

VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION

701 East Franklin Street, Suite 501

Richmond, Virginia 23219

SOUTHERN VIRGINIA COMMITTEE MEETING

Wednesday, January 4, 2023

2:00 p.m.

Homewood Suites by Hilton Richmond Downtown

700 East Main Street

Richmond, Virginia

APPEARANCES:

1 Mr. Walter Shelton, Chairman
2 Mr. T. Jordan Miles, III, Vice Chair (by phone)
3 Delegate Leslie Adams
4 Delegate Kathy Byron
5 Joel Cunningham, Jr. (by phone)
6 Watt Foster, Jr.
7 Richard Hite, Jr.
8 Jay Jennings
9 Senator L. Louise Lucas
10 Delegate Danny Marshall
11 William Pace
12 Gary Walker
13
14 Staff:
15 Mr. Andy Sorrell, Deputy Director
16 Ms. Sarah Capps, Southern Regional Director
17 Ms. Vicki Humphreys, Grants Director
18
19 Others present:
20 The Honorable James E. Campos, Deputy Secretary of
21 Commerce & Trade and Acting Executive Director
22 Ms. Stephanie Kim, Finance Director
23 Ms. Sara Williams, Southwest Regional Director
24 Ms. Liz Myers, OAG Counsel
25 Mr. Jordan Butler, Public Relations Director
Ms. Suzette Patter, Grants System Administrator
Ms. Joyce Knight, Meeting Coordinator
Ms. Adrian Counts, Grant Assistant
Ms. Emily Van Pelts, Grant Assistant

1 CHAIRMAN SHELTON: Good afternoon,
2 everyone. It's a little past 2:00. So we will go ahead and
3 get started with the Southern Virginia Committee Meeting. I
4 know we have quite a bit of business to sort through today.
5 We should have a very active committee meeting.

6 To start off with, I'd like to make
7 an introduction of Mr. James E. Campos, who is going to
8 be our new director. I know there is going to be a more
9 formal and more detailed introduction tomorrow before the
10 full commission. But we do want to welcome you here as
11 the first step being on the Tobacco Commission first
12 committee meeting. We're glad to
13 have you here with us today.

14

15 Andy, if you would, call the roll for
16 us please.

17 MR. SORRELL: All right. Thank you,
18 Mr. Chairman.

19 Mr. Shelton. Mr. Miles. Mr. Miles
20 is going to be participating remotely and had a
21 conflict until about 2:15 or 2:30. So he may have to
22 call in. Delegate Adams. Delegate Byron.
23 Mr. Cunningham. I think Mr. Cunningham was
24 participating remotely. I think I heard
25 Mr. Cunningham on the phone. Ms. Drinkwater.

1 Mr. Foster. Mr. Hite. Mr. Jennings. Senator Lucas.
2 Delegate Marshal. Secretary Merrick or Secretary
3 Merrick's designee. Senator Morrissey. Mr. Pace.
4 Mr. Walker. Mr. Walker. We have Joel Cunningham on
5 the phone.

6 As a reminder, folks, you will need to press
7 this button as you speak into the mic. Now I know
8 that.

9 Senator RUFF: In addition, you need to
10 hold it down. You can't just let it go.

11 MR. SORRELL: True.

12 You have a quorum, Mr. Chairman.

13 (Committee members present.)

14 Chairman SHELTON: Thank you, Andy.

15 I believe with the new state rules
16 concerning remote participation, we need to have a
17 motion to accept those.

18 MR. HITE: Mr. Chairman, I make a
19 motion that we accept those.

20 HITE OR FOSTER: Mr. Chairman, I move
21 that Chairman Shelton's approval of the Commissioners
22 Miles and Cunningham's request to participate remotely
23 in this meeting is in conformance with the
24 Commission's Adopted Electronic Meeting Policy, and
25 that the voices of the remotely participating members

1 can be heard by all persons at the primary meeting
2 location.

3 CHAIRMAN SHELTON: We have a motion. Is
4 there a second.

5 MR. SORRELL: I just wanted to note
6 that Mr. Miles is not yet on the telephone. We'll
7 need to do that portion again when he does jump on the
8 telephone.

9 CHAIRMAN SHELTON: Pertaining to Mr.
10 Cunningham, do we have a second to that motion?

11 UNIDENTIFIED SPEAKER: Second.

12 CHAIRMAN SHELTON: Motion duly made
13 and seconded. All those in favor, signify by saying
14 aye.

15 (Members respond.)

16 CHAIRMAN SHELTON: Any opposed?

17 (No response.)

18 CHAIRMAN SHELTON: Hearing none, that
19 motion does pass.

20 Moving on to the approval of the
21 minutes of October the 5th. They were published on
22 the website.

23 Are there any additions or
24 corrections that need to be made? If not, I would
25 entertain a motion that we adopt them as provided.

1 UNIDENTIFIED SPEAKER: So moved.

2 DELEGATE MARSHALL: Second.

3 CHAIRMAN SHELTON: Have a motion and
4 a second to approve the minutes as recorded from
5 October the 5th.

6 All those in favor, signify by saying
7 aye.

8 (Response.)

9 CHAIRMAN SHELTON: Any opposed?

10 (No response.)

11 CHAIRMAN SHELTON: Hearing none, the
12 minutes are approved.

13 Public comment at this time is open.
14 I will remind everyone, anyone that is here to speak
15 specifically to any application that we'll be
16 discussing, there will be certainly time provided at
17 that time. But any general public comment at this
18 time?

19 (No response.)

20 CHAIRMAN SHELTON: Hearing none, we
21 will close the public comment section.

22 We will begin with going through our
23 applications. Sarah Capps, I would like to go through
24 by category. And Sarah, if you would, I have no hands
25 to turn pages and hold this button at the same time.

1 We'll start with the Agribusiness category. If you
2 would go through these four, and then we will discuss
3 those and vote, and then go to the next category.
4 Unless someone has an issue at a specific time, we'll
5 try to do them by category. Sarah.

6 MS. CAPP: Thank you, Mr. Chairman.

7 Mr. Chairman and members of the
8 Committee, we do have a pretty big agenda for today.
9 There are a couple of housekeeping items to start
10 with.

11 There were some letters that were
12 passed out from Delegate Wren Williams. He contacted
13 staff this morning and wanted to be sure you were
14 aware of his support for the projects.

15 I'll just name which ones those go
16 with. We have a letter in support for the Virginia
17 Cattleman's Association project under Agribusiness for
18 the Patrick County EDA Application with Cockram Mill
19 under Business Development, for the Patrick County EDA
20 Application under Sites and Infrastructures for Rich
21 Creek Corporate Park, and for the West Piedmont PDC
22 Application under Tourism.

23 The second housekeeping item, I
24 passed out to most of you, hopefully all of you, a
25 replacement page for the Town of Blackstone, a page

1 from the Staff Report. If you did not receive that,
2 if you can raise your hand, we'll share that with you.

3 It is important for the Town of
4 Blackstone projects. There is a contingency that
5 staff included, intended to include in our
6 recommendation. So the copy that I passed out to you
7 includes that contingency.

8 Okay. Getting started with this
9 batch of applications. I'd like to just give you an
10 overview of how we got to this point. We do have 17
11 applications before you. We received 18 applications.
12 One of those was withdrawn. You will notice there are
13 very favorable staff recommendations for all of these
14 projects, with 16 out of the 17 recommended for
15 grants, and the other one being recommended for loan
16 consideration.

17 Staff did invest a lot of time
18 working with all of those applicants. We had four
19 days of project team meetings that we held with other
20 state agency funding partners. And we also fielded
21 inquiries from 58 projects. And then we encouraged
22 these to submit their applications. So that is just a
23 little background.

24 Now, we will launch into the
25 Agribusiness section. There are four applications.

1 The first one is from Brunswick
2 County IDA. This is a \$500,000 request to support the
3 Brunswick County Produce Project. This is a
4 public/private partnership to construct a produce
5 processing facility at the I85 Business Park in
6 Alberta. This is a partnership with the Southern
7 Virginia Vegetable Packing, LLC, which is equally
8 owned by eight local farms that participate in organic
9 produce production aggregation and distribution.

10 Demand for their products has led to
11 multiple expansions of their farming operations over
12 the last five years, and to accommodate the need for
13 future expansion in production, a large-scale produce
14 processing facility is required.

15 One of the members of that LLC, Old
16 Dominion Organic Farm is the lead, in terms of the
17 operations for the new facility.

18 The project is expected to grow to
19 support 60 jobs from an estimated 20 farms across
20 Southern Virginia. This would be a 45,000 square foot
21 building, and that is a -- There is an edit that needs
22 to be made in the staff report, which listed 450,000
23 square feet. This would be a 45,000 square foot
24 facility.

25 The Commission approved has

1 previously supported this project. We approved a
2 \$500,000 grant and \$300,000 loan in September of 2021.
3 And the IDA was able, at that time, to secure a
4 Federal USDA award of \$1,184,000.

5 When they went out to bid, the
6 construction bid came in significantly over budget.
7 And the new cost for the facility is estimated at
8 \$5.619 million. We did receive a detailed cost
9 estimate from the applicant.

10 The additional \$500,000 request from
11 the Commission would be combined with the previous
12 grant award to support this project.

13 The IDA has been successful in
14 securing a \$1.8 million private loan. That is backed
15 by USDA and secured that larger private loan. They
16 did decline the \$300,000 loan offered from the
17 Commission.

18 The project provides for direct
19 Agribusiness outcomes for increasing that farm income
20 in the region and supports the private producer
21 collaborative.

22 Staff is recommending approval of a
23 \$500,000 grant award, contingent on the executive
24 director's approval of a final lease agreement with
25 Southern Virginia Vegetable Packing, LLC.

1 The next project is Mecklenburg
2 County. \$7,500 is requested for the Southern Virginia
3 Beef Producers Increase Efficiency and Their Bottom
4 Line Through Use of Certifiable Livestock Scales.

5 This request is for 50 percent of
6 equipment purchases, and certification costs for
7 mobile legal for trade sales. This would benefit
8 farmers in Mecklenburg, Brunswick and Charlotte
9 Counties. The Beef Cattle producers have the
10 opportunity to capture added value by marketing their
11 feeder cattle in uniform lots by weight and sex. The
12 truck load capacity of 48,000 to 50,000 pounds, which
13 is much larger than typical herd size for most farms
14 in Virginia. The scales allow the farmers to work
15 together to comingle and sell their cattle together.

16 The project, we feel, reflects a
17 modest quest with direct outcomes benefitting the
18 producers. The County is partnering with the Lake
19 County Soil and Water Conservation District who would
20 coordinate with livestock markets, with the local
21 Cooperative Extension agents, and they would be
22 responsible for managing the equipment, including the
23 annual certification and maintenance costs.

24 The nearest set of legal for trade
25 scales for use by cattle producers in the Mecklenburg

1 County area is managed from Buckingham County by the
2 Buckingham Cattleman's Association, which is a
3 logistical burden, and it's just not practical for
4 maximizing producer cooperation.

5 This application did include letters
6 of support from 22 cattle producers in Mecklenburg
7 County, and the project would benefit producers in at
8 least three Southern Virginia counties.

9 Staff is recommending a \$7,500 grant
10 award for 50 percent of the equipment purchases, and
11 third-party certification and maintenance costs during
12 the three year grant period.

13 Prince Edward County is requesting
14 \$75,000 for Project Clementine. This is for creation
15 of a small multiscale red meat processing plant that
16 would process beef, lamb and goats for Southern
17 Virginia producers.

18 The processing facility would be
19 located in the Prince Edward County Business Park, and
20 site planning is currently underway.

21 The matching funds for this project
22 include a \$100,000 application to the VDACS AFID
23 Facilities Program, as well as the \$584,500 loan by a
24 private lender.

25 The project is eligible under the

1 commissions RFB(SP) in the Agribusiness section for
2 value-added processing where we can support privately
3 owned value-added processing facilities with up to 25
4 percent, a grant award for up to 25% of the capital
5 costs for the new facility.

6 A marketing plan, the market planning
7 was well researched, and the applicants cited the
8 demand estimates for Red Meat Processing Facility
9 Study that was conducted by Longwood Small Business
10 Development Center. That study was specifically for
11 Southern Virginia, as well as a study that was for
12 Small Volume Red Meat Processing produced by the
13 Matson Consulting in cooperation with Virginia FAIRS.

14 A well organized business plan was
15 provided with detailed information about the planned
16 facility.

17 Staff is recommending a \$75,000 grant
18 to support up to 25 percent of approved equipment
19 costs, contingent on the executive director's approval
20 of final performance agreement.

21 The fourth project under Agribusiness
22 is submitted by the Virginia Cattleman's Association.
23 \$330,000 was requested for an Inventory Advance
24 Incentive and Cattle Processing Initiative Fund.

25 This request would be for \$300,00 for

1 an incentive fund and \$30,000 to support start-up
2 costs for contractual services. And it would be
3 matched by a \$300,000 request to the Virginia Cattle
4 Industry Board, also to support the incentive fund,
5 and \$30,00 of in-kind match from the VCA.

6 The primary objective of this project
7 is to support expansion of the finished cattle market
8 in Virginia, to provide cattlemen with the opportunity
9 to sell their cattle and their beef locally for a
10 higher return.

11 Organizations or agribusinesses who
12 source cattle to process in Virginia under USDA
13 inspections or co-marketers would be eligible for this
14 incentive, as well as agribusiness operations that
15 process at least 16 cattle annually for commercial or
16 retail sales.

17 Based on the current price of fed
18 cattle at approximately \$1.50 per pound, a 1300 pound
19 steer would cost approximately \$2000 per head to
20 purchase for processing or to be processed.

21 This unit value of \$2000 is going to
22 be used as an allotment for the available funding,
23 which as proposed can support purchase of 300 cattle.

24 The incentive would be approved for
25 each applicant based on an increase in the number of

1 Virginia- sourced cattle processed annually. Based on
2 last year, they would have to have a plan that
3 increase number of processed for USDA certified sales.

4 Based on the 300 head of cattle
5 annually that the program can support and an estimate
6 of the 8-week cash cycle, the program is expected to
7 allow support for an increase of up to 2000 head of
8 Virginia cattle sourced annually that would be
9 processed and sold.

10 While the proposal is submitted and
11 recommended under the Tobacco Commission's Southern
12 Virginia Program, the incentive funding would be
13 available to all eligible entities in the entire
14 tobacco region footprint.

15 The VCA is proposing that the Cattle
16 Industry Board's matching funds be allowed to support
17 entities elsewhere in Virginia so that the program can
18 be offered statewide, and staff is supportive of that
19 request.

20 You will see in the Staff Report,
21 there is a list of the highest beef cattle producing
22 counties in the Tobacco Region. Bedford County tops
23 the list, followed by Pittsylvania County, a number of
24 counties in the southwest, Campbell County, Franklin
25 County, etc.

1 The incentive fund will be managed
2 similar to a loan program with payback by recipients
3 annually. The Cattleman's Association has committed
4 to annual reporting to the Commission and to the
5 return of any balance in the incentive fund to the
6 Commission, if the program were ever to cease to
7 exist.

8 Staff is recommending a \$330,000
9 grant award, contingent on the executive director's
10 approval of the final contract for the incentive
11 program, and recognizing that the required match will
12 cover participants from across the Commonwealth in
13 order for VCA to offer this program statewide.

14 CHAIRMAN SHELTON: Thank you, Sarah.

15 Any questions or discussion from the
16 Commission? And then anyone that wants to speak, they
17 can be making their way towards the podium.

18 Delegate Marshall?

19 DELEGATE MARSHALL: Yes. That's what
20 I was going to ask, if we could get all of them to
21 come forward, Brunswick County to start with, and kind
22 of tell us what we didn't here.

23 SPEAKER: Good afternoon. Thank
24 you for the opportunity --

25 CHAIRMAN SHELTON: If you would state

1 your name for the record, please.

2 MR. DOTTI: Oh. Michael Dotti,
3 Brunswick County Industrial Development Authority,
4 Executive Director.

5 We stand before you, based on your
6 support, we have started organic project. Three years
7 ago we started in that task force to look at ways that
8 we can help and supplement farmers and meet the
9 demands of farming.

10 As we move forward, of course, we ran
11 into a bunch of constraints and needed to seek
12 alternative funding. We are short a little bit.
13 We're getting ready to do final bids, and we stand
14 here asking for \$500,000 as described by Sarah.

15 If you have questions, I'd love to
16 answer.

17 DELEGATE MARSHALL: Yes, sir.
18 Question: Who is your customer? Who is going to buy
19 your product?

20 MR. DOTTI: Parker Foods is the first
21 large one. This is Wegman's right on down the line.
22 Food Lion, Wegman's, Whole Foods. There are all
23 looking -- The number one question I get from the
24 farmers involved in this is, hurry up. Get it done.
25 Because we've got more buyers than we can produce for.

1 And it is not just better for our
2 County. It is also regional. Lunenburg has joined us
3 in one of the study grants. This will benefit all of
4 our regions.

5 DELEGATE MARSHALL: When you talk
6 about benefit your region, you're talking about the
7 region that is going to be producing the crops that
8 will be sold through you.

9 And how large an area will you sell?

10 MR. DOTTI: Initially, it will be to
11 meet the demands of the Richmond and local area. It
12 will stretch out wherever the market goes. Up and
13 down the eastern seaboard, depending on, like I said
14 they can't meet the demand.

15 DELEGATE MARSHALL: Thank you.

16 CHAIRMAN SHELTON: Any other
17 questions from the Commission?

18 (No response.)

19 CHAIRMAN SHELTON: All right. Thank
20 you.

21 Anyone else speaking on any of the
22 other proposals?

23 Brandon, come on up.

24 MR. REEVES: Good afternoon. My name
25 is Brandon Reeves. I am the Executive Director for

1 the Virginia Cattleman's Association. I want to thank
2 the board for having us here this afternoon, and thank
3 you all for all the good work that you do.

4 I also want to thank Sarah Capps and
5 staff for all the hard work on our application. We
6 started on this project back in the spring, and we
7 have had several meetings, gone through several
8 iterations. We're really excited.

9 As an association of prospects of
10 helping expand meat processing in Virginia, we see a
11 lot of benefit, in terms of, one, helping producers
12 hopefully obtain more value for their cattle, keeping
13 more of the economic value of beef in the State of
14 Virginia that is currently being exported.

15 And there is also the food security
16 side of things of being sustainable as an industry.

17 So with that being said, I think
18 Sarah did a great job giving an overview of our grant
19 application, and I'm certainly willing to answer any
20 questions. Thank you.

21 CHAIRMAN SHELTON: Have any questions
22 for Brandon?

23 (No response.)

24 CHAIRMAN SHELTON: Personally,
25 Brandon, and Sarah, Vicki and everyone, I'd like to

1 say that I think one of the missions of this
2 Commission from its inception was to help advance
3 alternative agriculture as a source of Tobacco income
4 in the collaboration between two great entities from
5 the State working together to put this project
6 together, I think, was very commendable, and I
7 appreciate it from all of you that were involved. I
8 think is an outstanding project and very excited.

9 MR. REEVES: I can't say thank you
10 enough to Sarah, Vicki and the whole staff. They were
11 great, and we look forward to having a good
12 relationship for years to come.

13 CHAIRMAN SHELTON: Thank you,
14 Brandon.

15 Does anyone else want to speak to
16 either one of the other projects?

17 Taylor, come on up.

18 MR. CLARK: I'm Taylor Clark with VT
19 Cooperative Extension in Mecklenburg County. The
20 request we have before the board is for set of legal
21 for trade livestock scales to be used with a group of
22 producers that have been marketing truckload lots for,
23 I think this past fall was their eighth year.

24 The main thing I wanted to relay to
25 the Commission was that all of these producers back in

1 the early 2000s had participated in the first
2 Agribusiness grant with the first cattle grant. Their
3 interest and improvement in their herds, what was
4 spurred by that experience, and they moved on and
5 worked together to put these cattle together in
6 cooperation with Extension and some other cattle
7 associations.

8 The reason I put forth the grant and
9 worked with Sarah to do this, I'm getting closer to
10 the end of my career, Buddy, and I was the one making
11 that trip to Buckingham to use those scales to
12 facilitate weigh-in cattle from multiple producers to
13 put on individual trucks. And that, you know, that
14 was the impediment of doing it. It wasn't any way to
15 weigh the cattle and be fair to the individual
16 producers, you know, across truck scales.

17 As I'm looking at trying to make this
18 last into the future, having a set of scales local
19 there in the county to support this group and to grow
20 this group was the emphasis behind approaching this to
21 do this.

22 So if it's any questions about how we
23 hope this will work, I'll try to answer those.

24 MR. FOSTER: Mr. Taylor, as a cattle
25 producer, I think you're doing a great job. I

1 question the amount of money. Doesn't seem like a lot
2 of money for a set of scales. Do you have holding
3 pens, a shoot and all that other stuff?

4 MR. TAYLOR: Well, because of the
5 facilities that we do have on a couple of the farms,
6 we have been able -- One of the producers has some
7 decent lots and all that we have been able to truck
8 cattle from the other farms there, weigh them on the
9 ground and load the truck there.

10 The set of scales that we had been
11 using for Buckingham is a set of rice laid, portable
12 platform legal-for-trade scales.

13 In the past, I had looked at trying
14 to come up with grant and matching funds for those.
15 But the price of those have gotten close to over
16 \$40,000. I happened to come by a set from LBS Scales
17 in Kansas, a single animal set that I think we can
18 incorporate into the facilities there, and still weigh
19 the cattle efficiently. It is a lot cheaper
20 alternative to do it.

21 And since they are smaller, I think
22 it might be work better at more locations to set them
23 up. So it is a compromise.

24 MR. FOSTER: Thank you.

25 CHAIRMAN SHELTON: Any other

1 questions?

2 (No response.)

3 CHAIRMAN SHELTON: Thank you, Taylor.

4 Anyone else to speak on any of the
5 other proposals?

6 MS. WHITE: Hello. Thank you for the
7 opportunity to speak. My name is Chelsea White. I am
8 the Director of Economic Development and Tourism for
9 Prince Edward County. I also have our County
10 Administrator here.

11 So we are requesting \$75,000 to help
12 with the development of a meat processing facility in
13 our business park. We are really excited about this
14 project, and there has been a lot of local support for
15 it and a lot of need. This project, we think, we know
16 will support pretty much all of the counties within
17 our Southside Region and beyond as well. We have had
18 a lot of interest from all over, in terms of
19 producers, cattle producers that need this meat
20 processing facility.

21 So I also would like to thank Vicki
22 and Sarah for all their help with helping us through
23 the application process.

24 If there's any questions, I would
25 like to try to answer them for you.

1 UNIDENTIFIED SPEAKER: If I could
2 just add, Mr. Chairman, as Mr. Walker knows, we have
3 had a number of facilities that have been talked about
4 in our region. It is great to see one kind of come to
5 fruition.

6 I want to thank your Industrial
7 Development Authority who have offered up a site in
8 our industrial park right there at the intersection of
9 Route 15 and 460 that's ideally situated to serve the
10 region, and hopefully it'll be a good start, and also
11 has the potential for significant growth at the site.

12 CHAIRMAN SHELTON: Delegate Marshall?

13 DELEGATE MARSHALL: Yes. Who is your
14 customer, and what size area will you serve the
15 customers?

16 UNIDENTIFIED SPEAKER: So the cattle
17 producers within, of course, Prince Edward County and
18 the surrounding counties. So we have, you know, we
19 have determined about eight counties. Beyond that,
20 also grocers, smaller scale grocers are also
21 interested in being able to take advantage of this
22 meat processing facility.

23 DELEGATE MARSHALL: So you have
24 already secured a customer list to sell?

25 UNIDENTIFIED SPEAKER: So we are

1 working with a private developer, and he has had a
2 number of letters of support from different customers
3 that are, you know, that will be utilizing this
4 facility.

5 MS. CAPPS: Deputy Marshall, I will
6 add, during the review process, the application
7 included five or six letters of support from buyers
8 that included monthly orders for, specifically for the
9 lamb and goats that would be processed at the
10 facility. So that was included with the application.

11 DELEGATE MARSHALL: Thank you.

12 CHAIRMAN SHELTON: Thank you.

13 Does anyone else wish to speak?

14 (No response.)

15 CHAIRMAN SHELTON: If not, do we have any
16 further discussion or questions from the Commission?

17 DELEGATE: I have a question. I

18 guess it's really for Andy. This is about #4118. I
19 looked down the list, on Page 11, and I see that there
20 are some counties that are in Southside, and I see
21 some locations in Southwest.

22 When we do our budget, we have a
23 budget for Southside. We have a budget for Southwest.
24 So is Southside now paying for Southwest?

25 MR. SORRELL: That is a good

1 question. I think that, in fact, in this instance,
2 there are some localities in Southwest that would
3 benefit from money from Southern Virginia.

4 DELEGATE MARSHALL: Well, Mr.
5 Chairman, I would ask that, if we approve this, that
6 we proportionally go back and let Southside pay for
7 Southside and Southwest pay for Southwest.

8 CHAIRMAN SHELTON: Would Sarah -- Any
9 comment on what the logistics of that would be?

10 MS. CAPPS: This was something that
11 staff discussed, the resources available between the
12 Southwest program and the Southern Virginia program
13 are very different.

14 The Southern Virginia program does
15 have sufficient funding to cover this. We have \$16
16 million available in the Southern Virginia pool of
17 funds, as well as the past allocations from Southside
18 Economic Development Program.

19 My interest in seeing this project to
20 come forward, from the staff perspective, I guess I
21 volunteered that perhaps we could support in full.

22 DELEGATE MARSHALL: So are you saying
23 that Southwest doesn't have the funds to fund this?
24 Correct?

25 MS. CAPPS: Southwest will be limited

1 following their meeting, and they need the funds that
2 remain.

3 DELEGATE MARSHALL: You prepared, and
4 I know you --

5 MS. CAPPS: I think our Southwest
6 Regional Director appreciates the consideration.

7 I'll just add that on the second page
8 of the report, you'll see a tally of the
9 recommendations. There is a total \$4.7 million that
10 is being recommended. As I mentioned we do have \$16
11 million available in our pool.

12 SENATOR RUFF: Mr. Chairman and
13 Delegate Marshall, the better time to raise this may
14 be at the Full Commission Meeting tomorrow.

15 DELEGATE MARSHALL: Okay. I'll have
16 an IOU by that time.

17 CHAIRMAN SHELTON: Any other
18 discussion or questions?

19 (No response.)

20 CHAIRMAN SHELTON: If not, if we
21 entertain this group as a block, is there any one that
22 anyone needs to pull out from these four as a block,
23 if we entertain a motion vote?

24 MR. HITE: Mr. Chairman, I'd like to
25 pull out 4107.

1 CHAIRMAN SHELTON: Anyone that needs
2 to pull separate?

3 (No response.)

4 CHAIRMAN SHELTON: With that, I'll
5 entertain a motion on #4107?

6 MR. PACE: Mr. Chairman, I move that
7 we recommend approval for #4107. I recommend approval
8 for \$500,000 grant contingent on executive director's
9 approval of the lease agreement with Southern Virginia
10 Vegetable Packing LLC.

11 CHAIRMAN SHELTON: We have a motion.
12 Is there a second?

13 MR. FOSTER: Second.

14 CHAIRMAN SHELTON: We have a motion
15 by Mr. Pace, a second by Mr. Foster.

16 Any further discussion?

17 (No response.)

18 CHAIRMAN SHELTON: All those in
19 favor, signify by saying aye.

20 (Response.)

21 CHAIRMAN SHELTON: Any opposed?

22 (No response.)

23 CHAIRMAN SHELTON: Any abstentions?

24 MR. HITE: I abstain.

25 CHAIRMAN SHELTON: Mr. Hite abstains.

1 So that motion passes.

2 I believe we can take the other
3 three, #4119, #4114, #4118 in a block, is someone
4 would move to that extent.

5 DELEGATE ADAMS: So moved.

6 CHAIRMAN SHELTON: Second?

7 MR. PACE: Second.

8 CHAIRMAN SHELTON: All right. We
9 have a motion by Delegate Adams, and a second I
10 believe by Mr. Pace, that we approve those three as
11 recommended by staff.

12 Any further discussion?

13 MR. WALKER: Question. Would that
14 include the contingency that Delegate Marshall brought
15 up?

16 CHAIRMAN SHELTON: As the motion was
17 made, no, but we could amend it, if we need to.

18 DELEGATE MARSHALL: Well, I don't
19 want to hit the project sideways because, if Southwest
20 doesn't have the money, and Sarah says that this would
21 be a great program. We'll get the money one way or
22 another from Southwest. Maybe later. Plus, we have a
23 large interest payment.

24 CHAIRMAN SHELTON: So the motion is
25 made now, it is as staff recommends. And that has

1 been duly seconded.

2 All those in favor of this block of
3 three as staff recommends, signify by saying aye.

4 (Response.)

5 CHAIRMAN SHELTON: Any opposed?

6 (No response.)

7 CHAIRMAN SHELTON: Hearing none,
8 those three pass as staff recommends.

9 Sarah, we'll move on to the Business
10 Development category now.

11 MS. CAPPS: Great. There are three
12 applications submitted under the Business Development
13 category. The first one is from the Brunswick County
14 IDA. This is a \$437,000 request for the Sledge and
15 Barkley Building. Grant funds would be used towards
16 50 percent of the \$874,000 estimated cost for
17 essential repairs and the stabilization of the lower
18 floor of the building.

19 The Sledge and Barkley Building has
20 been vacant since 2007, and it's been a community
21 redevelopment priority since the IDA acquired the
22 building in 2019. This is a former hardware store,
23 and prominent building in downtown Lawrenceville. The
24 IDA plans, is planning for a mixed-use development
25 with the top two floors and an adjacent storage space

1 being converted into apartments. The lower level,
2 which is on North Main Street and the basement will be
3 used for business development and provides the
4 equivalent of three commercial spaces. A Market and
5 Feasibility Study funded by a DHCD Industrial
6 Revitalization Fund will determine the best use for
7 the lower level. Considerations are funding
8 establishing an economic development "hub" with shared
9 space providing access to technology, office equipment
10 and business services, or as commercial retail space,
11 or a combination of both.

12 The Tobacco Commission funding
13 request is for an initial \$150,000 to cover immediate
14 structural stabilization and water mitigation to
15 prevent further deterioration on the lower level.

16 The remaining funding from the
17 Commission would be then combined with funding that
18 will be pursued from DHCD IRF program to provide the
19 necessary funding for the require renovations and
20 build-out of the first floor and basement areas of the
21 building.

22 The Commission did provide a grant in
23 October of 2019, a planning grant of \$71,900, that
24 supported a Preliminary Architectural Report for this
25 building that helped to secure Part 1 and 2 historic

1 tax credits, and further design for the building.

2 Staff notes that both the Brunswick
3 County IDA and the Brunswick County Chamber are
4 considering moving their offices into this building,
5 as well as a proposed Main Street Program staff
6 position.

7 The synergies associated with the
8 co-location of services for business support is noted.
9 Meanwhile, staff has clarified that use of the Tobacco
10 Commission funding will need to be limited to areas
11 supporting business outcomes and not for these local
12 offices.

13 The Brunswick County partners have
14 documented multiple prospective commercial interests,
15 as well as individual and small business interests for
16 the building. The viability of the Brunswick County
17 IDA project will be fully assessed with completion of
18 the feasibility study.

19 Staff is recommending approval of a
20 \$437,000 grant allowing for release of up to \$150,000
21 for stabilization work on the lower floor, and
22 contingent on the balance of grant funds being
23 released following completion of the Market and
24 Feasibility Study and securing all funding required
25 for building renovations.

1 The second Business Development
2 Project is submitted by the Patrick County EDA. This
3 is a \$30,000 request for the Cockram Mill/Freehouse
4 Brewery. Cockram Mill is a former grist mill located
5 at the headwaters for the Dan River, less than a mile
6 from the Blue Ridge Parkway in Meadows of Dan area of
7 Patrick County.

8 The property was acquired and is
9 undergoing rehabilitation to transform the Mill
10 Building into a brewery and tap room, restaurant and
11 event space.

12 The property is located on US 58, and
13 also includes two smaller buildings with concept
14 drawings showing these as a craft shop and antique
15 shop.

16 Matching funds include \$115,044 in
17 private funds toward the equipment costs, and \$872,250
18 loan from the DHCD IRF program to support the
19 renovations. That funding was approved by the State
20 last week. When that is paid back, the funds would be
21 used to establish a revolving loan fund for Patrick
22 County.

23 The project will help revitalize a
24 blighted site. This project is eligible under our RFP
25 and Business Development Section where we allow for

1 small business incentives. These are limited to up to
2 \$30,000, and no more than 25 percent of the capital
3 cost for construction and equipment costs for the new
4 business.

5 The projects that are eligible under
6 this category need to show the potential to be a
7 catalyst for additional business development for
8 underdeveloped in undeveloped business areas.

9 The Cockram Mill complex consists of
10 several buildings, in addition to the grist mill
11 building, and the brewery will be a catalyst for
12 renovation of other buildings for uses at the site.

13 Staff is recommending a \$30,000
14 grant, to support up to 25 percent of approved
15 equipment costs, contingent on the executive
16 director's approval of final performance agreement.

17 The third project under Business
18 Development submitted by SOVA Innovation Hub
19 Corporation. \$400,000 is requested towards the \$3
20 million cost to create the SOVA Innovation Lab
21 Building. This is part of the SOVA Innovations
22 Campus, which is in downtown South Boston, and
23 currently includes the Hub Building where Mid-Atlantic
24 Broadband offices are located. The Labs Building
25 would be a 13,000 square building, an existing

1 building that would be renovated and would include
2 four key components, a digital makerspace, community
3 spaces, coworking spaces, and an outdoor space.

4 The Commission provided a grant in
5 May of 2021 towards the architectural and engineering
6 design for the SOVA Innovations Lab Building. And so
7 we have supported this project previously.

8 This current request would go towards
9 the construction costs.

10 The proposed matching funds total
11 \$2,588,860, which includes a request of \$1,688,860 to
12 the US EDA Program, and \$900,000 committed from the
13 SOVA Innovation Hub Corporation.

14 The proposal was accompanied by a
15 detailed construction budget and business plan. There
16 was also a market study prepared by the Institute for
17 Research Services for this project that defines the
18 uses for the campus that will most contribute to the
19 success of the facility.

20 The Lab building will include 15
21 private offices, plus an office suite for an anchor
22 tenant to host community programs. The makerspace
23 would include similar equipment as the project need.
24 Longwood University, as you all may recall, we have
25 supported that project as well. By including similar

1 equipment that will enable coordinated programs.

2 Staff is recommending a \$400,000
3 grant, contingent upon acquisition of matching funds
4 to support the project.

5 CHAIRMAN SHELTON: Thank you, Sarah.
6 Do we have anyone here to speak on behalf of any of
7 these applications? If so, come forward.

8 Once again, remember please state
9 your name for the record.

10 MR. DOTTI: Thank you for reminding
11 me. My name is Mike Dotti. I'm Executive Director to
12 Brunswick County Industrial Development Authority.

13 In a nutshell, we are trying to
14 redevelop downtown Lawrenceville. Simply, when the
15 Dominion project came through, there was no
16 opportunity for people to spend money in Brunswick
17 County on housing and some of the other things.

18 In line with the Microsoft and other
19 projects, we are putting in 24 apartments, some of
20 which are used by people who work at the Organic
21 Project, and it would revitalize downtown.

22 We've got a lot of funding from a lot
23 of sources, and the costs keep going up. We expect to
24 get a lot more funding from IRF, and we have to do the
25 study first.

1 Unfortunately, there's some damage to
2 the building that has been mitigated that hasn't been
3 finished. We need to get that, solve that problem
4 quick so we don't have to spend more money in two
5 years as we go forward.

6 The first space is important. Our
7 goals are three-fold; support agriculture, create
8 mass, and some help with business retention, business
9 growth. So all that is in the Lawrenceville project.
10 Thank you.

11 Does anyone have any questions?

12 (No response.)

13 CHAIRMAN SHELTON: Any questions from
14 the Commission?

15 (No response.)

16 CHAIRMAN SHELTON: Thank you.

17 Anyone else wish to speak on any of
18 these proposals?

19 MR. DERISO: Thank you, Mr.
20 Chairman. My name is Tad Deriso with the SOVA
21 Innovation Hub Corporation, as well as Mid-Atlantic
22 Broadband Community Corporation. Lauren McBennett is
23 here also.

24 So we appreciate Sarah doing a
25 thorough detailed review of our application. This is

1 really an outgrowth of the success we've had with the
2 SOVA Innovation HUB in downtown South Boston.

3 As y'all know NBC(?) funded that
4 project. It is our headquarter's office for about 24
5 employees, as we have grown over the years. Also
6 called the SOVA Innovation Hub. Many of you probably
7 know that as the Microsoft Building. We have a
8 Microsoft logo, and they do some programming there.
9 So that's pretty exciting.

10 The campus that we have developed is
11 really part of this initiative. Innovation Labs is
12 important. We are able to acquire a building that's
13 currently owned by the South Boston Volunteer Fire
14 Department. We have a pending purchase agreement for
15 that facility for about \$550,000. And the programming
16 and support facilities that are part of labs are
17 really growing off what Lauren and her team have done
18 for the Go Virginia grant, the Entrepreneurial -- Go
19 ahead.

20 MS. MATHENA: Virginia Region 3
21 Regional Entrepreneurial Initiative project. It's a
22 mouthful.

23 MR. DERISO: That program has had a
24 great deal of success. That is wrapping up. And we
25 have been able to continue to acquire additional funds

1 from Microsoft in their philanthropic efforts to
2 invest in Southern Virginia, and will continue to do
3 that project, and expand co-working, and expand those
4 entrepreneurship opportunities.

5 We're glad to answer any questions.

6 CHAIRMAN SHELTON: Thank you.

7 Any questions from the Commission?

8 (No response.)

9 CHAIRMAN SHELTON: Thank you.

10 Does anyone else wish to speak?

11 (No response.)

12 CHAIRMAN SHELTON: Any questions or
13 discussion from the Commission?

14 (No response.)

15 CHAIRMAN SHELTON: Awfully quiet in
16 there. That's a good sign.

17 Moving on. On these three
18 applications in this category, does anyone need to
19 pull any one out to keep us from considering them as a
20 block?

21 UNIDENTIFIED SPEAKER: Pull #4105.

22 CHAIRMAN SHELTON: #4105 is out.

23 Let's proceed. What is the Committee's pleasure on
24 the staff recommendations for #4105.

25 MR. PACE: Mr. Chairman, I move that

1 we recommend a \$400,000 grant contingent upon
2 acquisition of matching funds to support the project
3 #4105.

4 CHAIRMAN SHELTON: There is a motion
5 from Mr. Pace. Is there a second?

6 MR. WALKER: Second.

7 CHAIRMAN SHELTON: We have a second.

8 Any further discussion?

9 (No response.)

10 CHAIRMAN SHELTON: Hearing none, all
11 in those in favor of staff recommendation on #4105,
12 signify by saying aye.

13 (Response.)

14 CHAIRMAN SHELTON: Any opposed?

15 MR. WALKER: Abstain.

16 CHAIRMAN SHELTON: We have one
17 abstention.

18 That motion, #4105, passes.

19 Would the Committee's pleasure be on
20 the block of #4121 and #4126?

21 MR. PACE: So moved in block.

22 CHAIRMAN SHELTON: Mr. Pace moves
23 that we accept staff recommendation as a block for
24 these two applications. Is there a second?

25 MR. FOSTER: Second.

1 CHAIRMAN SHELTON: We have a second
2 by Mr. Foster.

3 Any further discussion?

4 (No response.)

5 CHAIRMAN SHELTON: Hearing none, all
6 those in favor, signify by saying aye.

7 (Response.)

8 CHAIRMAN SHELTON: Any opposed?

9 (No response.)

10 CHAIRMAN SHELTON: Hearing none,
11 those two are approved as recommended.

12 Sarah, moving on to Sites and
13 Infrastructure.

14 MS. CAPPS: All right. We have five
15 applications in this group.

16 One of the applications include eight
17 subprojects. So this is our biggest group.

18 The first request is from the City of
19 Emporia. This is an \$840,000 grant request for
20 extension of water and sewer to the Norwood Property.
21 This is a 38 acre industrial park that is
22 strategically located on US 58. The project will
23 provide water and sewer line extensions connecting to
24 the existing lines to the southern boundary of the
25 Norwood site.

1 Emporia contracted with the Timmons
2 Group to design and engineer the extensions. The
3 \$1.68 million estimated construction cost includes
4 \$252,000 for new 750 linear feet of water line, and
5 \$1.428 million for 4,625 linear feet of force main
6 sewer line. This is a project --

7 The Commission did provide a grant to
8 the City of Emporia in September of 2018. It was
9 \$130,000 grant award. That did support that
10 engineering work for the water and sewer connections,
11 as well as some other site work.

12 With the expanded water and sewer
13 capacity, the site will be marketed for a single
14 larger business or several smaller advanced
15 manufacturing companies or supply chain businesses.

16 Development of the property is
17 expected to result in at least 100 high paying jobs
18 intended to improve the income levels of the region.

19 The site is served by power and fiber
20 and is located in a designated Enterprise Zones and in
21 an Opportunity Zone which will assist in attracting
22 private investment.

23 While grant funds are always more
24 favorable than loan funds, the grant was requested, as
25 this was submitted as a grant request. However, we do

1 note that the resolution passed by the City of Emporia
2 identified a request for a \$1.6 million of loan funds
3 from the Commission.

4 Based on the Commission's Strategic
5 Plan and our RFP funding request for construction of
6 off-site water, of off-site utility infrastructure
7 projects are recommended by staff for loan
8 consideration.

9 The Commission's Community Business
10 and Lending Program supports loans of \$1 million or
11 more and provides competitive rates for
12 locality-backed loans.

13 Staff is recommending that the
14 project be referred to the Commission's Community
15 Business and Lending Program for consideration of a
16 \$1,680,000 loan.

17 The next project is submitted by
18 Halifax County. This is a \$745,259.15 request for the
19 Virginia International Raceway Water Supply
20 Interconnection.

21 This is for 50 percent of the
22 approximately \$1.49 million estimated cost for final
23 design, permitting, easements and inspections for the
24 water supply system to connect the Virginia
25 International Raceway in southern Halifax County and

1 the Town of Milton, North Carolina.

2 VIR is one of the largest visitor
3 attractions in Southern Virginia. Without public
4 water, VIR cannot host events or continue to invest
5 back into its growth. The wells serving the existing
6 public water system at VIR are no longer reliable and
7 at a high risk of being insufficient.

8 The proposed Phase 1 VIR Water
9 Interconnection would connect Pittsylvania County's
10 Ringgold water system to the VIR water system.

11 The Pittsylvania County Service
12 Authority would convey water supplied from the City of
13 Danville to the VIR water system, which is owned and
14 operated by the Halifax County Service Authority.

15 As far as the impact of VIR on our
16 region, there is a 2018 Economic Impact Study that was
17 based on 300,000 plus annual visitation for multi-day
18 events. It demonstrated that VIR provides over \$237
19 million in total annual impact on the region's
20 economy.

21 Visitation numbers are estimated to
22 be even higher for 2022. They're estimated at 350,000
23 for 2022, and that's for multi-day events. These
24 folks are staying more than one day, often three or
25 four. And that increase in visitation was based on

1 the addition of the Blue Ridge Rock Festival.

2 Let's see. Preliminary Engineering
3 Report prepared for the Halifax County PSA was
4 completed in 2017.

5 Partners on the project include
6 Halifax County, and three Virginia public service
7 authorities; the Halifax PSA, Pittsylvania County PSA,
8 and Danville PSA.

9 Construction of the waterline was
10 estimated to cost \$7.5 million.

11 While you heard under the previous
12 request for the City of Emporia, while funding
13 requests for construction of off-site utility
14 infrastructure are considered for loans, request for
15 assistance with final design and planning are eligible
16 for the Commission to consider for grant assistance.

17 Staff notes that the \$1,490,518 cost
18 estimate for final engineering and soft costs for
19 Option 2 includes both the \$1,092,058 for Phase 1,
20 which constructs the waterline to VIR, and it also
21 includes Phase 2, which is estimated at \$398,461 to
22 connect from VIR to the town of Milton, North
23 Carolina.

24 Staff views the Phase 1 costs for
25 connecting the water service to VIR as a priority for

1 the Commission, and recommends this portion of grant
2 funding at up to 50 percent of eligible costs.

3 That is the reason for the staff's
4 recommendation being less than the requested amount.

5 Staff is recommending a \$546,029
6 grant award for 50 percent of the \$1,092,058 Phase 1
7 estimated costs.

8 Mecklenburg County. This is a
9 \$602,210 grant request for Virginia's Growth Alliance
10 Site Development Project. This request is submitted
11 on behalf of the five localities that participate in
12 the regional economic alliances, Virginia's Growth
13 Alliance.

14 It is to support Engineering
15 due-diligence and final reports/studies for eight
16 industrial sites with one or more each, in Brunswick,
17 Charlotte, Lunenburg, and Greensville Counties, and
18 the City of Emporia.

19 The focus of this project is based on
20 VEDP's Virginia Business Ready Sites Program and the
21 assessment completed for identifying sites with the
22 most developability potential.

23 The Project will enable the
24 participating localities to address the existing
25 deficiencies, in order to provide shovel-ready sites

1 to allow for them to be better marketed for the
2 region.

3 Of the eight sites, five are smaller
4 sites, and three are larger industrial sites.

5 There is a correction to the amount
6 of matching funds in your report. There is a total of
7 \$707,210 of matching funds. The source of the
8 matching funds are an intended application to the Go
9 Virginia Region 3, as well as funding from Go Virginia
10 Region 4. That has already been committed, and
11 additional local matched funds that are being
12 contributed.

13 For the eight industrial parks, for
14 the seven out of the eight, the cost for the proposed
15 scope of work would be shared equally by the
16 Commission and matching sources.

17 For the other one, which is the
18 Norwood Estate Project, the Commission funds would
19 support one study whereas matching funds would support
20 a second one, and I'll cover that in a moment.

21 The first project is the I-85 Ag
22 Industrial Park. This is in Brunswick County. They
23 have 112 acres available. Funding is used for
24 due-diligence to raise the site from Tier 2 to Tier 5,
25 and approximately 20 acre graded pad site would be

1 certified and shovel ready.

2 The next one is the Brunswick County
3 Industrial Park, which has 34 acres available.
4 Due-diligence would be accomplished to achieve a Tier
5 4 characterization and an approximately 17 acre pad
6 site would be certified as shovel ready.

7 The Heartland Regional Industrial
8 Park has 375 acres available. Funding would be used
9 for final design, for well drilling to achieve Tier 4
10 characterization.

11 The Lunenburg-Victoria Industrial
12 Park in Lunenburg County has 29 acres available, and
13 funds would be used for due-diligence to move the site
14 from Tier 2 to Tier 3 characterization.

15 The Lunenburg Commerce Center has 114
16 acres available. Funding would be used for
17 due-diligence to certify at Tier 4.

18 The next site, the third in Lunenburg
19 County, the K-V Road Site, which is also referred to
20 as the Old Middle School site. It has 21 acres
21 available. There's currently no characterization on
22 this site. So the due-diligence would be accomplished
23 to achieve a Tier 3 characterization.

24 Norwood Estate property, which we
25 heard about a moment ago. This has 38 acres

1 available. The Tobacco Commission funding would be
2 used for transportation final design, and the match on
3 this one is from Go Virginia Region 4. It's already
4 been committed. They match would be for final design
5 on the water storage tank. With the completion of all
6 of the required studies, this industrial park would
7 move from a Tier 3 to Tier 4 characterization.

8 The eighth site is the FASTA site in
9 Greensville County. This is 52 acres. Has 52 acres
10 available. Funding used to update the environmental
11 due-diligence for maintaining a Tier 4
12 characterization, and would also be used for the A&E
13 cost for site plans for a 20 acre graded pad site.

14 Staff worked with Virginia's Growth
15 Alliance on this proposal. We had three or four
16 meetings over the last several months that resulted in
17 this application.

18 We did receive copies of all of the
19 Virginia Business Ready Sites Program for the
20 industrial parks where they listed and we have
21 reviewed those.

22 We also received detailed line-item
23 engineering estimates from both Dewberry and Timmons
24 for the project.

25 In the staff reports, we indicated

1 that we were still waiting on the detailed cost
2 estimates for the K-V Road Site in Lunenburg County.
3 We did will receive that.

4 Staff has verified that the scopes of
5 work do not duplicate previous investments by the
6 Commission.

7 Staff is recommending approval of the
8 \$602,210 grant award, for up to 50 percent of the
9 engineering due-diligence and studies for each of the
10 eight industrial sites.

11 The Patrick County Economic
12 Development Authority is requesting \$95,850 to support
13 costs for the Rich Creek Corporate Park Shell Building
14 to prepare it for its next tenant.

15 It is a 20 square foot building
16 constructed in 2006 that was previously used as office
17 space for a call center.

18 The renovations will include the
19 removal of non-load bearing walls, drop ceiling and
20 installation of a sprinkler system.

21 The Rich Creek Corporate Park is the
22 only business park in Patrick County.

23 The estimated economic impact of the
24 project based on current prospects interests would be
25 for the creation of 25 to 40 jobs at \$62,000 average

1 salary, and \$10 million capital investment.

2 All of the utility infrastructure is
3 already available at the park. These renovations
4 would restore the value in the property and make the
5 Shell Building ready for occupancy.

6 Staff is recommending approval of the
7 \$95,850 grant award for 50 percent of the construction
8 renovations.

9 Number 5: Sussex County is
10 requesting \$250,000. This is for the Megasite-Master
11 Planning, Conceptual Engineering & Water Line
12 Extension.

13 The goal of this project is to
14 enhance the shovel-readiness of the Sussex Megasite.
15 This is part of a broader application that the County
16 submitted to the VEDP Business Ready Site Program.

17 Overall, the county is requested \$3
18 million in funding from VEDP, the Tobacco Commission
19 and the US EDA to support the master planning and
20 conceptual engineering design study and construction
21 of a waterline.

22 This includes identifying the highest
23 and best uses for manufacturing and distribution,
24 particularly for companies that do not have a
25 significant water demand. There is an issue with

1 water availability in this area.

2 The Commission has invested over \$10
3 million in the Sussex Megasite over, through our
4 Megasite Program. We've also invested \$315,000 in the
5 Route 602 Industrial Park, which is included in the
6 scope of this request.

7 The Megasite has a total 1130 acres.
8 And part of the scope of this project would be to look
9 at Master Planning to combine the Sussex Megasite with
10 the Route 602 Industrial Park, and they will be doing
11 due-diligence to evaluate approximately 700 acres of
12 adjacent properties in order to expand the Megasite to
13 include those acres, as well as this other park.

14 The focus of the proposed work is
15 primarily driven by the inability of Sussex to attract
16 Project Glove, who ultimately selected Wythe County.

17 The total project budget, the
18 \$4,199,000, this includes \$3.1 million for
19 construction of a waterline, \$740,000 for purchase
20 option agreement on the 704 acres. The balance of
21 \$395,000 is for engineering, and that includes
22 \$200,000 for natural gas planning feasibility and
23 preliminary engineering.

24 Staff recommends that the Tobacco
25 Commission approval align with the VEDP Business Ready

1 Site Program Award for this project, with our founding
2 limited to up to 50 percent of the required match.

3 The VEDP Review Committee has
4 indicated that they are recommending support for the
5 \$199,000 of due-diligence and master planning costs,
6 which would require \$64,530 match. However, the final
7 awards for that program will be decided by the
8 Governor and his administration.

9 Therefore, Staff is recommending
10 approval for up to \$250,000 grant award, contingent on
11 the final amount being limited to 50 percent to the
12 required match, or the VEDP Business Ready Site
13 Program award. Those announcements by the Governor
14 are expected I believe very soon.

15 That is all the Site business.

16 CHAIRMAN SHELTON: Do we have anyone
17 here to speak on behalf of these applications?

18 MR. DENNY: Good afternoon. My name
19 is David Denny. I am the executive Director of
20 Virginia's Growth Alliance. To be honest with you, I
21 don't know where to start talking about this project.

22 As you can see, it is an extremely
23 complex project, just on the number of localities that
24 participated. I think that is one of the benefits,
25 one of the shining examples of regionalism. All of

1 our localities had to put a lot of information
2 together. We had to had translate that information.

3 And I'll be honest with you, I think
4 Sarah and staff have done a phenomenal job. If you
5 could see the spreadsheet I have on all the data.
6 NASA actually has contacted me and they want to use it
7 to plan their mission to Mars. I'm happy to give that
8 to them for a little of an IOU. Maybe Danny can help
9 me on that one.

10 The Commission has been great, their
11 localities over the years, and supporting them and
12 different projects. You have seen a number of
13 projects today independent of this application.

14 We are, and this is a shocker to me.
15 I didn't realize, that I have been on the job for
16 about a year and a half, but our region has the lowest
17 population of any regional growth organization in the
18 Commonwealth, and we cover the most geographic
19 territory.

20 So having assistance from the
21 Commission, and others like yourself, and the staff,
22 and projects like this really mean a lot. It has a
23 tremendous impact.

24 We can't attract businesses and
25 industries in our region if we don't have good

1 product. The tiering system that was put together by
2 VEDP, I was actually on that committee and set up the
3 original one. It is all about progress. And you have
4 to make progress. Getting these funds will help us
5 continue to make progress and attract new businesses,
6 employment for our citizens.

7 Thank you for the opportunity to
8 present it, and thank you for your consideration of
9 it.

10 CHAIRMAN SHELTON: Any questions from
11 the Commission at this time?

12 (No response.)

13 MR. SIMPSON: Good afternoon. I'm
14 Scott Simpson, the County Administrator of Halifax
15 County. That would be Connie Nyholm the co-owner of
16 Virginia International Raceway.

17 VIR is about 1200 acres in Southwest
18 Halifax County. They hold an industrial park. We
19 have an industrial park within VIR that is about half
20 occupied and half available.

21 The issue that we have with Virginia
22 International Raceway is an isolated water system.
23 The Service Authority of Halifax does operate the
24 water system off of originally five wells, which are
25 now down to two wells that furnish the water supply

1 for the system.

2 The sustainability of VIR to continue
3 their operations and to grow in the future really
4 comes down to the provision of potable water to their
5 visitors.

6 The best solution to provide potable
7 water to the raceway is by connectin and
8 interconnecting the Halifax system to the Pittsylvania
9 and City of Danville system with a water main that
10 would be the water source for VIR, and then utilizing
11 the wells as a backup source.

12 The request, as Sarah mentioned, is
13 for the soft costs, what us engineers call soft costs,
14 which are the design costs, permitting costs, etc.,
15 for the first phase of the project, which is the
16 connection from the City of Danville through
17 Pittsylvania County and to VIR.

18 The region of this project would
19 hold, there is a lot of land and a lot of roadway that
20 this waterline would pass through on Highway 58 to gt
21 from its source to VIR, which then opens up other
22 economic opportunities for the entire Southern Region
23 that we have.

24 Thank you. Connie will give you an
25 update on their successes at VIR, and what some of

1 their future plans are, but this really boils down to
2 sustainability and growth, and the opportunity for us
3 to continue to provide the visitor experience that
4 they offer at VIR.

5 MS. NYHOLM: Thank you. I'd like to
6 thank the Commission. It is nice to be back here on
7 this side of the table. Thank you Halifax for all the
8 support of Scott and Christy have come onboard and
9 accomplished an amazing amount of things.

10 We have about \$25 million under
11 construction, or about to start right now. We've
12 contracted 18 new businesses to the campus in our
13 industrial park. (Inaudible)'s headquarters from
14 Connecticut to VIR. That's under construction, as
15 well as 59 new members.

16 We have 18 more villas planned in the
17 works. Carter Bank is about to close on the loan.
18 We've been funding it with my partner's resources. We
19 will be glad to continue with that and some other big
20 projects, if we get the water situation solidified.

21 We have a 92 room hotel feasibility
22 study that we have just concluded. We also have a
23 project with 48 more hotel rooms, lots of hospitality
24 and conference space, more garages to put VIR on the
25 map in a different way.

1 Any questions? I'm happy to answer.

2 (No response.)

3 MS. NYHOLM: Thank you for Rock Fest.

4 CHAIRMAN SHELTON: Anyone else.

5 Come on up.

6 MS. MCCLINTOCK: Good afternoon. My
7 name is Faith McClintock. I am here representing
8 Sussex County. I am an economic development
9 consultant, and long time veteran of Virginia Economic
10 Development and local government. I have been working
11 with Sussex County for about 18 months now.

12 I know that the Commission has been
13 extremely generous in granting them numerous Tobacco
14 Commission grants over the last several years.

15 I would like to just impress upon you
16 the renewed focus that the county administration and
17 the board have recently undertaken in revisiting the
18 property that you have been able to support and
19 willing to support in years past.

20 The loss of a very, very significant
21 project, Project Glove, was a really rude awakening,
22 if I may say that. It was during that process that
23 the County learned, as well as their long-time
24 engineers, of the significant water constraint that is
25 in place in the area east of Interstate 95.

1 So we really took that as an
2 opportunity to pause and to revisit how the County
3 really should be approaching this property and what
4 types of users really will be the benefit there.

5 In so doing, the County leaders also
6 realized that they can do more the positioning the
7 property to attract users. And the first thing that
8 they did and adopted at their meeting in December was
9 they put into place a technology zone.

10 The General Assembly has been very
11 gracious in establishing is that legislation back in
12 the early 2000s. But as many localities often do,
13 they don't implement and utilize that in their own
14 community.

15 So I feel very confident that the
16 County is now beginning to position itself in a much
17 smarter strategic way for economic development
18 opportunities. So your support of this master
19 planning effort and revisiting of the conceptual plan
20 for the Megasite and Route 602 properties will be
21 extremely instrumental in us being able to get them on
22 a solid path forward.

23 CHAIRMAN SHELTON: Thank you.

24 Any questions?

25 (No response.)

1 CHAIRMAN SHELTON: Thank you.

2 Come on up.

3 MR. JOHNSON: Good afternoon,
4 Mr. Chairman and those on the Commission. I'm William
5 Johnson, City Manager for the great City of Emporia.

6 We appreciate the opportunity this
7 afternoon to talk to you about our project, 38 acres
8 on Route 58. It is a great location. I want to say
9 that one more time. It's a great location for
10 projects. So I'm going to turn it over to Beverly
11 Hawthorne to give you more details on this project.

12 MS. HAWTHORNE: Sarah has been a help
13 with saying the name Norwood site many times today,
14 and that is because we want you all to know, and it is
15 true, we have a mission. We are trying to get this
16 site ready for somebody who needs to locate near the
17 port, but also near 95.

18 We had originally applied as a grant.
19 After talking with Sarah and Mr. Sorrell, it became
20 aware to us that the resolution passed by the Tobacco
21 Commission said that, if you're building
22 infrastructure that is a revenue generating entity,
23 that it should be a loan, rather than a grant. We
24 understand that part. We also want to point out that
25 we asked for a grant because we have no takes, no

1 takers on the property right this minute. So when the
2 revenue generation will start, nobody knows.

3 If you would have it in your hearts
4 to put it as a grant, we understand that. But if we
5 need to stay with policy and put it with a loan, we
6 understand that as well.

7 We do appreciate all you have done
8 for us, and Go Virginia, as well as the Tobacco
9 Commission, we hope to have this project ready and be
10 announcing for you pretty soon.

11 Are there any questions?

12 (No response.)

13 MS. HAWTHORNE: Thank you very much.

14 CHAIRMAN SHELTON: Thank you.

15 Does anyone else wish to speak at
16 this time?

17 (No response.)

18 CHAIRMAN SHELTON: All right. Thank
19 you.

20 Any discussion or questions from the
21 Commission?

22 SENATOR LUCAS: Mr. Chairman, since I
23 represent a portion of this area under the Sites and
24 Infrastructure.

25 UNIDENTIFIED SPEAKER: Can't hear

1 you.

2 SENATOR LUCAS: Sorry about that.

3 Normally, I'm so loud, I don't need --

4 CHAIRMAN SHELTON: Everybody's got to
5 push that button.

6 SENATOR LUCAS: Right. Normally I'm
7 so loud I don't need a microphone.

8 In this particular case, I'll just
9 repeat what I just said. Since I have, or currently,
10 currently or have represented a good little portion of
11 these localities that the Sites and Infrastructure
12 portion of this recommendation includes, I would like
13 to make a motion that we accept staff recommendations
14 and approve these requests.

15 CHAIRMAN SHELTON: Let me ask, does
16 anybody one need to pull any of these applications out
17 of the block? We have a motion that has been made as
18 a block.

19 DELEGATE MARSHALL: Mr. Chairman, I
20 need to pull #4124 out. I have a conflict.

21 CHAIRMAN SHELTON: Okay. #4124.

22 Senator Lucas, would you like to
23 restate your motion taking #4124 out?

24 SENATOR LUCAS: Yes. With the
25 recommendation coming from Delegate Marshall, I'd like

1 to approve these requests as a block, removing #4124,
2 at this time. I guess may be a conflict of interest.

3 CHAIRMAN SHELTON: So we have a
4 motion for all of the applications, with exception of
5 #4124, to accept them as staff recommends.

6 Is there a second to that motion?

7 DELEGATE ADAMS: Second.

8 CHAIRMAN SHELTON: We have a second by
9 Delegate Adams.

10 Any further discussion on that block?

11 (No response.)

12 CHAIRMAN SHELTON: Hearing none, we
13 will proceed to vote on staff recommendations for
14 those four.

15 All those in favor, signify by saying
16 aye.

17 (Response.)

18 CHAIRMAN SHELTON: Any opposed?

19 (No response.)

20 CHAIRMAN SHELTON: That motion
21 passes.

22 So now, I'll entertain a motion on
23 #4124.

24 UNIDENTIFIED SPEAKER: Mr. Chairman,
25 I so move enthusiastically for #4124.

1 SENATOR LUCAS: Mr. Chairman, I
2 second.

3 CHAIRMAN SHELTON: We have an
4 enthusiastic motion and a second on #4124 to be
5 approved as staff recommends.

6 Any further discussion there?

7 (No response.)

8 CHAIRMAN SHELTON: Hearing none. All
9 those in favor, signify by saying aye.

10 (Response.)

11 CHAIRMAN SHELTON: Any opposed?

12 (No response.)

13 CHAIRMAN SHELTON: That motion
14 carries with one abstention from Delegate Marshall.

15 Moving on to Tourism.

16 MS. CAPPS: Okay. We have five
17 Tourism applications.

18 The first one is submitted by
19 Brunswick County. This is a \$230,400 request for the
20 Herman Road Lake Gaston Day Use Park, and specifically
21 for the Kayak and Canoe Launch.

22 Lake Gaston is located downstream of
23 Buggs Island Lake, which is the anchor destination for
24 visitors to Southern Virginia.

25 Public access on the eastern side of

1 Lake Gaston is very limited, which is a barrier to
2 attracting visitors interested in exploring Lake
3 Gaston.

4 Brunswick County acquired roughly 14
5 acres of waterfront property on Lake Gaston with the
6 intent to develop and maintain a free and safe public
7 outdoor recreation park.

8 Grant funding is requested towards
9 the \$1.298 million estimated cost for Phase 1
10 construction, which includes the kayak and canoe
11 launch, access of fishing, an observation pier,
12 parking for 8 to 12 vehicles, picnic area and
13 pavilion, and the access road to the facility.

14 Matching funds, which includes
15 funding that was used towards acquisition of the
16 property totals \$1,480,000.

17 This project would help to expand the
18 Southern Virginia Wild Blueways, which is more than
19 100 miles of navigable water trails providing access
20 to the natural beauty of Southern Virginia's
21 waterways.

22 I will note that the Commission
23 helped to create the Southern Virginia Wild Blueways
24 with a grant from 2011 to the Roanoke River Basin
25 Association that has supported mapping and additional

1 launches. We also provided a grant to the Town of
2 Halifax for an additional launch facility. So our
3 funds for the facility have gone towards the kayak and
4 canoe launches.

5 The staff is recommending support for
6 this project. The Virginia Tourism Corporation
7 identifies expansion of the Southern Virginia Wild
8 Blueways as an opportunity in their Southern Virginia
9 Regional Plan.

10 Staff recommends approval of a
11 \$230,400 grant to support construction costs for the
12 Kayak and Canoe Launch, and other Phase 1 development
13 costs for establishing the park.

14 Cumberland County, they submitted,
15 their request was revised to \$218,000. This is for
16 Operation Connect the Dots. This is for the
17 Cumberland Courthouse Bear Creek Lake State Park
18 Connector Trail Project.

19 There is an existing grass trail that
20 would be paved to provide access for visitors to Bear
21 Creek Lake State Park. It would connect with the
22 Cumberland Courthouse Historic District.

23 Cumberland does not have any towns.
24 So the Courthouse Historic District is the closest
25 thing to a town. It is where commerce and businesses

1 are located. It would allow the visitors to have
2 access to the antique stores and restaurants.

3 Current visitation at Bear Creek Lake
4 State Park was 80,730 in 2021. That was used as the
5 basis for estimating an increase in visitation to the
6 area. So they are projecting a 10 percent increase.

7 Cumberland County is committed to
8 tracking visitation metrics in collaboration with the
9 state park, and through the use of cameras, car
10 counters, and surveys.

11 The Commission -- Cumberland is a
12 very small and rural county. The Commission has
13 received very few funding requests from Cumberland
14 over the past decade. This project reflected a
15 practical opportunity for this community to expand
16 impact of tourism on the local economy.

17 The reduced budget -- The budget was
18 revised to a total of \$436,000. This includes
19 \$100,000 estimate for A&E Design Services, \$330,000
20 for trail construction, and \$6,000 in in-kind
21 allocation for project management and administration.

22 Staff is recommending approval of a
23 \$218,000 grant award, with approval of disbursement of
24 grant funds for up to 50 percent of the \$436,000
25 approved project costs.

1 The next project is from the National
2 D-Day Memorial Foundation. This is a \$350,000 request
3 to be used towards construction of an indoor museum
4 space. Specifically, the grant funds would be used
5 towards excavation, grading, site preparation work for
6 the new museum Motor Pool Building. This would be a
7 two-level structure constructed on a sloping site with
8 6,000 and 7,000 square feet, and replicating a 1940
9 World War II era Motor Pool, with an adjacent
10 courtyard and outdoor exhibit space.

11 This next phase of development at the
12 memorial, including the indoor museum space, is
13 expected to transform this memorial into a true
14 year-round destination.

15 If anyone has been there when it was
16 raining, I think you're very aware that there is no
17 indoor space on this property at this time.

18 With the indoor space, the memorial
19 is expected that they'll be able to increase their
20 annual visitation from 31,680 by an additional 41,188
21 visitors.

22 A schematic for an amphitheater and
23 Motor Pool building, and nature trails was provided
24 with total cost estimated to be \$4 million, which
25 would be the next phase.

1 The D-Day Memorial is in the middle
2 of their capital campaign for all of this work. They
3 have raised over \$3 million. They are in the final
4 phase of fundraising.

5 In order to move forward, they do
6 expect the Motor Pool Building to be constructed by
7 May of 2025.

8 I would like to note that the
9 Commission previously approved a grant in October of
10 2019 to the D-Day Memorial. It was a \$250,000 grant.
11 As it was approaching its end date, the D-Day Memorial
12 Foundation agreed to de-obligate that grant with the
13 expectation of this funding request being submitted
14 for a more refined scope of work.

15 Staff is recommending a \$350,000
16 grant award towards site work, contingent on
17 disbursement of grant funds being limited to no more
18 than 50 percent of documented project expenses, which
19 would include design services and construction to be
20 paid from match.

21 The next project is the Town of
22 Blackstone. This is the one where I provided
23 substitute page. So the staff recommendation on this
24 one should include a contingency. Again, if anybody
25 needs that page, Suzette has copies. Raise your hand.

1 So this is a \$581,000 request from
2 the Town of Blackstone for Operation Swedish Chef.
3 This is for a final portion of the \$3.781 million
4 total cost to rehabilitate and for renovations to the
5 Harris Memorial Armory Center.

6 The building will be used as a
7 multi-purpose facility, including training programs
8 for hospitality students, and as an event center.

9 The job training would consist of
10 hospitality training to support the tourism business
11 sector, specifically for a new lodging that has opened
12 and that is planned. This is all to support the
13 Foreign Affairs Security Training Center. That is the
14 US State Department Training Center that is located,
15 and now open for operation at Fort Pickett.

16 The building consists of 16,400
17 square feet, providing two main floors and a basement
18 level.

19 The matching funds for this project
20 include \$2.2 million of ARPA funds, which there is a
21 commitment by the town to use -- The town is required
22 to -- Using those funds for this project is that the
23 facility has to support hospitality, tourism and
24 training.

25 The Town of Blackstone also received

1 \$1 million DHCD IRF Fund grant with the announcement
2 last week under their program. So all of their
3 matching funds are in place.

4 The Town provided a scope of work
5 description for the multi-purpose and hospitality
6 training center. They also provided an MOU with the
7 Virginia State University that identifies plans for an
8 Armory Hospitality Training Institute to train
9 workforce for the hotel operations.

10 Another education partner is
11 Transition Solutions Enterprises. They are expected
12 to deliver short-term hospitality job training for
13 inmates.

14 The staff is recommending a \$581,000
15 grant award contingent on a hospitality, education
16 training plan for the Armory Hospitality Training
17 Institute with details on certifications and
18 credentials that will be offered by the education
19 partners to be approved by the Commission's executive
20 director prior to disbursement of grant funds. That
21 contingency is included to assure that the use of the
22 facility aligns with the Commission's interests.

23 The last tourism project is submitted
24 by West Piedmont Planning District Commission. This
25 is a \$50,000 grant request for the Southern Virginia

1 Regional Branding and Marketing Plan. It would be
2 towards 50 percent of \$100,000 in consultant services
3 for Regional Branding and Marketing Plan Development.

4 This project is an initiative that's
5 modeled after Friends of Southwest Virginia that has
6 successfully branded the Southwest region as a
7 distinct cultural area and destination. They expanded
8 microenterprise, supported tourism, and business
9 development opportunities in Southwest. A need or
10 opportunity has been identified for the Southern
11 Virginia Region for Southern Virginia, which does not
12 have a regional identity like Southwest Virginia.

13 With the major and economic and
14 tourism related development, it is identified as a
15 need for united brand.

16 This proposal is submitted to us by
17 three planning district commissions that have
18 partnered together. So in addition to West Piedmont,
19 the Commonwealth Regional Council and Southside PDC.

20 The project will look at doing an
21 inventory of the region's tourism assets, establishing
22 the key anchor attractions that link the region
23 together, and develop a promotion and marketing plan
24 to implement the regional brand.

25 The proposed source of matching funds

1 would be a planning grant from DHCD.

2 Staff recommended to the PDC
3 leadership team that they evaluate, including all of
4 the counties and cities in the Southern Piedmont
5 topographic region of Virginia in order to focus on an
6 area that is geographically defined.

7 With that, staff requested that the
8 Central Virginia PDC and their localities that are
9 within the Tobacco Commission that are south of the
10 James River be considered for the region alliance.
11 That would include Appomattox, Bedford and Campbell
12 Counties.

13 This would provide the proposed area
14 of the Southern Piedmont be targeted 17 counties and 2
15 cities within the Southern area of the Tobacco Region.

16 The final area for the alliance will
17 be determined by the project team as they talk to
18 localities about their interests.

19 Staff is recommended approval of a
20 \$50,000 grant award for 50 percent of consultant fees.

21 CHAIRMAN SHELTON: All right, Sarah.

22 We have anyone to speak on behalf of
23 any of these applications?

24 MS. CHEEK-MESSIER: Good afternoon.
25 First of all, I'm April Cheek-Messier, President and

1 CEO of the National D-Day Memorial Foundation.
2 Warner, our Chief of Staff. I just want to thank the
3 Commission for your support and for your time, and
4 particularly the staff. Sarah, for your patience with
5 us and helping us through the application process.

6 We are very, very excited about this
7 upcoming project. As you all know, Covid has been a
8 long hard couple of years, and to be able to come out
9 of it with a really exciting plan for the memoria.
10 Every year, we see about 60,000 visitors a year. This
11 Motor Pool Museum, the courtyard with unique artifacts
12 that have been donated to us will be a significant
13 draw.

14 We are really excited about bringing
15 people in from all over the United States to the
16 Commonwealth to really feature the use, particularly a
17 DD tank that we have coming to us. That is
18 extraordinarily rare. This Motor Pool Museum is going
19 to be a great addition for that.

20 Again, just grateful for your time,
21 and I'm happy to answer any questions that you all
22 have.

23 CHAIRMAN SHELTON: Do we have any
24 questions?

25 (No response.)

1 CHAIRMAN SHELTON: Thank you.

2 Anyone else?

3 MR. VANNOORBEECK: Good afternoon.

4 I'm Philip Vannoorbeeck. I'm the Town Manager of
5 Blackstone, Virginia. This is Chastiddy Bryant. She
6 is our Community Building Specialist for the Town of
7 Blackstone.

8 We are here today because we have a
9 good problem today. The United States Department of
10 State has selected Camp Pickett or Fort Pickett, which
11 will now be Fort Barfoot in March. So prepare for
12 that. It will be changing very shortly. They have
13 selected a new name.

14 In 2011, Fort Pickett was selected to
15 host the new FASTC Training Center, which is a foreign
16 affairs security training center. At the time, the
17 project was \$1 billion of construction and was pared
18 down to about \$500 million in construction.

19 In doing so, the Department of State
20 came to us and said you guys have to put the
21 hospitality portion on the market or the economy. You
22 guys have to figure this out.

23 Their demands were 82,000 room nights
24 a year. That is an average of 350 rooms per night,
25 room per night. It's taken 10 years. We've partnered

1 with hospitality. We've partnered with several other
2 groups. There's 175 rooms open today, and another
3 about 150 that have been either approved or are under
4 construction right now. There's two projects that are
5 under construction in Blackstone, with a third we're
6 expecting to get started.

7 82,000 room nights a year. People
8 are taking tremendous risk in the millions of dollars
9 to build in the Town of Blackstone. We are very
10 pleased. The partnership is great.

11 Tracking the first few months just on
12 our limited occupancy, lodging tax could outstrip the
13 real estate tax for collections in the Town of
14 Blackstone fairly shortly.

15 The only negative that we received is
16 we need to be able to find employees. We need to hire
17 folks. We need folks that are serve safe, that are
18 nominally trained. We don't need a four year degree
19 necessarily. We'll take them for administrative
20 positions. But when you front a house back a house,
21 need employees.

22 Therein lies where the money came in
23 perfectly to help with the hospitality and tourism
24 elements. Several of our restaurants are struggling
25 in Blackstone, and maybe in your hometown too, finding

1 enough employees. We want to make sure these folks
2 don't make a decision and go somewhere else because
3 they can't find enough employees for their hotel or
4 restaurant.

5 Chastiddy Bryant prepared the grant
6 in cooperation with the Commonwealth Regional Council
7 in Farmville. Mr. Fortune helped her quite a bit.

8 If you have any questions, she'll be
9 happy to answer.

10 MS. BRYANT: He took all the words
11 out of my mouth. Again, I'm Chastiddy Bryant. I'm
12 the Community Development Specialist for the Town of
13 Blackstone.

14 When the town manager came to me
15 about this option, I didn't know where to start. So I
16 reached out to the sources, me going to Virginia State
17 University, and knowing their hospitality real well, I
18 asked them, I said, do y'all think y'all would be
19 willing to come down here and help us out a little?
20 Speaking with Dr. Bradford, who heads their program,
21 she said sure.

22 So after speaking with the town
23 manager, and (Inaudible) who owns (Inaudible)
24 Hospitality, the hotel in Blackstone, they needed
25 workers. My biggest thing was, once someone is

1 qualified, educated and knowing what they are doing,
2 you don't want to just hire someone and they don't
3 know what they're doing.

4 So we put our heads together and
5 decided that this would be a great opportunity for
6 Blackstone to, not only train, but educate those that
7 would like to have a position in hospitality.

8 With Virginia State University
9 already offering their participation in the event, we
10 knew that not everyone wanted a four year program.
11 Some wanted to get out and start working right away.
12 We weeded down, and we also have been communicating at
13 Virginia Union University who is looking into
14 expanding and offering a two year associate's degree
15 program, as well as certifications in different
16 elements in the hospitality field for those that do
17 not wish to prolong and be in a four year. We want
18 those. They'll have the option of going forward and
19 apply for those programs. But if there is someone
20 that just wants to be certified to work in these
21 building to start with their feet on the ground,
22 that's what we want to offer.

23 We have also been speaking to the
24 local high schools to set up dual enrollment in their
25 hospitality. For those students that want to continue

1 before they even graduate, we want to give them that
2 opportunity to get their hospitality foot in the door
3 and keep on the ground running.

4 So far, the local community, the
5 colleges have been very supportive. We've reached out
6 to Southside Community college as well. And we are
7 trying to get as many as we can with their thoughts on
8 hospitality, because we just want to make Nottoway
9 County flourish as much as we can. I don't think we
10 have anything similar to this program in that area.
11 But I think it would be a great opportunity for us to
12 put it out there, and bring a lot more hospitality to
13 the region.

14 If you have questions?

15 CHAIRMAN SHELTON: Do you have any
16 questions?

17 MR. FOSTER: Help me understand what
18 Fort Pickett is doing really with that station?

19 MR. VANNOORBEECK: In 1942, the
20 United States Department of Armory possessed 42,000
21 acres in Nottoway, Dinwiddie, a little bit in
22 Lunenburg, a little bit in Brunswick County. The
23 majority of the buildings is in Nottoway County.
24 Okay. Been a regular Army post for many, many years.
25 Pretty sleepy, quite frankly, kind of quiet.

1 In the mid 1990s, then Governor
2 George Allen assisted the Town of Blackstone and
3 transitioned the National Guard Headquarters and
4 several of their elements over to Fort Pickett.

5 It is a little more bustling than it
6 was before, but it is not a regular Army post. It is
7 a National Guard post, Virginia National Guard.

8 Over a thousand acres of that
9 property was dedicated to Nottoway County for economic
10 development purposes during the Iraq process. Many
11 folks will remember that, when they were closing
12 military posts back in the mid 90s. Governor Allen
13 and then Congress, several other partners, John
14 Warner, helped transition that post to the National
15 Guard. So the Virginia National Guard operates that.
16 (Inaudible) retains offices here.

17 But that land, a portion of that
18 property that was given to Nottoway County and a
19 portion of the property that was still retained by the
20 federal government was transferred to the United
21 States Department of State. It is now the
22 headquarters of their security training facility.

23 There is a flip (Inaudible), which is
24 in Georgia, Federal Law Enforcement training. This
25 training center is specific to the State Department.

1 These are folks that are going overseas. These are
2 folks that are going to embassy's. These are folks
3 that are going to different postings around the world.
4 And before they go, they have to know how to shoot a
5 gun, fire explosives, defensive driving skills. You
6 ought to see the driving track. I don't know if the
7 people from Virginia Raceway have seen that thing, but
8 it is something.

9 They put \$500 million of capital
10 improvements. It is tremendous. They've got
11 waterlines run out everywhere.

12 Again, there's 450 full-time
13 employees that work there at that particular facility.
14 Some are contracted employees. Some are GS employees.
15 Some of them are just temporary type employees. But
16 over 450 full-time employees and 10,000 students that
17 train on that facility every year, thus the need for
18 82,000 room nights a year, equating to 350 on average
19 per night.

20 Developers have come forward, and we
21 are going to have the rooms that they requested. I do
22 believe it is going to expand. I do believe that. I
23 don't have anything firm. I've got nothing more than
24 rumors from the crabgrass there. But it is a federal
25 training center, over 1000 acres, and it trains people

1 who are going to be going overseas. They have their
2 own security course. Not just Marines, but embassies,
3 that have security that provides bodyguard protection
4 for ambassadors, and that sort of thing.

5 It is exciting that a lot of young
6 people are coming to Blackstone. We always ask them,
7 what would you like to see in Blackstone? I want a
8 beer, better places to eat, and those kinds of things.
9 So hospitality is really our need for right now. We
10 want to take advantage of it.

11 Again, lodging taxes could eclipse
12 our real estate taxes within the next few years.

13 MR. FOSTER: Thank you. These
14 employees have to have place to live too that you are
15 trying to recruit. What are you doing about that?

16 MR. VANNOORBEECK: The employee issue
17 that we have is, we are blessed and we are cursed,
18 because we are close enough to Richmond that I think a
19 lot of them still commute back to Chesterfield County.
20 We are less than an hour from Chesterfield. We are
21 about 45 minutes from Cosby High School. Richard and
22 me drive back that way sometimes on 53 with some of
23 you folks. A lot of those folks have decided that
24 they are going to live in Chesterfield County and
25 commute.

1 But we saw the same thing with the
2 National Guard. The vast majority of National Guard
3 employees still live in the Richmond area and commute
4 down to Blackstone.

5 I don't think small town living may
6 be for everybody. I live in Amelia County. But
7 Amelia is not for everybody. I think a lot of these
8 folks that have moved here for their jobs chose
9 Chesterfield County, I don't know if it is schools
10 necessarily. I don't know if it is shopping or
11 opportunities.

12 The majority -- They have told us,
13 the federal government told us when they did an
14 environmental assessment, and it included an economic
15 development portion, 80 percent of the employees would
16 still live in Chesterfield County. Lunenburg probably
17 has seen some.

18 We have seen people move here, and
19 there is a lot of entrepreneurial zeal with these
20 folks. They bought a lot of old homes in Blackstone
21 and fixing them up. Main Street looks a whole lot
22 better. If you drive through there, it's several old
23 homes that have been renovated. We're just blessed
24 that that facility is out there.

25 MR. FOSTER: Maybe you should get

1 that beer or restaurant thing going more.

2 MR. VANNOORBEECK: We've got one int
3 town and two coming. We've got two new breweries
4 coming. One will be at the Old Town Shop, the old
5 electric plant. The other one will be at the old
6 Mercury Cleaners on Broad Street.

7 CHAIRMAN SHELTON: Any other
8 questions?

9 (No response.)

10 CHAIRMAN SHELTON: Do with have
11 anyone that wishes to speak?

12 MS. DANIEL: Good afternoon. I'm
13 Dixie Daniel. I'm the Tourism Coordinator for
14 Brunswick County. I want to keep it quick for you
15 guys. I know you're on a schedule. There's not much
16 else I can truly add.

17 I just want to reference Sarah as
18 Queen Sarah. She truly helped us with our application
19 and keeping us on track with a million emails. So I
20 truly appreciate her and the Commission for giving us
21 this opportunity.

22 The main goal here is just provide
23 access to Lake Gaston, again, a major tourism
24 destination for the Southern Virginia region.

25 I am going to leave it at that. If

1 anyone has any questions, I'll do my best to answer.

2 CHAIRMAN SHELTON: Any questions from
3 the Commission?

4 (No response.)

5 CHAIRMAN SHELTON: Thank you.

6 MS. HAWTHORNE: My name is Beverly
7 Hawthorne. My other job was recently Chairman of
8 Virginia's Crossroads. Virginia's Crossroads is a 20
9 some year old tourism group that was formed to form
10 the Lee's Retreat Trail. That is how far back we go.
11 And I wanted you all to know that, Number 1, Nottoway
12 and Blackstone are members of Virginia's Retreat.
13 Williamsburg is a member of Virginia's Retreat. Of
14 course, we support those activities and all that they
15 want to do.

16 And the one we haven't mentioned now
17 is Western Piedmont objectives on the list. Just so
18 everybody knows, yes, Virginia's Crossroads has been
19 contacted. Virginia's Crossroad was in a very
20 informative meeting run by Ms. Capps about getting
21 together with them to define the branding for
22 Southern Virginia.

23 I hope you all will support all of
24 those projects because it supports all of Southern
25 Virginia. Thank you.

1 CHAIRMAN SHELTON: Thank you.

2 Anybody else like to speak?

3 (No response.)

4 CHAIRMAN SHELTON: I understand that
5 Commissioner Miles is on the phone now. Mr. Hite, if
6 you wouldn't mind restating your motion for remote
7 participation as it refers to Commissioner Miles.

8 MR. HITE: I move that Chairman
9 Ruff's approval of the Commissioners Miles and
10 Cunningham request to participate remotely in this
11 meeting is in conformance with the Commission's
12 adopted electronic meeting policy, and that the voices
13 of the remotely participating members can be heard by
14 all persons at the primary meeting location.

15 CHAIRMAN SHELTON: Thank you. Is
16 there a second?

17 DELEGATE MARSHALL: Second.

18 CHAIRMAN SHELTON: We have a motion
19 and a second.

20 All those in favor, signify by saying
21 aye.

22 (Response.)

23 CHAIRMAN SHELTON: Any opposed?

24 MR. SORRELL: Mr. Chairman, if you
25 wouldn't mind just allowing Mr. Miles to say he can

1 hear you.

2 CHAIRMAN SHELTON: Jordan, can you
3 hear us?

4 MR. MILES: Yes, sir. I apologize.
5 I had a very pressing work issue that came up at the
6 last minute. So I apologize. I can hear you all.

7 CHAIRMAN SHELTON: We are glad to
8 have you here now.

9 At this time, we will open up any
10 discussion on the Commission on this block of
11 applications.

12 (No response.)

13 CHAIRMAN SHELTON: Hearing none, I
14 guess we entertain a motion on these.

15 Are there any that need to be pulled
16 out of a potential block?

17 (No response.)

18 CHAIRMAN SHELTON: Hearing non there,
19 I will entertain a motion on these applications as a
20 block.

21 MR. JENNINGS: So moved,
22 Mr. Chairman.

23 CHAIRMAN SHELTON: We have a motion
24 to accept the Tourism category as a block as
25 recommended by staff.

1 Is there a second?

2 MR. FOSTER: Second.

3 CHAIRMAN SHELTON: Motion and a
4 second.

5 Is there any further discussion on
6 any of these?

7 (No response.)

8 CHAIRMAN SHELTON: Being none, we'll
9 proceed to vote.

10 All those in favor, signify by saying
11 aye.

12 (Response.)

13 CHAIRMAN SHELTON: Any opposed?

14 (No response.)

15 CHAIRMAN SHELTON: Hearing none, that
16 motion as a block carries.

17 Sarah, I believe we have a few
18 extension requests.

19 MS. CAPP: We have three other
20 business items. The first one on the list is a Sussex
21 County grant, #3504, that has an end date of January
22 31st, 2023. This is a \$6,250 grant from January of
23 2019. It was an out-of-cycle grant request when it
24 was approved to support a small local brewery, a
25 distillery, with a new access road.

1 At the time that the Commission
2 considered this, we had the understanding that there
3 was an immediate need for the funding, and the access
4 road was proposed to be constructed within six months
5 of that award.

6 The request that was made to us is
7 for a fifth year extension. It is actually for an
8 extension into a sixth year. They have indicated that
9 they would need 13 to 18 additional months.

10 The staff feels that the project was
11 provided the standard 3 year project period for a
12 project that was proposed to be completed within 6
13 months. We also provided a fourth month extension at
14 Sussex County's request to provide an additional
15 fourth year. The project was not completed during
16 this time period.

17 Staff is recommending no further
18 action.

19 CHAIRMAN SHELTON: Let's do these one
20 at a time.

21 Is anyone hear to speak on behalf of
22 this request?

23 MR. REAVIS: Hello. My name is David
24 Reavis. I'm the principal owner of Three Brothers
25 Distillery. I would ask the Commission to consider an

1 extension for the distillery's road progress.

2 We had Covid come down, and literally
3 all business stopped for hospitality businesses like
4 mine. I mean, I went from having the best year of my
5 life with the distillery to no people coming.

6 While Covid is nominally over, the
7 ability for my business to grow is still limited. ABC
8 still strains businesses like mine for cases at ABC
9 stores.

10 The glass production, there is no
11 more new demand for glass, but there were shutdowns
12 during glass production. I am just now getting ready
13 to a point where I can buy bottles again to be able to
14 have sales in ABC.

15 I do have a plan to get a road put
16 in. I believe I can get it done in the next 12 to 15
17 months. We did get an extension for 15 months from
18 Virginia Department Farm and Agriculture based on
19 constraints of Covid and business limitations that we
20 had.

21 I would can ask the consideration of
22 the Commission to please grant an extension for at
23 least 12 months to allow us to get the progress on the
24 road completed.

25 Any questions that you may have?

1 CHAIRMAN SHELTON: Any questions from
2 the Commission?

3 (No response.)

4 MR. REAVIS: Thank you again for your
5 consideration.

6 CHAIRMAN SHELTON: Thank you.

7 As we take these one at a time, what
8 is the goal or the Committee's pleasure, as far as the
9 staff recommendation for no further extension?

10 MR. PACE: Mr. Chairman, can we pass
11 this by until after we get the other two extensions
12 dealt with? Can we pass it?

13 CHAIRMAN SHELTON: I suppose we can
14 do that.

15 MR. PACE: Okay. I make a motion to
16 pass this by temporarily.

17 CHAIRMAN SHELTON: I'm not sure we
18 need a motion to pass it, but we can just put this one
19 off and change the order, I guess, and go ahead with
20 the other and we'll come back to this one.

21 Sarah, go ahead with the other two.

22 MS. CAPPS: Sure. The next extension
23 request is from the City of Danville, Grant #3360.
24 This is for the Industrial Shell Building Project.
25 They're requesting a six month extension into the

1 sixth year of the project. The current end date is
2 January 31st, 2023.

3 This is a grant for \$1 million. It
4 is about 35 percent of the \$2.875 million contract for
5 construction of the 30,000 square Shell Building in
6 the City of Danville's Cyber Park.

7 You all did provide an extension last
8 May to the current end date. The construction
9 contract is well underway. The Committee is
10 submitting regular reimbursements. There is a balance
11 of \$507,000 on the Tobacco Commission's Project
12 account.

13 The City has indicated that the most
14 recent delays in the project have been related to the
15 financing process. I don't know the details, but the
16 legal teams associated with the financing institutions
17 required some changes to the contract documents, which
18 delayed the access to the cash and release of funding
19 to support the construction contract.

20 The City is requesting a six month
21 extension through July 31st, 2023. The staff is
22 actually recommending a full final year extension on
23 this. So we would extend it through January 31st,
24 2024. If we give them the full year, we can always
25 close the grant out early. It just builds in an

1 additional buffer in case there is additional delays.

2 Staff is recommending approval of a 1
3 year extension to January 31st, 2024.

4 CHAIRMAN SHELTON: Is there anyone
5 here to speak on behalf of this extension?

6 MS. BOBE: Good afternoon. I'm
7 Corrie Bobe, the Director of Economic Development for
8 the City of Danville.

9 First, I'd like to thank you in
10 advance for your consideration of this final extension
11 request. And thanks to Sarah for all of your help
12 over the years with this particular project, as well
13 as all of the additional grant funds that you provided
14 site and building development. It has really made
15 truly a difference in successes that we had, not only
16 in Danville, but for the entire Southern Virginia
17 region.

18 As indicated through Sarah's report,
19 we have come across several delays this past year. In
20 true Southern Virginia fashion, this project is a
21 regional project. It is located in one of our parks
22 jointly owned between the City of Danville and
23 Pittsylvania County.

24 For the first time, the two
25 localities IDAs are partnering on the construction of

1 this building.

2 We also have a partnership with our
3 financial teams. There are two banks that are
4 partnering and giving a really great interest rate for
5 this project.

6 Unfortunately, with so many parties
7 involved, we have about six different legal teams
8 involved. So that has created quite a few delays in
9 all of the agreements involved in closing on our loan.

10 We are requesting an extension.
11 We've tried to, as best as possible, to meet the
12 deadline of this current extension, through the City
13 of Danville's IDA in fronting funds in order to keep
14 the project moving forward until finally we can close.
15 We are about two months away from completion of the
16 Shell Building. The structure itself is up. The roof
17 has been installed. The bricks for the exterior walls
18 are onsite and ready to be laid.

19 We sincerely hope that you will
20 consider our request for this extension so that we can
21 complete this project. Thank you.

22 CHAIRMAN SHELTON: Any questions from
23 the Commission?

24 (No response.)

25 CHAIRMAN SHELTON: What is the

1 Committee's pleasure?

2 DELEGATE MARSHALL: This Chair has a
3 motion.

4 CHAIRMAN SHELTON: Yes, sir.

5 DELEGATE MARSHALL: I move that we
6 accept the staff recommendation to extend it to
7 January 31st of 2024.

8 DELEGATE ADAMS: Second.

9 CHAIRMAN SHELTON: We have a motion
10 and second from Delegate Marshall and Delegate Adams.
11 Any further discussion?

12 (No response.)

13 CHAIRMAN SHELTON: Hearing none, all
14 those in favor, signify by saying aye.

15 (Response.)

16 CHAIRMAN SHELTON: Any opposed.

17 (No response.)

18 CHAIRMAN SHELTON: That extension
19 request is granted.

20 Sarah, one final one to discuss.

21 MS. CAPPS: Danville-Pittsylvania
22 Regional Industrial Facility is requesting a 6 year
23 extension for Grant #3358. This is the Berry Hill
24 Industrial Park Site Improvement Project with a grant
25 award from January of 2018.

1 The Commission approved an extension
2 and scope revision in January of 2022. The
3 construction of the grading for the 65 acre pad that
4 includes Lots 1 and 2 proceeded at that time.

5 The construction contract is
6 underway, while the majority of the grant funds are
7 still remaining in the project account.

8 The RIFA indicates that the
9 construction, the pad site will require approximately
10 three months to be completed. A full six year
11 extension is requested to provide sufficient time for
12 the remaining work to be completed.

13 There is an edit to the staff
14 recommendation. This is supposed to read -- I'll give
15 you the correction. Staff is recommending approval of
16 a six year extension to January 31st, 2024, not July.

17 CHAIRMAN SHELTON: Is there anyone
18 here that would like to speak to this request?

19 MS. KATTIE SAUNDERS. I'm with
20 Pittsylvania County. I'm the project manager.

21 To start off, I just want to thank
22 y'all for your consideration. We are very, very
23 appreciative and thank you, Sarah for all your hard
24 work on this.

25 This is for a final extension for the

1 70 acre graded pad in Lot 1. The grading project
2 should be completed within the next two to three
3 months. Due to the delay -- The reason that it is
4 taking so long is because, of course because of Covid,
5 which took some time to get the permits, which
6 essentially took longer on the grading. Again, thank
7 you, and we appreciate your consideration.

8 We are happy to answer any questions.
9 CHAIRMAN SHELTON: Any questions from
10 the Commission?

11 (No response.)

12 DELEGATE MARSHALL: I move to accept
13 the staff recommendations for approval of a six year
14 extension to January 31, 2024.

15 DELEGATE ADAMS: Second.

16 CHAIRMAN SHELTON: We have a motion
17 from Delegate Marshall, a second from Delegate Adams.

18 Any further discussion?

19 (No response.)

20 CHAIRMAN SHELTON: Hearing none, all
21 those in favor, signify by saying aye.

22 (Response.)

23 CHAIRMAN SHELTON: Any opposed?

24 (No response.)

25 CHAIRMAN SHELTON: None. That

1 extension is approved.

2 So now, we will move back to the
3 discussion on the Sussex County extension request.

4 Mr. Pace?

5 MR. PACE: Question, Sarah. Dumb
6 question. I apologize. But if we were to grant the
7 extension, that would be for \$6250?

8 MS. CAPPS: I'm sorry. This is for
9 \$6,250.

10 MR. PACE: Yes, if we were to grant
11 the extension.

12 MS. CAPPS: Yes. That would be to
13 allow the \$6,250 grant to remain available.

14 MR. PACE: I have a question for the
15 owner, if possible. It mentions about lawsuits
16 regarding the roadway. Can you go in more detail
17 about the litigation?

18 MR. REAVIS: One of neighbors on the
19 roadway decided that he understands property law
20 better than Virginia does, and is denying the fact
21 that we have a prescriptive easement and the right to
22 assess the road, which is one of the reasons we have
23 been trying to get this road. It's also impacting my
24 ability to have business down the roads currently,
25 which is why I really need this road. Because if I

1 get this road in, I go from being open one day a week
2 to seven days a week or six days a week. And I
3 mitigate all the issues with my neighbor who is -- I
4 mean, I understand his frustration. I mean, I have
5 offered to pay road maintenance. He won't let me pay
6 for road maintenance. But this will mitigate all of
7 that.

8 It also moves the acces of my road
9 from Prince George County into Sussex County, which is
10 where the address of the facility is. That will
11 facilitate both safety, fire and rescue, police being
12 able to get to our property more effectively.

13 When we had to call them in the past,
14 we get both Prince George and Sussex County responding
15 because there is confusion about how to access my
16 property.

17 By operating my facility safely, fire
18 is a risk, as we do store alcohol on the premises.
19 That is a fire hazard. If a fire were to happen, it
20 could take over an hour, like it has in the past, to
21 get emergency services to our facility, that would be
22 not a good thing.

23 MR. PACE: That's all I have. Thank
24 you.

25 CHAIRMAN SHELTON: Someone else want

1 to speak?

2 MR. DOUGLAS: I'm Richard Douglas.
3 I'm the County Administrator in Sussex. I wasn't
4 going to speak on this to the individual.

5 I do want to make a couple points. I
6 can't blame staff for recommending that the grant not
7 be renewed. I'd probably make the same
8 recommendation. However, to the point on the
9 litigation, the reason for the road, that reason is
10 still there.

11 So by terminating the grant, it does
12 not solve the problem. There is an access issue. The
13 road is in terrible shape. There is a dispute with
14 the property owners. That is something that needed to
15 be resolved.

16 I also want to point out that I just
17 got a resolve, you know, Sussex County and our staff
18 for anything was no fault of ours. We relied on the
19 property owner to address and do what he needs to do.
20 We have worked diligently over the last couple years,
21 me and the Deputy County Administrator, tried to move
22 this thing along. Whereas the grant was tied to this
23 and state money expended. But we would like to see
24 closure as much as anyone.

25 We hear from the property owners,

1 mainly on the Prince George side that this be fixed.
2 So there is a lot of expectation that the problem be
3 resolved. I don't see where terminating this grant
4 will solve that problem. We are just going to have to
5 try to resolve it in some other manner.

6 I would recommend that, if you would
7 be willing to consider a one year extension to see if
8 there has been progress made. If there's not, then I
9 would fully understand that the funding be terminated.
10 I would ask that you consider some period of time to
11 allow the property owner to try to resolve and get
12 this project completed.

13 CHAIRMAN SHELTON: What is the
14 status -- As I read this, there is \$6,250 match from
15 Sussex County. Is that still all in play, as if
16 something happened next month?

17 MR. DOUGLAS: I mean, that money was
18 there -- There was state AFID grant money that has
19 already been expended. I don't remember the exact
20 dollar amount, but it has been provided to the
21 company. And I'm not sure of the status. You'd have
22 to ask Mr. Reavis what the status of those dollars
23 are. Those funds are typically given up front. But
24 again, the County would still -- You know, I feel like
25 we are going to have to get involved at some point in

1 some other way to remedy this problem. It is not
2 going to go away.

3 MR. REAVIS: To answer the question,
4 there was \$12,500 given by VDACS that was used to get
5 the survey done and some prep done in the parking lot
6 area, as well as some may think about it was over
7 Covid.

8 There is \$6,250 from the Tobacco
9 Commission, and \$6,250 from Sussex County that's still
10 available. As far as I know, those funds are still
11 committed.

12 CHAIRMAN SHELTON: I guess one final
13 question. Is this Committee's suggestion that the
14 problems that have held this up right now are still
15 not resolved? Is that what I'm --

16 They possibly could be in time coming
17 forward, but right now they are still not resolved; is
18 that correct?

19 MR. REAVIS: No, sir. There is a
20 continue exacerbation of the issue by the question
21 about access to the road.

22 By now getting the road put in, I now
23 have the mean, I am working to get the equipment
24 onsite to do that. Now that we're out of Covid and
25 the state has people can come out and actually deal

1 with the issue of getting road access onto Cabin Point
2 Road, I believe within in next 12 months I will have a
3 road put in.

4 If you can grant me the 12 month
5 extension, I believe in 12 months I will come back to
6 this Commission and inform you that the road is
7 complete.

8 CHAIRMAN SHELTON: But the question
9 I'm asking is, right now, today, if you have equipment
10 onsite in favorable weather next week, you do not have
11 the legalities in place --

12 MR. REAVIS: No, sir. I do have the
13 legalities to put that road in. I have those. I have
14 that legal right. I have an easement going on the
15 other road and all the permissions to do the road. I
16 just need funding and time.

17 There is a different access road that
18 I have legal issues with. It is the only ingress and
19 egress at the moment.

20 MR. DOUGLAS: Just to clarify. The
21 only way to access the property now is from Prince
22 George County. The gravel road turns into a dirt
23 road. That road will not be used. They will access
24 Cabin Point Road in Sussex to more directly access
25 their property. The legal issues, in terms of access

1 via that other road, they can address that in whatever
2 manner they will. It will alleviate them having to
3 use that road.

4 Right now, that is the only way to
5 access the property, for anybody that's coming to the
6 distillery to use that property.

7 They're really two issues that don't
8 necessarily go hand in hand.

9 UNIDENTIFIED SPEAKER: Mr. Chairman,
10 I believe it would be appropriate to ask for
11 clarification. The December letter that we received
12 identified that once they settle the criminal lawsuit
13 that they would then work on filing a civil case to
14 quiet title to get a clear title to the property. I
15 believe we need clarification on whether they have
16 clear title to construct the road.

17 MR. REAVIS: Again, that's two
18 separate issues. We have clear title to put in the
19 road from the path we are going down. The quiet title
20 is under the current existing road to allow us to have
21 business while we are constructing the road. So there
22 are two separate issues.

23 We need quiet title, and we are
24 moving that suit forward. The criminal charges were
25 dismissed, nolle prosequi against myself for trespass.

1 Mr. Steal, the neighbor who is at the issue was found
2 not guilty of tortuous interference with business. We
3 were basically told to file a civil suit to resolve
4 the title on the access on the current road.

5 I have an easement across the
6 property, and the easement on former Jimmy Belsham's
7 property. (Inaudible) that way. That is completely
8 separate from the current issue that I'm having with
9 the neighbor going out to County Line Road, which is
10 limiting my business and is impacting my ability to
11 have cash flow.

12 I'm at a point now, I'm completing a
13 divorce. I gave out a bunch higher pay raise than I
14 did last year. I know have the means and ability to
15 put the road in with this additional grant money. It
16 would resolve title issue on the other road. If
17 that's clear.

18 CHAIRMAN SHELTON: What's the
19 Committee's pleasure?

20 SENATOR. RUFF: Mr. Chairman, I'm not
21 on the Committee, but I would like to weigh in at this
22 point. We have just extended two other big projects.
23 I think it is only fair that when a small business has
24 a problem, such as Covid, which restricted his
25 business pretty significantly, that we ought to

1 consider his needs also.

2 MR. PACE: Mr. Chairman, I'll make a
3 motion here. I'll take a stab at it. I make a motion
4 we grant the fifth year extension for \$6,250.

5 DELEGATE MARSHALL: Second.

6 CHAIRMAN SHELTON: We have a motion
7 from Mr. Pace, and a second from Delegate Marshall.
8 Delegate Marshall made the second.

9 Are we going to put any stipulation
10 in this as the final extension, or we're just going to
11 give it an extension?

12 UNIDENTIFIED SPEAKER: First final
13 extension.

14 MS. CAPPS: They presented those, and
15 they could need 13 to 18 months.

16 CHAIRMAN SHELTON: Okay. So you're
17 good with the details of what --

18 MS. CAPPS: They broke it down for
19 us. If you are only extending it for a year, I don't
20 think it should be binding, since they know that they
21 may need 18 months.

22 CHAIRMAN SHELTON: Fair enough. So
23 we have a motion from Mr. Pace. Second by Delegate
24 Marshall.

25 Any further discussion?

1 (No response.)

2 CHAIRMAN SHELTON: Hearing none, we
3 will proceed to vote.

4 All those in favor of granting this
5 extension, signify by saying aye.

6 (Response.)

7 CHAIRMAN SHELTON: Any opposed?

8 (No response.)

9 CHAIRMAN SHELTON: None. Extension
10 passes. Congratulations, Mr. Reavis.

11 MR. REAVIS: Thank you.

12 CHAIRMAN SHELTON: I hope you have
13 good luck.

14 MR. REAVIS: Please come out and see
15 us and have a drink on me.

16 MR. SHELTON: All right. Sarah, I
17 believe that is all the business you and I have.

18 Andy, any other business that needed
19 to come before this Committee?

20 MR. SORRELL: No other business.

21 CHAIRMAN SHELTON: Any other further
22 general public comment before this Committee at this
23 time.

24 (No response.)

25 CHAIRMAN SHELTON: Hearing none, I

1 would like to thank everyone, while we had a had great
2 amount of participation, a lot more input and extra
3 information. We certainly appreciate that from the
4 public.

5 Hearing no more, we'll call public
6 comment closed, and this Committee is adjourned.
7 Thank you.

8 CONCLUDED

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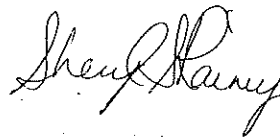
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CERTIFICATE OF THE COURT REPORTER

I, Sheryl Rainey, Certified Court 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 Southern Virginia Committee, when held on Wednesday, January 4, 2023, at 2:00 p.m., at Hampton Inn & Suites, Richmond, Virginia.

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

Given under my hand this 27th day of January, 2023.



Sheryl Rainey

Certified Court Reporter

Notary Public

for the State of Virginia at Large

My Commission expires: April 30, 2026

#260655