

# **SOUTHWEST VIRGINIA COMMITTEE**



**AGENDA**  
**SOUTHWEST VIRGINIA COMMITTEE**

**Berry Hill Resort & Conference Center**  
**3105 River Road, South Boston, VA 24592**  
**Wednesday, October 5, 2022**  
**10:00 A.M.**

In accordance with §2.2-3708.2.D.2 of the Code of Virginia, the public may witness and participate in this meeting remotely (only audio participation will be utilized). The meeting number is: **2630 930 3163** and the password is: **73973989**. If participating via phone, dial: 1-408-418-9388 (toll) utilizing the above meeting number and passcode. If joining remotely, utilize the following link:

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m7d9f09223b2fcf0ba9b58371b1a8205a>

If you experience problems calling in or transmission, please call: 804-894-9652 or email at [JButler@revitalizeva.org](mailto:JButler@revitalizeva.org). Any person needing accommodations in order to participate in the meeting should contact Ms. Joyce Knight, at 804-894-9651 at least (5) five days prior to the meeting, so that suitable arrangements can be made. 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 here: [http://foiacouncil.dls.virginia.gov/sample%20letters/reporting\\_reqs.htm](http://foiacouncil.dls.virginia.gov/sample%20letters/reporting_reqs.htm).

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<b>Welcome and Call to Order</b>	<i>The Honorable Will Morefield, Chair</i>
<b>Call of the Roll</b>	<i>Andy Sorrell, Acting Director</i>
<b>Approval of the <u>5/11/22</u> Minutes</b>	<i>(published on website)</i>
<b>Public Comments</b>	
<b>Extensions and Modifications</b>	<i>Sara Williams, Southwest Regional Director</i>
<b>Public Comments</b>	
<b>Adjournment</b>	

## Southwest Virginia Committee October 5, 2022

The Southwest Virginia Committee will meet on Wednesday, October 5, 2022 at 10:00 a.m. to consider extensions of six existing grants.

### **Heart of Appalachia Tourism Authority**

#### ***Coalfield Regional Tourism Destination Project (#3464)***

**Approved for \$483,220 in September 2018 (\$401,598.27 balance)**

**Request for one year extension**

*Staff Overview & Comments:* This balance of this grant is allocated for the design and site development of the now named Three Rivers Destination Center. The facility will serve as a visitor's center for the Clinch River State Park area. Design of the Center is now complete and the construction phase is fully funded. Contract negotiations with DHCD are scheduled to be completed by mid-October with the project going to bid soon after. The current construction timeline indicates that the project is not likely to be completed during this one year extension period and will require another extension next year.

**Staff recommends the approval of a one year extension through September 30, 2023.**

### **Virginia Highlands Community College Educational Foundation**

#### ***Advanced Technology and Workforce Development Center (#3465)***

**Approved for \$1,000,000 in September 2018 (\$1,000,000 balance)**

**Request for one-year extension**

*Staff Overview & Comments:* This grant was awarded to assist with the construction of a new workforce development building located on VHCC's campus. A groundbreaking was held in November 2021 and construction began soon after. Due to rising construction costs, VHCC made the decision to begin construction while continuing fundraising to raise support to complete the facility. The initial phases of construction were completed in February 2022 (site grading, road construction, water-sewer-electric infrastructure installation, and steel package purchase and erection). VHCC did not provide TRRC with updated information about the current estimated construction cost, or the remaining balance of funding required to complete construction.

The decision to begin construction despite a deficit of sufficient funding to complete the project is problematic. Commission staff would not have supported the use of grant funds for a project that does not appear to be on a certain path to completion. It is best to take a conservative approach to the administration of these funds by adding a requirement that the grant be disbursed only after construction is completed. This requirement will ensure that the TRRC grant results in the output, a new workforce development building, expected at the time of approval.

Staff recommends a one year extension through September 30, 2023 conditioned upon the use of TRRC funding to support “last dollar” construction expenses after all fundraising, required to complete the project, is available and spent.

**Mount Rogers Development Partnership**  
***Regional Marketing Organizations (RMO's) Support Project (#3458)***  
**Approved for \$750,000 in September 2018 (\$219,291 balance)**  
**Request for one-year extension**

*Staff Overview & Comments:* This grant was awarded to provide support to the eight regional marketing organizations serving TRRC region localities. The project was intended to support industrial recruitment activities for three fiscal years using a formula based allocation for each RMO. The formula, which awarded \$3,000 per locality and .15 cents per capita input, determined the annual award for each organization. The first project year began on July 1, 2019 to coincide with the beginning of the fiscal year. The Covid19 pandemic caused tremendous disruptions to industrial recruitment activities during most of the second and third years of this project. Many of the organizations reached the end of the third fiscal year (June 30, 2022) with significant balances. The extension will allow the grant to provide a fourth, and final, fiscal year of support for these organizations using carryforward balances from previous years.

Staff recommends an extension through June 30, 2023.

**Friends of Southwest Virginia**  
***Building Appalachian Spring: Growing the Economy of Southwest Virginia through Developing Outdoor Recreation Destinations (#3198)***  
**Approved for \$500,000 in September 2016 (\$206,053 balance)**  
**Request for one-year extension**

*Staff Overview & Comments:* The balance of this grant is allocated for three construction projects. The first, construction of the Appalachia Trail Center, has been completed and a grant opening was held in late August. The second project, the High Knob Destination Center, is proceeding on schedule. The construction contract was awarded in August with construction to begin in spring/ summer 2023. Finally, the Haysi to Breaks trail construction project is also underway. This project, which would have resulted in the construction of a Riverwalk in Haysi, was amended last year to shift focus to the creation of a handicap access trail to the river for motorized tourists. Bids for the project came in approximately \$150,000 over budget. The Town approached DCR for additional funding and it appears these funds will be awarded. Construction will begin this fall with completion in spring 2023.

These are positive updates for three separate and complex projects involving numerous partners and funding sources. Based on the information provided it appears that at least one additional extension will be needed to see the projects to completion.

Staff recommends approval of an extension through September 30, 2023.

**Floyd County EDA**

***Floyd Regional Commerce Center Phase II Development (#3191)***

**Approved for \$420,696 in September 2017. (\$406,273.75 balance)**

**Request for one-year extension**

*Staff Overview & Comments:* The balance of this grant will be used for construction of utilities to serve the additional building pads that are under development at the Commerce Center. Phase II activities also include the construction of an access road that is funded through the ARC Access Road Program. Currently, VDOT's schedule shows completion during winter of 2023/2024. Under this timeline, TRRC should expect an additional extension request next year. Nevertheless, the project team is diligently pursuing the project and keeping Staff informed.

**Staff recommends approval of a one-year extension through September 30, 2023.**

**Scott County Economic Development Authority**

***Riverside Development Phase III – Site Development (# 3200)***

**Approved for \$500,000 in September 2017 (\$500,000 balance)**

**Request for one-year extension**

*Staff Overview & Comments:* This project involves the development of an additional site at the Riverside Development. The project has been bid multiple times, however, the bids came in substantially over the engineer's estimate. The increased cost required the EDA to seek additional funding for the project. In September 2021 an extension was granted to allow the grantee to submit an application to U.S. EDA for the additional funding required to complete the project. The extension required that all matching funds be in place by the end of the grant period or no further extension would be considered. Unfortunately that application was not successful however a new funding opportunity became available over the past year. Previously, the requirements for VEDP's Virginia Business Ready Sites Program (VBRSP) required a 100 acre minimum to qualify for the program. The Riverside site is just under this threshold and, as a result, did not qualify. The program's acreage requirement was reduced for GO Virginia Region 1 & 2 and now require only 50 acres for sites in these localities. Scott EDA submitted an application to VBRSP on September 13. Staff feels it is reasonable to allow the grant to remain open pending the decision of the VBRSP application.

**Staff recommends approval of a one-year extension through September 30, 2023 contingent upon a positive decision for the pending VBRSP application. If the VBRSP application is unsuccessful the TRRC grant will be immediately closed.**