

TOBACCO REGION REVITALIZATION COMMISSION

701 East Franklin Street, Suite 501

Richmond, Virginia 23219

Southwest Virginia Committee Meeting

Wednesday, September 22, 2021

11:15 o'clock a.m.

Peaks of Otter Lodge

85554 Blue Ridge Parkway

Bedford, Virginia

1 APPEARANCES:

2 The Honorable Chris L. Hurst, Chair

3 Mr. Edward Blevins

4 Ms. Gretchen Clark

5 Ms. Rebecca Coleman

6 The Honorable Terry G. Kilgore

7 The Honorable Sam Rasoul

8 The Honorable Bettina Ring

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10 COMMISSION STAFF:

11 Mr. Evan Feinman, Executive Director

12 Mr. Andy Sorrell, Deputy Director

13 Ms. Stephanie S. Kim, Director of Finance

14 Ms. Sara G. Williams, Southwest Regional Director

15 Ms. Joyce Knight, Executive Assistant

16 Mr. David Bringman, Database and Performance Metrics Manager

17 Mr. Jordan Butler, Public Relations Coordinator

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19 COUNSEL FOR THE COMMISSION:

20 Ms. Elizabeth B. Myers

21 Assistant Attorney General

22 Richmond, Virginia 23219

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1 September 22, 2021

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3 DELEGATE HURST: I'm going to call the Southwest
4 Committee Meeting to order. I am the chairman, Delegate Chris
5 Hurst. I'm glad to be here this morning at the Peaks of Otter. I
6 was hoping when you came here it wouldn't be pouring down
7 rain. This can be a very refreshing experience.

8 Before we get into everything, Evan, I'll ask you to
9 call the roll.

10 MR. FEINMAN: Delegate Hurst.

11 DELEGATE HURST: Here.

12 MR. FEINMAN: Ms. Hensley.

13 MS. HENSLEY: (No response).

14 MR. FEINMAN: Mr. Blevins.

15 MR. BLEVINS: Here.

16 MR. FEINMAN: Ms. Clark.

17 MS. CLARK: Here.

18 MR. FEINMAN: Ms. Coleman.

19 MS. COLEMAN: Here.

20 MR. FEINMAN: Senator Edwards.

21 SENATOR EDWARDS: (No response).

22 MR. FEINMAN: Delegate Kilgore.

23 DELEGATE KILGORE: Here.

24 MR. FEINMAN: Mr. Hutchinson.

25 MR. HUTCHINSON: (No response).

1 MR. FEINMAN: Delegate Rasoul.

2 DELEGATE RASOUL: Here.

3 MR. FEINMAN: Ms. Ratliff.

4 MS. RATLIFF: Here.

5 MR. FEINMAN: Secretary Ring.

6 SECRETARY RING: Present.

7 MR. FEINMAN: Mr. Sutherland.

8 MR. SUTHERLAND: (No response).

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

10 DELEGATE HURST: Thank you. Next we have the
11 approval of the minutes from May 27th, '21. Those have been
12 published on the website and available to the public to see. We
13 have a motion to approve the 5-27-21 minutes. Is there a
14 second?

15 MR. BLEVINS: Second.

16 DELEGATE HURST: All those in favor, say aye.
17 (Ayes). Opposed? (No response). The minutes are approved.

18 Next we have public comment, if any. Anybody from
19 the public that wishes to speak or give a comment at this time?
20 Hearing none, we can go ahead, move on to Extensions and
21 Modifications. It would be great if we could take these up in a
22 block. I believe they're all very similarly situated.

23 Sara is here with us, do you want to go ahead?

24 MS. WILLIAMS: Sure. The first extension today, and
25 there are five of them, 3071, Expanding the Production Capacity

1 of the Barter Theatre, Phase II. This is interesting because when
2 this grant was approved in 2015, the funds were to be used to
3 renovate the Barter's costume shop, and ours was a direct match
4 to the ARC grant. They started the work there and cleaned up
5 the facility and no Commission funds were ever disbursed. In
6 March of 2020, the Theatre had to close down, and then they had
7 some services that they sent out in order to keep the Theatre
8 going and to keep some employees on the payroll. They worked
9 with ARC on a re-budget request. They came to us in September
10 for an extension and asking if they could use our funds.

11 The good news is that the Theatre will be able to
12 resume performances later next month. The ARC budget was
13 not approved until December of 2020, and a result of the delay,
14 they started using our funds for that purpose, but they're asking
15 for a three-month extension through December 31, 2021.

16 There is a significant balance on the grant. The
17 balance shown here was an estimate based on the payment
18 request that we were expecting. Once it came in and we
19 completed the initial review and there should be quite a balance
20 on this, so when the grant is closed after December 31, those
21 defunds will be de-obligated.

22 So, Staff recommends the approval of a three-month
23 extension through December 31, 2021.

24 DELEGATE HURST: Thank you very much, Sara.

25 Any discussion on this extension request? Questions

1 or comments?

2 Please continue on with the next one from Floyd.

3 MS. WILLIAMS: The next one is 3191 for Floyd
4 Regional Commerce Center, Phase II. Our funds are to be used
5 to construct utilities added to the Commerce Park. Our funds
6 match ARC, and this is the ARC Access Road Program. With all
7 these construction projects, construction costs have gone up and
8 they are now pursuing additional funding from ARC.

9 The VDOT estimate for completion on this is
10 September of 2023, which will result in us being here a year from
11 now and we'll need to consider a final extension.

12 Staff recommends approval of a one-year extension
13 through September 30, 2022.

14 DELEGATE HURST: Any discussion, questions, or
15 comments?

16 Sara, this is construction for an access road to help
17 the Commerce Center?

18 MS. WILLIAMS: Yes, our funds are for the utilities and
19 the ARC Access Road for access that's being constructed
20 currently.

21 DELEGATE HURST: Completion by September of 2023
22 for the Access Road.

23 MS. WILLIAMS: I think that's for the entire Phase II.

24 DELEGATE HURST: Do you know what's going on
25 there at the Commerce Center or what's on the horizon?

1 MS. WILLIAMS: I do not remember exactly, but I
2 believe another project for some smaller pads that were
3 approved last year or the year before. I think the Commerce
4 Park is really out of space and they need additional pads at the
5 Commerce Park.

6 DELEGATE HURST: Well, that's a good idea. Good to
7 hear all that. That's a good problem to have. It's good to have
8 additional points of leverage rather than say we've got a couple
9 of years. I'd certainly recommend it be extended, kind of like a
10 systematic check-in.

11 Any further questions or comments on this proposal?
12 Not hearing any, you can continue, Sara.

13 MS. WILLIAMS: Number 3198, Building Appalachian
14 Spring: Growing the Economy of Southwest Virginia through
15 Developing Outdoor Recreational Destinations, 3198. This grant
16 was for three different construction projects. The first was the
17 Damascus Trail Center. That project is complete and we're
18 waiting on the final paperwork, reimbursement paperwork.

19 The second project is the High Knob Destination
20 Center. That's under development, and it's proceeding. No real
21 concerns there.

22 The third, which is the Haysi to Breaks trail
23 construction project. That needs a little more discussion. They
24 plan to complete a Riverwalk there, and they were going to have
25 a trail from the town to the Breaks State Park and over a million

1 dollars committed in funding for that project. They completed
2 engineering and ready to go, and then the Army Corps of
3 Engineers let them know there was an issue with Buchanan
4 County, Section 202, Flood Program Plans, which killed any
5 chance of constructing the Riverwalk. They've asked for some
6 time to work that out and reconstruct their plans for that project.
7 And they think maybe it'll be like constructing access points to
8 the river in the Town of Haysi, trying to get similar results and
9 gather different construction ideas. And they need time for an
10 updated budget.

11 Staff recommends approval of an extension through
12 September 30, 2022, contingent upon the Executive Director's
13 approval of a revised project budget, scope and outputs.

14 DELEGATE HURST: Thank you, Sara. Appreciate it,
15 the explanation seems pretty straightforward. If they get
16 impacted by flood issues, that's one thing. So, they've got to
17 come up with some plans and try to help us out with this
18 essentially?

19 MS. WILLIAMS: Yes.

20 DELEGATE HURST: Any questions or comments on
21 this extension request?

22 Hearing none, Sara, why don't you go ahead, continue
23 for Scott County.

24 MS. WILLIAMS: Number 3200, Scott County
25 Economic Development Authority, Riverside Development, Phase

1 III, Site Development. This project was approved to support
2 development of an additional site at the Riverside Development
3 in Scott County. The project went out to bid twice and both
4 times significantly over the engineer's estimate. They're trying
5 to complete a master grading plan for the property and a more
6 precise estimate of what that would cost. And plans are being
7 made to rebid the project. They are pursuing Federal EDA funds
8 to help support the additional expense.

9 Staff recommends approval of a one-year extension
10 through September 30, 2022, provided that the grantee must
11 provide satisfactory documentation that it has obtained all
12 funding necessary to complete the project before any
13 Commission funds are released. If this funding is not secured,
14 no additional extension will be considered.

15 DELEGATE HURST: Thank you, Sara.

16 Any questions or comments. Has this happened
17 before where bids would be so far above the engineer estimate?

18 MS. WILLIAMS: A lot lately, and we're seeing more of
19 this on all construction projects. It's common, especially in
20 Southwest. I'd say we're seeing it a lot more. The Floyd project
21 is similar. And that has gone up since they thought they had the
22 funding in place.

23 DELEGATE HURST: Thank you very much, Sara.

24 Any comments on this one? Thank you.

25 Sara, one final one.

1 MS. WILLIAMS: Finally, we have Grayson County,
2 Project Timberwolf, 3308. This is a site development project for
3 a new site in Grayson County. The project was underway in
4 2020; however, due to quality concerns, and the contractor was
5 let go because of quality concerns. The Commission did not
6 release any funding for that phase of the project and they have
7 since rebid the project. They estimate 120 days for the project
8 period. A one-year extension has been requested just in case
9 there's any delays.

10 So, the Staff recommends a one-year extension
11 through September 30, 2022.

12 DELEGATE HURST: Thank you, Sara.

13 Any questions or comments on this final extension
14 request?

15 We have five extension requests, some have
16 stipulations. It would be great if we could move these in all in a
17 block, if there's no objection.

18 DELEGATE KILGORE: Mr. Chairman, I move that we
19 approve these extensions in a block, along with the Staff
20 recommendation, 51, 52, and 53.

21 DELEGATE HURST: Delegate Kilgore moves we
22 recommend adoption on the Staff recommendations. Pursuant to
23 the items listed on pages 51, 52, and 53 of the booklet. Can I
24 have a second on the motion?

25 UNIDENTIFIED: Second.

1 DELEGATE HURST: All in favor, say aye. (Ayes). All
2 opposed? (No response). Those recommendations are
3 approved.

4 Thank you very, very much, Sara, for that.

5 MS. WILLIAMS: I want to make sure that everybody
6 on the Committee was aware that our next submissions that
7 we're going to announce, an October 14th deadline, for the
8 Southwest Virginia program. That program covers agribusiness
9 and economic development. The guidelines are posted on our
10 website. If anybody needs me to send those to you, I'll be glad
11 to do it.

12 If you have any questions about that program or know
13 about any projects, I'm always available to discuss those.

14 DELEGATE HURST: Thank you very much, Sara.

15 I'd just like to say that some of the changes that have
16 undergone in the last year or so, I appreciate the work of Staff
17 and see a lot of collaboration that's been done with the grant
18 application staff to make sure that we can find success. I think
19 it's wonderful we're starting to, at least in my experience, of
20 seeing the quality of these applications and any changes are for
21 the better. So, I appreciate all that and appreciate all the work
22 from the people that are here to make sure these funds are used
23 wisely.

24 Evan, anything else?

25 MR. FEINMAN: I have no additional business for you,

1 Mr. Chairman, we can adjourn.

2 DELEGATE HURST: Finally, is there any member of
3 the public that wishes to comment at the Southwest Virginia
4 Committee Meeting, a second opportunity for public comment?
5 Hearing none, thank you very much for your attention this
6 morning.

7 We stand adjourned.

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10 **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, Southwest Virginia Committee Meeting**, when held on Wednesday, September 22, 2021, at 11:15 o'clock a.m.

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 October, 2021.

Medford W. Howard
CCR