

**Virginia Tobacco Region  
Revitalization Commission**

**2024 WINTER  
Committee & Commission  
Two-Day Meetings**

**January 8 – 9, 2024**

**Delta Hotels by Marriott  
Richmond Downtown  
Kanawha Ballroom  
555 East Canal Street  
Richmond, VA**



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Delta Hotels by Marriott Richmond Downtown  
Kanawha Ballroom  
555 East Canal Street, Richmond, Virginia

January 8 - 9, 2024

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# ITINERARY

Virginia Tobacco Region Revitalization Commission  
2024 Winter Committee & Commission Two-Day Meetings  
Delta Hotels by Marriott Richmond Downtown  
Kanawha Ballroom  
555 East Canal Street, Richmond  
January 8 - 9, 2024

## **MONDAY, JANUARY 8, 2024**

### MEETING SITE

DELTA HOTELS BY MARRIOTT RICHMOND DOWNTOWN  
KANAWHA BALLROOM, 555 EAST CANAL STREET, RICHMOND

2:00 P.M. SOUTHWEST VIRGINIA COMMITTEE MEETING

4:00 P.M. SOUTHERN COMMITTEE MEETING

**CHECK- IN TIME: 4:00 P.M.**

6:30 - 9:00 P.M. RECEPTION @ DELTA HOTELS BY MARRIOTT RICHMOND  
DOWNTOWN, CAPITAL ROOM  
555 EAST CANAL STREET, RICHMOND

## **TUESDAY, JANUARY 9, 2024**

### MEETING SITE

DELTA HOTELS BY MARRIOTT RICHMOND DOWNTOWN  
KANAWHA BALLROOM, 555 EAST CANAL STREET, RICHMOND

**7:30 - 8:30 A.M.**

**A FULL BREAKFAST WILL BE SERVED**

9:00 - 10:30 A.M.

INCENTIVES AND LOANS COMMITTEE MEETING

10:30 - 11:00 AM

EXECUTIVE COMMITTEE MEETING

**CHECK- OUT TIME - 1200 P.M.**

11:00 A.M. - 12:00 P.M.

FULL COMMISSION MEETING

11:45 A.M.

LUNCH MENU: PIZZA AND SALAD

*SAFE TRAVEL HOME*

# **SOUTHWEST VIRGINIA COMMITTEE**



▪ *In-Person Meeting* ▪

## AGENDA

### SOUTHWEST VIRGINIA COMMITTEE

**January 8, 2024 - 2:00 P.M.**

**Delta Hotels by Marriott Richmond Downtown**

**Kanawha Ballroom**

**555 East Canal Street, Richmond, VA 23219**

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The public may remotely participate in this meeting by accessing the following dial-in numbers: **1-434-230-0065** (toll) and enter **conference ID: 885 164 502#**.

The Commission will not change the method by which it chooses to meet without providing a new meeting notice that is in accordance with the Va. Freedom of Information Act. If problems are experienced calling in, please contact: **Hannah Franke-Fuller** at (804)-894-9659 or [hfranke-fuller@revitalizeva.org](mailto:hfranke-fuller@revitalizeva.org) or **Joyce Knight** at (804) 894-9651.

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**Welcome and Call to Order**

*The Honorable James "Will" Morefield, Chair*

**Call of the Roll**

*The Honorable James Campos, Acting Executive Director*

**Approval of the 10/12/23 Minutes**

*(published on website)*

**Public Comment**

**Grant Projects**

*Ms. Sara Williams, Southwest Regional Director*

**Extensions and Modifications**

*Ms. Sara Williams, Southwest Regional Director*

**Other Business**

*Mr. Stephen Versen, Deputy Director*

**Adjournment**

**FY24 Southwest Virginia Program  
Staff Summaries and Recommendations  
January 8, 2024**

The Commission received 18 applications by the October 10, 2023, application deadline of the FY24 Southwest Virginia Program. One additional application was invited for a late submission. The applications are grouped below by investment category. The Southwest Virginia Committee will act on these applications at its meeting scheduled for January 8, 2024, at 2:00 pm.

**Agribusiness**

Req #	Organization	Project Title	Requested Amount	Recommended Amount
4190	Appalachian Sustainable Development	ASD Agricultural Campus Site Development Plan	\$39,000	\$29,435
4195	Grayson County	Gold Hill Farm Cidery	\$50,000	\$50,000
4192	Lee County Livestock Association	Forage Production Initiative for Southwest Virginia	\$525,000	\$262,500
4201	Tazewell County IDA	Ponderosa 2	\$100,668	\$100,668

**Business Development**

4193	City of Galax	Project Light Community Center and Business Incubator	\$74,000	\$74,000
4184	Theatre Guild of Buchanan County	Renovations and Improvements at The CAM	\$485,000	\$317,000

**Other Economic Development**

4188	Appalachian Highlands Community Dental Center	Appalachian Highlands Community Dental Center: Clinic Expansion II	\$365,039	\$0
4196	Mount Rogers Regional Partnership	Mount Rogers Regional Site Identification and Evaluation Process	\$140,000	\$140,000

## Sites and Infrastructure

4189	LENOWISCO Planning District Commission	Speculative Data Center Building at Project Intersection	\$656,416	Tabled
4185	LENOWISCO Planning District Commission	20,000 SF Building at Project Intersection	\$800,000	\$800,000
4197	Russell County Industrial Development Authority	Russell County Industrial Complex Due Diligence Project	\$112,750	\$112,750
4200	Scott County Economic Development Authority	Scott Conty Regional Business and Technology Park	\$97,780	\$97,780
4198	Virginia Highlands Airport	Westside Development - Phase II	\$225,000	\$225,000

## Tourism

4191	Birthplace of Country Music	Birthplace of Country Music Museum Expansion: New Core Exhibit Development and Design	\$100,000	\$0
4183	City of Bristol	Bristol Downtown Connector for Mendota Trail - Feasibility Study	\$70,000	\$0
4187	Friends of Southwest Virginia	Gateways to Southwest Virginia: An Outdoor Economy Recreation Plan	\$100,000	\$55,000
4194	Scott County Economic Development Authority	Carter Fold 50th Anniversary Celebration	\$80,000	\$80,000
4186	Southwest Regional Recreation Authority	Southwest Regional Recreation Authority Multi- State Economic Impact and Marketing Initiative	Withdrawn	Withdrawn
4199	Virginia's Heritage Music Trail: The Crooked Road	The Crooked Road: Musical Milestones	\$30,000	\$30,000
<b>Total (19 requests)</b>			<b>\$4,050,653</b>	<b>\$2,374,133</b>

## Agribusiness

### Appalachian Sustainable Development *ASD Agricultural Campus Site Development Plan (#4190)* \$39,000.00 Requested

**Project Summary:** Commission funds are requested to support planning activities related to the development of an agricultural campus to be located in Bristol, VA. ASD purchased the 17+ acre property in September 2022 and plans to develop a multifaceted facility to serve agricultural needs across the Southwest VA region. The campus will include a 10,000 square-foot business development hub, 8,000 square-foot food hub, multiple innovative agriculture demonstration sites, greenhouses, nurseries, etc. It will also provide space for agriculture-related workforce development and training. Commission funds will be used for contractual services for architectural and engineering services to include the development of preliminary engineering and architectural reports, detailed cost estimates, and an operating plan and financial information. The application also requests support for existing personnel (CEO, Marketing Lead, and Dir. Of Communications and Development), travel, and supplies.

#### **Matching Funds:**

- \$14,000 - National Association of State Departments of Agriculture (approved)
- \$25,000 - Go Virginia (application intended)

#### **Project Outputs:**

- Key planning tasks will be accomplished resulting in the following:
  - Phase 1 Environmental Site Assessment; Preliminary Engineering and Architectural Report
  - Line-Item Detailed Budget for construction and facility operation
  - Operating Budget and Pro Forma; Detailed Equipment List and Equipment Quotes
  - Feasibility Study (food hub) and Economic Impact Study
  - Operating Plan / Marketing Plan

#### **Staff Comments:**

The planning support requested in this application will allow ASD to develop key documents necessary to begin to fundraise the estimated \$12M of funding required for construction of the campus. The applicant plans to develop the campus in phases and will use the deliverables of this application to guide appropriate next steps. This is a reasonable approach to developing a multifaceted facility that will be used for a variety of agricultural purposes. The application indicates that a future application will likely be submitted to the Commission for assistance with the implementation phase. While there are elements of the project that may be appropriate for TRRC's investment priorities, support for this planning phase should not be seen as a guarantee of future funding.

Commission support for planning activities is generally limited to no more than 50% of third-party contractual expenses. For this reason, only \$29,435 of the total \$39,000 request should be recommended for approval. The funds requested for partial support of the three existing positions



(\$7,815) and for supplies and materials (\$1750) are not appropriate uses of TRRC funds. The Commission's Funding Policies are clear that expenses, such as salaries, already included in an organization's operating budget can only be submitted as in-kind match. They are not eligible for reimbursement.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates a clear model and timeline for implementation of this planning project. The project's budget is well-detailed but needed to be right-sized to cover only eligible expenses as dictated by TRRC funding policies. The project has one commitment of match for \$14,000 from NASDA and will apply to the GoVA program for the remainder needed. As such, we add a contingency to secure the full match to qualify for the total award.

***Staff Recommendation:*** Staff recommends an award of \$29,435 for 50% of third-party contractual expenses, contingent on securing full matching funds for the project.

**Grayson County**  
***Gold Hill Farm Cidery (#4195)***  
**\$50,000.00 Requested**

***Project Summary:*** Funding is requested to assist Gold Hill Farm Cidery with equipment required to establish a cider production facility in Grayson County. The facility will process fruit from the owner's farm and will also purchase fruit from region-based growers. Commission funds will reimburse 25% of the cost to purchase critical equipment such as an apple press, tanks, pumps, cold storage, forklift, tractor, etc.

***Matching Funds:***

- \$77,900 – Private Funds (owner)
- \$50,000 – Potential AFID Infrastructure grant (application intended)
- \$50,000 – USDA Cold Storage Loan Program (application intended)

***Project Outputs:***

- 10 new producers will utilize the facility.
- An average of \$11,200 of new annual direct sales revenues will be earned by producers.
- The facility will increase its annual sales revenue from \$93,000 to \$130,000 (\$37,000 increase).

***Staff Comments:***

Under the Commission's current agribusiness investment category, privately-owned value-added processing facilities such as this cidery, are eligible to receive funding to support 25% of total equipment purchases. Although the owner of Gold Hill Farm Cidery has produced cider for several years, a permanent location in Grayson County will allow the business to expand operations. Fruit will be purchased from a variety of producers including small hobby growers, generational small family orchards, and larger orchard operations in the area. Small producers supplying 4-8 bins of apples per season (40-80 bushels) will earn an annual revenue of \$2,800-\$5,600 per producer. While

this is a modest return, it provides supplemental income for sellers who may not currently be selling their fruit. Larger orchard operations that supply 20 or more bins of fruit will earn revenues of \$14,000 or more.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates a positive cost benefit supporting the manufacturing of an agricultural product that is growing in popularity. The venture also provides an additional market for apple growers in the region. The project's budget is detailed, equipment quotes are documented, and the company proprietor is well-experienced in cider manufacturing. The applicant provides evidence of a match commitment from the owner's private funds but will need to secure the remaining match to receive the full award. A third-party agreement will also be necessary to establish performance expectations to substantiate the financial commitment that will be provided.

***Staff Recommendation:*** Staff recommends an award of \$50,000 to support up to 25% of approved equipment purchases; contingent on executive director's approval of final third-party performance agreement.

## Lee County Livestock Association

### ***Forage Production Initiative for Southwest Virginia (#4192)***

**\$525,000.00 Requested**

***Project Summary:*** Commission support is requested to conduct a cost-share program to serve farmers in Lee, Scott, Wise, Dickenson, Buchanan, Russell, Tazewell, Washington, Smyth, Wythe, Grayson, Carroll, and Bland Counties. The proposed program will assist participants with the purchase of eligible forage production equipment such as no-till drills, fertilizer spreaders, hay wrappers, testing equipment, etc. Additionally, the application will provide reimbursement for hay storage and permanent and temporary fencing. These programs will result in improved forage quality and storage capability for regional producers. Cost share payments will be limited to 33% of eligible expenses up to a maximum \$10,000 payment. The budget also requests \$5,000 for program administration expenses (tax form preparation, postage, and workshop supplies).

***Matching Funds:***

- \$10,000 – Virginia Cooperative Extension (in-kind representing agent's time administering program)
- \$1,575,757 – Program participant contribution (66% of purchases)

***Project Outputs:***

- A minimum of 52 producers will be served by the program.
- \$7,000 average new revenue per participant

***Staff Comments:***

The Commission has funded multiple agricultural cost share programs over the years including those that provided reimbursement for many of the elements included in the scope of the current application. Despite this, there continues to be a need for producers to make improvements to their practices to allow for greater efficiencies and to increase farm revenues. When evaluating past cost share applications, Staff has always worked to ensure equality across similar programs that may be underway in other parts of the region. Whenever possible, reimbursement limits for similar activities/programs are maintained. The guidelines for both the SWVA Program and the Southern VA programs limit reimbursement for cost share programs to 33%. The maximum reimbursement amount is dependent upon the program and generally reflects the cost of the eligible purchases. The program presented in this application has proposed a cost share limit of \$10,000. A similar program, currently underway in the Southern region, limits cost share reimbursement to \$5,000. A recently closed grant supporting cost share for forage production equipment in the SW region limited reimbursement to \$2,000 per participant. The approval of this application with the proposed \$10,000 limit would create a significant inequality between opportunities in each region. Similarly, the Commission has declined previous requests to support cost share for fencing. The basis for these funding recommendations has centered around the potential for duplication with other cost share programs administered by other funding agencies such as DCR and USDA. Despite this history, the scope of the proposed program is focused on improving forage quality to increase grazing days resulting in better outcomes for producers. The application estimates that a farmer who increases grazing by 60 days and increases hay storage is approximately \$15,000 annually. These methods require fencing improvements to allow for rotational grazing. A draft of the cost share program guidelines includes a requirement that fencing must be used to promote forage utilization and growth. A plan for the use of the fencing must be approved by the local Extension Office. This requirement helps to address previous concerns about overlap with other programs.

It is often difficult to estimate the popularity of new cost share programs. Previous cost share grants have closed with substantial balances remaining. Conversely, other programs have proven to be extremely popular and have quickly obligated all available funds resulting in a waitlist documenting ongoing interest. To manage the uncertainty of actual demand, and to avoid unnecessarily obligating this Committee's limited funds, previous awards have been made for a reduced amount. This award, generally half of the original request, allows the program to gauge interest. Once the initial award is fully obligated, and if there is a waitlist of potential applicants, a subsequent application may be submitted for additional funding. This approach appears to be suitable for this application.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates that it is highly achievable. Staff recommendations reflect a right-sizing of the project budget to stay in line with TRRC precedent, bringing the maximum payment down to \$5,000 per participant. These farmers are leveraging their own funds against this cost-share program at a rate higher than 50%. This project provides excellent benefit for the cost.

***Staff Recommendation:*** Staff recommends an award of \$262,500 to support cost share payments for 33% of total expenditures up to a \$5,000 limit for each participant.

**Tazewell County IDA**  
***Ponderosa 2 (#4201)***  
**\$100,668 Requested**

***Project Summary:*** Commission funds will be used to assist Blue Ridge Butchery, the operator of the soon to be constructed Tazewell County meat processing facility. Blue Ridge Butchery will lease the facility from Tazewell County through an agreement that requires the business to equip the facility. At this time equipment purchases are expected to total \$402,672. The proposed grant funds will reimburse 25% of this amount (\$100,668).

***Matching Funds:***

- \$302,004 – Blue Ridge Butchery (private financing)

***Project Outputs:***

- A new USDA inspected meat processing facility will be established.

***Staff Comments:***

This application was submitted after the program's October 10 deadline at the invitation of the SWVA Committee during the October 11<sup>th</sup> meeting. At this same meeting, the Committee recommended an award of \$979,000 to support 50% of the County's cost to construct the facility. The project, a public/private partnership, will result in the establishment of a new meat processing facility in Tazewell County. The 7500 SF facility will contain two processing lines and will process beef, pork, lamb, and chicken. This partnership is a unique and creative solution to increasing processing capacity in the region.

During review of the previous application, Staff noted concerns related to Blue Ridge Butchery's financial obligation to the project. In addition to equipping the facility the operator will also be responsible for all operating expenses. Although there is little doubt that the facility will quickly establish a strong customer base due to the enormous demand for additional processing capacity, the financial information provided with the application indicated that operating capital will likely be an issue during the first year.

The RFP for this program can support the establishment of both publicly/non-profit owned, as well as privately-owned, value-added processing facilities. Publicly owned facilities are eligible for grants of up to 50% of capital (facility and equipment) expenses. Support for privately owned facilities is limited to 25% of equipment purchases. The application approved in October supported only Tazewell's portion of the project. The current application presents an opportunity for the Commission to assist the private operator by reducing its start-up operating costs. Both the Commission and Tazewell County have a vested interest in the success of Blue Ridge Butchery. To further support the business's launch, Tazewell has agreed to waive lease payments for the first 6 months of operation. These efforts will help ensure that the business begins operations in a stronger financial position.

***Financial Viability Assessment:***

A review of key viability criteria indicates that this project involves reliable, bonafide partners with the capacity and expertise to complete and sustain the project. The project lowers the start-up costs for Blue Ridge Butchery as they get this high-demand, desperately needed facility off the ground, which will help them achieve additional potential for sustainability. A draft third-party agreement

was included with the proposal to establish expectations for performance. It is anticipated that Blue Ridge Butchery will see high demand for its services, however, they must remain cognizant of potential need for working capital/gap financing.

**Staff Recommendation:** Staff recommends an award of up to \$100,668 to support 25% of equipment purchases; contingent on securing the necessary matching funds, and the TRRC executive director's approval of a final third-party performance agreement.

## Business Development

City of Galax

***Project Light Community Center and Business Incubator (#4193)***

**\$74,000.00 Requested**

**Project Summary:** The funding requested in this application will support last dollar expenses associated with the redevelopment of vacant, blighted, building located in downtown Galax. Once complete, this multipurpose facility will contain 10 incubator office spaces to support the development of new small businesses. The building will also contain a commercial kitchen and conference space which will be available for users to rent on an as needed basis. Although the Galax IDA will own the building, it will be leased to God's Storehouse Soup Kitchen. This non-profit organization will utilize the kitchen to provide meals to food insecure residents in the area. The community center will also provide space for literacy education, addiction recovery, and recovery to work training services. Commission funds will be used for property improvements including window replacement and parking/ sidewalk improvements.

**Matching Funds:**

- \$500,000 – Appalachian Region Commission (approved)
- \$1,000,000 – DHCD Industrial Revitalization Fund (approved)
- \$339,270 – City of Galax/ Galax Industrial Development Authority (approved)
- \$60,000 – USDA Rural Development (application pending)

**Project Outputs:**

- Creation of 9315 sq. ft. multipurpose space with commercial kitchen, dining facilities, and 10 business incubator spaces.
- 16 new businesses will utilize the facility.
- 4 new jobs will be created with an average wage of \$20/hour.

**Staff Comments:**

This request provides last dollar support for the otherwise fully funded project. The window replacement and sidewalk and parking lot improvements were removed from the project when construction bids were returned over budget. A contract for the approximately \$2M project has been signed with construction scheduled to begin in late 2023. If the project proceeds on schedule it will be completed in eight months. Although the soup kitchen, addiction, and recovery services, etc. are not priority funding areas for the Commission, the creation of new incubator space aligns well

with this program's Business Development investment category. The application provided excellent documentation of the demand for additional incubator space in the Galax area. Other facilities, such as the Crossroads Institute, are at capacity and unable to accommodate additional businesses. The application also provided letters from several potential businesses who are interested in using the newly created space.

The applicant recently contacted Staff about a potential change in scope for the application. Sections of the building's rooms need repair. These repairs are of higher priority to the overall project compared to the window replacement and sidewalk and paving improvements. Staff do not have a particular preference for the use of Commission funds since it contributes to the rehabilitation of the overall property.

***Financial Viability Assessment:***

A review of key financial viability assessment criteria indicates a modest request to complete a capital project that will result in business development opportunities for the community. The project's budget is detailed, reasonable, appropriately scaled to the project, and provides for sufficient capacity to implement this demonstration program. In addition, the project has over 50% match committed at the time of application. The outcomes represent a good financial investment in terms of projected cost benefit.

While the City of Galax is the applicant, it was discovered during the viability review that the potential lessee of the IDA-owned building is pending inactive/not in good standing with the State Corporation Commission, which could adversely affect the lessee's ability to conduct business in the future if not remedied.

***Staff Recommendation:*** Staff recommends an award of \$74,000 to support property improvements for Project Light conditioned upon the Grant's Director's approval of a final project scope identifying the use of Commission funds, and God's Storehouse Soup Kitchen achieving good standing with the State Corporation Commission.

**Theatre Guild of Buchanan County**  
***Renovations and Improvements at The CAM (#4184)***  
**\$485,000.00 Requested**

***Project Summary:***

Commission funds are requested for property improvements to the Community Arts Mainstage (CAM) Theater in Grundy, VA. The grant will help The CAM continue to develop into a fully functioning community theater and multi-purpose venue. The Theatre, which opened in 2021, is located in a former industrial building.

***Matching Funds:***

- \$79,000 – Joe Gary Street (building donation – in-kind)
- \$188,000 – USDA Community Facilities grant (approved)
- \$15,000 – Buchanan County Board of Supervisors (approved)
- \$35,000 – Theatre Guild of Buchanan County, Inc. (approved)

***Project Outputs:***

- Unduplicated attendance will increase from 138 to 295 (157 new)
- Annual direct revenue will increase from \$81,911 to \$119,677 (\$89,000 new visitor spending in the area)
- 3 new jobs will be created.

***Staff Comments:***

The Theatre's impact on the Town of Grundy and surrounding areas is well documented in the application. Numerous letters of support from nearby businesses were provided, each describing how the Theatre has positively impacted their operations. These ranged from vendors such as food trucks and caterers that have provided dining opportunities for CAM visitors to local merchants who have provided goods and services to the CAM. These letters are evidence of the project's ability to serve as a catalyst for continued growth for the Grundy community. The marketing plan provided with the application includes a section focused on targeting tourists visiting the area's ATV trails. A letter of support provided by Southern Gap Outdoor Adventure describes a plan to partner with the CAM to offer discounted tickets and ticket packages to customers. This creative partnership will allow the Theatre, and its associated small businesses, to capture visitor spending. The number of tourism businesses in Buchanan County is expected to double over the next three years, creating additional opportunities for partnerships.

The Theatre, which opened in 2021, is located in a former industrial building. The building was purchased by a private owner for the purpose of establishing the CAM. Since 2021 multiple capital improvement projects, totaling \$257,739, have been completed. The building, which was recently appraised for \$246,000, has been donated to the CAM and is included in the application's matching funds. Because of the Commission's limits on in-kind match (no more than 25% of the total match can be in-kind) only a portion of this amount can be allowed. A revised budget submitted during the review process lists \$238,000 of acceptable cash match. These funds will be combined with the TRRC grant to support building renovation and equipment costs. The maximum amount of in-kind match allowed for the project is \$79,000 resulting in a maximum TRRC award recommendation of \$317,000.

***Financial Viability Assessment:***

A review of key viability criteria for this project revealed a well-designed proposal with the potential for drawing additional customers and investments into this small community. The project's budget is adequately detailed and documented by current quotes. It did, however, need to be right sized to limit the in-kind match percentage to 25% as dictated by TRRC funding policies. Match for the project was fully committed at time of proposal. The organization has sufficient expertise, capacity and resources to carry out the project, and the staff feels assured of its viability.

***Staff Recommendation:*** Staff recommends an award of \$317,000.

## Other Economic Development

### Appalachian Highlands Community Dental Center (#4188)

#### *Appalachian Highlands Community Dental Center: Clinic Expansion II*

~~\$365,039.00 Requested~~

\$178,070 Amended Request

**Project Summary:** Commission support is requested to facilitate the purchase of an Ivoclar Dry Milling System (PrograMill® PM7) used to digitally produce dentures and dental veneers at a cost of \$20 per run. Currently these items cost \$200 per run to produce. The equipment is included in the scope of the approximately \$1.2M Clinic Expansion Phase II construction project. The Clinic has treated more than 13,000 uninsured and underinsured dental patients in Southwest Virginia since it opened in 2020.

#### **Matching Funds:**

- \$75,000 - Skewes Family Foundation (approved)
- \$100,000 – Thompson Charitable Trust (approved)
- \$3,070 – BF Foundation

#### **Project Outputs:**

- 14,000 patient appointment will be provided annually (5,300 increase)
- 10 dental residents will be based at the facility (increase of 5)

#### **Staff Comments:**

The original budget requested 100% support for the Ivoclar equipment. The grant was to be matched with funding for constructing an expansion to the facility. Construction is now complete. Commission policy requires that matching funds be spent concurrently with TRRC funds, within the approved grant period. For this reason, the funds used to complete construction are not eligible to match this request. As a result, the applicant submitted a modified budget amending the request to 50% of the equipment cost.

While the amended budget allows the application to meet the Commission's 1:1 match requirement, the scope of the project is outside the stated investment strategies of this program. The primary objective of the project is to offer additional dental services to the region. While this is certainly a worthy, and much needed, objective it does not align with the Commission's Strategic Plan which requires that economic development projects result in the creation of new jobs and additional capital investment. The applicant was able to provide anecdotal evidence that, upon completion of their residency, dental residents have remained in the region. Of the first fifteen dental resident graduates, two remained in the region. Three of the current classes' seven residents have been interviewed locally. While this is a positive result for a region that desperately needs additional dental care providers, the application did not provide tangible documentation that recruitment is a focus of the project or that these dentists would not have located in the region regardless of their residency. The proposed use of Commission funds does not directly result in the recruitment of new dentists to the region although an indirect link between the residencies and recruitment may exist. Ultimately this



application does not align with this program's objectives and Staff is unable to provide a positive funding recommendation.

***Financial Viability Assessment:***

A review of key viability criteria for this project reveals that the budget is clearly described and sources for 50% match are identified, and the deliverables of the project are achievable. However, it is the staff's opinion that the outcomes defined for this proposal will not provide an adequate return on investment for Commission funds in terms of achieving economic development objectives.

***Staff Recommendation:*** Staff recommends no award.

**Mount Rogers Regional Partnership**

***Mount Rogers Regional Site Identification and Evaluation Process (#4196)***

**\$140,000.00 Requested.**

***Project Summary:*** Mount Rogers Regional Partnership requests funding to support a regional site study to identify properties that are suitable for future economic development. The study will focus primarily on large sites of 100 acres or larger. Developable sites of this size are very limited in SWVA region. The study will examine locations in the MRRP's service area (Bland, Carroll, Grayson, Smyth, Wythe Counties and the City of Galax). Ten developable sites will be identified at the conclusion of the study.

***Matching Funds:***

- \$140,000 - GOVA (pending)
- \$49,250 – MRRP staff contributions (in-kind)

***Project Outputs:***

- Regional site study will be completed.
- 10 potential sites will be identified.

***Staff Comments:***

The lack of large, developable, industrial sites throughout the region is a well-documented issue. The MRRP service region is fortunate to have three industrial parks with available sites (Wildwood Commerce Park, Progress Park, and Wildwood). These parks are strategically located and provide excellent access to utilities and transportation systems. As a result, each receives significant interest from prospects. Once these sites are occupied, the MRRP region will lack site inventory and will be limited in its ability to continue to attract industries to the region. Large sites of this scale are often very difficult to develop in SWVA due to topographic constraints. Although the proposed site study will focus on identifying ten large sites of at least 100 acres it is possible that smaller sites may also need to be considered. The application states that the study will include input from utility partners, local representatives, VEDP and other economic development organizations.

This application provides a logical approach to developing new industrial sites within the MRRP service region. Due to the popularity of the existing properties, it is important that the study proceeds in a timely manner. The project team plans to issue an RFP for consulting services in January and hope to complete the selection process the following month. The study will be complete within 12 months.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates a clear model and timeline for implementation of this planning project. The project's budget is well-detailed and backed up by current quotes. The applicant has an application pending with the GoVA program for the 1:1 match. As such, we add a contingency to secure the full match to qualify for the total award. It is the staff's estimation that this project is viable and an effective use of Commission funds.

***Staff Recommendation:*** Staff recommends an award of \$140,000 to support 50% of the cost of a regional site study, contingent on securing full matching funds for the project.

## Sites and Infrastructure

### LENOWISCO Planning District Commission

#### *Speculative Data Center Building at Project Intersection (#4189)*

**\$656,416.00 Requested**

**Project Summary:** Commission support is requested to construct a shell building designed to support a data center operation at Project Intersection. This property is owned by the Lonesome Pine Regional Industrial Facilities Authority (LPRIFA) which includes Lee, Wise, Scott, and Dickenson Counties and the City of Norton. The proposed 40,000 SF “Spec Data Center Building” will allow regional economic development staff to offer data center prospects an option for quick occupancy and avoid the longer development times that may be a factor at competing sites.

#### **Matching Funds:**

- \$1,200,000 – Virginia Energy Abandoned Mine Land Economic Revitalization Program (AMLER) – application filed.

#### **Project Outputs:**

- A 20,000 SF building will be constructed on Pad 1B.

#### **Staff Comments:**

This request, to support the construction of a shell building on Pad 1B, will utilize site development work proposed under another application (#4185) also submitted to this funding round. Although the building will be constructed to meet the needs of data center prospects, the design and level of build out will also provide flexibility to serve a light manufacturing user. Because of the lack of available properties in the region it is probable that, if constructed, this building will successfully be marketed to prospects. During review of the application Staff learned that a decision for the AMLER funding is likely several months away. In addition to providing the majority of funding for this project, the AMLER grant will also be used for engineering and NEPA (National Environmental Protection Act) review expenses. These activities will be required early in the process before construction can begin. For this reason, it would be premature to commit Commission funds at this time. A more appropriate approach is to table this application so that it can be acted upon once a decision on the AMLER funding is available.

#### **Financial Viability Assessment:**

A review of key viability criteria for this project reveals a well-defined budget and plan for developing a speculative building in Southwest Virginia targeted for data centers. The Commission has not supported this kind of speculative building in the past, but if prospects could be identified, that would reduce the risk associated with the project. The project’s budget is supported by a current cost estimate; however, the project hinges on securing the AMLER funding needed for the preliminary engineering work. It is the staff’s estimation that it is too early in the process to determine the viability of this project.

**Staff Recommendation:** Staff recommends that this request be tabled.

**LENOWISCO Planning District Commission**  
**20,000 SF Building at Project Intersection (#4185)**  
**\$800,000.00 Requested**

**Project Summary:** Funding is requested to support the development of a 20,000 SF building on Pad 1A in the Project Intersection regional industrial park in Norton, VA. The PDC has submitted the application on behalf of the Lonesome Pine Regional Industrial Development Authority, the owner of the site. The proposed building is required to meet the needs of a prospective light manufacturing business that has expressed interest in locating at Project Intersection. Commission funds will be used for site development expenses including final site grading, asphalt, and concrete. The site development completed as a result of this project will also support future expansion on Pad 1B to accommodate an additional 40,000 SF building.

**Matching Funds:**

- \$3,160,000 – Virginia Coalfield Economic Development Authority loan (approved)

**Project Outputs:**

- Site Development, including the construction of an access road and other infrastructure, will be completed for Pad1 to serve Pad 1A and 1B.
- A 20,000 SF building will be constructed on Pad 1A. A second \$40,000 SF future building can also be accommodated on this site on Pad 1B.
- A current prospect will locate to the site resulting in the creation of a minimum of 60 jobs with an average salary of \$53,458. The project will result in \$3,650,000 of new private capital investment.

**Staff Comments:**

The development of a building on Pad 1A is critical to the successful recruitment of a current prospect to the site. A \$3,160,000 VCEDA loan has been approved and will be used for site development, building construction, and A&E fees related to site development and construction. During review of this application, Staff questioned why other state funds, such as the VDOT Access Road Program were not included in the budget. The application stated that the timeline for the VDOT funding would exceed the prospect's requirement to have the building ready for occupancy no later than January 2025. The funds requested in this application represent the final piece of project funding that, if approved, will allow site development and construction to proceed immediately.

**Financial Viability Assessment:**

A review of key viability criteria for this project indicates an ambitious implementation plan and timeline to land an identified imminent prospect. The project's budget is appropriately scaled and supported by a current estimate. The organization has sufficient capacity to carry out the project. The County has 50% matching funds pending at time of application. It is the staff's assessment that the project is financially viable and a sound investment for the Commission if full matching funds for the project can be secured.

**Staff Recommendation:** Staff recommends an award of \$800,000, contingent upon acquisition of full matching funds to support the project.

**Russell County Industrial Development Authority**  
***Russell County Industrial Complex Due Diligence Project (#4197)***  
**\$112,750.00 Requested**

***Project Summary:*** Commission support is requested for 50% of due diligence and design costs for the Russell County Industrial Complex. An application will be submitted to VEDP's Virginia Business Ready Site Program for matching funds. VEDP's Site Characterization Program currently classifies the site as Tier 2. Completion of due diligence will result in reclassification to Tier 3.

***Matching Funds:***

- \$112,750 – VEDP Virginia Business Ready Sites Program (application intended)

***Project Outputs:***

- Reclassification of site to Tier 3
- Completion of Due Diligence Report to include preliminary geotechnical exploration & report; topographic survey; phase 1 environmental site assessment; WOUS delineation & determination; cultural resources review; threatened & endangered species review; preliminary engineering study/master plan; and flood study and letter of map change.

***Staff Comments:***

This is a reasonable request for due diligence work for one of the largest industrial sites in the SWVA region. The Commission has supported similar costs for numerous other sites in the region. This program requires that projects that support the development of industrial sites must result in an increase in the site's Tier classification. That requirement will be accomplished as a result of the completion of the Due Diligence Report which will allow the site to increase from Tier 2 to Tier 3.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates a positive cost benefit supporting a high priority site for the region. The project's budget is detailed, reasonable, appropriately scaled to the project, and provides for sufficient capacity to carry out the planned work. The applicant intends to make a request to the VEDP's VBRSP program for the 50% match commitment. It is the staff's assessment that the project is financially viable and a sound investment for the Commission if full matching funds for the project can be secured.

***Staff Recommendation:*** Staff recommends an award of \$112,750 for 50% of contractual expenses, contingent upon acquisition of full matching funds to support the project.

**Scott County Economic Development Authority**  
**Scott County Regional Business and Technology Park (#4200)**  
**\$97,780.00 Requested**

**Project Summary:** Funding is requested for 50% of due diligence costs for the Scott County Regional Business and Technology Park. This 64-acre site, located in Duffield, VA, is currently classified as Tier 2 according to VEDP's Site Characterization. Completion of due diligence will allow the site to advance to Tier 4+.

**Matching Funds:**

- \$97,780 – VEDP Virginia Business Ready Sites Program (application intended)

**Project Outputs:**

- Reclassification of site to Tier 4+
- Completion of due diligence activities to include surveying and engineering services (Boundary Survey, Topographic Survey, Phase 1 Environmental Site Assessment, Waters of the US delineation, Threatened and Endangered Species review, Preliminary Geotechnical report, and a Preliminary Engineering Report.

**Staff Comments:**

This request is similar to several others that have been supported by the Commission. These grants typically reimburse 50% of the contractual services related to the due diligence activities. The Completion of due diligence is a relatively low-cost activity that allows existing industrial sites to advance their VEDP Tier ranking. This particular site will advance to Tier 4+.

**Financial Viability Assessment:**

A review of key viability criteria for this project reveals a detailed and reasonable budget documented by a current quote. It is appropriately scaled to the project and provides for sufficient capacity to carry out the planned work. The applicant intends to make a request to the VEDP's VBRSP program for the 50% match commitment. It is the staff's assessment that the project is financially viable and a sound investment for the Commission if full matching funds for the project can be secured.

**Staff Recommendation:** Staff recommends an award of \$97,870 for 50% of contractual expenses, contingent upon acquisition of full matching funds to support the project.

**Virginia Highlands Airport  
Westside Development - Phase II (#4198)  
\$225,000.00 Requested**

**Project Summary:** Commission funds are requested to support engineering design services related to an expansion project for the airport. Additional taxiways and hangars, large enough to accommodate large business and corporate aircraft, are needed. Commission funds will be used to support 50% of the cost of design services including, surveying, geotechnical investigation, drainage design, pavement design, erosion and sediment control design, lighting and electrical design construction phasing, and review agency coordination. This information will be used to prepare construction documents needed to bid the construction phase of the project.

**Matching Funds:**

- \$225,000 – Washington County (approved)

**Project Outputs:**

- Design services will be completed resulting in construction documents including project plans and specifications.

**Staff Comments:**

Although the Commission has historically listed airports under its “low priority” funding category, one previous award (\$300,000) was approved in 2015 to support a runway extension at VJI (Virginia Highlands Airport). This request will support the engineering/ design phase of the project which is a critical first step that must be completed before the larger, more expensive, construction phase can begin. The current Westside Expansion project is estimated to cost ~\$10M to construct.

The application notes that the airport has experienced significant growth over the past 20 years and has received \$45M in investments over the past decade. It serves a critical role for the local business community. There are currently 67 aircraft based at the airport. This includes 8 jets which contribute \$371,000 in annual property tax revenue for the County. The proposed expansion will increase the availability of large hangar sites for business and corporate aircraft which, in turn, increases the economic impact of the airport for Washington County and the surrounding region. Each new corporate aircraft generates a minimum of \$120,000 in annual sales revenue and \$50,000 in annual property tax revenue. Current users may decide to upgrade to larger aircraft which will also result in increased tax revenue and fuel sales. These are impressive figures that document the Airport’s important role in meeting a supportive, but critical, infrastructure need for regional businesses and industries.

**Financial Viability Assessment:**

A review of key viability criteria for this project reveals a detailed and reasonable budget documented by a current quote. It provides for sufficient capacity to carry out the design and planning work. The applicant has fully committed matching funds in hand. It is the staff’s assessment that the project is financially viable and a sound investment for the Commission.

**Staff Recommendation:** Staff recommends an award of \$225,000 to support 50% of contracted design services.

## Tourism

### Birthplace of Country Music (#4191)

#### *Birthplace of Country Music Museum Expansion: New Core Exhibit*

#### *Development and Design*

**\$100,000.00 Requested**

**Project Summary:** Commission funds are requested to support the content development and design of the new core exhibit to be installed in the Birthplace of Country Music Museum Expansion. The expansion will increase the size of the overall museum property to 41,000 SF and will add 3,000 SF of new core exhibit space. BCM will contract with Hillmann & Carr for the design phase (\$190,000). An additional \$35,000 will be spent on content development including stipends and travel for members working on the project. In January 2023, the project received a \$500,000 award from the Commission for renovation of the expansion.

#### **Matching Funds:**

- \$50,000 – Genan Foundation (approved)
- \$75,000 -- Virginia Museum (application filed)

#### **Project Outputs:**

- Core exhibit design will be completed.

#### **Staff Comments:**

Since 2004 the Commission has provided nearly \$4.6M to support the development of the Birthplace of Country Music Museum. The majority of this amount (\$4.1 M) assisted with the establishment and construction of the existing Museum space. Over the past 10 years the Museum has attracted thousands of visitors, including an impressive total of guests from national and international markets. The expansion of the Museum will ensure that visitors continue to experience compelling and engaging content through the addition of new exhibits. The current total project cost, including exhibits, is approximately \$4.3M. Several private foundations have committed funding for the project and approximately \$3M of Historic Tax Credits and New Market Tax Credits will be used for renovation activities. A portion of the tax credits are still pending.

The design of exhibits appears to be a logical next step and is necessary to move the project forward. The application notes it is important to complete exhibit design to ensure the exhibit space is built out with the appropriate infrastructure to support the design. The application estimates that exhibit development and design will take a year to complete.

The \$500,000 grant approved a year ago is evidence of the Commission's strong support for the expansion project and is a significant award given this Committee's limited funds. It appears that the 2023 grant, approved for renovation expenses, may not be utilized for quite some time. Commission grants are intended to be spent within three years of the award date. Because the timeframe for spending the existing award is unclear, the most suitable approach is to allow BCMM to repurpose up to \$100K of the existing award for exhibit design. This will allow the project to move forward in a tangible way within the approved grant period.



***Financial Viability Assessment:***

A review of key viability criteria for this project indicates a well-designed implementation plan and timeline for implementation for a key regional tourism asset. The project's budget is supported by a current estimate. Half of the required 50% matching funds are in hand, and an application for the remainder has been filed with another granting organization. While this situation would normally result in a positive financial viability assessment, we are also considering that the applicant has a recent award that is still unspent after one year. It is the staff's assessment that a more viable approach to completing the project would be to repurpose a portion of the existing award to ensure timely usage of the applicant's current Commission award.

***Staff Recommendation:*** Staff recommends no award.

**City of Bristol**

***Bristol Downtown Connector for Mendota Trail - Feasibility Study (#4183)***

**\$70,000.00 Requested**

***Project Summary:*** Funding is requested to support approximately 50% of the cost of a Feasibility Study for the Bristol Connector project which will connect the Mendota Trail to Downtown Bristol. The study is expected to identify existing conditions and to provide a phasing/ funding strategy for implantation, develop connector alternative routes, and suggest crossing improvements. The applicant will utilize this information to pursue funding for the implementation (construction) phase of the project. The total cost of the feasibility study is approximately \$160K.

***Matching Funds:***

- \$70,000 – Appalachian Regional Commission (application intended for spring 2024)
- \$10,000 – Dr. and Mrs. Bob Mueller (approved)
- \$10,000 – Bristol Chamber of Commerce (approved)

***Project Outputs:***

- A feasibility study, with an implementation plan, will be completed.

***Staff Comments:***

The Mendota Trail Master Plan, completed in 2021, identifies the need for a feasibility study to explore the development of a multimodal (pedestrian/ bicycle) corridor to connect the Bristol Trailhead of the Mendota Trail to downtown Bristol. When complete, the approximately 2.7-mile trail extension will allow users to access lodging, dining, and retail amenities available in the downtown area. The connection of the trail to these amenities is critical to the project's potential to attract visitors. Despite this potential, it is difficult to determine the true likelihood that the Connector will result in the attraction of new visitors from national or international markets which is a requirement for tourism projects under this program's current RFP. The project seems more likely to serve local residents or tourists who are already visiting the region for other reasons. Additionally, matching funds are largely uncommitted. A decision on the intended ARC application will be several months away. Given the uncertain outcome of this application, which serves as direct match to the TRRC request, it is premature to commit Commission resources to the project.

***Financial Viability Assessment:***

A review of key viability criteria for this project reveals a budget supported by a current estimate that gives a range of potential study cost. The bulk of the required 1:1 matching funds must be requested from ARC in Spring 2024, which will considerably delay the proposed timeline included in the proposal as a decision is anticipated. It is unknown as to whether the applicant has approached other funding sources for trails and tourism projects. It is the staff's assessment that the financial viability of the project can be better assessed once the major matching funding source has come to a decision, and the applicant can research and identify additional sources to approach for funding.

***Staff Recommendation:*** Staff recommends no award.

**Friends of Southwest Virginia (#4187)**

***Gateways to Southwest Virginia: An Outdoor Economy Recreation Plan***

**\$100,000.00 Requested**

***Project Summary:*** Funds are requested to develop the Lenowisco Outdoor Recreation Master Plan. This effort will build upon previous outdoor recreation initiatives, including the High Knob Master Plan, but will specifically focus on communities near to the Tennessee and Kentucky state lines. A portion (\$200,000) of a recent Appalachian Regional Commission Area Development Award (total award \$300,000) will provide match for the project. The scope of the TRRC application is limited to only the Lenowisco Outdoor Recreation Master Plan element of the project. Commission funds are proposed to be used for Personal Services (\$43,000) to provide partial support for three positions, the Director of Marketing, Director of Finance and Administration, and the Director of Partnership and Outreach, over a 15-month period. Matching funds for these positions, as well as the Executive Director's salary, total \$70,300 with much of this amount provided by the applicant as an in-kind match. Contractual services, including the development of the strategic (\$40,000) and marketing and publication of the plan (\$15,000) and travel (\$2,000) will also be supported under the TRRC grant. These elements are matched entirely with ARC funds.  
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***Matching Funds:***

- \$200,000 – portion of Appalachian Regional Commission multi-state award (approved)
- \$37,000 – Friends of Southwest Virginia (in-kind)

***Project Outputs:***

- The Lenowisco Outdoor Recreation Master Plan will be completed.

***Staff Comments:***

Since 2014 the Commission has awarded nearly \$1M to support the growth of the Friends of SWVA organization and to facilitate the development of numerous initiatives focused on developing the region's tourism economy. These initiatives have often included the development and promotion of outdoor recreation opportunities. The current request builds upon these previous investments by creating a master plan that will allow localities adjacent to the Tennessee and Kentucky borders, Lee

Scott, and Wise Counties, to explore multi-state projects. The potential for cross-border tourism development fits well with this program's requirement that tourism projects result in visitation from national markets. The creation of this master plan will ensure that these projects are developed with the goal of drawing visitors across state lines resulting in a positive economic impact for the region.

Several previous TRRC grants have provided funding for operating expenses including salary support for various positions. The budget presented with the current application requests reimbursement for three existing staff positions. Commission policy limits support for salaries to only newly created positions, during a start-up period of no more than three years. Both the Marketing Director and the Director of Partnership and Outreach salaries have been reimbursed under previous TRRC awards, while the salary of the Director of Finance has been submitted as match for these grants. At this time, it is no longer appropriate for these positions, and other related operating costs, to be supported by a TRRC grant. Commission support for this application should be limited to only the third-party contractual expenses related to the development of the Master Plan.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates that it is achievable. Staff recommendations reflect a right-sizing of the project budget to stay in line with TRRC funding policies. Required 1:1 match is in hand. It is the staff's assessment that the project is financially viable and a sound investment for the Commission, as it will identify outdoor recreational assets and opportunities as a strategy to expand the tourism economy in the region.

***Staff Recommendation:*** Staff recommends an award of \$55,000 to support third party contractual expenses related to the development, marketing, and publication of the Lenowisco Outdoor Recreation Master Plan.

**Scott County Economic Development Authority  
*Carter Fold 50th Anniversary Celebration (#4194)*  
\$80,000.00 Requested**

***Project Summary:*** The applicant requests Commission support for the Carter Family Fold, a well-known music venue in Scott County which will celebrate its 50<sup>th</sup> anniversary this year. The requested grant will be used to support performance fees (\$40,000) for special performances to be held monthly between April and November 2024. The remainder of the request (\$40,000) will be used for marketing efforts. Matching funds from private sponsors and Virginia Tourism Corporation will fund the remainder of the cost of the performance fees and other expenses. These efforts, in addition to celebrating the 50<sup>th</sup> anniversary, are intended to introduce the venue to new audiences and to increase visitation, which declined during the pandemic.

***Matching Funds:***

- \$60,000 – Private Business Donations (\$21,000 currently committed, remainder to be raised)
- \$20,000 – Virginia Tourism Corporation grant (to be submitted January 2024)

***Project Outputs:***

- 29,440 visitors are expected to visit as a result of the special performances and additional marketing efforts. This is an increase of 8,840 over current visitation.
- Visitor spending in the region will increase by \$690,000.

***Staff Comments:***

The Carter Family Fold is one of the most well-known music venues in the region. Over the past 50 years the venue has grown both its facility, which now seats over 800 attendees, and its popularity. Thousands of visitors, including those from multiple states and countries, have attended performances at the venue. The proposed project celebrates the success of the Carter Family Fold while presenting an opportunity to increase visitation. Like many other live performance venues, attendance decreased as a result of the Covid-19 pandemic. The lack of performance revenues negatively impacted the Fold's financial situation and attendance remains below pre-pandemic numbers.

The \$40,000 budgeted for performance fees will ensure that special performances and events are held monthly during 2024. No details, such as a list of potential bands, were provided with the application. Supplemental information provided during the application review period included some possibilities but stated that nothing has been finalized. The application also did not provide details for the use of the \$40,000 requested for marketing the events. The supplemental information noted that Friends of Southwest Virginia and Virginia Tourism will collaborate with the applicant to assist with marketing efforts. If the application is approved it is important that, prior to the release of any Commission funds, a comprehensive marketing plan that documents a focus on the recruitment of visitors from outside the region be provided. This requirement will ensure that the scope of the project aligns with this program's requirements for tourism projects. Because of the time sensitive nature of the 2024 celebration, which requires that planning efforts be underway immediately, these conditions are included in the funding recommendation.

***Financial Viability Assessment:***

A review of key viability criteria for this project indicates a rapidly approaching deadline for a set of events celebrating a key milestone for a well-known regional tourism asset. A general budget was supplied without cost estimates; which will require that a plan for marketing and estimates for event production will eventually need to be provided. 25% of the required 1:1 matching funds is in hand, with the remainder to be raised in short order. It is staff's assessment that the financial viability of the project will be dependent on the ability to raise the matching funds and implementation of detailed plans that will more adequately demonstrate the effective use of the funding to support the events to honor this important asset.

***Staff Recommendation:*** Staff recommends an award of \$80,000 contingent upon acquisition of full matching funds to support the project, provision of cost estimates/quotes and the Grant Director's approval of a detailed marketing plan.

**Virginia's Heritage Music Trail: The Crooked Road  
The Crooked Road: Musical Milestones (#4199)  
\$30,000.00 Requested**

**Project Summary:** The Musical Milestones in Southwest Virginia project will celebrate the 20th anniversary of The Crooked Road: Virginia's Heritage Music Trail, the 50th anniversary of The Carter Family Fold, and the 40th anniversary of the Floyd Country Store's Friday Night Jamboree. A one-day celebration will be hosted at each venue to celebrate each location's anniversary in conjunction with The Crooked Road's 20th Anniversary. Commission funds will be used for performance fees and marketing expenses.

**Matching Funds:**

- \$30,000 – Appalachian Regional Commission (application filed)

**Project Outputs:**

- The Crooked Road will increase visitation to the region by 10% in 2024.
- The Floyd Country Store and the Carter Family Fold will each increase visitation by 5%.

**Staff Comments:**

Although the co-celebration of these multiple milestones will provide a marketing opportunity for The Crooked Road, the Carter Fold, and the Floyd Country Store there is little evidence that the celebrations will have a sustained impact on visitation to the region. For this reason, a funding request such as this is not an ideal fit for this program's tourism investment strategy. The project could be more appropriately supported through a one-time sponsorship, however TRRC does not currently have a formal procedure for requesting this type of funding. Despite the short-term impact of these events, each will celebrate significant milestone anniversaries for some of Southwest Virginia's best known tourism venues and initiatives. The creation of the Crooked Road helped spur a new focus on the region's traditional music which has continued to grow over the past 20 years. The initiative contributed to the development of a regional tourism mindset which has resulted in the development of other trail systems and destinations focused on the area's cultural heritage and natural assets. Since 2004 the Commission has provided over \$2M in support of the development and expansion of The Crooked Road and is considered to be one of TRRC's legacy tourism investments. For this reason, it is important that assistance is provided to support these events. As a condition of this support, the Commission should be included in all marketing materials associated with the event.

**Financial Viability Assessment:**

A review of key viability criteria for this project indicates a rapidly approaching deadline for a set of events celebrating a key milestone for a well-known regional tourism asset. A detailed budget and marketing plan was provided with the proposal. The required 1:1 matching funds have been requested from ARC. It is staff's assessment that the financial viability of the project will be dependent on the ability to obtain the matching funds.

**Staff Recommendation:** Staff recommends an award of \$30,000, contingent upon acquisition of full matching funds to support the project.

## Extensions and Modifications

**Blue Ridge Public Television, Inc.**

***Digital Media Content and Delivery System – Sights, Sounds, and Stories  
(#3602)***

**Approved for \$325,000 in January 2020 (\$97,211 balance)**

**Request for final extension**

***Staff Overview & Comments:*** This grant was approved four years ago to support the development of video content highlighting the TRRC region. The award provided support for start up operating expenses including salaries, travel, and equipment. Last year the scope of the project expanded as a result of the creation of the PBS Appalachia station. The balance of the grant is primarily budgeted for equipment purchases for the station. The requested extension will allow the grantee to complete these purchases under the current approved budget. No budget amendments, including the shifting of funds between approved line items, will be allowed.

**Staff recommends the approval of a final extension through July 30, 2024.**

# **SOUTHERN VIRGINIA COMMITTEE**



▪ *In-Person Meeting* ▪

## AGENDA

### SOUTHERN VIRGINIA COMMITTEE

**January 8, 2024 - 4:00 P.M.**

**Delta Hotels by Marriott Richmond Downtown**

**Kanawha Ballroom**

**555 East Canal Street, Richmond, VA 23219**

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The public may remotely participate in this meeting by accessing the following dial-in numbers: **1-434-230-0065** (toll) and enter conference ID: **885 164 502#**.

The Commission will not change the method by which it chooses to meet without providing a new meeting notice that is in accordance with the Va. Freedom of Information Act. If problems are experienced calling in, please contact: **Hannah Franke-Fuller** at (804)-894-9659 or [hfranke-fuller@revitalizeva.org](mailto:hfranke-fuller@revitalizeva.org) or **Joyce Knight** at (804) 894-9651.

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<b>Welcome and Call to Order</b>	<i>Mr. Walter "Buddy" Shelton, Chair</i>
<b>Call of the Roll</b>	<i>The Honorable James Campos, Acting Executive Director</i>
<b>Approval of the <u>10/11/23</u> Minutes</b>	<i>(published on website)</i>
<b>Public Comment</b>	
<b>Grant Projects</b>	<i>Ms. Sarah Capps, Southern Regional Director</i>
<b>Extensions and Modifications</b>	<i>Ms. Sarah Capps, Southern Regional Director</i>
<b>Other Business</b>	<i>Mr. Stephen Versen, Deputy Director</i>
<b>Adjournment</b>	



**FY24 Southern Virginia Program  
Staff Summaries and Recommendations**

The Commission received one invited out-of-cycle application which will be considered in closed session. The Commission also received revised proposals for two applications that were Tabled at the Southern Virginia Committee meeting in October 2023. Applications are grouped by investment category. The Southern Virginia Committee will act on these three funding requests at its meeting January 8, 2024, at 4:00 pm.

Req #	Organization	Project Title	Requested Amount	Staff Recommendation
<b>CLOSED SESSION</b>		<b>CONFIDENTIAL PROJECT DISCUSSION</b>	\$ -	\$ -
<b>Agribusiness</b>				
4210	Southside Virginia Fruit and Vegetable Producers Association	Southside Virginia Fruit and Vegetable Producers Association Aggregation Capacity Improvements	\$ 105,000	\$ 105,000
<b>Tourism</b>				
4165	Town of Blackstone	Making Ends Meet	\$ <del>247,217</del> \$ 121,383	\$ 121,383
<b>Total (3 requests)</b>			<b>\$ 226,383</b>	<b>\$ 226,383</b>

**CONFIDENTIAL PROJECT DISCUSSION**

Materials to be distributed in closed session.

**AGRIBUSINESS**

**Southside Virginia Fruit and Vegetable Producers Association**  
*Southside Virginia Fruit and Vegetable Producers Association Aggregation Capacity Improvements (#4210)*  
**\$105,000 Requested**

***Executive Summary:***

The Southside Virginia Fruit and Vegetable Producer Association (SVFVPA) is located in Charlotte County Virginia and is made up of 28 independent small farm operations located in eight under-

served surrounding counties. The members of the Association work together to aggregate produce and market it to larger wholesale buyers. Collectively, more than 100 acres of produce is grown including sweet corn, tomatoes, peppers, green beans, cabbage, swiss chard, collards, potatoes, and squash. The Association is seeking funds to complete the aggregation facility, purchase needed equipment, and for expansion of cooler space to increase storage and product shelf life. This project will improve the Association's ability to accept, sort and store products. It will also pave a path for non-Good Agricultural Practices (GAP) certified growers to market their products through the Association. This will allow smaller start-up farms an opportunity to enter production, and for other farms to diversify into fruit and vegetable production. This will increase revenue for each participating farm and should add additional farm-related employment opportunities to these agricultural operations in the Tobacco region.

***Matching Funds:***

\$105,000 USDA Rural Business Development Grant

***Project Outputs:***

- Complete buildout of interior of aggregation center including purchase and installation of cooler to be used for retail sales, purchase equipment, and relocation of an existing building to the associations property to be used for additional storage.
- Goals include increasing the current 28-member farms by 60% and doubling sales revenues.

***Staff Comments:***

The Southern Virginia Committee received a \$1,210,000 funding request from the association that was reviewed at the meeting in October 2023. That request was recommended to be Tabled, with the applicant invited to submit a new application with revised scope and budget. This more modest request addresses the association's most critical costs and removes a significant portion of the previous funding request which was for a private entity's interests related to software development.

This project will complete necessary improvements and equipping to put the new aggregation and distribution center into operation for the Southside Virginia Fruit and Vegetable Producers Association at the site in Cullen, VA (Charlotte County). Grant funds will be used towards the cost to purchase a cooler for direct to customer marketing, for purchase of an electric pallet jack to move product at the facility, and costs to relocate an existing 20' X 30' building to the site.

The Commission awarded a \$176,000 grant in January 2020 toward construction of the new aggregation facility. This 6,000 square foot shell building is in place with concrete floor and two large bays, and a gravel driveway and parking area. The association has a goal to complete building improvements supported by matching funds by the end of May 2024, to accommodate the spring growing season. The 20' X 30' building that would be moved to the site was previously purchased by Virginia State University through a grant from the Tobacco Commission. This building can be converted for additional cold storage by adding a cool-bot, or otherwise used for storage of materials used by the association and member operations.

A copy of the 2019 Business Plan for the SVFVPA was provided. The association is working with Longwood Small Business Development Center and with VAFAIRS to update their Business Plan with revised financial projections and have committed to providing staff with the updated version. With the completion of the facility, the association expects to increase farmer members by an

additional 60% and double annual sales revenues within three years. A partnership has developed with the local Amish community cheese facility, for the association to distribute their cheese products supporting further growth in cheese production in the region. Staff recognizes that the efforts of the SVFVPA, and progress to date, reflects a strong commitment by the agribusiness community to partner for expanding opportunities for small and start-up farm operations.

***Financial Viability Assessment:***

A review of key viability criteria for this indicates a viable project by an applicant with a long history of effective produce aggregation. A detailed, reasonable budget was provided with documentation of costs for construction. The required match is fully committed at the time of application. Sustainability will be driven by the additional capacity provided by increased farm revenues. The applicant has been asked to update its business plan and proforma as it was five years old. It is the staff's conclusion that this project would be a good investment for the Commission for both job creation and positive economic impact for the participating farmers.

***Staff Recommendation:***

Staff recommends approval of a \$105,000 grant award contingent on the final budget being approved by Commission staff, and contingent on the revised Business Plan being provided prior to disbursement of grant funds.

**Town of Blackstone**

***Making Ends Meet (#4165)***

**\$247,217.00 Requested \$121,383 Revised Request**

***Executive Summary:***

The original request of \$247,217 was reduced to \$121,383 for 50% of costs for purchase of hospitality-related equipment for the training center being developed at the Harris Memorial Armory Center. This equipment will be used to train hospitality students to serve existing and future restaurant and lodging businesses in the Town of Blackstone and the surrounding areas. Virginia State University and Virginia Union University will host classes and internships for students at the facility. Other areas of the building would be used as rental space for banquets and receptions. Students in the job training programs would work at these events to gain industry experience as part of their hospitality training. The increased demand in lodging is a result of the creation of the Foreign Affairs Security Training Center (FASTC) facility at Fort Barfoot. This facility provides training to over 10,000 personnel annually including DSS special agents, members of the US Government Foreign Affairs community, and local employed personnel from US embassies and consulates from around the world.

Currently the Harris Memorial Armory Center is under renovation in preparation for the new hospitality training program. The building renovation is targeted to be completed by August 2024 with expectations to hold the first classes in Fall 2024. The Town of Blackstone is seeking funding to purchase culinary education equipment for 10 student stations, seating and place settings for 100 guests, online and in-person educational resources and equipment, and hotel educational resources.

***Matching Funds:***

\$121,383.29 American Rescue Plan Act (ARPA) federal funding- money in hand

***Project Outputs:***

- Equip hospitality training areas for the Armory Hospitality Training Institute located within the Harris Memorial Armory Center in Blackstone allowing for hospitality training to begin.

***Staff Comments:***

This application was tabled at the October 2023 meeting of the Southern Virginia Committee, due to insufficient financial information, and to allow time for a required education training plan to be completed. The Town has requested a reduced amount of \$121,383 towards 50% of the \$242,766 revised cost estimate for equipment and furnishings.

Creation of the hospitality training center at the Harris Memorial Armory Center is a priority economic development initiative of the Town of Blackstone to support the town and the region's overwhelming growth in the tourism sector of the economy. The Commission approved a \$581,000 grant (#4106) in January 2023 towards the \$3.78 million estimated costs for renovating the former military armory building. The building consists of 16,400 sq. ft. providing two main floors and a basement level, and a balcony on the west end of the building. A construction and operational feasibility study completed in August 2016, identified the highest ranked use for redevelopment of the armory was for a Learning Center & Multipurpose Event Space.

A contingency on the previous Commission grant was for a hospitality education training plan with details on certifications and credentials that would be offered by the education partners. The primary education partner is Virginia Union University, who has proposed four short-term certification programs that would be offered in Blackstone through VUU's Technical College.

This funding request and match encompasses the equipping costs for culinary arts kitchen and other educational supplies and furnishings needed to train hospitality students. The Town developed the \$242,766 detailed equipment cost estimate collaborating with Virginia State University's head of hospitality and Commonwealth Architects. The training areas within the building include the event space with a 6,200 sq. ft. multipurpose room, 550 sq. ft. entertainment stage and 1,500 sq. ft. kitchen. A detailed list of small equipment purchases and long-lived supplies for start-up of the program was provided to support the request. The Town of Blackstone is requesting 50% of grants funds towards all line items for classroom equipment, front end restaurant training equipment, commercial kitchen and back-end training equipment, and hotel training materials. The targeted date for the hospitality training facility to be completed and equipped is August 2024.

***Financial Viability Assessment:***

A review of key viability criteria for this project reveals a well-documented budget with vendor quotes. Sufficient matching funds are in hand. The applicant has met the previous contingency with the submission of a hospitality education training plan, which helps to demonstrate their capacity more clearly for conducting the full project and to document anticipated outcomes for the educational portion of the project. As presented, it is staff's assessment that the proposed project is viable and necessary to carry out the full vision of the overall goal of establishing the training program.

**Staff Recommendation:** Staff recommend approval of a \$121,383 grant award for 50% of the equipping costs for establishing the hospitality training center.

## Extension and Modifications

Institute for Advanced Learning and Research

***Controlled Environment Agriculture: Increasing and Diversifying Agribusiness in Southern Virginia (TRRC #3590)***

**\$365,520 Grant – Award 1/7/2020 – 5<sup>th</sup> Year Extension Requested**

**Project Summary:** The Commission approved a \$365,520 Agribusiness grant in January 2020 to support establishment of a Controlled Environment Agriculture (CEA) innovation and education center at IALR in Danville. The objective of this partnership of industry, academia and producers is focused on increasing net farm income and profitability while diversifying agribusiness in the region. Grant funds support a post doc position over three years; well as start-up costs for supplies, travel and funding for conducting conferences and workshops. The post-doc position started August 2020, with the third year for position being in August 2023. Payments totaling \$125,894.17 have been approved for expenditures submitted through June 30, 2022. There remains a \$239,625.83 balance on the TRRC project account. Staff notes that IALR is overdue in submitting requests for reimbursement of eligible costs between July 2022 and December 2023.

A fifth extension is requested for January 31, 2025. The additional year will allow remaining funds to be used toward hosting the third DEA Summit East; market the center utilizing the newly completed CEA Strategy and Roadmap Study and continue to run demonstration equipment supported from Matching funds. IALR also plans to hold a new CEA conference in 2024, that will focus on entrepreneurs and startup businesses. Initially delays were in filling the post doc position which occurred in the third quarter of first year, and restrictions on gatherings during Covid 19. IALR reports having 200 attendees with 17 trade show exhibitors, and 240 attendees with 20 trade show exhibitors, respectively for the CEA Summit East conferences in 2022 and 2023.

**Staff Recommendation:** Staff recommends approval of an extension to January 31, 2025.

# **INCENTIVES AND LOANS COMMITTEE**



▪ *In-Person Meeting* ▪

**AGENDA**

**INCENTIVES & LOANS COMMITTEE**

**January 9, 2024 - 9:00 A.M.**

**Delta Hotels by Marriott Richmond Downtown**

**Kanawha Ballroom**

**555 East Canal Street, Richmond, VA 23219**

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The public may remotely participate in this meeting by accessing the following dial-in numbers: **1-434-230-0065** (toll) and enter conference ID: **885 164 502#**.

The Commission will not change the method by which it chooses to meet without providing a new meeting notice that is in accordance with the Va. Freedom of Information Act. If problems are experienced calling in, please contact: **Hannah Franke-Fuller** at (804)-894-9659 or [hfranke-fuller@revitalizeva.org](mailto:hfranke-fuller@revitalizeva.org) or **Joyce Knight** at (804) 894-9651.

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<b>Welcome and Call to Order</b>	<i>The Honorable Daniel “Danny” Marshall, Chair</i>
<b>Call of the Roll</b>	<i>The Honorable James Campos, Acting Executive Director</i>
<b>Approval of the <u>10/12/23</u> Minutes</b>	<i>(published on website)</i>
<b>Public Comment</b>	
<b>Extensions &amp; Modifications</b>	<i>Mr. Jordan Butler, TROF Program Manager</i>
<b>Partnership with the Virginia Small Business Financing Authority</b>	<i>Mr. Joe Shearin, Executive Director Virginia Small Business Financing Authority</i>
<b>Confidential Project Discussion</b>	<i>Closed Session</i>
<b>Other Business</b>	<i>Mr. Stephen Versen, Deputy Director</i>
<b>Adjournment</b>	

# Incentives & Loans Committee

## January 9, 2024

The Incentives and Loans Committee is meeting on January 9, 2024 at 9:00 am to consider performance period extensions for existing projects as well as other business. The following summaries provide staff overview and comment on the performance period extensions.

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### 1. Greenville County

#### *Oran Safety Glass, Inc. (#3295)*

#### **Request for a Performance Extension.**

**Staff Overview and Comments:** This is a Tobacco Region Opportunity Fund (TROF) grant for \$235,000 that was awarded to the Greenville County and Oran Safety Glass, Inc. (the "Company"). The performance period was March 2017 through March 2020. An administrative extension was granted through March 2021 and the Commission subsequently granted an extension through June of 2023. The performance agreement required the company to employ 55 individuals with an average annual wage of \$43,000 and provide new private taxable assets of \$4,450,000. The grant was disbursed pre-performance and a clawback will be due if all performance metrics are not met.

Based on available data, the Company has met the promised level of capital investment, delivering \$6,274,920 of capital investment, well over the \$4,500,000 promised.

The company has struggled to meet the employment obligation and has so far created 28 of the promised 55 jobs. It should be noted that the company is paying average annual wages well over those required by the agreement.

The company has also fully repaid a \$117,500 TROF loan that was awarded alongside the grant.

The company notes that they have made, and continue to make, significant efforts to hire new employees. These efforts have included increasing their market value starting salary by more than 40%. The company currently has at least 30 open positions that need to be filled at the plant and efforts to fill those positions are ongoing.

Given their active hiring, investment, wages paid, full repayment of the loan and overall performance to date, the Company, with the support of the County, is requesting an extension to include updated employment data that will show they have met more, or all, of their obligations under the grant agreement and allow efforts to meet the grant requirements to continue.

**Staff recommends a performance extension through June 30, 2024.**

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**2. Smyth County Economic Development Authority  
Smyth County Machine and Fabrication, LLC (#3485)  
Request for a Performance Extension.**

**Staff Overview and Comments:** This is a Tobacco Region Opportunity Fund (TROF) grant for \$200,000 that was awarded to the Smyth County and Smyth County Machine and Fabrication, LLC (the "Company"). The performance period was September 2018 through September 2021. An administrative extension was granted through September 2022 and the Commission subsequently granted an extension through September of 2023. The performance agreement required the company to employ 53 individuals with an average annual wage of \$35,883 and provide new private taxable assets of \$4,000,000. The grant was disbursed pre-performance and a clawback will be due if all performance metrics are not met.

Based on available data, the Company has met 63% of the promised level of capital investment, delivering \$2,537,441 of capital investment.

The company has created 32 of the promised 53 jobs. The company is paying average annual wages above those required by the agreement.

The company cites supply chain disruptions, inflation and a challenging job market as reasons they have struggled to meet the performance requirements. The company further notes that recent purchases, not yet included in the data available to Commission staff, will increase their performance related to the capital investment goal.

Given their jobs created to date, significant and continuing investment, wages paid, and ongoing efforts to meet the requirements of the agreement, the Company, with the support of the EDA, is requesting an extension to include updated data that will show they have met more of their obligations under the agreement and allow efforts to fully satisfy their obligations to continue.

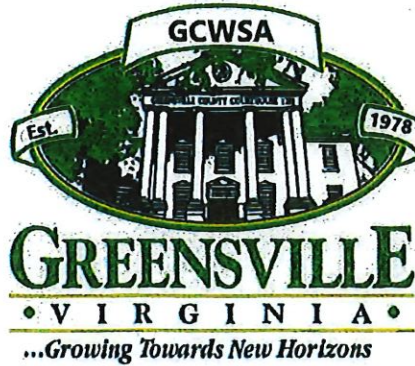
**Staff recommends a performance extension through June 30, 2024.**

Dr. Charlette T. Woolridge  
Director

Gary L. Cifers  
Assistant County  
Administrator

Russell O. Slayton, Jr.  
Authority Attorney

Tameka Green  
Director of Finance



Tony M. Conwell  
Chairman  
District 4

James Brown  
Vice-Chairman  
District 2

Belinda D. Astrop  
District 1

William B. Cain  
District 3

Hon. James E. Campos  
Tobacco Region Revitalization Commission  
701 E. Franklin St., Suite 501  
Richmond, VA 23219

Re: Extension of Grant: Oran Safety Glass

Dear Mr. Campos:

Oran Safety Glass has exceeded the goals of capital investment for the TROF grant awarded in 2017. Unfortunately, due to the COVID pandemic, the job creation has fallen short. Greensville County supports the company's request for a second extension. While recovering from the pandemic, it is proven difficult to find employees. The company has continued to have orders and the ability to grow their employment numbers and the County believes they will be able to achieve their job goals should an extension be granted.

OSG continues to be a great community partner, expanding 3 times since locating in Greensville County. Prior grant awards have been successfully administered by the company. It is the County's belief that OSG will do everything possible to successfully complete this award as well by the next extension deadline.

We appreciate your consideration of our request and will be happy to provide additional information as needed.

Sincerely,

*Natalie B. Slate*

Natalie B. Slate  
Director of Economic Development

November 30, 2023

Greenville County

1781 Greenville County Circle Emporia, Virginia 23847

Attn: Natalie Slate, Director of Economic Development

RE: Project 3295 Oran Safety Glass, Inc.

Dear Mrs. Slate,

I am responding today regarding Project 3295 - Oran Safety Glass specifically the requirements set forth by the Tobacco Commission as a condition of the grant funds received by Oran Safety Glass. OSG remains fully committed to meeting the terms of our agreement. We have fulfilled the capital investment obligation but continue to struggle to meet the terms of the employee obligation as agreed upon.

Our company has been trying for several years (in fact from the onset of the COVID 19 pandemic) to hire new employees to meet the grant obligation. It has been extremely challenging trying to fill the open positions at OSG, and we have implemented extraordinary measures to mitigate the challenge. OSG has increased our market value starting salary by more than 40% and these efforts are ongoing. We currently have at least 30 open positions that need to be filled at the plant despite all our efforts to attract and retain new employees.

We respectfully request a second extension of the TROF grant as we continue to strive to meet the criteria.

Respectfully,



David Yogev

V.P. Business Development, Oran Safety Glass, Inc.

48 Industrial Parkway Emporia, Virginia 23847

Tel: 434-336-1620 | Fax: 434-336-1621 | [www.osg-armor.com](http://www.osg-armor.com)



Smyth County, Virginia  
121 Bagley Circle, Suite 100  
Marion, Virginia 24354

Atkins District  
Chillhowie District  
North Fork District  
Park District  
Royal Oak District  
Rye Valley District  
Saltville District

Charles E. Atkins  
Michael L. Sturgill  
Charles P. Stevenson  
Kristopher S. Ratliff, DPh  
Courtney Widener  
Lori H. Deel  
Roscoe D. Call

County Administrator  
Asst. County Administrator - Operations  
Asst. County Administrator - Development

Shawn M. Utt  
Lisa Richardson  
Clegg Williams

December 22, 2023

Stephen Versen  
Deputy Director  
Tobacco Region Revitalization Commission  
701 East Franklin Street, Suite 501  
Richmond, VA 23219

RE: Project 3485 Smyth County Machine and Fabrication LLC TROF Extension Request

Dear Mr. Versen,

Please use this letter as Smyth County's support of Smyth County Machine and Fabrication's request regarding their Tobacco Region Opportunity Fund performance agreement for a sixth-year extension. Smyth Machine & Fabrication has an obvious commitment to our community and continues to strive toward reaching its own goals as well as the metrics of the performance agreement. With extreme shifts in the local, state, and national economies, Smyth Machine has had to make strategic decisions that have delayed their ability to reach the promises within their original expansion commitments. Despite the obstacles Smyth Machine has faced, they have continued to be a strong community partner, and a successful company that continues to make investments into their employees and business operations.

With an approved extension, Smyth County Machine & Fabrication is confident they will meet the capital investment requirement by the subsequent performance date.

Should you have any additional questions, please don't hesitate to contact our office at 276-706-8304.

Respectfully,

Kendra Hayden  
Director of Community & Economic Development



Smyth County Board of Supervisors  
Ph. (276) 783-3298 | Fax (276) 783-9314 | [www.smythcounty.org](http://www.smythcounty.org)



Smyth County Machine  
260 Gordondale Road  
Atkins, VA 24311  
276 783-4582 (fax) 276-783-5742  
[www.smythcountymachine.com](http://www.smythcountymachine.com)

December 15, 2023

Kendra Hayden  
Smyth County Economic Development  
121 Bagley Circle, Suite 100  
Marion, VA 24354

Dear Kendra,

Thank you for reaching out regarding our progress toward the capital expansion commitment for the Tobacco Region Opportunity Fund grant. Due to extenuating circumstances, we would like to respectfully request that the performance date be extended.

As with most business, unforeseen circumstances in the last three years have significantly hampered our efforts to meet our planned expansion goals:

- Supply chain disruptions have greatly decreased the availability of equipment used in our operations. Manufacturers of CNC machines, for example, have extended the time it takes for a machine to be produced once an order is placed. Where previous availability may have been one to two months, we have seen promise dates ranging from six to nine months or longer. Similar disruptions in shipping can mean delays of up to a year between order placement and equipment receipt.
- Inflation, as well as extremely high interest rates, require that we take a much more careful approach in making commitments of the magnitude necessary to meet our expansion goals. Economic conditions worldwide have recently resulted in decreasing customer demand, and maintaining long term viability as an employer in Smyth County means making strategic financial decisions that were unexpected when the commitment was made.
- Supporting our employees has always been of the highest priority. As you know, we are a small company competing with employers like General Dynamics, Utility Trailer, and Volvo for available workforce. Attracting qualified workers in the current economy means, at least in the short term, increased wages and benefits must take priority over investing in facilities and equipment.

Our commitment to meeting the capital expansion goal remains firm, however. In 2023 we purchased a new machine that will significantly add to the current total reported by the Commissioner of Revenue's office. It is our intention to satisfy the commitment and believe that is possible with additional time.

We very much appreciate the county's support and willingness to consider our request for an extension. If you have any questions or would like additional information, please contact me at your convenience.

Respectfully,

Becky Crouse, Controller  
Smyth County Machine and Fabrication, LLC



# The Virginia Small Business Financing Authority

**VSBFA**

Virginia Small Business  
Financing Authority

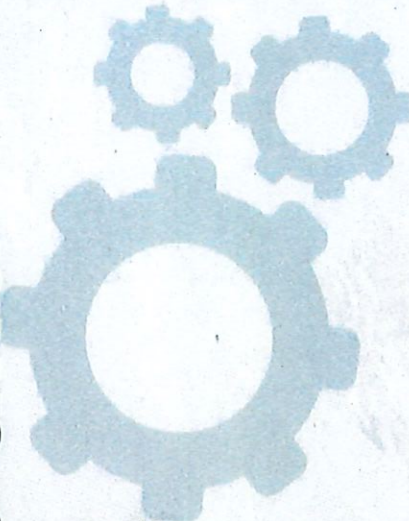


## **Virginia Small Business Financing Authority**

The Virginia Small Business Financing Authority (VSBFA) offers programs to provide businesses, not-for-profits, and economic development authorities with the financing needed for economic growth and expansion throughout the Commonwealth. Some of VSBFA's programs include:

- Economic Development Loan Fund
- Microloan Program
- Child Care Financing Program
- Loan Guaranty Program
- Loan Participation Program
- State Small Business Credit Initiative (SSBCI 2.0)

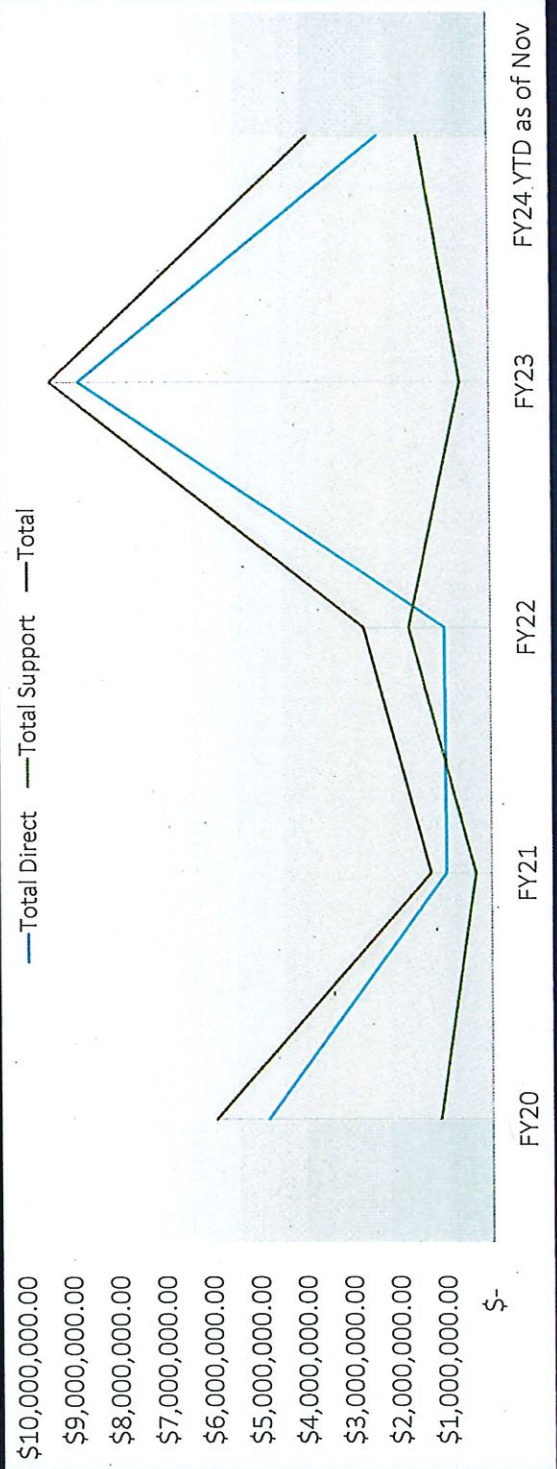
# **VSBFA Figures and Statistics**





# VSBFA Fiscal Years 2020-2024

Program	FY20			FY21			FY22			FY23			FY24 - July 2023 to November 2023	
	#	Amount	#	Amount	#	Amount	#	Amount	#	Amount	#	Amount	#	Amount
Child Care	1	\$ 92,368.76	5	\$ 232,969.02	6	\$ 391,487.76	2	\$ 400,000.00	1	\$ 193,841.00				
Federal EDLF	4	\$ 3,590,000.00	1	\$ 600,000.00	1	\$ 495,000.00	3	\$ 5,742,690.00	0	\$ -				
Loan Guaranty	2	\$ 862,500.00	1	\$ 75,000.00	8	\$ 1,741,993.75	3	\$ 565,387.19	2	\$ 1,041,925.00				
SSBCI CCP	1	\$ 250,000.00	1	\$ 260,000.00	0	\$ -	1	\$ 60,000.00	2	\$ 479,584.28				
Microloan	11	\$ 210,500.00	9	\$ 127,969.36	4	\$ 83,578.27	7	\$ 187,596.80	3	\$ 610,000.00				
VSBFA EDLF	1	\$ 900,000.00	0	\$ -	0	\$ -	2	\$ 2,457,500.00	3	\$ 1,545,000.00				
<b>Total</b>	<b>24</b>	<b>\$ 5,937,882.39</b>	<b>19</b>	<b>\$ 1,400,938.38</b>	<b>21</b>	<b>\$ 2,862,059.78</b>	<b>18</b>	<b>\$ 9,413,173.99</b>	<b>11</b>	<b>\$ 3,870,350.28</b>				



PROGRAMS	LOAN GUARANTY PROGRAM	CASH COLLATERAL PROGRAM	ECONOMIC DEVELOPMENT LOAN FUND	CHILD CARE FINANCING PROGRAM	MICROLOAN PROGRAM
<b>PROGRAM HIGHLIGHTS</b>	<ul style="list-style-type: none"> <li>Small businesses obtain capital for growth, expansion, and liquidity</li> <li>Bank grows assets</li> <li>Mitigates loan principal losses</li> <li>Max up to the lower of 75% of the principal balance or \$1.0 million</li> </ul>	<ul style="list-style-type: none"> <li>Small businesses obtain capital for growth, expansion, and liquidity</li> <li>Bank grows assets</li> <li>Mitigates loan principal losses</li> <li>Cash is deposited at the bank for additional collateral</li> <li>Max up to the lower of 40% of the principal balance or \$1.0 million</li> </ul>	<ul style="list-style-type: none"> <li>Direct loans to businesses, Economic and Industrial Development Authorities, by filling the financing gap for economic development projects that create or retain jobs in Virginia.</li> <li>Projects benefit the community through job creation or retention and tax revenue</li> <li>Max: \$2.5 million subject to LTV limits</li> </ul>	<ul style="list-style-type: none"> <li>Direct loans that assist childcare providers to maintain and improve the health, wellness, safety, and education of children</li> <li>Advantageous pricing available</li> <li>Max: \$250,000 - Child Care Centers</li> <li>Max: \$15,000 - Family Home Providers</li> </ul>	<ul style="list-style-type: none"> <li>The microloan program is designed to make direct loans to assist self-employed individuals, small businesses, and underrepresented communities like women, veterans, or minority owned for-profit businesses.</li> <li>Max: \$150,000</li> </ul>
<b>ELIGIBLE APPLICANTS</b>	Small businesses*	Small businesses*	Small businesses* and Economic and Industrial Development Authorities	Licensed, voluntarily registered, or certified childcare centers and family home providers approved by the VA Department of Education; Start-ups	Small businesses*
<b>ELIGIBLE USES</b>	<ul style="list-style-type: none"> <li>Purchase or expand owner occupied property and leasehold improvements; equipment and fixed asset purchases; working capital; Refinance for debt for compelling reasons; Starting or purchasing a business</li> <li>Residential real estate; Passive investments; Stock purchase; Goodwill; Non-owner-occupied real estate</li> </ul>	<ul style="list-style-type: none"> <li>Purchase or expand owner occupied property and leasehold improvements; equipment and fixed asset purchases; working capital; Refinance for compelling reasons; Starting or purchasing a business</li> <li>Residential real estate; passive investments; stock purchase; goodwill; non-owner-occupied real estate</li> </ul>	<ul style="list-style-type: none"> <li>Purchase or expand owner occupied property and leasehold improvements; equipment and fixed asset purchases; working capital</li> <li>Relocate business from one VA jurisdiction to another; debt refinance, unless compelling reasons; residential real estate; passive investments; stock purchase; goodwill; non-owner-occupied real estate</li> </ul>	<ul style="list-style-type: none"> <li>Playground &amp; infant care equipment; Educational material; Transportation vehicles (centers only); Technology such as laptops, pc &amp; iPad; Modifications to the premises for the safety or benefits of the children</li> <li>Debt refinance; purchase or improve land; construction mortgages; working capital</li> </ul>	<ul style="list-style-type: none"> <li>Equipment and fixed asset purchases; working capital; Starting or purchasing a business</li> </ul>
<b>INELIGIBLE USES</b>	<ul style="list-style-type: none"> <li>Credit Lines; Term - 5 years</li> <li>Term &amp; Real Estate Loans - 7 years</li> </ul>	<ul style="list-style-type: none"> <li>Credit Lines; Term - 5 years</li> <li>Term Loans; 5 years</li> </ul>	<ul style="list-style-type: none"> <li>Term Loans; Term and Amortization - 10 years</li> <li>Real Estate Loans; Term - 10 years; Amortization - 25 years</li> </ul>	<ul style="list-style-type: none"> <li>Term and Amortization:                             <ul style="list-style-type: none"> <li>Loans - or &lt;\$150,000 - 7 Years</li> <li>Loans &gt; \$150,000 - 10 Years</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Debt refinance, unless compelling reasons; real estate; passive investments; stock purchase; goodwill</li> <li>Term: Unaccrued - 5 years</li> <li>Secured - 7 years</li> <li>Requires owners counseled by a Technical Assistance organization (i.e. SBDC)</li> </ul>
<b>TERM and AMORTIZATION</b>	Set by Lender	Set by Lender	<ul style="list-style-type: none"> <li>Direct loans-Below market Fixed rate</li> <li>75% of WSJ Prime - for direct loans to EDAs and IDAs transactions</li> <li>\$500 non-refundable application fee</li> </ul>	0% (subject to change)	<ul style="list-style-type: none"> <li>Fixed - 5.5%</li> <li>Fixed (Veterans) 3%</li> </ul>
<b>INTEREST RATE</b>	Set by Lender	Set by Lender	<ul style="list-style-type: none"> <li>\$200 non-refundable application fee; 1.5% fee of the VSBFA guaranty; .75% for Veteran owned business</li> </ul>	May apply	May apply
<b>FEES</b>	<ul style="list-style-type: none"> <li>\$200 non-refundable application fee; 1.5% fee of the VSBFA guaranty; .75% for Veteran owned business</li> </ul>	<ul style="list-style-type: none"> <li>\$200 non-refundable application fee; 1.5% fee of the VSBFA guaranty; .75% for Veteran owned business</li> </ul>	<ul style="list-style-type: none"> <li>\$200 non-refundable application fee</li> </ul>	May apply	May apply

\* "Small Business" employees by the Code of Virginia must meet at least one of the following criteria: 1) fewer than 250 employees; 2) less than \$10 million in annual revenue for each of its last three years; 3) a net worth of \$2 million or less; 4) is a non-for-profit entity granted tax-exempt status (501-c-3) and operates in the Commonwealth of Virginia. Term and conditions are subject to change at VSBFA's discretion. | Last Updated 5/23.

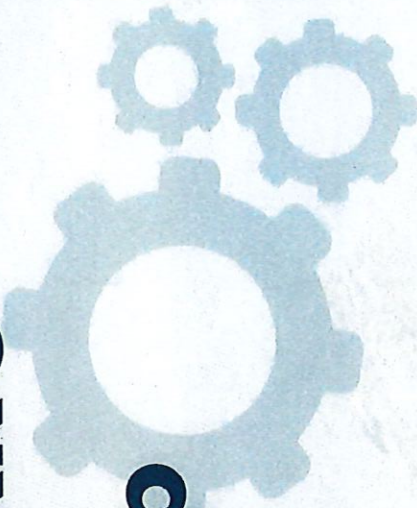
During the year **2022,**

VSBFA awarded more than **\$6.7+ million** in small business financing, creating and impacting nearly **20,000 jobs** in the Commonwealth.

**VSBFA**



# **VSBFA and TRRC Partnership**



## **The Loan Product (1/4)**

Total funds allocated: \$10 million to borrowers in Tobacco Region

### **Targeted Industries/Markets:**

- Small businesses engaged:
  - Agribusiness
  - Energy
- Organizations engaged in economic development:
  - IDAs/EDAs
  - Non-profits
  - other political subdivisions of the Commonwealth

## The Loan Product (2/4)

- Funds reside at TRRC, transferred to VSBFA when TRRC approves each loan
- VSBFA to earn 50 basis points in interest on each loan
- Target rate for loan is ~6%, 5.5% to TRRC plus VSBFA fee
- Rate will differ depending on risk (e.g. loans to IDAs/EDAs backed with moral obligations offered at lower rate vs. loans to businesses, generally targeting at least 200 basis points below their commercial loan.
- Will not compete with commercial banks on loans to private entities. For example: loans will take second-lean position when partnering with commercial lenders or provide loans on equipment and more specialized assets to help make deals work
- **Prohibited Lending Areas:** Retail and Start-ups

## The Loan Product (3/4)

### Target market:

Economic development organizations supporting private sector job creation, capital investment in the Tobacco Region.

*Example: Operating loans to organizations undertaking community and economic development projects to help with cash-flow as their operations wait for grant reimbursements*

Agribusiness projects - especially those sourcing inputs from the Tobacco Region.

*Example: Operating loans/ lines of credit to value-added processors of Virginia grown agriculture and forestry products that enable the business to pay producers in a timely manner while they wait for accounts receivable to clear*

Energy projects - especially those with some form of public-sector support

## **The Loan Product (4/4)**

- Loan approval process similar to TROF Program:
- VSBFA reviews loans, sends to TRRC for review and approval, along with staff recommendation on terms, risk, etc.
- TRRC staff emails relevant information about loan to Incentives & Loan Committee, providing at least three business days for review.
- Once all Committee issues or questions are resolved, application routed to the TRRC Director (loans up to \$1M), I&L Committee (loans up to \$3M) or Full Commission (loans over \$3M) for final approval
- Timeframe
  - First Quarter 2024 loan product roll out



## **VSBFA Contribution**

- Promote the program throughout the Tobacco Commission region
- Assist in originating, screening, and assessing a company's ability to repay the loan, as well as the experience of the company's management and the adequacy of the collateral available to secure the loan
- VSBFA also considers the Region's economic impact and job creation and/or retention resulting from the financing
- Perform credit analysis/ underwriting, and provide recommendations for loan approval
- Provide quick and efficient loan processing, closing, maintenance, and servicing
- Nearly 40 years of experience lending to small businesses throughout rural Virginia
- Experienced staff with over 65+ combined years of commercial small business lending experience

## **Conclusion**

This partnership will spur new investment, job creation and support industrial and business infrastructure, with a particular focus on supporting economic development partner organizations, as well as region's agribusiness and energy sectors.

This program will leverage Tobacco Commission funds in a manner that will provide perpetual funding, enabling the TRRC to support this region for years to come.

# **EXECUTIVE COMMITTEE**



▪ *In-Person Meeting* ▪

**AGENDA**

**EXECUTIVE COMMITTEE**

**January 9, 2024 - 10:30 A.M.**

**Delta Hotels by Marriott Richmond Downtown**

**Kanawha Ballroom**

**555 East Canal Street, Richmond, VA 23219**

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The public may remotely participate in this meeting by accessing the following dial-in numbers: **1-434-230-0065** (toll) and enter conference ID: **885 164 502#** .

The Commission will not change the method by which it chooses to meet without providing a new meeting notice that is in accordance with the Va. Freedom of Information Act. If problems are experienced calling in, please contact: **Hannah Franke-Fuller** at (804)-894-9659 or [hfranke-fuller@revitalizeva.org](mailto:hfranke-fuller@revitalizeva.org) or **Joyce Knight** at (804) 894-9651.

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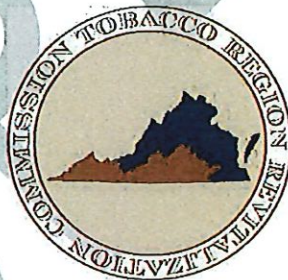
<b>Welcome and Call to Order</b>	<i>The Honorable Frank Ruff, Chair</i>
<b>Call of the Roll</b>	<i>The Honorable James Campos, Acting Executive Director</i>
<b>Approval of <u>9/14/23</u> &amp; <u>12/19/23</u> Minutes</b>	<i>(published on website)</i>
<b>Public Comment</b>	
<b>Proposed Grant Guidelines for the New Energy and Agriculture Programs</b>	<i>Ms. Vicki Humphreys, Grants Director</i>
<b>Loan Forgiveness Administration Costs</b>	<i>Ms. Stephanie Kim, Finance Director</i>
<b>New Senior Administrative Specialist Position</b>	<i>Mr. Stephen Versen, Deputy Director</i>
<b>Other Business</b>	<i>Mr. Stephen Versen, Deputy Director</i>
<b>Adjournment</b>	

**Commonwealth of Virginia**  
**Tobacco Region Revitalization Commission**

**ENERGY INGENUITY FUND**  
**GUIDELINES & REQUEST FOR PROPOSALS**

***Pre-Application Process Opens:***  
***January 17, 2024***

***Full Applications by Invitation Only***



**Tobacco Region Revitalization Commission  
FY2024 Energy Ingenuity Fund Program**

**GUIDELINES & REQUEST FOR PROPOSALS**

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## I. GENERAL PROGRAM INFORMATION

### A. Purpose & Background

The Tobacco Region Revitalization Commission (“TRRC” or “Commission”) was established by the Virginia General Assembly in 1999, as a political subdivision of the Commonwealth. The Commission makes investments to revitalize and diversify the economy of the region it supports. Projects selected for funding include initiatives that will measurably advance the Commission’s priorities as a direct result of project success.

The TRRC Energy Ingenuity Fund’s Guidelines and Request for Proposals (together, “RFP”) are issued to solicit applications through a competitive process to establish grant and loan agreements for high impact economic development projects meeting the following objectives:

- Deployment of resources to amplify and accelerate investment in energy projects.
- Collaboration between key partners in energy and economic development.
- Enhancement and expansion of the region’s energy supply chain.
- Development of more energy resiliency in Southern and Southwest Virginia.

Funding will be considered for projects within the Southern and Southwest Virginia areas of Virginia’s Tobacco Region, which is detailed on *Attachment B - Eligible Counties & Cities for Tobacco Commission Funding* on page 17 of this RFP.

Up to \$6 million is available for Energy investments in each region, for a total of \$12 million.

*A Pre-Application detailing the proposed project is required and serves as an opportunity for Commission staff to conduct a preliminary assessment of the likelihood of the project’s eligibility for funding, and to provide meaningful feedback to applicants before they prepare a full application package. Candidates will be notified by Commission staff if their pre-application is selected to move on to the full application process.*

*Full applications are evaluated by Commission staff and funding recommendations are put forward to the full Commission for further discussion and approval at its spring, fall and winter meetings.*

### B. Funding Priorities

The Commission’s Current Strategic Plan identifies its current funding priorities. Logic models are included therein for the types of projects that the Commission will consider funding.

Details on priorities and the types of projects to be considered under this RFP are provided in **Section II. Guidelines**. All applicants must clearly articulate how the project relates to the goals of the program. All projects must clearly define outputs that will occur during the project period and directly relate to the use of Commission funds and matching funds. Outputs are specific to each project.

## C. Eligibility – Eligible Applicants, Matching Funds, Uses of Funding

### Eligible Applicants

Applications will only be accepted from governmental entities and non-profit organizations located in and/or providing economic revitalization programs, services, or facilities in the Tobacco Region. Eligible applicants including the following:

- Governmental Entities - Governmental entities within the Tobacco Region, including towns, cities, and counties; local or regional industrial or economic development authorities; regional authorities, and other governmental units.
- Non-Profit Organizations - Incorporated non-profit organizations designated as tax-exempt by the federal Internal Revenue Service.

Guidelines for applications submitted by regional partnerships and for projects benefiting for-profit entities, are in Section III of the Commission's Funding Policies discussed below:

***Use of Funds by For-Profit Entities*** – Applications that will benefit a private entity must have a public purpose and be made by one of the eligible applicants identified in the previous section. The following must be described in the application:

- The public purpose that will be met by assisting the private beneficiary;
- Terms of the agreement that will be executed between the governmental unit or nonprofit administrator and the for-profit entity regarding use of funds, ownership of grant-funded assets, and the private entity's commitment to create and report documented public benefits such as new jobs or taxable private capital investment within three years;
- The amount of wages and salaries to be paid to employees of the Beneficiary.

Funds may be required to be provided in the form of a loan from the governmental unit or nonprofit administrator to the for-profit entity.

### Ineligible / Eligible Uses of Funding

The Tobacco Region Revitalization Commission's Funding Policies for Grant Awards: Information for Applicants & Grantees (Revised June 2020) ("Funding Policies") has information on general ineligible uses of funds, specific type of expenses not eligible for reimbursement, acceptable expense documentation for seeking reimbursement, match documentation requirements, and other important details about the Tobacco Commission's grant administration policies.

The following list describes uses of Commission funds that generally do not align with Commission objectives and should be avoided in grant proposals and requests for grant disbursement. Additional detail about specific non-eligible uses of funds is available in Section VIII of the Funding Policies document.

- Commission funds should not be used outside the defined Tobacco Region (unless explicitly approved by the Commission).



- Commission funds should not be used to supplant other state or federal funds for which an applicant is eligible. This includes financing options for off-site utility improvements.
- Commission funds should not be used for regularly recurring local responsibilities (e.g. comprehensive plans, K-12 school funding).
- Commission funds should not be used to finance endowments.
- Commission funds should not be used for debt retirement.
- Commission funds should not be used for ongoing operating support beyond a start-up period that has been explicitly approved by the Commission.
- Commission funds should be invested in projects that generate substantial direct and measurable new economic activity in a region. Commission funds should not be used for projects that indirectly affect economic revitalization (e.g. community centers, childcare centers, 4H centers, YMCA or recreational initiatives, airports, local arts and cultural activities, historic preservation, housing and retail development) unless it is demonstrated that the investment will produce significant economic impacts from outside the Commission service area.
- Commission funds should not be used for project administration, indirect project costs or for activities initiated prior to grant approval.
- Commission funds should not be used to acquire or make improvements to privately owned property or to acquire or improve equipment for/in private ownership unless there are defined and documented public purposes met, to include creation of new jobs and new taxable private capital investment, and such expenditures have been explicitly approved by the Commission. (Refer to the Performance Agreement available on the Commission's webpage for the Tobacco Region Opportunity Fund Program (TROF Program) and to the Use of Funds by For-Profit Entities paragraph under Section III. Requirements for Applicants for additional information).

#### Matching Funds

As required by the Code of Virginia, all requests for grant funds require at least dollar-for-dollar (1:1) matching funds, with no more than 25% of the match requirement from "in-kind" sources. Loan requests do not have a match requirement. *Expenses already included in an annual budget such as personnel and other operating costs will count toward the 25% In-Kind limit.*

Applicants for grant awards must submit details on the nature, source, and timing of match contributions necessary for meeting the 1:1 match requirement. Once secured, matching funds must be committed to the project and available as needed and must not be conditioned or encumbered in any way that may preclude their use for the project during the grant period. Applicants should provide a commitment letter or equivalent document signed by an authorized representative of the organization providing matching funds to document each source of match.

If the Commission awards a grant to an applicant who has not secured acceptable matching funds at the time of award, the applicant will have up to 12 months from the date of the award to secure matching funds or else the Commission may rescind the award and de-obligate its funds.

## D. Application and Submission Information

Pre-application proposals for consideration in May 2024 must be submitted by midnight on February 15 through the Commission's online application portal:

[https://vtc.smartsimple.com/s\\_Login.jsp](https://vtc.smartsimple.com/s_Login.jsp).

**A completed pre-application is REQUIRED for all Energy funding requests and is in the grant portal as "Energy/Pre-Application – Southern Region" or "Energy/Pre-Application – Southwest Region," depending on the location of the project.** In addition to text fields of the application, up to 10 pages of additional project description may be submitted as an attachment.

Based on the information provided in the Energy/Pre-Application, applicants will be invited to submit a full funding request. Pre-applications invited to move forward to full application will **submit by March 15, 2024.**

Applicants must certify they have read this RFP and the Commission's Funding Policies; that the information in their applications is true and correct; and that documentation for any claims and representations made can be made available upon request from Commission staff. The certification must be made by an authorized representative of the applicant organization.

All information expressly required by this RFP must be included. Proposals which are substantially incomplete or lack key information will be considered nonresponsive. These proposals will be declined for review and will not be presented to the committee.

## E. Evaluation

The Commission's Southern or Southwest Virginia Committees will evaluate applications submitted in response to this RFP, depending on the location of the project. Staff recommendations to the Committee will be based upon requirements in this RFP and the Evaluation Scoring Criteria provided in Attachment A. Approval of funding is at the sole discretion of the Commission. The Commission reserves the right to cancel this RFP, to not proceed with any or all applications, to condition its award on additional terms and conditions, or to award a loan to an applicant who sought a grant.

## F. TRRC Staff Contact Information

TRRC staff are available to assist with applications. For technical assistance with logging in or setting up an account with the Commission's online grants portal, please contact:

- Suzette Patterson, Grants System Manager (Richmond, VA)  
(804) 894-9662, [spatterson@revitalizeva.org](mailto:spatterson@revitalizeva.org)

For technical assistance in development of Energy Ingenuity applications please contact:

- Jerry Silva, *Regional Energy Development and Innovation Director* (Richmond, VA)  
(804) 325-4363, [jsilva@revitalizeva.org](mailto:jsilva@revitalizeva.org)
- Vicki Humphreys, Grant Programs Director (Richmond, VA)  
(804) 894-9658, [vhumphreys@revitalizeva.org](mailto:vhumphreys@revitalizeva.org)

## II. GUIDELINES FOR ENERGY INGENUITY FUND PROJECT PROPOSALS

### Background:

TRRC has established a \$12 million dollar fund for rural, disadvantaged, or Native American communities with \$6 million designated for energy-related projects in each of its service regions, Southern and Southwest Virginia. This program is designed as an umbrella that can review various types of proposals for energy projects. With a focus on establishing a 'best in class' energy economy, this fund is expected to capitalize on a skilled workforce and promote an energy focused economy for the Tobacco Region.

This intention recognizes that economies with a stronger focus on energy can facilitate bringing energy jobs, energy manufacturing supply chain companies, energy production, grid resiliency, energy storage, microgrids, hydrogen generation, smart cities, wind, small scale modular reactors, conversion of coal mines, etc.

### Objectives:

- Boost energy supply chains for economic development in the Tobacco Region
- Increase energy resiliency in Southern and Southwest Virginia
- Enable *scalable* innovations in the energy entrepreneurial ecosystem
- Develop and implement impactful energy projects in the Tobacco Region
- Leverage federal, state, local and private funding resources for energy development through collaboration among key partners such as VEDP, US Department of Energy, and Virginia Department of Energy, that maximizes each partners' assistance available to quality projects.

### Major Funding and Technical Assistance Partners:

- Virginia Department of Energy
- United States Department of Energy – Rural Development / Innovation / Grid Reliability
- United States Department of Commerce – Rural Development / Innovation / Tech Hub
- Virginia Economic Development Partnership (VEDP)
- Virginia Resource Authority (VRA)
- Virginia Small Business Financing Authority (VSBFA)
- Virginia Department of Environmental Quality
- Virginia Department of Housing and Community Development – GO Virginia Program

### Eligible Investments:

#### **A. Energy Ingenuity – Catalyst Grants**

*Planning and capacity building* —Funding may be requested for up to 50% of third-party professional services to support critical planning activities focused on major energy projects.

Awards of up to \$50,000 will support project development for major energy projects in their pursuit of federal, and other funding resources needed for successful implementation. Grant funds are expected to be used primarily for capacity development expenditures such as administrative, profession and technical services, grant writing and management, project development and management, legal and engineering expenses, and capacity building expenses directly related to projects with an Energy development or innovation focus.

Grant funds will also be eligible to support road mapping/plans of action for enhancing energy manufacturing supply chains at major economic development sites in the region.

## **B. Energy Ingenuity – Execution Grants**

Grant and loan incentive awards, within the limits of available funding, will be considered to aid in the implementation of staff recommended energy projects. Funds can be used for reasonable costs allowed by Code that are necessary for successful project implementation. A minimum of 1:1 match of funds is required, with higher levels of match expected for larger grant requests.

For projects with an identified revenue stream, the Commission will consider assistance through project financing with low-interest loans, creation of loan-loss reserve funds, incentive to private business for project outcome performance, and other mechanisms needed to best move a project forward, as long as total liability for the Commission is clear and capped.

### ***Infrastructure – Utility Infrastructure (On-Site and Off-Site)***

The Commission will consider funding requests to support projects that develop and expand energy infrastructure offering long-term benefits to the region. This may include grants for engineering and design associated with on-site and/or off-site energy infrastructure necessary to serve megasites, and priority regional industrial site properties. The Commission will consider grant and loan funding assistance for pilot energy deployment projects with measurable outcomes.

### ***Scalable Energy Deployments***

The Commission will consider funding for cost-effective, scalable energy deployment projects for proven technologies and offer opportunities for scalability. Priority of grant investments will be for capital costs and capitalizable expenses that can be awarded under the Commission's Restricted Funds. "Scalable" for the purposes of this RFP is defined as not in funding or R&D phase.

***\*\*\*Research & Development projects are ineligible for funding at this time.\*\*\****

### ***Energy Manufacturing Incentives***

The Commission will consider TROF-like incentives for energy manufacturing and supply chain companies that commit to job creation and private capital investment in the Tobacco Region.

### ***Energy Workforce Initiatives***

The Commission will consider funding workforce related projects that do not otherwise meet the guidelines for TRRC's Competitive Education program (example: energy workforce needs assessments).

## Requirements

Depending on the nature of the project, Energy Ingenuity Fund proposals require one or more of the following documents (refer to **Section III. Required Documents** of this RFP):

- Service Area and Project Location Map (*required for all*)
- Master Plan with Targeted Sectors (*required for all*)
- Fee Estimate or Proposal from Engineer (*required for A&E and/or construction*)
- Construction Cost Estimate from A&E or Contractor (*required for construction*)
- Phase 1 Environmental Assessment Report (*required for brownfield sites*)
- Virginia Business Ready Site Assessment Report (*required for sites assessed by VEDP*)
- Cash Flow Analysis with Rate Structure (*required for utility infrastructure*)

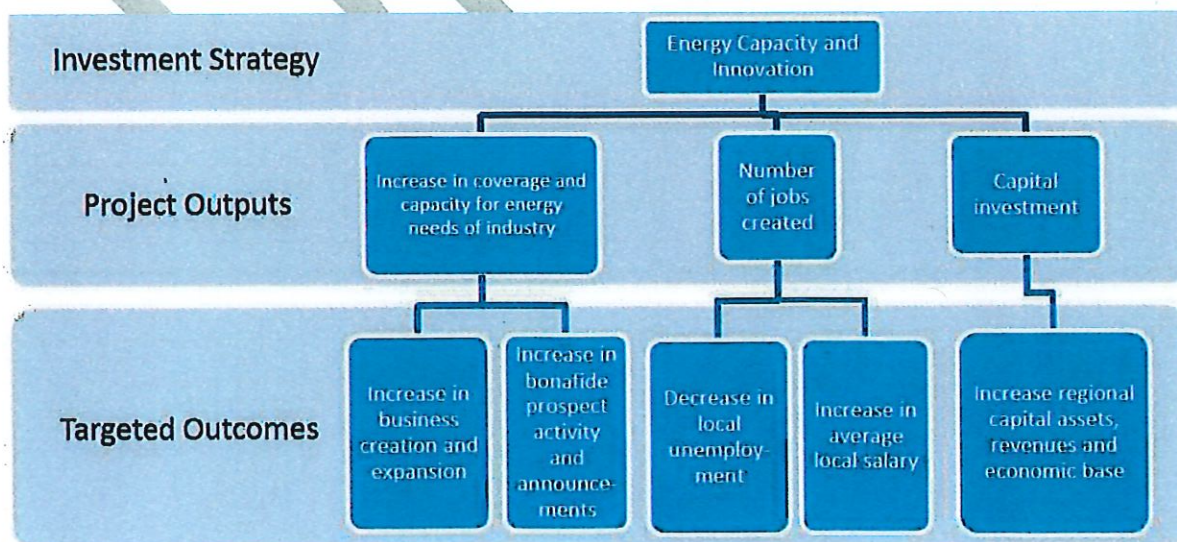
## Outputs/Deliverables

Applicants must identify the deliverables expected to result from the direct use of TRRC grant and matching funds. Deliverables are accomplished during the grant period and are directly related to use of grant funds. Examples of project deliverables for Energy include:

- Change in industrial site's energy readiness to improve marketability to targeted sectors
- Feasibility Study or Implementation Plan
- Workforce Needs Assessment Report
- Number of Jobs Created
- Amount of Capital Investment
- Product or Service Deployment (please give a specific/detailed response based on type and function of product/service)

## Outcomes

Applicants for Energy Ingenuity - Execution grants must estimate aggregate energy related economic development outcomes that are projected result to result within FIVE years following the grant end date. Applicants will choose the relevant outcome measures based on the project and include an outcomes narrative to explain the figures provided. Please see the following logic model for examples of outcomes. Note that outcomes are not limited to those in this model (additional example: output – scalable energy product installed; outcome – grid resiliency improvement).



### III. REQUIRED DOCUMENTS FOR FULL PROPOSAL

Depending on the nature of the project, applicants may be required to submit several other documents, so the Commission and its staff are fully informed about all pertinent aspects of the project. As these will vary by project type, this list is not exhaustive, and applicants should submit any other documents they believe will assist during the review process.

#### MAIN PROPOSAL ATTACHMENTS

- A. Project Description**
- B. Service Area and Project Location Map**
- C. Biographical Sketches for lead personnel on project**
- D. Letters of Support** - Applicants are encouraged to provide letters from project partners, beneficiaries and others that demonstrate the commitment of resources to the project or document demand. *Redundant form letters of support are discouraged.*

#### FINANCIAL ATTACHMENTS

- E. Line-Item Detailed Budget** - All requests must include a line-item detailed budget with details on how Commission resources and matching funds will be used. A template available in the online application may be used to provide this information. Other line-item detail formats will be accepted provided they contain all pertinent information.
- F. Cost Estimate from Engineer or Construction Contractor** – *Required for all A&E and construction projects.* A current written cost estimate from a licensed architect, engineer or construction contractor must be provided.
- G. Detailed Equipment List and Equipment Quotes** – Requests for the purchase of equipment, must provide a detailed equipment list and quotes from product vendors.

#### ADDITIONAL ATTACHMENTS – BASED ON TYPE OF PROJECT.

- H. Feasibility Study** - A feasibility study or similar analysis that demonstrates that the proposed business concept is technically and economically feasible should be submitted, if applicable. This analysis evaluates the practicality and viability of an idea and should answer the question “should we proceed with the proposed project idea”.
- I. Economic Impact Study** - The potential economic impact of the project to the region must be documented. While the Commission is primarily interested in the direct impact, estimates of the indirect and induced impacts may be provided.

- J. Master Plan** – A master plan or similar information which describes the project’s total development strategy is required for certain projects. The requirement for a master plan typically applies to applications requesting construction funding for industrial development projects, regional tourism investments such as the development of a regional trail system, or other projects with multiple stages of implementation.
- K. Inventory of Available Sites** – *Required for investments in new industrial sites.*  
A complete listing of all publicly owned sites located in the applicant locality and the surrounding region *must* be provided for new industrial site funding requests.
- L. Virginia Business Ready Sites Program Assessment Report** – *Required for industrial sites assessed by the Virginia Economic Development Partnership.* A copy of the Virginia Business Ready Site Assessment for industrial site properties; with the most recent Tier characterization certification letter, if Tier level has been updated since the assessment.
- M. Phase 1 Environmental Site Assessment** – *Required for brownfield site applications.* The Phase 1 ESA will assess if current or historic property use have impacted the soil or groundwater and to identify threats to the environment and/or human health.
- N. Preliminary Engineering Report or Preliminary Architectural Report** -- Applicants are requested to provide preliminary engineering reports, preliminary architectural reports, building plans, or other relevant A&E documents with for property or buildings.
- O. Business Plan or Operating Plan** - *A Business Plan is required for applications with a private beneficiary. An Operating Plan is required for proposed new facilities.* The required Business Plan or Operating Plan must describe the operational requirements for the new business or facility, and how those requirements will be met.
- P. Operating Budget and Pro Forma** – *Required for utilities infrastructure applications.* All requests for projects that will have ongoing operating costs must demonstrate how operation of the new or expanded program or facility is expected to be sustained beyond a start-up period of no more than three years. An operating budget or pro forma with revenues and expenses must be provided showing projections for how the program/facilities will be supported.
- Q. Marketing Plan** - A marketing plan to describe the project’s target market and the plan to capture that market must be described in the application, if applicable.
- R. Program Guidelines & Sub-Awards** – When the project will result in sub-awarding of TRRC funding to other recipients, the details of the sub-award arrangements including a draft of the proposed contract agreement must be provided.
- S. Operating Agreements** – Agreements, memoranda of understanding, contracts, or similar documents between project partners are required whenever there are multiple beneficiaries of the project. The agreement must detail each entity’s responsibilities.

**T. Performance Agreements** – Provide terms for private sector performance agreements.

**U. Cash Flow Analysis with Rate Structure** – *Required for utility infrastructure construction.* For projects that will generate revenues, applicants must provide (i) a detailed cash flow analysis that shows a baseline of current operations and expected changes to revenues and expenditures if an award is approved, and (ii) a proposed or currently adopted rate structure for new and/or existing customers. Proposed or planned changes to the rate structure that will result from and/or is necessary to support the project requested for support from the Commission must be identified.

#### **IV. REQUIREMENTS OF FUNDING**

##### **A. Grants and Loans**

This RFP seeks applications for both grants and loans. Staff will typically recommend that loans be awarded to projects that are expected to generate sufficient revenues to service debt even when the application sought a grant. TRRC offers competitive interest rates and will entertain flexible loan terms, such as forbearance periods during construction or startup periods and interest only payments. In addition, the Commission will also entertain applications for a combination of a grant and loan as part of the same award.

TRRC loans are administered by either the Virginia Resources Authority (VRA) or the Virginia Small Business Finance Authority (VSBFA), and prospective loan recipients must provide any additional documentation that VRA, VSBFA or TRRC requests.

##### **B. Award Information**

It is anticipated that the Commission will approve multiple awards—including grants and loans—as a result of this RFP. After the Commission makes award decisions, grant agreements will be issued for the amounts and with any conditions as approved by the Commission.

The Commission will typically use its standard restricted or unrestricted grant agreements for selected projects. All grantees are required to follow the Commission's Funding Policies as a condition of the award. The standard grant agreement and the Funding Policies are available on the Commission's webpage. The Commission reserves the right to update its standard grant agreement and Funding Policies at any time.

##### **C. Payment of Grant Funds**

Payment of grant funds will be subject to the terms of the grant agreement and will be disbursed on a reimbursement basis. Expenses incurred prior to the award date are not eligible for reimbursement. The standard reimbursement period is quarterly, unless otherwise agreed to by Commission staff. The grantee is required to provide appropriate documentation of the expenditures and use of required matching funds for the project. The Commission's Funding Policies contain additional information that applicants should review closely.



## **D. Reporting**

Grantees must provide annual reports on the financial and quantitative progress made toward completion of the project's milestones and outputs and provide a narrative discussion of progress. A final report including a narrative on the success of the project, attainment of proposed outputs, and a description of the long-term expectations and achievements for the project is required at the close of the project. The Commission will not process the final payment request until all the grantee has satisfied all reporting requirements.

Additionally, grantees must provide any additional or interim reporting information the Commission may request to ensure the provisions of the grant agreement are properly carried out, administered, and enforced.

## **E. Assets**

As a condition of awarding a grant, the Commission will have a claim to all property and assets in which Commission grant funds were invested and the Commission must approve any conveyances of such property and assets. This applies to investments in real property, intellectual property, and equipment purchases greater than \$5,000. The details of these requirements are included in the grant agreement and the Commission's Funding Policies.

## **V. ATTACHMENTS**

- Attachment A – Evaluation Criteria
- Attachment B – Tobacco Region Map of Eligible Localities

**TRRC's Southwest and Southern Virginia  
Regional Economic Development Program - Evaluation Criteria**

**OVERALL PROJECT EVALUATION (70 POINTS)**

*Projects will be evaluated in each area listed below for a total of 70 points for overall evaluation.*

**Assessment of Need & Eligibility (15 points)**

Problem / Need - Clearly Identified problem or need to be addressed. (5)

Assessment of Need & Planning - Significance and strategic fit of project to the community, as demonstrated by assessment of need or opportunity, and evidence of stakeholder input and support in project design. (5)

TRRC Priority - Fit with the Tobacco Region Revitalization Commission's mission, Strategic Plan, investment categories and funding priorities. (5)

**Methodology & Project Feasibility (25 points)**

Methodology - Logical and feasible approach to addressing objective and meeting investment metrics/output deliverable objectives that will benefit economic revitalization in the region. (10)

Timeline & Milestones - Project describes how objectives will be achieved under a realistic work plan. Progress steps and estimated dates for completion provided. (5)

Project Team - Experience and demonstrated expertise of project team for accomplishing objectives. (5)

Feasibility - Focus of project planning, and feasibility to accomplish direct outcomes benefiting economic revitalization in the Tobacco Region. (5)

**Project Budget and Match (15 points)**

Budget Detail - Budget is reasonable, realistic, and cost-effective. Planned use of funds supported by a budget narrative, and with quotes and estimates. (5)

Match - Leveraging of non-TRRC resources is evident with appropriate sources and amounts of cash commitments and other funding, and in-kind match contributions identified. (5)

Additional Match - Leveraging of non-TRRC resources exceeds minimum 1:1 requirement. (5)

**Sustainability for Long-Term Success (15 points)**

Sustainability - Demonstrated financial plans with cash-flow analysis and pro- forma budgets. Clear plan for financial sustainability and ability to maintain effort beyond the term of grant funding. (10)

Long Term Impact on Region & Communities - Regional cooperation and financial collaboration. Likelihood for benefits of the project to accrue regionally and/or serve as a model for other communities. (5)

**INVESTMENT OUTCOMES RESULTING FROM OUTPUT METRICS & DELIVERABLES (30 POINTS)**

*Each project will be scored up to 30 points, under the relevant Investment Category below:*

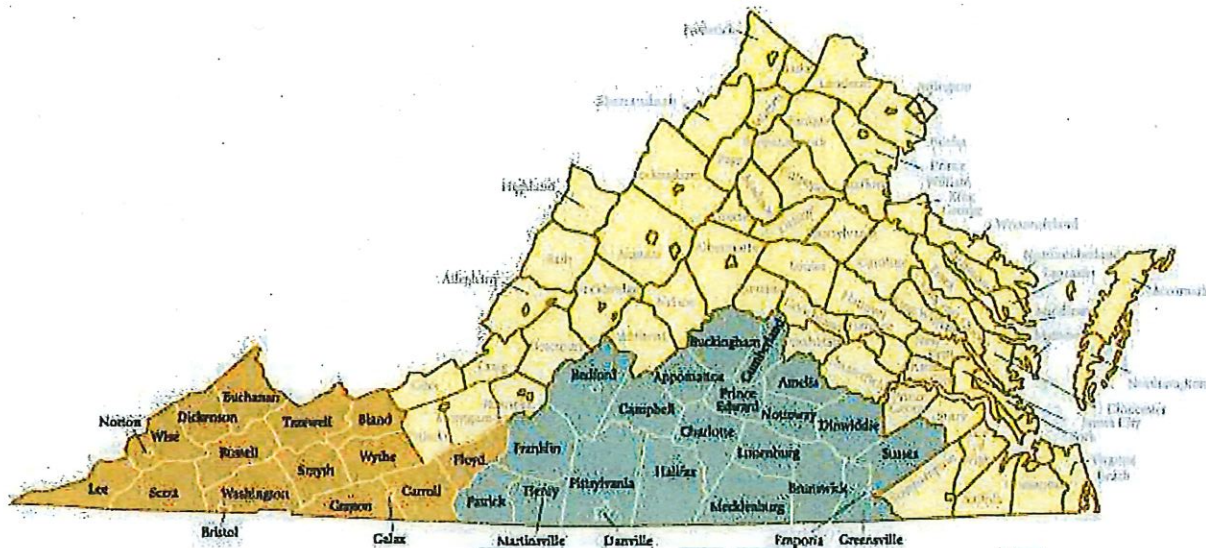
**E. ENERGY**

Depending on the nature of the project, outcomes will be based on the expected impact on Energy development and Energy Innovation in the Tobacco Region. This may include potential for a strong return on investment for the TRRC, support and involvement of private sector Energy deployment and Energy innovation in the project, likelihood of success in achieving targeted milestones and deliverables, and ability to be scalable within 2 years of deployment will be considered.

**Total Score = Overall Project Evaluation plus Investment Outcomes =  $\leq$  100 Points**

DRAFT

**Counties & Cities Eligible for Tobacco Commission Funding**



The service area for the Virginia Tobacco Region Revitalization Commission includes 40-tobacco-dependent localities in the Southern and Southwest areas of Virginia. Eligible applicants serving these localities are eligible to apply to the Commission’s grant programs for projects that will enhance the economic growth and development of the region.

**SOUTHWEST AREA**

**Counties:**

- Bland
- Buchanan
- Carroll
- Dickenson
- Floyd
- Grayson
- Lee
- Russell
- Scott
- Smyth
- Tazewell
- Washington
- Wise
- Wythe

**Cities:**

- Bristol
- Galax
- Norton

**SOUTHERN AREA**

**Counties:**

- Amelia
- Appomattox
- Bedford
- Brunswick
- Buckingham
- Campbell
- Charlotte
- Cumberland
- Dinwiddie
- Franklin
- Greensville
- Halifax
- Henry
- Lunenburg
- Mecklenburg
- Nottoway
- Patrick
- Pittsylvania
- Prince Edward
- Sussex

**Cities:**

- Danville
- Emporia
- Martinsville

**Commonwealth of Virginia  
Tobacco Region Revitalization Commission**

**FY2024 Agribusiness Fund Program  
GUIDELINES & REQUEST FOR PROPOSALS**

**Application Due Date:  
TBD**



**Tobacco Region Revitalization Commission  
FY2024 Agribusiness Program**

**GUIDELINES & REQUEST FOR PROPOSALS**

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## I. GENERAL PROGRAM INFORMATION

### A. Purpose & Background

The Tobacco Region Revitalization Commission (“TRRC” or “Commission”) was established by the Virginia General Assembly in 1999, as a political subdivision of the Commonwealth. The Commission makes investments to revitalize and diversify the economy of the region it supports. Projects selected for funding include initiatives that will measurably advance the Commission’s priorities as a direct result of project success.

The Agribusiness Fund Program’s Guidelines and Request for Proposals (together, “RFP”) are issued to solicit applications through a competitive process to establish grant and loan agreements for economic development projects in the region.

Funding will be considered for projects promoting economic growth and development within the Southern and Southwest Virginia area of Virginia’s Tobacco Region. Refer to *Attachment B - Eligible Counties & Cities for Tobacco Commission Funding* on page XX of this RFP.

Approximately \$X million is available for awards from the Agribusiness Fund Program. The application deadline is 00-00-0000.

A Pre-Application detailing the proposed project is required and serves as an opportunity for Commission staff to conduct a preliminary assessment of the likelihood of the project’s eligibility for funding, and to provide meaningful feedback to applicants before they prepare a full application package. Candidates will be notified by Commission staff if their pre-application is selected to move on to the full application process.

Full applications are evaluated by Commission staff and funding recommendations are put forward to the full Commission for further discussion and approval at its spring, fall and winter meetings.

### B. Funding Priorities

The [Commission’s Current Strategic Plan](#) identifies its current funding priorities. Logic models are included therein for the types of projects that the Commission will consider funding.

Details on priorities and the types of projects to be considered under this RFP are provided in **Section II. Guidelines**. All applicants must clearly articulate how the project relates to the goals of the program. All projects must clearly define outputs that will occur during the project period and directly relate to the use of Commission funds and matching funds. Outputs are specific to each project.

## C. Eligibility – Eligible Applicants, Matching Funds, Uses of Funding

### Eligible Applicants

Applications will only be accepted from governmental entities and non-profit organizations located in and/or providing economic revitalization programs, services, or facilities in the Tobacco Region. Eligible applicants including the following:

- Governmental Entities - Governmental entities within the Tobacco Region, including towns, cities, and counties; local or regional industrial or economic development authorities; regional authorities, and other governmental units.
- Non-Profit Organizations - Incorporated non-profit organizations designated as tax-exempt by the federal Internal Revenue Service.

Guidelines for applications submitted by regional partnerships and for projects benefiting for-profit entities, are in Section III of the Commission's Funding Policies discussed below:

***Use of Funds by For-Profit Entities*** – Applications that will benefit a private entity must have a public purpose and be made by one of the eligible applicants identified in the previous section. The following must be described in the application:

- The public purpose that will be met by assisting the private beneficiary;
- Terms of the agreement that will be executed between the governmental unit or nonprofit administrator and the for-profit entity regarding use of funds, ownership of grant-funded assets, and the private entity's commitment to create and report documented public benefits such as new jobs or taxable private capital investment within three years;
- The amount of wages and salaries to be paid to employees of the Beneficiary.

Funds may be required to be provided in the form of a loan from the governmental unit or nonprofit administrator to the for-profit entity.

### Ineligible / Eligible Uses of Funding

The Tobacco Region Revitalization Commission's Funding Policies for Grant Awards: Information for Applicants & Grantees (Revised June 2020) ("Funding Policies") has information on general ineligible uses of funds, specific type of expenses not eligible for reimbursement, acceptable expense documentation for seeking reimbursement, match documentation requirements, and other important details about the Tobacco Commission's grant administration policies.

### Matching Funds

As required by the Code of Virginia, all requests for grant funds require at least dollar-for-dollar (1:1) matching funds, with no more than 25% of the match requirement from "in-kind" sources. Loan requests do not have a match requirement. *Expenses already included in an annual budget such as personnel and other operating costs will count toward the 25% In-Kind limit.*



Applicants for grant awards must submit details on the nature, source, and timing of match contributions necessary for meeting the 1:1 match requirement. Once secured, matching funds must be committed to the project and available as needed and must not be conditioned or encumbered in any way that may preclude their use for the project during the grant period. Applicants should provide a commitment letter or equivalent document signed by an authorized representative of the organization providing matching funds to document each source of match.

If the Commission awards a grant to an applicant who has not secured acceptable matching funds at the time of award, the applicant will have up to 12 months from the date of the award to secure matching funds or else the Commission may rescind the award and de-obligate its funds.

#### **D. Application and Submission Information**

Pre-application proposals for consideration in (MONTH) 2024 must be submitted by midnight on (DATE) through the Commission's online application portal:

<https://vtc.smartsimple.com/s/Login.jsp>.

*A completed pre-application is REQUIRED for all Agribusiness funding requests and is in the grant portal as "Agribusiness/Pre-Application – Southern Region" or "Agribusiness/Pre-Application – Southwest Region," depending on the location of the project. In addition to text fields of the application, up to 10 pages of additional project description may be submitted as an attachment.*

*Based on the information provided in the Agribusiness/Pre-Application, applicants will be invited to submit a full funding request. Pre-applications invited to move forward to full application will submit by (DATE).*

Applicants must certify they have read this RFP and the Commission's Funding Policies; that the information in their applications is true and correct; and that documentation for any claims and representations made can be made available upon request from Commission staff. The certification must be made by an authorized representative of the applicant organization.

All information expressly required by this RFP must be included. Proposals which are substantially incomplete, or lack key information, will be considered nonresponsive. These proposals will be declined for review and will not be presented to the committee.

#### **E. Evaluation**

The Commission's Southern or Southwest Virginia Committees will evaluate applications submitted in response to this RFP, depending on the location of the project. Staff recommendations to the Committee will be based upon requirements in this RFP and the Evaluation Scoring Criteria provided in Attachment A. Approval of funding is at the sole discretion of the Commission. The Commission reserves the right to cancel this RFP, to not proceed with any or all applications, to condition its award on additional terms and conditions, or to award a loan to an applicant who sought a grant.

## F. TRRC Staff Contact Information

TRRC staff are available to assist with applications. For technical assistance with logging in or setting up an account with the Commission's online grants portal, please contact:

- Suzette Patterson, Grants System Manager (Richmond, VA)  
(804) 894-9662, [spatterson@revitalizeva.org](mailto:spatterson@revitalizeva.org)

Contact TRRC's grants staff for assistance with project design or to discuss a pre-application:

- Sarah Capps, Southern Regional Director (Rocky Mount, VA)  
(540) 483-0179, ext. 2168, [scapps@revitalizeva.org](mailto:scapps@revitalizeva.org)
- Sara Williams, Southwest Regional Director (Abingdon, VA)  
(276) 619-4235, [swilliams@revitalizeva.org](mailto:swilliams@revitalizeva.org)
- Vicki Humphreys, Grant Programs Director (Richmond, VA)  
(804) 894-9658, [vhumphreys@revitalizeva.org](mailto:vhumphreys@revitalizeva.org)

## II. GUIDELINES

The Commission will consider awarding grants and loans for agribusiness projects that create or expand market opportunities for regional producers and that result in a quantifiable increase in net farm income. The three primary areas of interest to the Commission are the establishment of value-added processing, aggregation, and marketing facilities, and the development of emerging and new market opportunities to diversify and enhance the region's agricultural economy.

Priority will be given to regional facilities serving or benefiting multiple producers in more than one locality. Investments will support increasing sales of agricultural commodities and agricultural food products from the region. Projects must clearly demonstrate the identified need or opportunity for a new or expanding market that brings economic value to the region.

### A. Objectives

- Create or expand market opportunities for Tobacco Region producers and that result in a quantifiable increase in net farm income
- Leverage Federal, State and private grant opportunities for agribusiness development
- Diversify and enhance the region's agricultural economy
- Provide an enabling environment for innovation in the agricultural entrepreneurial ecosystem

### B. Major Funding and Technical Assistance Partners

- Virginia Department of Agriculture and Consumer Services (VDACS)
- United States Department of Agriculture (USDA)
- Virginia Foundation for Agriculture, Innovation and Rural Sustainability (VA-FAIRS)
- Virginia Cooperative Extension
- Virginia Small Business Financing Authority

## C. Eligible Investments

### **Value-Added Processing, Aggregation, and Marketing Facilities**

Value-added processing, aggregation and marketing facilities add value by changing the characteristics of the agricultural commodity to meet market demand. Applicants will use the **Agribusiness application** and select one of the following Agribusiness Investment strategies:

- (i) Commercial Agriculture Processing
- (ii) Community Food Processing
- (iii) Farmers Markets
- (iv) Multi-Purpose Agriculture Centers

*Producer Collaboration & Cooperatives:* The Commission's priority is to invest in value-added projects that support producers working in partnership through a producer-based business, agricultural association, or a member-owned cooperative that benefits multiple producers. Funding limits depend upon whether the facility is publicly or privately owned and operated.

#### Private Ownership:

- Grants for Capital Projects - Grant requests for up to 25% of the total capital costs for equipment for value-added processing facilities operated by a for-profit business whose primary function involves the production, processing, or marketing of agricultural products. Applications must be sponsored by an eligible applicant. The Commission's funding will require a performance agreement under which the company will be required to repay grant funds if it does not meet certain performance targets.

#### Public or Non-Profit Ownership:

- Grants for Capital Projects - Value-added facilities owned by a government entity or a non-profit organization may apply for grants of up to 50% of total capital costs.
- Grants for Start-Up Operations - Governmental entities and non-profit organizations may request grant support for start-up operating costs associated with new or expanding value-added processing and aggregation facilities. Applicants must provide a sound operating plan that shows decreasing reliance on Commission funds.

#### Loans

- Applicants may apply for low-interest financing assistance to support capital costs for start-up or expansion of a value-added processing facilities benefiting Tobacco Region producers regardless of public or private ownership. Loans will be recommended for projects where there is an identifiable revenue stream sufficient to repay the loan.

### **Development of Market Opportunities**

Projects that diversify and enhance the region's agribusiness economy with a focus on new or expanded market opportunities are eligible for funding. Applicants will use the **Agribusiness application** and select one of the following Agribusiness investment strategies:

- (i) Wholesale & Retail Cooperative Marketing
- (ii) Crop Demonstrations
- (iii) Cost-Share Programs

**Wholesale and Retail Cooperative Marketing < \$20,000 grants** - Small matching grants of up to \$20,000 to support marketing initiatives focused on obtaining access to new or expanding markets to increase agricultural product sales revenues will be considered. All projects must benefit multiple producers. Eligible projects include those that focus on development of institutional or commercial market opportunities; creation of on-line sales systems connecting buyers to sellers; targeted marketing strategies for specialty crops; and creation of broker or expeditor services where a third party connects quality agriculture products from several farms to new market opportunities.

**Crop Demonstration Projects** - Projects that assist producers in the development and demonstration of high-value, low acreage crops (defined as those that have a higher net return per acre compared to conventional commodity crops) will be considered. Projects seeking funds for basic research activities will not be considered.

**Cost Share Programs** - Cost-share programs that focus on transitioning producers into alternative agriculture enterprises or implementing new best practices, directly resulting in an increase to farmer income, will be considered. Projects must be regional and benefit a multi-county area. Cost share incentive payments will be limited to no more than 33% of capital costs or the costs of contracted services. Projects seeking funds for recurring farm expenses are not eligible.

All cost share program proposals must include the following:

- Education component with requirements for participation,
- Proposed cost-share program guidelines with eligible costs and evaluation criteria,
- Analysis of the return on investment to producers for implementing the practice(s),
- Demonstration of need and/or evidence of producer interest, and
- A defined plan for monitoring and measuring outcomes.

#### Requirements

In addition to any required information specified above, all proposals for Agribusiness investments must demonstrate the following:

- Benefit agriculture producers from Tobacco Region localities,
- Have a clearly identified market opportunity,
- Encourage private capital investment in farm operations or agribusiness facilities, and
- Will result in measurable increases to net farm income.

Depending on the nature of the project, applications for Agribusiness funding will require the following information (refer to Section III. **Required Documents** of this RFP):

- Service Area and Project Location Map (*required for all*)
- Feasibility Study or similar analysis (*required for publicly owned value-added facilities*)
- Business Plan or Operating Plan (*required for value-added facilities*)
- Operating Budget and Pro Forma (*required with Business Plan or Operating Plan*)
- Cost Estimate from Engineer or Construction Contractor (*required for construction*)
- Detailed Equipment List and Equipment Quote (*required for equipment purchases*)
- Marketing Plan (*required for wholesale and retail cooperative marketing projects*)
- Operating Agreements (*required for public-private partnerships*)
- Program Guidelines & Sub-Awards (*required for cost-share programs*)

### Outputs / Deliverables – Agribusiness

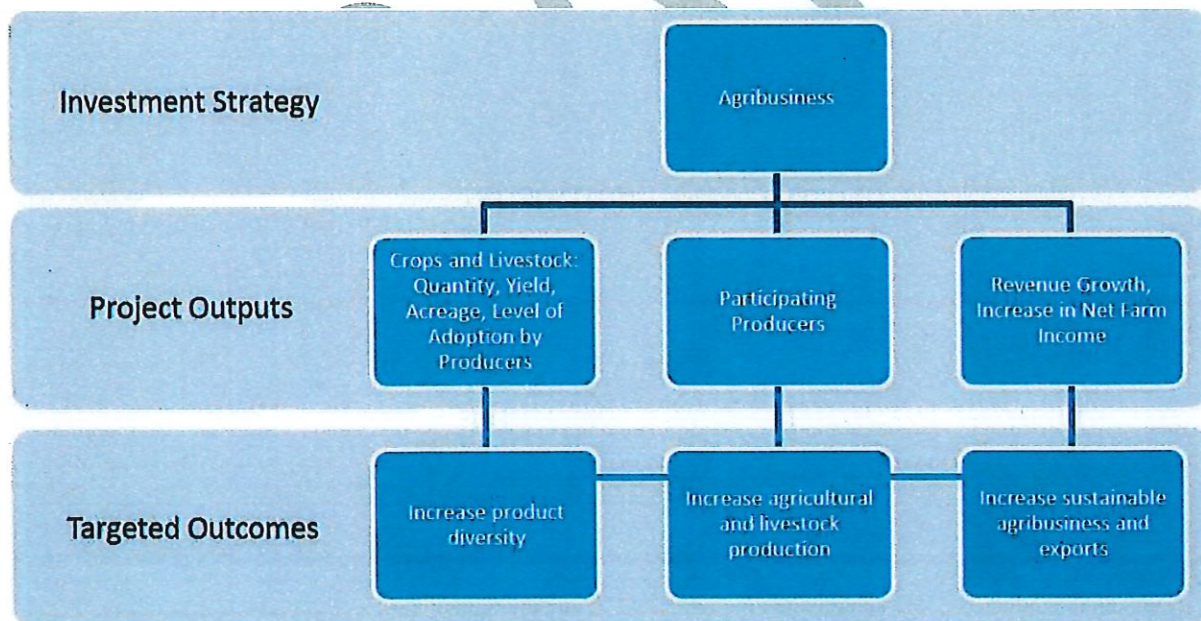
Applicants must identify the deliverables expected to result from the direct use of TRRC grant and matching funds. Deliverables are accomplished during the grant period and are directly related to use of grant funds. Examples of Agribusiness output metrics follow:

- Number of agricultural producers benefitting
- Total dollar value of Tobacco Region agricultural products to be used annually
- Increase in annual sales revenue for value-added agriculture products
- Average (per farm), and aggregate annual increase to net farm income
- Sales revenue for value-added agriculture products resulting from the project
- Number of new jobs created by new or expanding agriculture based business
- Increase in taxable private capital investment

*These are the typical project metrics for estimating outputs of agribusiness projects. Applicants are expected to identify the project outputs that are most applicable to their project.*

### Outcomes

Applicants for Agribusiness grants must estimate aggregate agribusiness related economic development outcomes that are projected result to result within FIVE years following the grant end date. Applicants will choose the relevant outcome measures based on the project and include an outcomes narrative to explain the figures provided. Please see the following logic model for examples of outcomes.



The Commission at its discretion may entertain other types of projects provided they meet all other requirements of this RFP, are in alignment with TRRC's Strategic Plan, and address critical economic development barriers affecting the Tobacco Region. Applicants who wish to bring a project outside of the scope of this RFP must contact TRRC's grants staff in advance.

### III. REQUIRED DOCUMENTS FOR FULL PROPOSAL

Depending on the nature of the project, applicants may be required to submit several other documents so the Commission and its staff are fully informed about all pertinent aspects of the project. As these will vary by project type, this list is not exhaustive and applicants should submit any other documents they believe will assist during the review process.

#### MAIN PROPOSAL ATTACHMENTS

- A. **Project Description**
- B. **Service Area and Project Location Map**
- C. **Biographical Sketches for lead personnel on project**
- D. **Letters of Support** - Applicants are encouraged to provide letters from project partners, beneficiaries and others that demonstrate the commitment of resources to the project or document demand. *Redundant form letters of support are discouraged.*

#### FINANCIAL ATTACHMENTS

- E. **Line-Item Detailed Budget** - All requests must include a line item detailed budget with supporting details on proposed project costs, including how Commission resources and matching funds will be used. A template available in the online application may be used to provide this information. Other line-item detail formats will be accepted provided they contain all pertinent information.
- F. **Cost Estimate from Engineer or Construction Contractor** – Requests for construction expenses must provide a current written cost estimate from a licensed architect, engineer or contractor, as appropriate for the project. In addition, applicants must provide additional supporting documents including preliminary engineering reports, other relevant A&E documents, building plans, etc. with the application.
- G. **Detailed Equipment List and Equipment Quotes** – Requests for the purchase of equipment, must provide a detailed equipment list and quotes from product vendors.

#### ADDITIONAL ATTACHMENTS – BASED ON TYPE OF PROJECT

- H. **Business Plan or Operating Plan** - A Business Plan or Operating Plan that describes the operational requirements for the project and how those requirements will be met should be submitted, if applicable.
- I. **Operating Budget and Pro Forma** - All requests for projects that will have ongoing operating costs must demonstrate how operation of the new or expanded program or facility is expected to be sustained beyond a start-up period of no more than three years. An operating budget or pro forma with revenues and expenses must be provided showing projections for how the program/facilities will be supported.

- J. Feasibility Study** - A feasibility study or similar analysis that demonstrates that the proposed business concept is technically and economically feasible should be submitted, if applicable. This analysis evaluates the practicality and viability of an idea and should answer the question “should we proceed with the proposed project idea”.
- K. Economic Impact Study** - The potential economic impact of the project to the region must be documented. While the Commission is primarily interested in the direct impact, estimates of the indirect and induced impacts may be provided.
- L. Marketing Plan** - A marketing plan to describe the project’s target market and the plan to capture that market must be described in the application, if applicable.
- M. Performance Agreements** – Provide terms for private sector performance agreements.
- N. Phase 1 Environmental Site Assessment** – Required for brownfield site applications.
- O. Virginia Business Ready Sites Program Assessment Report** – A copy of the Virginia Business Ready Site Assessment for industrial site properties; with the most recent Tier characterization certification letter, if Tier level has been updated since the assessment.
- P. Operating Agreements** - Agreements (Memoranda of Understanding, contracts, or similar documents) between project partners are required whenever there are multiple beneficiaries of the project.
- Q. Program Guidelines & Sub-Awards** - Applications requesting support for incentive programs (e.g., agriculture cost share or business development community business launch programs) must provide a copy of the proposed Program Guidelines. This will describe the governance of the program including its eligibility criteria, funding limitations, and program requirements. When the project will result in sub-awarding of TRRC funding to other recipients, the details of the sub-award arrangements including a draft of the proposed contract agreement must be provided.

## **IV. REQUIREMENTS OF FUNDING**

### **A. Grants and Loans**

This RFP seeks applications for both grants and loans. Staff will typically recommend that loans be awarded to projects that are expected to generate sufficient revenues to service debt even when the application sought a grant. TRRC offers competitive interest rates and will entertain flexible loan terms, such as forbearance periods during construction or startup periods and interest only payments. In addition, the Commission will also entertain applications for a combination of a grant and loan as part of the same award.

TRRC loans are administered by either the Virginia Resources Authority (VRA) or the Virginia Small Business Finance Authority (VSBFA), and prospective loan recipients must provide any additional documentation that VRA, VSBFA or TRRC requests.

### **B. Award Information**

It is anticipated that the Commission will approve multiple awards—including grants and loans—as a result of this RFP. After the Commission makes award decisions, grant agreements will be issued for the amounts and with any conditions as approved by the Commission.

The Commission will typically use its standard restricted or unrestricted grant agreements for selected projects. All grantees are required to follow the Commission's Funding Policies as a condition of the award. The standard grant agreement and the Funding Policies are available on the Commission's webpage. The Commission reserves the right to update its standard grant agreement and Funding Policies at any time.

### **C. Payment of Grant Funds**

Payment of grant funds will be subject to the terms of the grant agreement and will be disbursed on a reimbursement basis. Expenses incurred prior to the award date are not eligible for reimbursement. The standard reimbursement period is quarterly, unless otherwise agreed to by Commission staff. The grantee is required to provide appropriate documentation of the expenditures and use of required matching funds for the project. The Commission's Funding Policies contain additional information that applicants should review closely.

### **D. Reporting**

Grantees must provide annual reports on the financial and quantitative progress made toward completion of the project's milestones and outputs and provide a narrative discussion of progress. A final report including a narrative on the success of the project, attainment of proposed outputs, and a description of the long-term expectations and achievements for the



project is required at the close of the project. The Commission will not process the final payment request until all the grantee has satisfied all reporting requirements.

Additionally, grantees must provide any additional or interim reporting information the Commission may request to ensure the provisions of the grant agreement are properly carried out, administered and enforced.

#### **E. Assets**

As a condition of awarding a grant, the Commission will have a claim to all property and assets in which Commission grant funds were invested and the Commission must approve any conveyances of such property and assets. This applies to investments in real property, intellectual property, and equipment purchases greater than \$5,000. The details of these requirements are included in the grant agreement and the Commission's Funding Policies.

### **V. ATTACHMENTS**

- Attachment A – Evaluation Criteria
- Attachment B – Tobacco Region Map of Eligible Localities

**TRRC's Southwest and Southern Virginia  
Regional Economic Development Program - Evaluation Criteria**

**OVERALL PROJECT EVALUATION (70 POINTS)**

*Projects will be evaluated in each area listed below for a total of 70 points for overall evaluation.*

**Assessment of Need & Eligibility (15 points)**

Problem / Need - Clearly Identified problem or need to be addressed. (5)

Assessment of Need & Planning - Significance and strategic fit of project to the community, as demonstrated by assessment of need or opportunity, and evidence of stakeholder input and support in project design. (5)

TRRC Priority - Fit with the Tobacco Region Revitalization Commission's mission, Strategic Plan, investment categories and funding priorities. (5)

**Methodology & Project Feasibility (25 points)**

Methodology - Logical and feasible approach to addressing objective and meeting investment metrics/output deliverable objectives that will benefit economic revitalization in the region. (10)

Timeline & Milestones - Project describes how objectives will be achieved under a realistic work plan. Progress steps and estimated dates for completion provided. (5)

Project Team - Experience and demonstrated expertise of project team for accomplishing objectives. (5)

Feasibility - Focus of project planning, and feasibility to accomplish direct outcomes benefiting economic revitalization in the Tobacco Region. (5)

**Project Budget and Match (15 points)**

Budget Detail - Budget is reasonable, realistic and cost-effective. Planned use of funds supported by a budget narrative, and with quotes and estimates. (5)

Match - Leveraging of non-TRRC resources is evident with appropriate sources and amounts of cash commitments and other funding, and in-kind match contributions identified. (5)

Additional Match - Leveraging of non-TRRC resources exceeds minimum 1:1 requirement. (5)

**Sustainability for Long-Term Success (15 points)**

Sustainability - Demonstrated financial plans with cash-flow analysis and pro- forma budgets. Clear plan for financial sustainability and ability to maintain effort beyond the term of grant funding. (10)

Long Term Impact on Region & Communities - Regional cooperation and financial collaboration. Likelihood for benefits of the project to accrue regionally and/or serve as a model for other communities. (5)

**INVESTMENT OUTCOMES RESULTING FROM OUTPUT METRICS & DELIVERABLES (30 POINTS)**

*Each project will be scored up to 30 points, under the relevant Investment Category below:*

**AGRIBUSINESS**

Ability to create agribusiness opportunities and to increase net farm income, with an emphasis on systemic or collective benefit. Evidence of producer interest and market opportunity.

**Total Score = Overall Project Evaluation plus Investment Outcomes =  $\leq$  100 Points**

DRAFT



**Proposed new position: Senior Administrative Specialist**

(Role Title & Code: General Administration Coordinator II, 12073; Pay band 5)

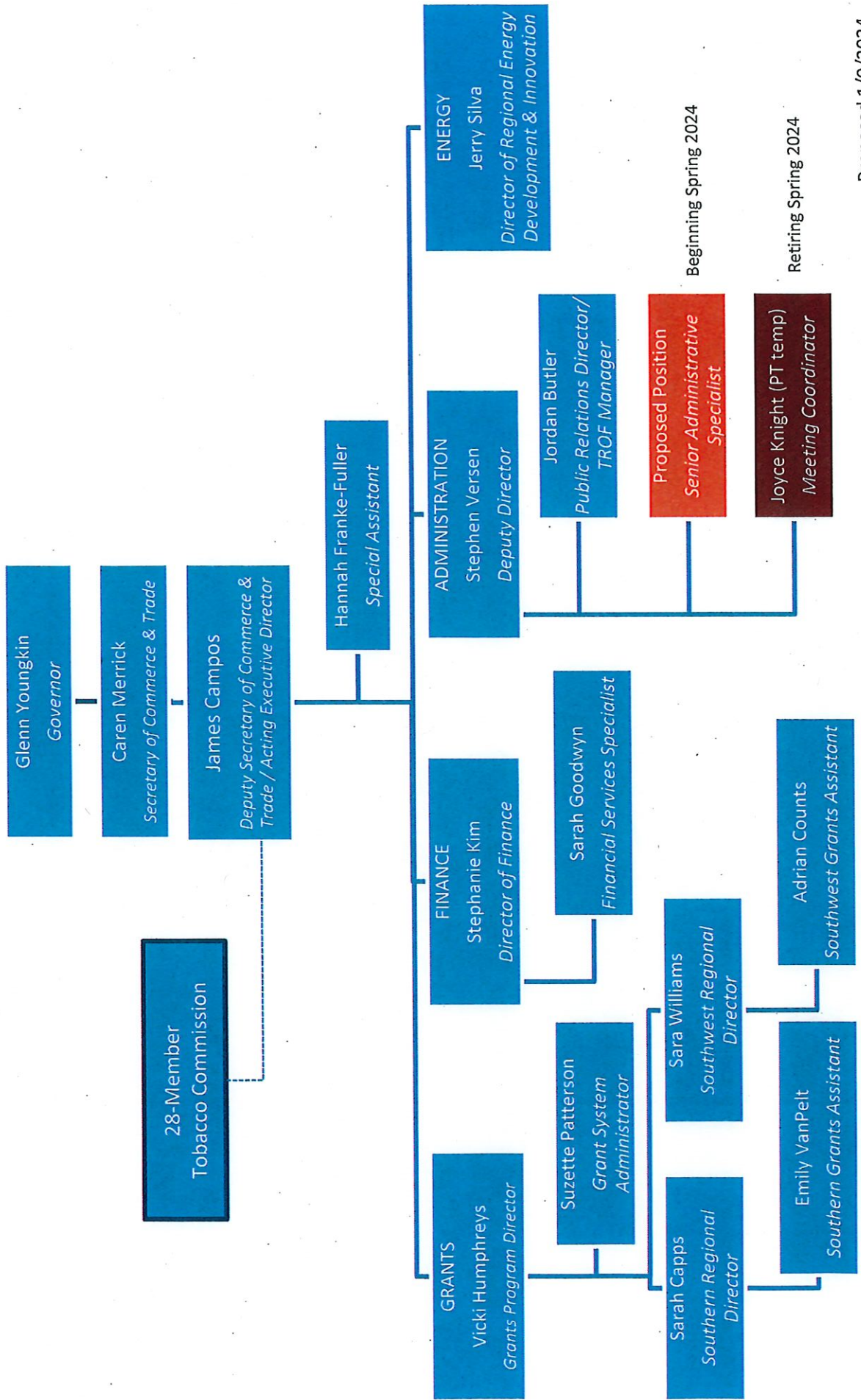
Advertised at \$55-67,000/yr. Targeted hiring date: February/March 2024 (to provide overlap with Ms. Knight)

% Time	Core Responsibilities  <i>Full-Time Position (40 hrs/week)</i>	Measures for Core Responsibilities
30%	A. Commission Meetings	<p>Manage activities related to the tri-annual Commission meetings as well as committee meetings by:</p> <ul style="list-style-type: none"> <li>• Securing meeting locations, transportation needs, accommodations, and meals.</li> <li>• Negotiate contracts with vendors to meet or beat budget minimums.</li> <li>• Assist in the Agenda development and preparation of informational packets/books.</li> <li>• Keep Commission members abreast of any updates or changes.</li> <li>• Finalize all details with closing of meetings to include securing final payment.</li> <li>• Assists Deputy Director in tracking and reporting on Commission decisions</li> </ul>
30%	B. Data Management	<ul style="list-style-type: none"> <li>• Assists Commission staff with managing project data in SmartSimple and other data management systems.</li> <li>• Assists Commission staff in researching project data and preparing reports</li> <li>• Enters and manages data for TROF and other economic development programs</li> <li>• In partnership with Commission staff, explores new or improved data management systems</li> <li>• Track and provide reports on OKRs</li> </ul>
20%	C. TROF Support	<p>Provide timely support to the Deputy Director and Tobacco Region Opportunity Fund Manager in TROF by:</p> <ul style="list-style-type: none"> <li>• Working directly with localities to determine needs and providing estimated incentives for future projects and coordinate communications and documents for TROF incentives requests through award to close out.</li> <li>• Determine when performance measures have not been met, calculate amount of clawback, and establish collection schedule with the effected locality.</li> <li>• Communicate effectively to companies and localities the program requirements as well as policies and procedures.</li> <li>• Work with the Commission's data analyst to recommend changes to TROF estimator.</li> <li>• Coordinate communications with the Virginia Employment Commission (VEC) to the Commission re: employment numbers and needs for the program.</li> <li>• Run data received from the VEC into usable information to determine TROF grantee's progress on performance measures.</li> <li>• Communicate effectively with local Commissioners of the Revenue to receive data and evaluate said data to determine TROF grantee's progress on performance measures.</li> <li>• Manage files, update electronic database, and coordinate and update tracking system.</li> </ul>
20%	D. Executive Administrative Assistance	<ul style="list-style-type: none"> <li>• Aids Special Assistant as needed in providing analytical, administrative, and technical support to the Executive Management Team</li> <li>• Assist Public Relations Director with press releases, annual report and other Commission related communications</li> <li>• Provides general office management assistance as needed</li> </ul>

**Justification:** This position will take over the duties currently filled by the soon-to-be retiring Joyce Knight who handles meeting planning, minutes, administrative duties and material production for all Commission and committee meetings. Additionally, this position will take on TROF support and administrative duties previously completed by Stacy Richardson and information management duties completed by Data Director David Bringman. By consolidating these responsibilities into a single position, these important functions can be efficiently completed and it will position Commission staff to operate more efficiently and undertake additional initiatives, especially around data management.

# Tobacco Region Revitalization Commission

## Organizational Chart



# **FULL COMMISSION**



▪ *In-Person Meeting* ▪

## AGENDA

### FULL COMMISSION

**January 9, 2024 - 11:00 A.M.**

**Delta Hotels by Marriott Richmond Downtown**

**Kanawha Ballroom**

**555 East Canal Street, Richmond, VA 23219**

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The public may remotely participate in this meeting by accessing the following dial-in numbers: **1-434-230-0065** (toll) and enter conference ID: **885 164 502#**.

The Commission will not change the method by which it chooses to meet without providing a new meeting notice that is in accordance with the Va. Freedom of Information Act. If problems are experienced calling in, please contact: **Hannah Franke-Fuller** at (804)-894-9659 or [hfranke-fuller@revitalizeva.org](mailto:hfranke-fuller@revitalizeva.org) or **Joyce Knight** at (804) 894-9651.

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**Welcome and Call to Order**

*The Honorable Frank Ruff, Chair*

**Call of the Roll**

*The Honorable James Campos, Acting Executive Director*

**Approval of the 10/12/23 Minutes**

*(published on website)*

**Public Comment**

**Executive Committee**

*The Honorable Frank Ruff, Chair*

**Incentives & Loans Committee**

*The Honorable Danny Marshall, Chair*

**Southern Virginia Committee**

*Mr. Walter "Buddy" Shelton, Chair*

**Southwest Virginia Committee**

*The Honorable James "Will" Morefield, Chair*

**Other Business**

*Mr. Stephen Versen, Deputy Director*

**Adjournment**



# TROF Loans January 2024

Project #	Date Approved	Organization	Project Title	Status	Loan Amount Approved	Remaining Loan Amount to be Repaid
3754	4/30/2021	Danville-Pittsylvania Regional Industrial Facility Authority	Walraven, Inc.	To be disbursed	\$ 48,000	\$ 48,000
3734	7/28/2021	Danville, City of	Kegerreis Digital Marketing, LLC	To be disbursed	\$ 45,500	\$ 45,500
3674	5/3/2021	Blackstone, Town of	Blackstone Hotel Partners, LLC	Disbursed - 8/27/21	\$ 44,500	\$ 35,600
3556	8/6/2019	Danville-Pittsylvania Regional Industrial Facility Authority	MEP, Ltd.	Disbursed - 9/28/21	\$ 270,000	\$ 270,000
3545	4/30/2019	Carroll County	Blue Ridge Designs, LLC	Disbursed - 7/10/19	\$ 50,000	\$ 15,000
3544	4/30/2019	Joint IDA of Wythe County, VA	Seven Sisters Brewery, LLC	Disbursed - 4/1/20	\$ 15,000	\$ 7,500
3507	6/6/2019	Russell County Industrial Development Authority	Polycap LLC	Disbursed - 8/30/19	\$ 140,000	\$ 84,000
3482	10/15/2018	Danville-Pittsylvania Regional Industrial Facility Authority	Harlow Fastech LLC	Disbursed - 9/17/2019	\$ 630,000	\$ 630,000
3481	10/9/2018	Franklin County	Empire Bakery Commissary	Disbursed - 6/18/19	\$ 140,000	\$ 28,000
3448	6/6/2018	Nottoway County	UAV Pro, Inc.	Disbursed - 7/6/22	\$ 144,000	\$ 128,100
<b>TOTALS</b>					<b>\$ 1,527,000</b>	<b>\$ 1,291,700</b>

Active TROFs with Concluded Performance Periods January 2024

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Repaid	Clawback Remaining
2845	1/14/2014	12/31/2013	12/31/2017	Scott	Secure Mountain LLC.	Performance Period Ended	Full performance not met	Repayment plan executed	\$460,000.00	\$417,408.00	\$42,592.00
2850	2/25/2014	12/31/2013	12/31/2021	Bristol	CBH Bristol, LLC (aka Creative Boutique Hotels/The Sessions Hotel)	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		
2892	5/5/2014	3/31/2014	3/31/2018	Lunenburg	Coast 2 Coast Trucking, Inc. (This is a sister company to ABC Recycling)	Performance Period Ended	Full performance not met	Repayment plan executed	\$100,000.00	\$75,000.00	\$25,000.00
2941	8/1/2014	6/30/2014	6/30/2017	Russell	APPALACHIAN BIOFUELS, LLC	Performance Period Ended	Full performance not met	Negotiated repayment plan - monitoring performance of negotiated revised performance terms	TBD		
2999	1/15/2015	12/31/2014	6/30/2024	Grayson County Economic Development Authority	Oak Hill Industries (Oak Hill Cap & Gown)	Extension Approved	Gathering Performance Data	Repayment required	\$ 163,625.00	\$	\$ 163,625.00
3002	2/6/2015	12/31/2014	6/30/2020	Grayson	McAllister Mills, Inc.	Performance Period Ended	Reviewing Performance Data	Repayment plan executed	\$35,893.36	\$0.00	\$35,893.36
3101	10/8/2015	9/30/2015	9/30/2022	Tazewell County Industrial Development Authority		Performance Period Ended	Gathering Performance Data	repayment required	\$ 8,333.35		\$ 8,333.35
3177	5/4/2016	3/31/2016	3/31/2021	Henry	Blue Wolf Sales and Service RTI Martinsville, Inc. (Project UID)	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		
3214	8/30/2016	6/30/2016	6/30/2019	Prince Edward	Hotel Weyanoke, LLC	Performance Period Ended	Full performance not met	Repayment plan executed	\$16,778.90	\$5,592.90	\$11,186.00
3266	3/6/2017	12/31/2016	12/31/2020	Wise	DP Facilities, Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		
3295	6/8/2017	3/31/2017	6/30/2023	Greensville County	Oran Safety Glass, Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data			
3296	4/27/2017	3/31/2017	3/31/2020	Tazewell	Trina Health of Pounding Mill, LLC	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		
3300	5/31/2017	3/31/2017	3/31/2020	Tazewell	Sunset Digital Communications Incorporated	Performance Period Ended	Reviewing Performance Data	Confirmed full performance	\$0.00	\$0.00	\$0.00
3340	9/12/2017	6/30/2017	6/30/2020	Appomattox	Innovatio Sealing Technologies, LLC	Performance Period Ended	Full performance not met	Repayment due	\$92,000.00	\$18,400.00	\$73,600.00
3341	8/25/2017	9/30/2017	9/30/2022	Danville Pittsylvania RIFA	Unison Tube LLC	Performance Period Ended	Reviewing Performance Data	Reviewing Performance Data	n/a	n/a	n/a
3375	12/7/2017	9/30/2017	9/30/2022	St. Paul, Town of Pittsylvania	Willis LLC c/o St. Paul IDA	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		
3376	11/13/2017	9/30/2017	6/30/2023	Pittsylvania County	Panacea BioMatx	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			
3393	12/7/2017	9/30/2017	9/30/2020	Buchanan	Trina Health of Pounding Mill, LLC	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		
3394	12/28/2017	9/30/2017	9/30/2022	Pittsylvania County	DBA Trina Health Town Center	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		
3395	1/29/2018	12/31/2017	12/31/2021	Bedford, County of	Amthor International, Inc. KMR Aviation Services Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		

**TROF Awards  
FY 2019 - FY 2024 to date**

Project #	Date Approved	Status	Organization	Project Title	Jobs Promised	Capital Investment Promised	Approved Grant Amount	Approved Loan Amount	Total Approved Amount
4182	10/25/23	Approved - Pending Award Documents	Russell County IDA	Tate Access Floors Inc	170	\$ 11,300,000.00	\$ 146,000.00	\$ -	\$ 146,000.00
	FY 2024 (to date)		# of Projects	1	170	\$11,300,000	\$146,000	\$0	\$146,000
4078	09/24/22	Approved - Pending Award Documents	Halifax County IDA	IperionX Technology LLC	108	\$ 82,135,431.00	\$ 570,000.00	\$ -	\$ 570,000.00
3965	09/19/22	Approved - active	Halifax County IDA	Slip Barber Racing School	24	\$ 8,900,000.00	\$ 32,500.00	\$ -	\$ 32,500.00
3976	08/11/22	Approved - active	Dinwiddle County	DroneUp, LLC	145	\$ 18,850.00	\$ 111,000.00	\$ -	\$ 111,000.00
3943	07/19/22	Approved - active	Halifax County IDA	Hitachi Energy USA	165	\$ 37,000,000.00	\$ 220,000.00	\$ -	\$ 220,000.00
	FY 2023		# of Projects	4	442	\$128,054,281	\$933,500	\$0	\$933,500
3892	9/22/2021	Approved - pending award documents	Wythe County Joint IDA	Blue Star LLC	1,044	\$446,074,578	\$1,022,000	\$0	\$1,022,000
3912	9/22/2021	Approved - active	Danville-Pittsylvania Regional Industrial Facility Authority	Tyson Foods, Inc.	376	\$295,452,718	\$707,500	\$0	\$707,500
3734	7/28/2021	Approved - active	City of Danville	Kegerreis Digital Marketing, LLC	62	\$1,500,000	\$44,500	\$44,500	\$89,000
	FY 2022		# of Projects	3	1,482	\$743,027,296	\$1,774,900	\$44,500	\$1,818,500
	FY 2021		# of Projects	11	892	\$174,242,825	\$1,146,000	\$450,000	\$1,596,000
	FY 2020		# of Projects	9	1,809	\$245,184,219	\$4,106,000	\$2,516,000	\$6,622,000
	FY 2019		# of Projects	20	1,334	\$215,915,399	\$4,490,000	\$2,665,000	\$7,155,000

## Tobacco Region Revitalization Commission

### Financial Summary

As of November 30, 2023

TICR Fund Balance	\$	225,879,038
Restricted Endowment Balance	\$	75,976,441
Unrestricted Endowment Balance	\$	46,109,311
Restricted Endowment Accum Interest	\$	2,689,181
Unrestricted Endowment Accum Interest	\$	1,629,332
<b>Total Cash &amp; Investments</b>	<b>\$</b>	<b>352,283,302</b>

Cash Disbursements - this month	\$	460,775
Cash Disbursements - FYTD	\$	5,878,681

Fund	Unobligated Balances
Education	\$ 1,944,429
Education-Workforce Training	\$ 3,527,343
Education-TAP	\$ 3,923,800
TROF (Deal Closing)	\$ 21,471,380
Southside Economic Development	\$ 12,965,372
Southern Va Committee	\$ 18,453,362
Southwest Va Committee	\$ 6,954,336
Rural Energy Innovation	\$ 12,000,000
Megasite Development	\$ 17,375,889
Lending Program	\$ 31,696,319
Administration	\$ 1,633,533
TICRC General Account	\$ 1,031,118
FY2024 Budget Balance	\$ 132,976,880

12/20/2023

**Tobacco Region Revitalization Commission**  
Statement of Revenues, Expenditures, and Changes in Fund Balance (Cash Basis)  
As of November 30, 2023

	FY24 Budget	YTD Actual	YTD Actual as % of Budget	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Other Revenue (all cost codes)	\$ -	\$ 406,239.54		406,239.54
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 406,239.54</b>		<b>\$ 406,239.54</b>
<b>EXPENDITURES</b>				
<b>Administration</b>				
Salaries, Fringe Benefits, Per Diems	\$ 1,432,900	\$ 552,562.19	38.6%	\$ 880,337.81
Contractual Services	237,800	77,236.00	32.5%	160,564.00
Supplies and Materials	11,000	1,823.48	16.6%	9,176.52
Transfer Payments	1,045,887		0.0%	1,045,887.00
Rent, Insurance, Agency Svc Charges	213,400	51,252.40	24.0%	162,147.60
Furniture and Equipment	7,000	4,348.19	62.1%	2,651.81
Subtotal - Administration	\$ 2,947,987	\$ 687,222.26	23.3%	\$ 2,260,764.74
<b>Community Revitalization</b>	25,700,000	5,191,458.67		
<b>Total Expenditures</b>	<b>\$ 28,647,987</b>	<b>\$ 5,878,680.93</b>		
<b>Revenues Over (Under) Expenditures</b>	<b>\$ (28,647,987)</b>	<b>\$ (5,472,441.39)</b>		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In (endowment and earnings)	\$ -	\$ -		
CASH BALANCE, June 30, 2023	\$ 231,351,480	\$ 231,351,479.55		
CASH BALANCE, November 30, 2023	\$ 202,703,493	\$ 225,879,038.16		

# **VIRGINIA TOBACCO COMMISSION**

## **STANDING COMMITTEES**

**VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION**  
**Commission Committees**  
(rev. 10/23)

**EDUCATION COMMITTEE**

*Amanda Cox, Chair*  
*The Hon. L. Louise Lucas, Vice Chair*  
Ms. Gretchen Clark  
Mr. Joel Cunningham, Jr.  
Mr. Richard T. Hite, Jr.  
Ms. Sandy Ratliff  
The Hon. Frank Ruff, Jr.  
The Hon. Gary D. Walker  
The Hon. William C. "Will" Wampler, III

**EXECUTIVE COMMITTEE**

*The Hon. Frank Ruff, Jr., Chair*  
*The Hon. James "Will" Morefield, Vice Chair*  
The Hon. Leslie R. "Les" Adams  
Mr. Edward "Ed" Blevins  
Ms. Amanda Cox  
Ms. Julianne D. "Julie" Hensley  
The Hon. Terry G. Kilgore  
The Hon. L. Louise Lucas  
The Hon. Daniel "Danny" Marshall  
Mr. Walter H. "Buddy" Shelton

**INCENTIVES AND LOANS COMMITTEE**

*The Hon. Daniel "Danny" Marshall, Chair*  
*The Hon. Terry G. Kilgore, Vice Chair*  
The Hon. Leslie R. "Les" Adams  
Mr. Edward "Ed" Blevins  
Ms. Gretchen B. Clark  
The Honorable Stephen Cummings  
The Hon. Caren Merrick  
The Hon. Joseph D. "Joe" Morrissey  
The Hon. William A. "Will" Pace  
The Hon. Frank Ruff, Jr.

**SOUTHERN VIRGINIA COMMITTEE**

*Mr. Walter H. "Buddy" Shelton, Chair*  
Vacant, Vice Chair  
The Hon. Leslie R. "Les" Adams  
Mr. Joel Cunningham, Jr.  
Mr. Watt R. Foster, Jr.  
Mr. Richard T. Hite, Jr.  
Mr. Jay D. Jennings  
The Hon. L. Louise Lucas  
The Hon. Daniel "Danny" Marshall  
The Hon. Caren Merrick  
The Hon. Joseph D. "Joe" Morrissey  
The Hon. William A. "Will" Pace  
The Hon. Gary D. Walker

**SOUTHWEST VIRGINIA COMMITTEE**

*The Hon. James "Will" Morefield, Chair*  
*Ms. Julianne D. "Julie" Hensley, Vice Chair*  
Mr. Edward "Ed" Blevins  
Ms. Gretchen B. Clark  
Ms. Amanda Cox  
The Hon. John S. Edwards  
The Hon. Terry G. Kilgore  
The Hon. Matthew Lohr  
The Hon. William A. "Will" Pace  
Ms. Sandy Ratliff  
The Hon. William C. "Will" Wampler, III  
Ms. Sarah L. Wilson

**STRATEGIC PLANNING COMMITTEE**

*Mr. Edward "Ed" Blevins, Chair*  
*The Hon. Leslie R. "Les" Adams, Vice Chair*  
Ms. Gretchen B. Clark  
Ms. Julianne D. "Julie" Hensley  
The Hon. Matthew Lohr  
The Hon. William C. "Will" Wampler, III

**VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION  
COMMISSION MEMBERS**

rev. 1/24

<b>COMMISSIONERS</b>	<b>CITY AND STATE</b>
<b>Mr. Edward "Ed" Blevins</b>	Abingdon, Virginia
<b>Ms. Gretchen B. Clark</b>	Gretna, Virginia
<b>Ms. Amanda C. Cox</b>	Boones Mills, Virginia
<b>The Honorable Stephen E. "Steve" Cummings</b> Secretary of Finance	Richmond, Virginia
<b>Mr. Joel Cunningham, Jr.</b>	Halifax, Virginia
<b>The Honorable John S. Edwards</b> Senator, 21 <sup>st</sup> District	Roanoke, Virginia
<b>Lee "Randy" Everett</b>	Stony Creek, Virginia
<b>Watt R. Foster, Jr.</b>	Gladys, Virginia
<b>Ms. Julienne D. "Julie" Hensley</b>	Gate City, Virginia
<b>Mr. Richard T. Hite, Jr.</b>	Kenbridge, Virginia
<b>Mr. Jay D. Jennings</b>	Chase City, Virginia
<b>The Honorable Terry G. Kilgore</b> Delegate, 1 <sup>st</sup> District	Gate City, Virginia
<b>The Honorable Matthew J. "Matt" Lohr</b> Secretary of Agriculture and Forestry	Richmond, Virginia
<b>The Honorable L. Louise Lucas</b> Senator, 18 <sup>th</sup> District	Portsmouth, Virginia
<b>The Honorable Daniel "Danny" Marshall</b> Delegate, 14 <sup>th</sup> District	Danville, Virginia
<b>The Honorable Caren Merrick</b> Secretary of Commerce and Trade	Richmond, Virginia
<b>Arthur "Dale" Moore</b>	Altavista, Virginia
<b>The Honorable James W. "Will" Morefield</b> Delegate, 3 <sup>rd</sup> District	North Tazewell, Virginia
<b>The Honorable Joseph D. "Joe" Morrissey</b> Senator, 16 <sup>th</sup> District	Richmond, Virginia
<b>The Honorable William A. "Will" Pace</b>	Chatham, Virginia
<b>Ms. Sandy J. Ratliff</b>	Abingdon, Virginia
<b>The Honorable Frank M. Ruff, Jr.</b> Senator, 15 <sup>th</sup> District	Clarksville, Virginia
<b>Mr. Walter H. "Buddy" Shelton</b>	Gretna, Virginia
<b>Delegate Otto Wachsmann (new)</b>	Stoney Creek, Virginia
<b>Mr. Gary D. Walker</b>	Charlotte Court House, Virginia
<b>The Honorable William C. "Will" Wampler, III</b> Delegate, 4 <sup>th</sup> District	Abingdon, Virginia
<b>Ms. Sarah L. Wilson</b>	Abingdon, Virginia
<b>Delegate Thomas Wright, Jr. (new)</b>	Victoria, Virginia