DELEGATE AIRD: I do also make that motion, as well,

1 Mr. Chairman.

2 DELEGATE KILGORE: Thank you. Do I have a
3 second?

4 UNIDENTIFIED: I'll second it, Mr. Chairman.

5 DELEGATE KILGORE: Thank you. Do we have anyone
6 that needs to remove any of these others from the block? All
7 right, hearing none, all those in favor of that block, say aye.
8 (Ayes). All opposed? (No response.) That motion carries.

9 Now, Andy, back to the other one, the New River
10 Valley one.

11 MR. SORRELL: Action was already taken on that.

12 DELEGATE KILGORE: All right. Delegate Aird, any
13 other action from the Education Committee?

14 DELEGATE AIRD: Not from the Committee.

15 DELEGATE KILGORE: Now, we go to the Southern
16 Virginia Committee. Chairman Owens.

17 MR. OWENS: The Southern Virginia Committee met
18 at 2:30 today, and we had three recommendations before the
19 Full Commission. The first one, I move that the Commission
20 accept the Southern Virginia Committee's recommendation to
21 approve a change of scope, budget revision, and fifth year
22 extension to January 31, 2023 for Project Number 3358, as
23 described on page 41 of the Commission book. This is for
24 Pittsylvania County Regional IDA.

25 DELEGATE KILGORE: Do we have a second?

1 UNIDENTIFIED: Second.

2 DELEGATE KILGORE: We have a second. Any
3 discussion on that extension? All those in favor of that
4 extension, say aye. (Ayes). That motion carries.

5 Mr. Owens.

6 MR. OWENS: Motion Number 2, I move that the
7 Commission accept the Southern Virginia Committee's
8 recommendation to approve a final four-month extension to
9 September 30, 2021 to allow time for the completion of the
10 abatement and demolition work and receipt of the DEQ permits
11 for Project Number 3035, as described on pages 41 and 42 of the
12 Commission book. That's for Lunenburg County Acquisition and
13 Development of New Industrial Park.

14 MR. SHELL: Second.

15 DELEGATE KILGORE: I have a second. All those in
16 favor of that extension, say aye. (Ayes). That motion carries.

17 Mr. Owens.

18 MR. OWENS: I move the Commission accept the
19 Southern Virginia Committee's recommendation to approve the
20 revised scope and budget for Project Number 3524, as described
21 on page 42 of the Commission book, 2019 Last Mile Broadband
22 Southeast Project, Number 3524.

23 DELEGATE KILGORE: I have a motion. Do I have a
24 second?

25 SENATOR MORRISSEY: Second.

1 DELEGATE KILGORE: Senator Morrissey seconds it.
2 All those in favor, say aye. (Ayes). Any opposed? (No
3 response). That motion carries.

4 MR. OWENS: That's my report, Mr. Chairman.

5 DELEGATE KILGORE: All right, that's a quick report.
6 Chairman Aird for Incentives and Loan Committee.

7 DELEGATE AIRD: Thank you, Mr. Chairman. There's
8 one item from the Incentives and Loan Committee. I'd like to
9 move that the Commission accept the Incentives and Loan
10 Committee's recommendation to approve the \$3,600,000 TROF
11 grant and \$240,000 zero interest TROF loan, in total \$3,840,000,
12 for Project Apex, subject to the following conditions:

13 The Beneficiary shall maintain at least 300 jobs at a
14 median wage of at least \$50,000 for a period of ten years from
15 the Award Date. The Beneficiary shall maintain at least 300 jobs
16 at a median wage of at last \$50,000 for a period of ten years
17 from the Award Date.

18 In addition to the 300 jobs provided by the
19 Beneficiary, an additional regional entity other than the
20 Beneficiary shall guarantee at least 100 jobs be attracted to the
21 region and that those jobs will be in the technology sector and
22 shall not be eligible for additional TROF funding.

23 The building constructed with these proceeds will be
24 located at the University of Virginia-Wise and such building will
25 be owned and operated by the University.

1 DELEGATE KILGORE: I believe, Delegate Aird, you
2 had a meeting that was held in -- is that correct, a meeting with
3 -- for the Committee. (Unintelligible).

4 DELEGATE AIRD: That's exactly correct, Mr.
5 Chairman.

6 DELEGATE KILGORE: Any other comments on that?
7 A lot of those discussions was held in closed session because of
8 the nature of the activities and business recruitment. Does
9 anybody else have any questions on Delegate Aird's motion? Do
10 we have a second on Delegate Aird's motion?

11 Andy, did you have something to say?

12 MR. SORRELL: Yes. The only other thing I wanted to
13 mention, for the first condition, when we speak of the 300 jobs at
14 the median wage, at least 50,000, did we need to say of the
15 median average annual wage? I wanted to make sure.

16 DELEGATE KILGORE: Is that correct, Chairman Aird?

17 DELEGATE AIRD: I will be happy to accept that
18 change to the motion.

19 DELEGATE KILGORE: Okay. Mr. Feinman, my
20 apologies, Mr. Chairman. The median annual is defined, but I
21 don't think median average, is a little challenging.

22 DELEGATE AIRD: In that case, we will keep it at
23 median annual, is that what you were saying, median annual
24 wage of \$50,000? Okay.

25 DELEGATE KILGORE: All right. I have a motion and a

1 second. Any discussion or any questions from members of the
2 Committee? All those in favor, say aye. (Ayes). That motion
3 carries.

4 DELEGATE AIRD: Mr. Chairman, that's the only
5 business I have.

6 DELEGATE KILGORE: Thank you. Andy, do you have
7 a TROF update?

8 MR. SORRELL: I do, Mr. Chairman. I was going to
9 give just a brief update of our TROF program. You'll notice in the
10 Commission packet, there are several pages related to the TROF
11 program. I'll just say that at the September 2020 Commission
12 meeting, Commissioners may recall that Staff initially presented
13 some revisions to policies and procedures that govern the
14 Commission's Tobacco Region Opportunity Fund, also known as
15 TROF.

16 After some discussion, the Business and Loans
17 Committee desired to have a little bit more time to review those
18 proposed policies and discuss them in more depth. They desired
19 to have a called meeting later in the fall, and that meeting was
20 held on November 4. Staff reviewed the existing TROF policy, as
21 well as procedures and applications and the process, as well as
22 clarifications to that policy. The policies and procedures
23 document that came out of that discussion is found on pages 43
24 through 47 of your Commission book, and that reflects the
25 Committee's work. Compared to our prior TROF policy, the

1 revised document clarifies the threshold for utilizing Prospect
2 Incentive funds, which is Number 5, in that document.

3 Continuing on, the policy purpose clarifies -- to be
4 earned as Number 12, as you see on that list, and then pages 48
5 to 49 of the Commission book provided an overview of the TROF
6 application process itself. Those documents will be placed on the
7 Commission's website to ensure the applicants' clarity on the
8 program's policies, objectives, and application processes.

9 Staff also worked diligently over the summer, on an
10 update to provide the TROF performance agreement for grants
11 and loans. The templates are now very similar to the ones
12 utilized by our partners at VDEP for the Commonwealth
13 Opportunity Fund. Additionally, Staff has begun to look at all of
14 the TROF applications through our online application portal,
15 which has made that process easier to keep track of. That's long
16 been something that we've been hoping to get done and now
17 that has happened that way.

18 You'll also notice on page 50 of the Commission book
19 to reflect, has the active TROF projects over the last five years.
20 As you'll note, so far, in FY21, we've had eight projects that have
21 been approved, with over 600 jobs promised, and \$120 million in
22 capital investment, that's a profit. So, about \$1.3 million in
23 Commission funds, Commission grants and loans. Given the
24 number of active estimates that we also have, about six or so, on
25 project inquiries, Staff believes that the number of projects will

1 probably, likely continue to grow. Compared to fiscal year '20,
2 we had a total of nine projects. And so though for those nine
3 projects, over 1,800 jobs responded and \$2.5 million capital
4 investment responded, so about \$6.68 million in Commission
5 grants, grant funds and loans.

6 As you can see, that's something that whereas we
7 have more, we are likely to have more projects this year, if we
8 have less jobs so far that have been promised as less capital
9 investment.

10 Finally, on page 51, you'll notice a detailed repayment
11 status of the 25 current TROF loans and the TROF actions for the
12 loans that the Commission currently has in the status.

13 Finally, on pages 52 to 54, you'll see a detailed status
14 of the TROF projects that currently remain open and concluded
15 their performance period, meaning that these are still in the
16 process of gathering performance data for those projects,
17 negotiating repayment agreements or perhaps, or active
18 repayment agreements themselves.

19 At this point, I'd be happy to answer any questions
20 that you may have about the TROF program.

21 DELEGATE KILGORE: Andy, thank you for your hard
22 work on the TROF Program. Any time that we're spending
23 money in TROF, that's a good thing, I've always thought,
24 because it creates jobs and putting businesses back into the
25 community. I hope you're right that this next year does bring

1 us, will bring us more investment to aid our communities. I
2 know that it takes Staff a long time, takes a few days to get
3 some of these projects worked out, and we appreciate your hard
4 work in so doing.

5 Any other questions of Andy? That's a great job,
6 Andy.

7 MR. FEINMAN: I'll further add Andy, along with Mike
8 and Liz and David Bringman, who manages our database, really
9 put in a lot of work this year whipping our documents into shape
10 and it is no small feat to create the digital portals online
11 application for TROF and our community business lending
12 program, and so those are up running now, it's great work.

13 DELEGATE KILGORE: Thank you. Any other
14 questions of Andy?

15 Moving forward, our next item is election of officers.
16 Let me just take a chairman's prerogative and say right here that
17 I've enjoyed and it's been an honor to serve as your chairman,
18 and I really appreciate the support from Staff, I could not have
19 done this without Staff, I've tried to stay out of the way, and I
20 hope they would all tell you that. I really appreciate the Staff's
21 hard work and all the studies they've done, and all the items
22 we've had to make sure that we get to other agencies. I mean
23 they have done a great job and, you know, just being there and
24 being a phone call away. So, I just want to thank the Staff, thank
25 all of the members, and I hope all the members think, hopefully

1 they believe that I didn't, that I was chairman in a fair way. And
2 we just appreciate all the hard work of all the members and all
3 the Staff and everybody coming together. And we've tried to
4 keep, this is one, one area that we've been pretty bipartisan, and
5 all of us have just really focused on what we can do for Southside
6 and Southwest Virginia in creating jobs and creating
7 opportunities for our citizens. I really want to thank you all for
8 this opportunity, and it's been an honor to serve you as your
9 chairman. And with that, I'm going to turn it over to Evan for
10 the election of officers.

11 MR. FEINMAN: Thank you, Mr. Chairman. At this
12 point, I think the floor is open. Chairman Kilgore has indicated
13 that he is stepping back in that role, and we would need to hear
14 nominations for a new chairman of the Commission.

15 SENATOR LUCAS: I'd like to jump in and I'd like to
16 preference my nomination, I have known Ed Owens since the
17 early, about the late eighties, because when I ran for the Senate
18 in 1991, he was one of the first people that I went and talked to
19 down in Southside. I observed him for almost, well, it's now 30
20 years that he and I have been affiliated with each other in one
21 way or another, and certainly through the Virginia Municipal
22 League, and I can think of no better person to nominate for him
23 to become our next chair. It is with a great deal of pride that I
24 nominate Ed Owens to be our next chairman.

25 UNIDENTIFIED: I move the nominations be closed.

1 Ed has dedicated the last 15 years to the Commission, and I can
2 think of no better candidate.

3 UNIDENTIFIED: I move that the nominations be
4 closed on the one name.

5 MR. FEINMAN: Do we have any other nominations?
6 All those in favor of closing the nomination and naming Ed Owens
7 as Chairman for the Commission, say aye. (Ayes). The motion
8 is passed, and I will move back out of the uncomfortable
9 chairmanship and hand the reins to our new chair for the
10 nomination of a Vice Chairman.

11 Chairman Owens, the floor is yours.

12 MR. OWENS: Before we go on to a Vice Chairman
13 nominee, this is very humbling. Thank you very much, and I'll
14 do the best I can to make sure that the mission of the
15 Commission moves forward, and I look forward to working with
16 everyone on this Commission and speaking to you individually,
17 because I know you all have individual goals and expectations in
18 the Commission as we move forward.

19 At this time, I'll open the floor up for nomination for
20 Vice Chairman.

21 UNIDENTIFIED: Mr. Chair, I'd like to nominate
22 Delegate Aird as Vice Chair.

23 MR. OWENS: There's a nomination. Do I hear a
24 second?

25 UNIDENTIFIED: Second.

1 MR. OWENS: It's been moved and properly seconded.
2 Any other nominations? Hearing none.

3 UNIDENTIFIED: I move the nominations be closed.

4 UNIDENTIFIED: Second.

5 MR. OWENS: Nomination moved and seconded to be
6 closed. All those in favor, signify by saying aye. (Ayes).

7 Now, we vote on the nomination of Delegate Aird as
8 the Vice Chair of the Commission. All those signify by saying
9 aye. (Ayes). All those opposed? (No response). The ayes have
10 it.

11 Congratulations to the Vice Chair.

12 DELEGATE AIRD: Thank you so much.

13 MR. OWENS: Can have some final comments at least,
14 so I can --

15 DELEGATE KILGORE: I really appreciate that, you're
16 taking, and congratulate you on taking over the chairmanship.
17 You'll do a great job, we're excited, and I know everybody is
18 excited to work with you. We look forward to moving the
19 Tobacco Commission Footprint forward with you.

20 And I think the next thing we have, Evan, is you,
21 again, with the Foreign Direct Investment Update.

22 MR. FEINMAN: That's correct, Mr. Chairman. We
23 have two updates for our new members. The Tobacco
24 Commission has relationships with two different gentlemen who
25 provide Foreign Direct Investment work for us. The first is Joe

1 Anwyl, who is located in the United Kingdom. U.K., Irish, and
2 the occasional continental business. He has trips to Virginia.

3 And the second is Will Payne, who is located in
4 Southwest Virginia, and is focused on bringing wide variety, but
5 in particular technology and manufacturing businesses to
6 Southwest Virginia.

7 So, we're going to get an update from each of them.
8 Maybe there'll be a more wholesome update to you, because
9 which we hopefully will be an in-person meeting. Because of the
10 technical nature of this virtual meeting, we decided not to
11 attempt the high wire act of handing off the screen between
12 multiple different people for detailed presentations. So, this will
13 be a quick verbal update.

14 Joe Anwyl, why don't you lead us off. You are muted,
15 Joe.

16 MR. ANWYL: Can you hear me okay, ladies and
17 gentlemen?

18 MR. FEINMAN: Yes.

19 MR. ANWYL: Good afternoon. I'm from England,
20 across the pond. It certainly would be an understatement to say
21 that 2020 has been a typical year for us, business-wise and
22 many of us. We certainly have an interest in Southern Virginia
23 from U.K., and E.U. companies remain stronger than ever. I'll
24 tell you a little bit more about us.

25 One the biggest things we face in this world in the

1 past -- has been for nationals, and it's hard to enter the U.S.
2 because of COVID. The good news is that it's possible if we can
3 demonstrate the trip is in the national interest, and we should be
4 able to answer that. Generously, the Secretary has written to
5 the U.S. Embassy in London and informed them, and we want to
6 visit Virginia and open a factory and, number one, to progress
7 our investment. Therefore, I'm hopeful that in Southside to
8 announce the investments of the U.K. for a manufacturing
9 company, an electronics firm to create 200 jobs in the next few
10 weeks. I hope to be with you in the next few weeks.

11 You'll be happy to hear and talking about the COVID
12 seriously. Therefore, myself and the company need to be tested
13 a number of hours before travel to the U.S. and we'll need to be
14 tested within 15 minutes of leaving Heathrow. With these
15 measures in place and the fact that it's been one of the lowest
16 infection rates and hoping our trip will be safe.

17 So, moving on, and I always have between 10 and 20
18 strong prospects working with these investment processes for
19 several years. So, we have to understand the prospects, and I'm
20 hoping to have at least 10 strong prospects and trying to open a
21 factory in Virginia next year as long as we can visit. Four
22 manufacturing companies have confirmed to me that they intend
23 to open factories in Southside Virginia 2021. The companies, in
24 addition to the officers of the counties in Southern Virginia, are
25 going to have to work really hard to make these investments

1 possible, but I feel as long as we can work together. These
2 companies are currently actively hiring. Another four intend to
3 visit this month, and they plan to create at least 350 high quality
4 jobs that will pay above the prevailing median salary, and some
5 of these companies have already started shipping products to
6 Virginia, and others are working with the Virginia base, shipping
7 products to U.S. customers from their own factory and planning
8 to visit in the second half of 2021.

9 One of these involves modular building manufacturing
10 and another is a utility focused company, a company that wants
11 to visit, and product storage, a subsidiary of a European and a
12 manufacture of sports and one whose interest is in race cars.
13 The reason there's more interest there, and I think there's some
14 push factors behind this, and Brexit, which is now -- five years
15 after the referendum vote, good or bad, and hopefully this will
16 cause, which is private, hopefully will be in a position to take
17 advantage of that. They're always evaluating their customer
18 base, and this is causing everyone to look at markets outside of
19 Europe and U.K.'s biggest trading partner, which is the United
20 States.

21 Trying to put some companies in Southern Virginia,
22 but probably the strongest is the Workforce Development area,
23 much of which is as a result of this Commission's work and the
24 size of the U.S. economy. I think maybe the change in
25 administration is also a driving factor. The previous

1 administration was encouraging at a pace we hadn't seen before.
2 The new administration will also encourage foreign investment
3 and have policies to encourage. I am expecting President-Elect
4 Biden will move into a rapid implementation of U.S. and U.K.
5 trade, which will be beneficial. It'll have to do with importing,
6 but we have to encourage that.

7 That's the majority of the overview I wanted to
8 provide you with. And I won't take any more of your time. I can
9 elaborate on these points and take questions now. I haven't
10 heard any advice. So, thank you very much for your time.

11 DELEGATE KILGORE: Thank you, Joe. Any questions?
12 And I think the other one we were going to hear from
13 is Will Payne, is that correct, Evan?

14 MR. PAYNE: Mr. Chair and Commission members,
15 good afternoon, from Bristol. My name is Will Payne, I'm
16 managing partner at Coalfield Strategies, and I know I just have
17 a few minutes, so let me jump right in.

18 Sixteen months ago, we kicked off in Southwest
19 Virginia a business attraction and market campaign for our
20 region, watched under the umbrella of this Commission, that is
21 financially backed and matched by the LENOWISCO Planning
22 District and Private Industry Partners, Point Broadband and
23 Appalachian Power. The need was borne out in regions, senior
24 legislators, as either a pilot, whether a private firm could on
25 behalf of the whole region, jumpstart a development, by raising

1 political relationships to grant high quality business leads, and
2 establishing new strategic partnerships. We've named four
3 legislators as our co-chairs, signaling a plan to use political help
4 to our advantage.

5 I wanted to acknowledge the leadership of Delegate
6 Terry Kilgore and Delegate Israel O'Quinn and the late Senator
7 Ben Chafin, and all of them delivered on their word to take a
8 hands-on approach for economic development, serving
9 validators, field closers, meeting with me, traveling to do so, and
10 it made a difference. And that comes from the prospects we've
11 been working with, and they want that attention, and they got it,
12 and it makes a difference. Now, without them, I wouldn't be
13 here today, and we would not have the incredible success
14 without them.

15 It's also worth noting that while we have engaged
16 political leaders, politics on one side of the aisle or the other, we
17 are not engaged. I take nothing more serious than my
18 responsibility to deliver on what my team has promised and to do
19 so with the highest standards. And after all, I came from the
20 world of running bipartisan solutions for Governor McAuliffe,
21 Governor Northam and Senator Warner, and worked on both
22 sides of the aisle, and I lived to tell about it, and it has been
23 incredible working with members of this Commission and the
24 delegation in Southwest Virginia. Politics doesn't matter.

25 With a blank slate, we created a new disruptive model

1 and asked partners to opt in. That's a good thing. Those are
2 locked in with benefit.

3 As I laid out in my team's proposal, competing for this
4 opportunity to run this initiative about two years ago. Southwest
5 Virginia had to change the way it pursues new business
6 investment if it expects good outcomes. That's why our team
7 was selected.

8 A modern economic development operation requires
9 corrective strategy, and the team must be held accountable. As
10 a private outfit, if we don't deliver, then we should be fired. And
11 I stand by that. We welcome that scrutiny and we thrive off of
12 the pressure and the thrill of having produced results. As you
13 may know, our two-year pilot ends in six months, on June 30,
14 and the future of Southwest Virginia is, frankly, up in the air.

15 My goal today is to let you know that this model
16 works. We've got the results to prove it. As a private outfit, we
17 can do economic development faster, cheaper, and better. Our
18 model was based on the vision that builds on the region's
19 strengths and so Southwest Virginia can be five things. On
20 behalf of the companies looking to grow, the location and choice
21 for data centers, a hot bed for energy, strategic location for
22 advanced manufacturing is a significant player in Virginia
23 industry. Big area ideas with significant win, and even on a
24 shoestring budget with a skeleton crew.

25 Let me give you just a snapshot of our model in

1 action. There are three dozen prospects in the mix. We raised
2 the bar by shamelessly promoting the region with over 150 local
3 and state and national stories in the media about our projects.
4 We've worked with highway guardrail manufacturers, a big
5 industry, for over nine months, and their decision to invest \$7.9
6 million and create 113 high paying jobs right here in Washington
7 County. We teamed up with Aldrich Capital Partners with offices
8 in Northern Virginia and Silicon Valley, to explore business
9 expansion opportunities for portfolio companies, that's a first in
10 the region, that is a model that will pay major dividends as we
11 work with other companies, especially Northern Virginia, now
12 that we have a case study and we have a validator. And the
13 validator and case study are right here. A partnership led to the
14 success of Project Navigator, a 13-month endeavor and is the
15 leading medical record retrievable service, announced 160 jobs in
16 Scott County. That is a unique deal, frankly, because a
17 gentleman I served with, we worked on that together, he saw a
18 great opportunity in rural Virginia, a great opportunity in
19 investing in rural regions to have a dedicated workforce who
20 want to work, and are fantastic in doing it.

21 We secured a unique partnership right beginning when
22 we announced it, with the Northern Virginia Technology Council,
23 never been done before down here, and that's to market growth
24 opportunities for their companies in Southwest Virginia. Our
25 Project Oasis, you may have heard about in the news, provides

1 third party validation for the region’s power and broadband
2 infrastructure being sufficient to host multiple data centers, but
3 highlights something we need in Southwest Virginia. That’s
4 pairing geothermal cooling and using the underground mine
5 water, vast amounts, billions of gallons, with solar power as a
6 significant energy cost-savings tool.

7 While Southwest Virginia may not be for every data
8 center, it is the right location for the right data center, especially
9 one focused on leveraging the region’s solar and geothermal
10 assets that can deliver on sustainability goals. I’ll add that our
11 team has got the best experts in the region, thankfully, and
12 partnering with the Virginia Department of Mines, we’ve got the
13 best experts in the state working on renewable energy projects.

14 With our project innovation, we’re building stored
15 energy legacy, but focused in on renewable, clean, and zero
16 carbon projects. Our goal is for the region to be named the
17 energy innovation capital of the East Coast, and we’re doing it by
18 repurposing the coal industry assets, the development of a
19 private renewable energy park, a first of its kind operation, that
20 will host entrepreneurs and companies focused on
21 commercializing the technology. We have a significant
22 advantage no one else in Virginia has.

23 We recently announced a partnership with
24 Appalachian Power and Dominion Energy to advance the R&D in
25 manufacturing, the employment of energy storage and

1 technology in the region. Those partners have come to us and
2 we brought in, and there are many folks on this call, but
3 Appalachian School of Law among others in leveraging their
4 expertise.

5 Last night, we unveiled, well, let me step back. Our
6 Project Calypso, you may have heard about it, has created a new
7 agricultural market opportunity for Southwest Virginia and it's
8 working with small family farms to grow multi-quality barley for
9 the first time in the region last year for marketing this
10 Appalachian's grain brand to breweries and distilleries all around
11 Virginia. Last night, we unveiled Appalachian Ale with Delegate
12 Aird, and today announced the first beer using Southwest
13 Virginia grown multigrain has been exported to Japan.

14 Finally, our related endeavor, Project Thoroughbred, a
15 grain terminal, to serve as a hub for the region's foothold in the
16 craft beverage industry. In each of these cases, we brought
17 together value-adding partners, and that matters, value-adding
18 partners, in workforce, government, enterprise sector, in order to
19 close the deal. Those partnerships are vital and they
20 demonstrate why disruption and development is a good thing.
21 Above all else, our model has produced results and results
22 matter, and they should determine the future investment. Thank
23 you.

24 DELEGATE KILGORE: Thank you, Will. I think you all
25 can see that both Joe and Will have that energy that we need in

1 the Tobacco Region to close a lot of deals. I want to thank both
2 of them for what they do on a daily basis out marketing
3 Southside and Southwest Virginia.

4 Chairwoman Aird, we really thank you for showcasing
5 Southwest Virginia brew that was just made, so that's great.

6 DELEGATE AIRD: It was my pleasure, and I'm not
7 even a beer drinker.

8 DELEGATE KILGORE: That's great. Evan, do we have
9 any other questions or comments you would like to make as it
10 relates to the Foreign Direct Investment?

11 MR. FEINMAN: Two comments I'd like to make. First,
12 as relates to the Foreign Direct Investment. I believe that our
13 work is dramatically improved and our outcomes are dramatically
14 improved through the work of both of these gentlemen.

15 Will has brought an energy to Southwest Virginia that
16 has been lacking, frankly, in my time, and has been
17 tremendously valuable in helping to coordinate some of the very
18 factors that are otherwise pretty diluted in the area, as well as
19 thinking outside the box, and bringing in fresh energy, and it's
20 already paid off for hundreds of families, and it'll pay off for
21 hundreds more. I think it's absolutely imperative that the
22 Commission and the Commissioners work hard when it's time.
23 When the first grant ends, I think it's very, very likely that the
24 Staff would strongly recommend that we renew that grant, the
25 challenge is that we are required to do no more than dollar for

1 dollar matching. So, we need to beat the bushes and find
2 somebody or somebodies who can pick up the other half of the
3 tab for this project, because it has been successful.

4 Turning to Joe Anwyl, Joe's relationship with the
5 Commission is long and has been incredibly fruitful, it is not
6 overstating it to say that there are thousands of people whose
7 families are getting something as a result of Joe's work. So, it's
8 really critically important, There are English, Irish, I don't know
9 if there are any Scottish, flags flying across the southern portion
10 of Virginia, no Scotts so far, we'll get one, but flying across the
11 Southern portion of Virginia as a result of Joe's work. That's
12 really very rewarding and fantastic. Looking forward and
13 continuing that relationship with Joe.

14 I have no other comments on FDI. Before we turn to
15 other business, I just want to take a moment to say, Mr. Former
16 Chairman, it has been an absolute pleasure to work with you
17 over the last several years. I remember when I was first
18 appointed, I called all of the members, but I called you first, and
19 the first thing you said to me was don't believe everything people
20 say about me, and I haven't heard anything bad about you, but
21 everything I heard was good, and you proved it to be true. I
22 appreciate you welcoming me to the Commission. And our
23 relationship over the past five years has been a tremendous
24 pleasure, and I look forward to continue to work with you as a
25 member of the Commission and in your role as legislator.

1 DELEGATE KILGORE: Thank you, Evan. Do we have
2 any other business?

3 MR. OWENS: If I may, Mr. Chairman, I'd like to say
4 the same. I've been on here probably the longest than anybody
5 else on the Commission. There were some good times and there
6 were some tough times, and you've always been there and you
7 had a steady hand, and I can appreciate your service and your
8 friendship and I look forward in working with you and don't go
9 anywhere when I need you.

10 DELEGATE KILGORE: Thank you, Ed.

11 Any other business that we have attend to? All right.
12 Any public comment? We have a public comment now. If not, I
13 want to thank the new members for coming on. And hopefully
14 we'll get to meet in person pretty soon, and hopefully the May
15 meeting will allow us to meet in person where we could meet,
16 and I really think that's the best way to do these meetings,
17 especially the Tobacco Commission. And look forward to meeting
18 you all in person, and welcome to the Commission, and we look
19 forward to working with each and every one of you.

20 All right, I think we're all ready for the weekend.
21 We're adjourned. Thank you all, have a great weekend.

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PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the Court Reporter who took down and transcribed the proceedings of the **Tobacco Region Revitalization Commission, Full Commission Meeting**, when held on Friday, January 8, 2021, at 3:15 o'clock p.m., (By Electronic Conference Call).

I further certify this is a true and accurate transcript, to the best of my ability to hear and understand the proceedings.

Given under my hand this _____ day of January, 2021.

Medford W. Howard
CCR