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ITINERARY

**Virginia Tobacco Region Revitalization Commission
Spring 2024 Tobacco Commission Meetings
The Inn at Wise and DeBusk Veterinary Training Center
May 21 - 22, 2024**

Tuesday, May 21, 2024

FLIGHT: RICHMOND - DANVILLE - WISE

(see next page for details)

MEETING SITE:

The Inn at Wise, 110 East Main Street, Wise, Va

11:15 AM	Lunch buffet available
12:00 – 1:00 PM	Southwest Virginia Committee
1:00 – 2:15 PM	Incentive & Loans Committee
2:15 – 2:30 PM	Break
2:30 – 3:15 PM	Education Committee
3:15 – 4:15 PM	Southern Virginia Committee
4:15 – 5:00 PM	Energy Ingenuity Committee
6:30 – 8:30 PM	RECEPTION – THE INN AT WISE 110 East Main Street, Wise, VA

Wednesday, May 22 2024

MEETING SITE:

DeBusk Veterinary Training Center, 203 Debusk Farm Drive, Ewing, VA

6:30 AM	Breakfast Available, Inn at Wise
8:45 AM	Board Bus at Inn at Wise for Ewing, VA,
9:00 – 10:30 AM	Bus Ride to Ewing
10:30 AM – 12:00 PM	Full Commission Meeting
12:00 – 1:00 PM	Lunch
1:00 – 2:00 PM	Tour DeBusk Veterinary Training Center
2:00 - 3:30 PM	Return by bus to Wise, VA

FLIGHT: JONESVILLE - DANVILLE - RICHMOND

(see next page for details)

TRANSPORTATION SCHEDULE

Virginia Tobacco Region Revitalization Commission Spring 2024 Tobacco Commission Meetings

Tuesday, May 21, 2024

Flight Itinerary

Richmond to Danville

9:06 AM Depart from Department of Aviation, Richmond
10:00 AM Arrive at Danville Regional Airport, Danville

Danville to Wise

10:30 AM Depart from Danville Regional Airport, Danville
11:30 AM Arrive at Lonesome Pine Airport, Wise

11:30 AM Shuttle, Lonesome Pine Airport to Inn at Wise

Wednesday, May 22 2024

Bus Charter – Sunshine Tours

8:45 AM Board bus, Inn at Wise
9:00 AM Depart Inn at Wise
10:30 AM Arrive, DeBusk Veterinary Training Center, Ewing
2:00 PM Depart Ewing
3:30 PM Arrive Inn at Wise

Flight Itinerary

2:00 PM Shuttle, DeBusk to Lee County Airport

Jonesville to Danville

2:30 PM Depart from Lee County Airport
3:36 PM Arrive at Danville Regional Airport

Danville to Richmond

3:45 PM Depart from Danville Regional Airport
4:00 PM Arrive at Department of Aviation, Richmond

THE INN AT WISE INFORMATION AND DIRECTIONS

The Inn at Wise

110 East Main Street, Wise, VA 24293

(276) 321-7600



The Inn at Wise is a charming and unique boutique hotel with history dating back to 1910. The Inn is listed on the National Historic Register, as well as the State of Virginia Historic Register. This gem of a hotel underwent a complete renovation in 2014, supported in part by \$2.5 million in Tobacco Commission grants funds. The Inn is just a few minutes from the University of Virginia's College at Wise and all the gorgeous natural wonders that Southwest Virginia has to offer.

From I-81 S:

- Take exit 17 toward Abingdon, US-58 ALT W.
- Turn right onto US-58 ALT W / Cummings St.
- Turn left onto W Main St. in Abingdon.
- Turn right onto Russell Rd NW.
- Take slight right onto US-58 ALT W / US Hwy 19 N.
- Where US Hwy 19 and US-58 ALT split, turn left onto US-58 ALT W.
- Continue on US-58 ALT W.
- At Tacoma, VA, turn right onto State Rt 798 / Tacoma Mountain Rd.
- State Route 798 becomes State Rt 706.
- Turn left onto State Rt 646 / Coeburn Mtn Rd
- Turn right onto State Rt 1418 / Coeburn Rd
- Turn left onto Park Ave NE.
- Park Ave turns slightly right, becoming E Main St.
- Turn left onto Spring Ave SE.
- The Inn at Wise will be on the right.

From US-58 E / US-23 N:

- Follow US-58 E.
- In Norton, VA, turn left onto US-23 N.
- Continue straight onto US-58 ALT E/US-23 N into Wise, VA.
- Turn right onto Norton Rd. / US-23 BUS N.
- Turn right onto E Main St.
- Turn right onto Spring Ave SE.
- The Inn at Wise will be on the right.

FULL COMMISSION MEETING FACILITY AND DIRECTIONS

DeBusk Veterinary Training Center

Veterinary Education and Teaching Building, Room 215

203 Debusk Farm Drive, Ewing, Virginia 24248

(423) 869-3611



The DeBusk Veterinary Teaching Center (DVTC) is part of the Lincoln Memorial University (LMU) Richard A. Gillespie College of Veterinary Medicine. The 1,000-acre campus of DVTC is located in Ewing, Virginia, about 12 miles from the main LMU campus in Harrogate, Tennessee. DVTC is made up of six buildings that house 93,303 square-feet of state-of-the-art facilities designed

to teach the highest quality veterinary clinical skills curriculum in a safe and effective learning environment. Between 2013 and 2023, the Tobacco Commission provided more than \$6 million in grants to expand the campus through the support of the construction of the Veterinary Education Building, the Small Animal Clinical Skills Center, and the Large Animal Teaching and Research Center.

From Inn at Wise:

- Head southwest on Spring Ave SE.
- Turn right onto Chestnut St SE.
- Turn left onto Norton Rd. / US-23 BUS S.
- Turn left onto US-23 S.
- At Duffield, VA, turn right onto US-421 N / US-58 W
- Continue to follow US-421 N / US-58 W, a road of many names.
- In Jonesville, VA, turn right onto Wilderness Rd.
- Turn left at the 1st cross street onto Main St.
- This is still US-58 W / Wilderness Rd.; continue on it.
- After Ewing, VA, turn right onto Chadwell Station Rd.
- Turn left onto Debusk Farm Dr.
- Take the second left.
- The Veterinary Education and Teaching Building will be the second building on the left.



The Ninth Annual Southwest Virginia Economic Forum May 23, 2024

Tobacco Commissioners have been invited to attend the Ninth Annual Southwest Virginia Economic Forum, hosted by The University of Virginia’s College at Wise. The Forum’s website states: “Every year, the Forum engages participants through a shared vision of regional collaboration, growth and innovation for all of Southwest Virginia. It has become a central gathering place for the region to discuss new ideas and synergies to build Southwest Virginia’s future. And you can be a part of that momentum.”

Wednesday, May 22 2024

5:30 PM President’s Welcome Reception
Lila Vicars Smith House
5902 Clinch Valley Drive, Wise, VA 24293

Wednesday, May 22 2024

UVA Wise David J. Prior Convocation Center
437 Stadium Drive, Wise, VA 24293

8:00 AM Event Check-In

9:00 AM Opening Welcome, Donna P. Henry, Ph.D., Chancellor, UVA College at Wise

9:15 AM State of The Region, Chris Chmura, Ph.D, Chmura Analytics

10:00 AM Networking Break

10:15 AM Full Speed Ahead: Overcoming Barriers to Systemic Change
John Wilson, Market President, Appalachian Recovery Care
Dana Cronkhite, Economic Development Director, Dickenson County, VA

10:45 AM SWVA Legislative Delegation Panel,
Moderator: Donna P. Henry, Ph.D., Chancellor, UVA College at Wise

11:15 AM Morning Keynote, The Honorable Glenn Youngkin, Governor of Virginia

12:00 PM Lunch & Networking

12:45 PM Afternoon Keynote, Dan Schawbel, Managing Partner, Workplace Intelligence

1:45 PM Mapping the Route to Your Destination: Community-Based Funding Solutions
Moderator: Cindy Green, Relationship Manager, Locus
Panelists: Sydney English, Locus; Holly Hatcher, Anne & Gene Worrell
Foundation; Sean McMurray, Wellspring Foundation of Southwest Virginia; Mark
Vanover, RAPHA Foundation

2:50 PM Closing Remarks, Dwayne Yancey, Editor, Cardinal News

SOUTHWEST VIRGINIA COMMITTEE



·In-Person Meeting·

AGENDA

SOUTHWEST VIRGINIA COMMITTEE

Inn at Wise, 110 E. Main Street, Wise, Virginia 24293

Tuesday, May 21, 2024

12:00 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **887372082#**.

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 Virginia Freedom of Information Act. If you experience problems calling in, please contact: **Hannah Franke-Fuller** at (804) 894-9659 or hfranke-fuller@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

The Honorable James “Will” Morefield, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the 1/8/2024 Minutes
(published on website)

The Honorable James “Will” Morefield, Chair

Public Comment

Grant Projects

Ms. Sara Williams, Southwest Regional Director

Extensions and Modifications

Ms. Sara Williams, Southwest Regional Director

Other Business

The Honorable James Campos, Executive Director

Adjournment

FY24 Southwest Virginia Program (2nd Round)
Staff Summaries and Recommendations
March 14, 2024

The Commission received 15 applications by the March 14, 2024, application deadline of the FY24 Southwest Virginia Program. Two additional applications, which were tabled at previous meetings, are also included in this report. The applications are grouped below by investment category. The Southwest Virginia Committee will act on these applications at its meeting scheduled for May 21, 2024, at 12:00 pm.

Agribusiness				
Req#	Organization	Project Title	Requested Amount	Recommended Amount
4153	Blue Ridge Plateau Initiative	Blue Ridge Plateau Meat Processing Facility	\$2,500,000	No Award
4238	Abingdon Feeder Cattle Association	New Beef Builder initiative	\$400,000	\$300,000
4236	Carroll County	Vacuum Cooler-Phase 2 Processing Expansion	\$204,430	\$204,430
4243	Carroll County	Webb Farms Meat Processing Facility	\$139,520	No Award
4240	Josephine Porter Institute for Applied Biodynamics	Biodynamic Production & Farmer Education Center	\$43,875	No Award
4246	Washington County	Anderson & Sons Meats and Processing	\$141,377	141,377
Business Development				
4239	Town of Pennington Gap	Pennington Gap Multi-Purpose Building Kitchen Incubator	\$515,000	Table
4245	St. Paul Tomorrow, Inc.	Deen Building Redevelopment Project	\$639,730	\$639,730
4233	Tazewell Community Foundation	Medical Office Building development and construction	\$700,000	\$450,000
Sites and Infrastructure				
4189	LENOWISCO Planning District Commission	Speculative Data Center Building at Project Intersection	\$656,416	\$656,416

4244	Industrial Development Authority of Dickenson County	Red Onion Industrial Park Development	\$848,420	\$848,420
Tourism				
4232	City of Bristol	Pre-engineering/Feasibility Study for Mendota Trail - Downtown Bristol Connector	\$70,000	No Award
4235	Friends of Southwest Virginia	Southwest Virginia Creative Economy and Tourism Development Initiative	\$250,000	\$150,000
4241	City of Galax	The Rex Theater Revitalization	\$50,000	\$50,000
4242	City of Galax	2024 TCG Galax Small Convention Center Study	\$50,000	No Award
4234	Mountain Empire Community College	Mountain Empire Community College Outdoor Amphitheater	\$250,000	No Award
4237	Round the Mountain: Southwest Virginia's Artisan Network	Southwest Virginia Artisan Marketing & Development Initiative	\$100,000	\$100,000
Total (17 requests)			\$4,402,352	\$3,540,343

Agribusiness

Blue Ridge Plateau Initiative ***Blue Ridge Plateau Meat Processing Facility (#4153)*** **\$2,500,000.00 Requested**

Project Summary: Commission funds are requested to support 50% of the estimated \$5M cost to develop a new USDA inspected meat processing facility in Carroll County. TRRC support is requested for land preparation, building design and construction, holding pen construction, slaughter and processing equipment. The Carroll County Economic Development Authority (EDA) will provide a site for the facility.

Matching Funds:

- \$275,000 - Carroll County EDA (property purchase)
- \$1,398,576 – Blue Ridge Plateau Initiative (to be provided from unnamed private and/ or government lenders)
- \$820,187 – AFID Facilities and Infrastructure Programs (application intended)

Project Outputs:

- Establishment of new, non-profit owned meat processing facility
- The facility will serve 1400 producers annually with each earning an additional \$24,000 in annual sales revenue.

Staff Comments:

This application was submitted to last year's special funding round focused on the establishment of new meat processing facilities. Staff did not recommend the project for funding however it was tabled by this committee at its October 2023 meeting. Since that time there appears to have been no substantial progress towards the development of the facility.

The October 2023 staff recommendation was based upon several factors. Although the county has committed to purchasing a site for the facility, the commitment is contingent upon BRPI having committed funds to construct the facility. This condition was documented in an updated letter of support provided in March 2024 which states that a suitable amount of acreage will be leased to BRPI if they receive full funding to develop the facility within the next 24 months. Until a site is identified, final design of the facility cannot be completed. The cost estimates provided in the 2023 application were based upon a general design completed in 2011 with cost estimates developed at that time. The application stated that the amounts had been modified "after consulting with experts in the construction field." The modified amounts appear to be the basis for the application's budget, however no documentation from third party "experts" was provided to corroborate the figures. The same approach was applied to the quotes for equipment. These quotes are from 2018. The application states that the 2011 floor plan is for reference only. A new building design, and associated cost estimates, will be required for the development of the selected site.

Because current estimates have not been provided it is not possible to calculate an accurate total project cost. Commission support for publicly or non-profit owned value-added processing facilities such as the one described in this application is limited to no more than 50% of capital (facility and equipment) costs. The \$5M total project cost presented in this application was clearly designed to justify the maximum possible award for the special funding round (\$2.5M). The special funding round was a one-time opportunity for this Committee to commit substantial funding for projects of this nature. The funding allocated for the special round has been de-obligated and added back to the Committee's general available balance. Based on the current budget, and competitive nature of the SWVA Program, it is no longer reasonable to expect that a request of this size could be accommodated for any single project. This further exacerbates the lack of any committed matching funds for the project. Should the project develop to the point that all application requirements, including final facility design, current cost estimates, and committed matching funds sufficient to complete the project, can be provided a new application may be submitted.

Financial Viability Assessment:

A review of key viability criteria indicates that while this applicant is passionate about the project, the proposal does not demonstrate that the capacity and expertise currently exists to move the project forward. There is not a meat processing provider identified for the facility, nor is there sufficient information regarding how they will obtain sufficient match to leverage the project. The budget is not appropriately scaled so that all partners are assuming equal or similar levels of risk. It is also not supported by current construction or equipment quotes. While the effort is supported by an

adequate business plan, the project is not at a stage that staff would consider viable for investment at this time.

Staff Recommendation: Staff recommends no award.

**Abingdon Feeder Cattle Association
New Beef Builder Initiative (#4238)
\$400,000.00 Requested**

Project Summary: Commission support is requested to conduct a cost share program to serve producers in the counties of Bland, Buchanan, Carroll, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe. The program will assist participants with the purchase of cattle handling and management equipment including chutes, scales, and alleys. These improvements ensure the safe and humane handling of beef cattle while increasing efficiencies for producers resulting in increased revenues. Commission funds will reimburse 33% of eligible expenses up to a \$5,000 per producer limit.

Matching Funds:

- \$1,204,000 – Program participant contribution (66% of purchases)
- Virginia Cooperative Extension (in-kind for grant administration and related costs)

Project Outputs:

- A minimum of 78 producers will be served by the program.
- \$3,706 average new revenue per participant

Staff Comments:

This project revisits one of TRRC's signature Agribusiness cost share programs. Between 2005 and 2014 the Commission invested over \$2M in SWVA with a goal of increasing the number of Beef Quality Assured (BQA) producers in the region. The impact of these investments continues to be realized through the Abingdon Feeder Cattle Association's VQA (Virginia Quality Assured) Marketing Program. Since 2005, 1,300 tractor trailer loads of feeder calves have been marketed, resulting in over \$10.4 million in added value. The estimated added value per calf is estimated at \$102.93. The application notes that equipping producers with appropriate infrastructure allows them to produce a value-added product. Through the proposed cost share program, region producers will be provided the opportunity to update, renew, or obtain the training required to be a BQA certified producer.

Despite the evidence that appropriate animal handling infrastructure results in a positive economic impact for producers, the cost of implementing these practices continues to be a barrier for many. According to data provided in the application, the cost of handling equipment has increased 84% since 2005. This is compelling evidence of an ongoing need for cost share assistance to decrease financial barriers to implementation. The Commission has always maintained a strong preference for not allowing producers, who have previously been served under a similar TRRC cost share program, to continue to participate in subsequent programs. Considering that some producers may have benefited from programs that were initiated nearly 20 years ago, it may be difficult to verify previous

participation although Staff believes these records do exist. Commission cost share programs are intended to encourage the implementation of new practices/ technologies rather than to subsidize current operations. The best way to ensure that the program serves as an incentive, rather than a subsidy, is to limit participation to only those producers who have not benefitted from similar programs in the past. Limiting participation to only first-time participants will likely decrease the applicant pool for this program which is able to be adequately served through a reduced award. Staff suggests an initial award of \$300K for this program. If demand exceeds available funding, a follow-up application may be submitted.

Financial Viability Assessment:

A review of key viability criteria for this indicates a viable project by an applicant with a successful history of implementing cost share programs. The required match will be fulfilled by the private investment of participants. Sustainability will be driven by the additional capacity provided by increased farm revenues. It is the staff's conclusion that this project would be a good investment for the Commission, creating positive economic impact for the participating farmers.

Staff Recommendation: Staff recommends a grant award of \$300,000. Program participation will be limited to only those producers who have not received similar cost share support through previous TRRC grants.

Carroll County

Vacuum Cooler-Phase 2 Processing Expansion (#4236)

\$204,430.00 Requested

Project Summary: Commission funds are requested to assist the private beneficiary, Virginia Produce Company, with the purchase of critical equipment required to meet the demand of a lucrative new contract. Grant funds will reimburse 25% of the cost to purchase pallet trucks, switcher truck, forklift, cooler panels, refrigeration units, and a cob saw and husker. The equipment must be on-site and operational by July 1, 2024, in order to provide adequate cooling and processing capacity for VPC.

Matching Funds:

- \$204,426 – Virginia Produce Company
- \$102,215 – AFID (application intended)
- \$102,215 – Carroll County (application intended)

Project Outputs:

- Additional cooling and processing equipment will be required.
- 2 additional region-based producers will benefit from the project.
- \$679,028 of additional direct sales revenue will be earned.
- VPC will add 12 new jobs.

Staff Comments:

This project builds upon the success of grant #4128 approved in January 2023 that assisted Virginia Produce with the installation of hydro coolers. These coolers significantly reduce cooling time and extend the shelf life of produce by an additional 5-7 days. The current application (Phase II) will result in the construction of additional coolers and the purchase of related equipment required to meet increased vendor demand from retailers such as Food Lion. The expansion of VPC's operation will result in the creation of 12 new jobs. Southwest Virginia produce growers will see an average revenue increase of 20%.

This project must be implemented within a very short window in order to be operational in time to serve the summer 2024 growing season. Commission staff first became aware of the project in early winter 2023, several weeks after this program's deadline for applications considered at the January 2024 meeting. The applicant was advised that the next opportunity to apply would likely be spring 2024, with grant approvals to be made in late May. Carroll County, VPC, and TRRC Staff have spoken several times to identify the best approach to assist this project within the Commission's funding policies. Commission funds cannot be used to reimburse expenses incurred prior to the grant's approval date (the "grant period"). Although projects such as this are best suited for fast moving incentive programs, the Commission does not currently operate an incentive program that can assist private agricultural businesses in these circumstances. In order to accommodate a July 1 completion date, VPC has already placed orders for several items to be covered within the scope of the project. In some cases, deposits have been paid to secure the orders. VPC has also begun physical improvements to their facility to accommodate the installation of the coolers and other equipment once it arrives. While Staff is very understanding of the need to proceed with these steps during the grant review period, it is critical that TRRC's policies, which require expenditures to occur within the approved grant period, be followed. Staff recommends that reimbursement be limited to 25% of payments made during the grant period. Deposits and other fees incurred prior to this date will not be included in the total of eligible expenses.

Financial Viability Assessment:

A review of key viability criteria for this indicates an exciting opportunity for an established entity with ample expertise in wholesale produce. A detailed, reasonable budget was provided with documentation of equipment costs. The required match is only partially committed at time of application, with requests intended for the VDACS AFID program and Carroll County. Sustainability will be driven by the additional capacity provided by increased revenues. It is the staff's conclusion that this project would be a good investment for the Commission for both job creation and increased competitiveness in agribusiness for Carroll County.

Staff Recommendation: Staff recommends a grant award of up to \$204,430. Reimbursement will be limited to 25% of payments made during the approved grant period.

Carroll County
Webb Farms Meat Processing Facility (#4243)
\$139,520.00 Requested

Project Summary: Commission funds are requested to assist a private beneficiary, Webb Farms, LLC, with the purchase of meat processing equipment for a proposed multifaceted business operation in Hillsville. Webb Farms plans to construct a 10,625 S.F. retail store and restaurant with the capability to process meat products on-site. The facility will provide a new market opportunity for Webb Farms to market their products and establish a new farm to table dining experience. The total development cost, including building construction, is estimated at \$4.5M. Commission funds would be used to support 25% (\$139,520) of equipment purchases (\$558,081) for the meat processing component of the project.

Matching Funds:

- \$418,561 – private funding

Project Outputs:

- A multifaceted business operation with retail, dining, and processing businesses will be established.
- 117 tobacco region producers will benefit from the facility.
- The facility will earn an estimated \$911,152 in annual sales revenue.

Staff Comments:

This is a multifaceted proposal that will result in the establishment of a new business in the Hillsville area. The proposed location is adjacent to I-77 and is well positioned to attract diners and other customers who are traveling through the area. Commission funds are requested to support 25% of finishing equipment for the yet to be established facility. For several years, Webb Farms has operated a truck-based retail operation selling beef, pork, and seafood. Sales are generated through an online website, home deliveries, farmers markets, etc. The proposed facility would provide a permanent space to allow expansion of the business.

Construction of the facility will be funded primarily through a loan from Skyline National Bank. The bank has provided a commitment to provide any funding not obtained from grant sources. An application was submitted with the USDA MPPEP (Meat and Poultry Processing Expansion Program) however a decision on that application has not been made. Until there is confidence that adequate funding is in place to construct this \$4.5M facility, it is premature for TRRC to consider a request for equipment.

Initially, Webb Farms will continue to use a slaughter facility in NC and will transport the beef to the new facility for finishing. Once the primary facility is established, the business intends to purchase a mobile processing unit intended to allow them to slaughter their own animals. The application indicates that a second application will be submitted to TRRC for assistance with the purchase of the mobile unit. It is too soon to determine if this is a feasible option that is likely to result in any measurable increase to slaughter capacity in the region. Limited information is available to document the practicality or sustainability of using a mobile unit for purposes such as this. The current application did not document how the project, during the initial stage, will result in the expansion of

slaughter and finishing capacity for the region. The application indicates that 117 new producers (baseline 0) will benefit from this project with annual direct sales revenue of over \$1M. These numbers seem generous considering the scale of the project. It appears more likely that this project will primarily benefit Webb Farms by providing a permanent location to expand their current business. Without strong evidence that the project will increase processing capacity, from slaughter to finishing, benefiting multiple producers across the region Staff is not able to determine if this project fits the objectives and outcomes required for the Agribusiness investment category.

Financial Viability Assessment:

A review of key viability criteria indicates that this project is in its very early stages for considering expansion. While appropriate match sources have been identified, no matching funds have been committed at the time of application. The outcomes of this project as proposed do not appear to increase the amount of processing capacity in the region, as the animals will, at least at this stage, continue to be processed in North Carolina. The restaurant/market concept tilts the project more toward retail. A lending solution may be a more suitable alternative for this project phase.

Staff Recommendation: Staff recommends no award.

Josephine Porter Institute for Applied Biodynamics
Biodynamic Production & Farmer Education Center (#4240)
\$43,875.00 Requested

Project Summary: Commission funds are requested to construct the Biodynamic Production & Farmer Education Center in Floyd, VA. The facility, to be owned and operated by the applicant non-profit organization Josephine Porter Institute for Applied Biodynamics. The building will consist of a 430 sq ft classroom to be used to conduct workshops and similar events onsite in Floyd. These events provide the opportunity for producers from all United States, to visit the Institute and learn about the creation and use of organic and biodynamic amendments for agricultural practices. These include soil building and compost, weed and pest control, and the ecological life of the farm. The total estimated cost for the classroom is \$87,750 with 50% requested from TRRC. A separate portion of the building will be developed for lodging to house one farm worker. This expense is not included in the scope of the TRRC application.

Matching Funds:

- \$43,875 – The Josephine Porter Institute for Applied Biodynamics (in-hand)

Project Outputs:

- A 430S.F. ft classroom will be constructed.
- 400 Virginia farmers will be served by JPI (Increase of 30 over baseline 370).
- Participants will earn an estimated \$5,000 annually in additional income (baseline 0).
- The facility owner (JPI) will earn an additional \$40,129 of sales revenue (baseline is \$309,871).

Staff Comments:

The scope of this application, to create a permanent classroom space and attached lodging, will allow the applicant to continue to host workshops and events onsite in Floyd. Due to the Institute's widespread client base, which travels to Floyd to participate in the two annual onsite conferences, there may be very modest tourism outcomes associated with this project. Because of the limited event schedule, this visitation is not sufficient to allow those outcomes to be considered in the evaluation of this project. Last year's fall and spring workshops hosted over 60 attendees each. The Institute serves 2100 clients across North America and states that 370 of those clients are in Virginia. Only 16% of the Virginia clients are based in the SWVA Tobacco Region although the percentage will increase slightly if Southern VA based clients are included. The outcomes figures that were provided, showing an increase of 30 clients, were based upon participation across Virginia. If participation follows the 16% TRRC SW region trend, only 4-5 new region-based clients will be impacted by this project. Additionally, the financial benefit to participants appears quite modest. The application estimates that participants will earn an additional \$5,000 annually, however the basis for this figure was not provided. The application noted that biodynamic farms can expect to spend less than half as much for fertilizers but will often pay more in labor costs. The primary benefit resulting from the project appears to be to JPI who will increase annual sales by \$40,000 (from baseline \$309,871 to \$350,000). Based on these factors, it does not appear that this project will positively impact a large number of region-based producers, which is a primary objective of the Commission's Agribusiness category.

Financial Viability Assessment:

A review of key viability criteria for this project indicates that is a financially viable project, with sufficient match in hand. While that is a positive attribute, the projected outcomes for regional activity do not represent an impactful return on investment by the Commission.

Staff Recommendation: Staff recommends no award.

Washington County
Anderson & Sons Meats and Processing (#4246)
\$141,377.00 Requested

Project Summary: Commission assistance is requested to support 25% of equipment purchases for a recently established Washington County, VA meat processing facility. Anderson & Son's Meats and Processing processes beef, pork, lambs, and goats in a 6,400 S.F. facility which opened approximately one year ago. The equipment requested in this application would allow the company to expand its processing capacity and to offer additional products. Doubling production capabilities from 1,500 pounds to 3,500-4,000 pounds per day would help to serve the livestock producers in Southwest Virginia. The ultimate goal is to expand the Farm to School lunch program by providing beef and pork to additional schools in Southwest Virginia.

Matching Funds:

- \$424,132 – Anderson & Sons

Project Outputs:

- Production capacity will be increased.
- Increased production of value added products.
- 3-4 new employees will be hired.

Staff Comments:

The purchase of additional equipment will allow Anderson & Sons to increase production capacity and to produce several new items such as jerkies, meat sticks, summer sausages, etc. The items will allow the business to increase its customer base while offering products with a longer shelf life. The increased capacity will allow A&S to expand participation in the Farm to School lunch program and to provide beef and pork to additional schools in the region.

While Staff is generally supportive this project and recognizes that project scope presented in the application is likely to result in a positive impact on the business's operations, there are concerns that the information provided in the application does not include the level of detail required by this program. The business plan, and related outcomes and financial information, submitted in the application lacked historical and supporting data to justify the proposed outcomes. Staff believes that the project will benefit from a formal business planning process to define both the present status of the business and to provide reliable projections for the proposed expansion. At the same time, it is important to recognize A&S's efforts to establish, and to successfully operate, the business to this point. The funds requested in this application will be the first grant assistance received by this facility which was developed entirely with private funding. The development of a formal business plan can only help this business as it continues to grow.

Financial Viability Assessment:

A review of key viability criteria indicates an established meat processing operation that is seeking growth opportunities. Match is appropriate and sufficient to leverage the project. The budget is appropriately scaled and supported by current equipment quotes. However, the project outcomes appear to be overstated in terms of the level of capacity the new equipment would provide. As such, staff recommends that a contingency be placed to require a more extensive business planning exercise to project the increased productivity's effect more accurately on company revenues.

***Staff Recommendation:* Staff recommends a grant award of \$141,377 to support 25% of new equipment purchases. This award is contingent upon the development of a formal business plan prior to disbursement of any funds.**

Business Development

Town of Pennington Gap

Pennington Gap Multi-Purpose Building Kitchen Incubator (#4239)

\$515,000.00 Requested

Project Summary: Commission funds are requested for 50% of the cost to construct and equip a new commercial kitchen space located in a multipurpose facility under development within the existing town hall building. The shared commercial kitchen space will serve as an incubator for local food entrepreneurs and related small businesses. A convention center is also planned to be developed within the facility.

Matching Funds:

- \$515,160 – USDA Rural Development (Application Intended)

Project Outputs:

- A new shared commercial kitchen space will be constructed and equipped.
- 16 businesses will benefit from the project resulting in the creation of 25 jobs.

Staff Comments:

The total cost for the multipurpose facility is \$3,950,000 which includes the kitchen space (\$1,030,000) and the associated convention area (\$2,050,000). Improvements will also be made to the Police area and Deck area. No matching funds are committed at this time however the applicant plans to make a request to USDA Rural Development for loan funding to complete the total project. This will include \$515,160 required as match to the TRRC application for 50% of the kitchen space.

This appears to be a project that is still very much under development. Until the outcome of the intended USDA-RD application is known, there are no matching funds available to complete the project. Additionally, the application did not provide evidence that the feasibility of the convention space, and related commercial kitchen, have been evaluated. A feasibility study and preliminary architectural report for a related project was provided with the application. While this report does include mention of the convention center and other work to be performed at the town hall site, it did not examine the demand for such a space. Without evidence of adequate demand for the shared kitchen space and related convention facility, it is not possible to determine the likelihood that these ventures will be sustainable. The attached operating budget indicates that revenue from rental fees (\$50,000) and support services (\$20,000) will be required to cover the estimated \$63,000 of annual expenses. The anticipated USDA-RD loan payment was not included in the operating budget.

Staff supports the Town's revitalization efforts but feel that additional information is required before a funding decision can be made. Staff suggests that this application be tabled to allow the Town to provide documentation of the demand for this facility and evidence that this demand is sufficient to sustain operations. Once this information is provided, and the outcome of the intended USDA-RD application is known, the application can be reevaluated.

Financial Viability Assessment:

A review of key viability criteria reveals a laudable idea that would appear to generate opportunities for entrepreneurship in the area. Appropriate sources have been identified for match; however, no funding is yet committed. The budget is supported by current construction and equipment quotes. At this early stage of project development, staff is unable to determine the viability of the project without additional information on funding commitments and market demand.

Staff Recommendation: Staff recommends that this application be tabled.

St. Paul Tomorrow, Inc.

Deen Building Redevelopment Project (#4245)

\$639,730.00 Requested

Project Summary: Commission funds will be used to complete funding needed to proceed with the renovation of the Deen Building located in St. Paul. The structure, built in 1921, has not occupied by an active commercial venture since the 1970s. The nonprofit applicant owns the building and plans to redevelop the space for lease to a distillery business. The project scope calls for the renovation of the original 2,550 sq ft space along with the addition of 2,700 sq ft of new space to accommodate the distillery business. A new outdoor porch/ entertainment venue (610 sq ft) will also be added.

Matching Funds:

- \$990,000 – DHCD Industrial Revitalization Fund

Project Outputs:

- Rehabilitation of 2,550 sq ft of existing business space, expansion of approximately 2,700 sq ft of new space, addition of 610 sq ft of open porch/ entertainment space.
- Location of one new business resulting in the creation of 2 new jobs and \$80,000 of new private capital investment.

Staff Comments:

The Deen Building was purchased by St. Paul Tomorrow, Inc. in 2019 with a goal of creating a leasable commercial space. In 2021, a report completed by VA Tech’s Community Design Assistance Program completed a conceptual redevelopment Plan for the property and identified the potential use for a distillery business. The project successfully secured a planning grant from the IRF (Industrial Revitalization Fund) in 2022. These funds were used to evaluate any structural issues, lead and asbestos, updated floor plans suitable to accommodate the proposed end use, as built drawings, property survey and to secure the proposed end user. In February 2023, the project was awarded a \$990,000 grant from IRF.

This project has been vetted at multiple levels since 2019. An enormous amount of planning has been conducted to reach the point where construction should be eminent. Soon after the receipt of the second IRF award, the project was bid on a design-build basis and Quesenberry’s Construction,

in partnership with Spectrum Design, was selected in May 2023. After completing design work and building stabilization in December 2023, the estimated cost to complete the project as envisioned, had risen significantly. Commission funds will be used to close the gap. Providing “last dollar” support in situations such as this, is an excellent position for this grant program. As a result of the substantial planning, and funding investments, already made in the project there is confidence that this project can be successfully completed quickly. The application estimates that the project will be complete by late 2024/ early 2025.

While this program prefers to support the redevelopment of multiuse properties, the decision to redevelop this space to serve the needs of a single business will also have the potential to have a distributed benefit to others in the region. The future tenant, C&H Solutions LLC specializes in the production and sale of high-quality distilling grains and already ships products to multiple states. The company is working closely with Appalachian Grains and plans to craft locally grown grains into a finished product. C&H has also been selected as the operator of the grain terminal under development in Norton, VA. The terminal, known as “Project Thoroughbred,” received a \$500,000 grant from the Commission in 2021.

Financial Viability Assessment:

A review of key viability criteria indicates a well-studied redevelopment project in the final stages of capital planning. Match is appropriate and in-hand. The budget is appropriately scaled and supported by current construction quotes. A prospective tenant has been identified for the building. Staff feels that this project is financially viable given its advanced development and will be a positive investment for the Commission.

Staff Recommendation: Staff recommends a grant award of \$639,730.

Tazewell Community Foundation

Medical Office Building development and construction (#4233)

\$700,000.00 Requested

Project Summary: Funding is requested to assist with the construction of a new medical office building in North Tazewell. The approximately 10,000 S.F. facility will provide space for newly recruited medical professionals to practice. Total construction is expected to cost \$4M not including A&E fees. Commission funds will contribute to the overall project cost. Upon completion, the Foundation will continue to own the building but will enter into a long-term lease arrangement with Carilion to operate the facility. When operational, the facility will house 35 employees, including six new providers.

Matching Funds:

- \$2,500,000 – USDA- Congressionally Funded Spending – application filed (decision unknown)
- \$500,000 – Town of Tazewell – application filed
- \$50,000 – Tazewell County IDA – approved
- \$750,000 – Appalachian Regional Commission – application filed
- \$50,000 – VCEDA – application intended (telemedicine equipment)

- \$50,000 – Thompson Charitable Foundation – intended
- Tazewell Community Foundation – potential loan (amount and status unknown)

Project Outputs:

- A new ~10,000 S.F. medical clinic will be constructed.
- 35 new jobs will be created with a \$2M payroll.

Staff Comments:

This application is focused on meeting a desperate need for health care providers in the Tazewell area. Twenty years ago, there were eight primary care providers in Tazewell. Currently there is one family practitioner, one pediatrician and a few nurse practitioners/ physician assistants in private practice in the community. The lack of access to local primary care providers forces residents to travel distances of an hour or more for health services. Several years ago, the Tazewell Community Foundation (TCF) partnered with Carilion Clinic to develop a strategy to recruit medical providers back to the area. Part of this long-term strategy included offering scholarships to students attending a post graduate school in a medical field with a promise that the student would practice in Tazewell upon graduation. This has created a pipeline of potential providers including 3-4 physicians and one physician’s assistant who will soon be ready to locate to the community. At this time there are no suitable buildings that can house these new providers. Former physician offices have all been repurposed and are occupied by other tenants. A survey of other commercial spaces revealed none that were suitable for use as a future medical office.

The Business Development investment category is intended to support projects that focus on the implementation of strategies resulting in the creation of higher paying jobs and the attraction of skilled workers to rural localities. The Foundation’s efforts to develop and implement this long-term strategy to meet a critical healthcare need appears to have been successful. The creation of 35+ jobs will add \$2M to the local economy while adding to the tax bases for both the Town and County. There is no doubt that this project will have a positive impact on the Tazewell community and could become a model for similar localities working to close similar healthcare access gaps. Although this project meets the objectives of the Business Development investment strategy, it can also be viewed as a healthcare project. Healthcare is not a stated funding priority in the Commission’s Strategic Plan. Providing support for this project could create a funding precedent that will encourage future applications from similar projects. Further clarification is needed from the Commission, likely as a result of the Strategic Planning process, to determine if healthcare related projects should be supported under TRRC grant programs.

The project is proceeding on an aggressive timeline necessary to have the facility ready for occupancy by the new providers. The site was acquired in late 2023 and site work, including demolition, has already begun. These activities were paid for using the applicant Foundation’s own funding. TCF has also engaged Thompson and Litton to complete A&E work necessary to begin construction. TCF is in the process of securing a construction loan which will allow construction to begin while fundraising is completed. The applicant noted that any grants received will be used to pay off the loan. Any funds not raised through grant applications can be covered using the Foundation’s own assets. The lease agreement with Carilion cannot be drafted until fundraising is complete and will be based, in part, on any remaining debt. While it is understandable that TCF would like to proceed with construction as quickly as possible, this funding strategy could prove problematic for TRRC and other funders. The Commission’s General Non-Eligible Uses of Funds

prohibit the use of funds for debt retirement. It is likely that other funders may have similar requirements. If this application is approved for funding, care will be needed to ensure that Commission funds are used within the limits of our Funding Policies.

Finally, the \$700K request amount is very large given the other demands of this program. The RFP for this funding round advertised an available balance of \$3M. This request, while not the largest received, represents 23% of the advertised available balance. Although there are a few requests with similar request amounts, those applications represent “last dollar” funding for the associated project. In those cases, all other funding required to complete the project is in place. In two of these examples, the Commission funding will be used to fill funding gaps which resulted from higher than expected bid results. Because this project is still in the early stages of fundraising, a smaller award that is more aligned with this Committee’s current budget and funding abilities is advised. Additionally, once operational, the facility will be revenue generating. A reduced award will be helpful in reducing the amount of debt incurred by the project with the goal of allowing TCF to develop a lease agreement with Carillion that is manageable and sustainable for both organizations.

Financial Viability Assessment:

A review of key viability criteria reveals an exceptional opportunity to support a development that would facilitate access to health care in an underserved community. Matching funds are largely uncommitted with requests pending from several potential funders. Project leader has ample experience in establishing and operating clinical facilities. The budget is supported by current construction and equipment quotes. A feasibility study performed by a leading economic analytics firm supports concludes that there is sufficient demand for the services intended to be provided. While the TCF is currently in the early stages of fundraising, staff recommends a smaller award of \$450,000, with contingencies on matching requirements and fund usage.

Staff Recommendation: Staff recommends a grant award of \$450,000, with a contingency that appropriate 1:1 match is acquired, and that grant funds may not be used for debt retirement in accordance with TRRC funding policies.

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 approved.

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, was tabled in January 2024 to allow time for AMLER to complete the review process and to issue a decision for the application that was pending with that program. The AMLER grant was approved, and the applicant is in the process of getting the award under contract. Although the contract process with AMLER can take as long as twelve months, a positive decision from TRRC would allow the applicant to begin to market the facility during the development period. There are no available sites within the LENOWISCO or the larger Lonesome Pine RIFA area that could quickly accommodate a data center project. The promise of a developed building could be a valuable recruitment tool when speaking to potential companies. The inclusion of a condition requiring the commitment of a prospect to the site prior to the release of funds will protect the Commission's investment and ensure that the projected outcomes are achieved in a timely manner.

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 hinged on securing the AMLER funding needed for the preliminary engineering work. The viability of the project is greatly enhanced by the receipt of the AMLER support.

Staff Recommendation: Staff recommends a grant award of \$656,416 on the condition that no funds are disbursed until a prospect has committed to the site.

Industrial Development Authority of Dickenson County

Red Onion Industrial Park Development (#4244)

\$848,420.00 Requested

Project Summary: Funding is requested to assist with the development of a new 30-acre site, resulting in the creation of 3 build ready pads, each between 5 and 15 acres. Dickenson County does not currently have any available sites. Commission funds (\$848,420) will be used to close a funding gap resulting from a substantial cost increase for the project. The grant will assist with access road improvements, water line extension, gravity sewer line extension, and other related costs and contingencies. Matching funds are committed from a variety of sources.

Matching Funds:

- \$1,117,472 - Virginia Coalfield Economic Development Authority – approved
- \$859,584 – AMLER – approved
- \$1,000,000 – Appalachian Regional Commission – two \$500,000 awards have been approved

Project Outputs:

- Development of 30 acre site with 3 build ready pads.
- 3 new businesses will locate at the site creating up to 50 new jobs.

Staff Comments:

This is a well-developed project that has successfully secured multiple grants from other funding sources. The Commission is the last viable source of funding to support the development of this much needed industrial park in Dickenson County. Unfortunately, the project does not qualify for the VEDP Business Ready Sites Program due to the size of the site. The pads, while small compared to those under development in other parts of the tobacco region, are a logical fit for this locality. Despite the County’s diligent and successful fundraising efforts, rising cost estimates have presented need for additional funds in order to allow this project to proceed as planned. This “last dollar” funding position is ideal for TRRC as it guarantees that funds will be spent and the project completed within the approved grant period. The timeline presented in the application shows bidding to occur during summer 2024 with construction underway by spring 2025. Project close out is estimated for summer 2025.

Financial Viability Assessment:

A review of key viability criteria indicates a well-developed project plan in the final stages of capital planning. Match is appropriate, from varied sources, and is in-hand. The budget is appropriately scaled. Staff feels that this project is financially viable given its advanced development, secured funding and high level of community support, and a positive investment for the Commission and the region.

Staff Recommendation: Staff recommends a grant award of \$848,420.

Tourism

City of Bristol (#4232)

Pre-engineering/Feasibility Study for Mendota Trail - Downtown Bristol Connector

\$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 filed)
- \$20,000 – Dr. and Mrs. Bob Mueller (approved)
- \$4,000 – City of Bristol staff time (in-kind)

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.

A previous application for this project was submitted to this program's fall deadline. The project was not recommended for funding and was formally declined at the January 2024 meeting. Commission staff was unaware of the applicant's intent to resubmit the project to the current funding round and the current application appears to be almost identical to the first. Staff's previous evaluation of the project and staff recommendation has not changed.

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 source of the major match funding 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 (#4235)

Southwest Virginia Creative Economy and Tourism Development Initiative **\$250,000.00 Requested**

Project Summary: The funding requested in this application will support the implementation of three separate, but related, initiatives. These initiatives complement funding received through the ARC POWER 23 initiative. The funding requested for the first initiative, the Creative Economy Asset Inventory (\$50,000), will be used to support consulting services for conducting a comprehensive evaluation and assessment of the creative economy assets across the region. The second initiative will utilize funds for contractual services to develop a Digital Marketing Asset Platform (\$50,000). When complete, the platform will enable partners to access professional photographs and videography resources. The largest portion of the request is allocated to the development of the Southwest Virginia Group Tour Initiative (\$150,000). Grant funds will support a Group Tour and Sales Manager position for two years (\$80,000) as well as group tour related marketing expenses (\$70,000) including marketing materials and tradeshow booth and for registration expenses for attending national and regional motorcoach shows.

Matching Funds:

- \$290,000 – Appalachian Regional Commission (approved)
- \$40,000 – Virginia Tourism Corporation (application filed)
- \$102,000 – Friends of Southwest Virginia (approved)
- \$48,000 – Southwest Virginia Cultural Heritage Foundation/ Friends of SWVA – in-kind project management and administration support

Project Outputs:

- Development of a Creative Economy Asset Inventory & Report
- Development of a Digital Asset Platform Database
- Implementation of the SWVA Group Tour Initiative
- These activities are expected to result in 14,000 new visitors to the region with \$244,100 of associated spending.

Staff Comments:

Over the past 25 years the Commission has provided millions of dollars to support the development of a vibrant tourism economy in SWVA. As the tourism industry has grown it has become more difficult to evaluate which projects will result in meaningful outcomes for the region. Friends of Southwest Virginia is an excellent partner with a history of developing resources and programs that serve our region. Previous Commission grants have provided support for staff positions as well as funding necessary to provide those staff with the resources needed to effectively implement their

roles. TRRC grants, often matched with ARC funds, have supported previous studies to identify the region's assets. Similarly, Grant #3969, approved in 2022 allocated \$65,000 for the creation of videography and photography files which could be shared with partners across the region. While the study and digital platform proposed in the current application are new, these elements of the proposal do not appear to result in outcomes that are significantly different from those achieved under previous grants. At this point in time, and with this program's limited budget in mind, it is critical that discretion be used when evaluating projects to ensure that Commission funds are focused on new initiatives which have the highest potential to have a positive economic impact across the region.

When reviewing multifaceted proposals, it can be difficult to determine which are the most likely to result in new, measurable, project outcomes. While two of the three initiatives enhance the work that Friends of SWVA provides on behalf of the region, only one of the proposed activities appears to directly result in the attraction of new visitors to the region. The Southwest Virginia Group Tour Initiative will develop relationships with a previously underserved market. The attraction of Group Tours offers an opportunity to provide coordinated and immersive travel experience for those who may be interested in visiting the area but prefer to allow someone else to manage the arrangements. Commission support can be critical to this venture by providing the resources necessary to quickly implement a plan to attract group tours to the region. Further, the recruitment of new visitors through a Group Tour opportunity can also facilitate the development of itineraries which may include multiple stops across the region. Projects with the potential to create a regional impact are a priority for this program.

Financial Viability Assessment:

A review of key viability criteria reveals the potential to develop group tour travel to the Southwest region, which, to our knowledge, has not been undertaken in the past. Matching funds are largely committed with a request pending from Virginia Tourism for \$40,000. Project leaders have ample experience in tourism initiatives. The group tour project has the most potential to be impactful by bringing in new money from outside the region. Sustainability will be driven by the market for such travel.

Staff Recommendation: Staff recommends an award of \$150,000 to support the development of the Southwest Virginia Group Tour Initiative.

City of Galax

The Rex Theater Revitalization (#4241)

\$50,000.00 Requested

Project Summary: Commission funds will support the development of a preliminary architectural report and a business and operating plan for the Rex Theater. The Theater, a former movie theater constructed in 1940, was purchased and renovated by the Galax Downtown Association approximately 20 years ago. It is currently owned by the City of Galax and requires additional facility upgrades including expanded seating, elevator, and ADA accessible bathrooms. The facility also requires an updated business and operating plan to guide future programming and equipment needs. An economic impact study will document direct and indirect income potential for the renovated building and expanded programming.

Matching Funds:

- \$50,000 – Appalachian Regional Commission (application filed)

Project Outputs:

- A Business and Operation plan will be developed.
- A Preliminary Architectural Report will be developed.

Staff Comments:

The Rex Theater is a well-known venue that has been associated with the Crooked Road since the earliest days of the initiative. While there are over 50 “affiliate” venues along the Crooked Road’s 333 mile span, only nine can claim “major” venue status. This status provides strong evidence of the importance of the Rex Theater to not only the City of Galax, but to the larger SWVA region. Projects supported under the Commission’s tourism investment strategy must document the potential to attract visitors from national and international markets. Additionally, priority is given to projects which will result in a regional, rather than local, impact. Through its association and significance to The Crooked Road, these conditions have been met.

Although the Theater has a 20+ year track record of serving visitors to the region, it is important that both the venue, and the programming offered there, continue to provide a high level of experience for visitors. The development of a preliminary architectural report will guide decision making for facility upgrades required for the Rex to accommodate larger audiences as well as to provide a more comfortable and accessible space for visitors. Additionally, the development of an updated business and operation plan will allow the Theater to evaluate current practices and ensure that the venue continues to operate as a sustainable operation. Like numerous other live performance venues, the Rex has seen a decline in attendance over the past several years, likely the result of the Covid-19 pandemic. The completion of these plans will allow the Theater to evaluate current market conditions and develop a strategy for attracting and retaining visitors.

Financial Viability Assessment:

A review of key viability criteria reveals a few issues; however, they are surmountable. While Staff is generally supportive of this application, there is minor concern that the scope and related cost of the business and operating plan is somewhat undefined. The contractor quotes that were provided with the application are very general and lack details which describe the scope of the work or how the related estimated cost has been determined. Because Commission funds can reimburse no more than 50% of eligible third-party expenses, this concern can be addressed by adding a requirement that the TRRC Grants Director must review and approve the scope of the formal contracts to ensure that TRRC’s funding requirements, as well as proposed project deliverables, will be achieved.

Staff Recommendation: Staff recommends a grant award of \$50,000 to support up to 50% of contractual expenses. This award is contingent upon the Grant Director’s approval of the final consultant contract to ensure that the scope and associated budget are reasonable and will result in the outcomes expected from the project.

City of Galax

2024 TCG Galax Small Convention Center Study (#4242)

\$50,000.00 Requested

Project Summary: Funding is requested to conduct a market study to determine the feasibility of locating a convention center in Galax. A private developer is working with the City to redevelop the vacant and blighted Vaughan Factory complex. A 32,942 S.F. building in the complex could be redeveloped to house a small convention center. Commission funds are requested to support 100% of the cost of the market study. Matching funds from the City will be used to develop a PER for water, sewer, and roadway infrastructure for the complex. The developer will be asked to contribute \$25,000 to the project however details of that contribution were not provided.

Matching Funds:

- \$25,000 – City of Galax
- \$25,000 – Vaughan Restoration Group

Project Outputs:

- A marketing study, exploring the feasibility of a convention center, will be developed.

Staff Comments:

The redevelopment of vacant and blighted structures such as the Vaughan Complex is a positive step to revitalizing the region's towns and cities. These structures have potential to serve a variety of community needs and the public/ private partnership presented in this application is a strong indication of a shared commitment to determine the most appropriate uses for this massive complex in Galax. The development of a market study to explore one potential use of the property is a reasonable first step towards the eventual redevelopment of this particular building. Unfortunately, the project as presented in the application is not a strong candidate for Commission support.

Under this program's RFP reimbursement for planning activities is limited to no more than 50% of third-party contractual expenses. The budget presented in this application allocates 100% of the estimated cost of the market study (\$48,700) to the TRRC grant. The matching funds listed in the application are unrelated to the scope of the TRRC project. The proposed match from the City of Galax will be used for a preliminary engineering report for water, sewer, and road infrastructure needs, presumably to support the redevelopment of the entire Vaughn complex. While this information is essential to the overall project, it does not relate to the scope of the marketing study project. The private developer, Vaughn Restoration Group, will be asked to contribute \$25,000 for "marketing study additional services" although no details were provided for what these additional services are.

The application identifies this as a "public-private" partnership however it is important to note that the property is privately owned by the development group. Because the City will certainly continue to be involved in the development of the project, it is acceptable for Commission funds to be requested at this early stage to support planning activities. Commission grant funds, such as those provided through this program, may not be used to construct or renovate privately owned property. The City and the developer are aware that, due to the private ownership of the property, TRRC grant funds will not be able to support future construction phases.

Commission funding during the planning stage of projects are most approximately used for projects whose total scope result in the development of a project that fits within the limits of the Strategic Plan and funding priorities. The eventual development of a convention center does not fit TRRC's requirements for tourism projects which must document a regional impact.

Financial Viability Assessment:

A review of key viability criteria reveals a laudable idea for repurposing a building into a convention center. However, the proposal raised some concerns. Match funding is not fully secured and is not allocated toward the purpose of performing a feasibility study for a convention center. While the redevelopment of the Vaughn property and the creation of a convention center is a positive direction for the City, the impact of this project will be primarily to the local market. Staff believes this will affect the sustainability of the project going forward.

Staff Recommendation: Staff recommends no award.

Mountain Empire Community College
Mountain Empire Community College Outdoor Amphitheater (#4234)
\$250,000.00 Requested

Project Summary: Commission funds are requested to support the construction of an 1,800+ outdoor amphitheater on the College's main campus in Big Stone Gap, Virginia. The facility will provide a permanent space for large attendance events including music festivals and cultural heritage events held on the MECC campus each year. Grant funds are allocated for Phase I activities including the installation of site walls, site railing, and control booth and cable trench. Matching funds will be used to complete Phase I which is estimated to cost approximately \$2M. The project will be developed in three phases with an estimated total cost of approximately \$5.5M.

Matching Funds:

- \$1,500,000 – The Slemple Foundation - in hand
- \$407,082 – Rapha Foundation - in hand

Project Outputs:

- Completion of Phase I. Amphitheater seating and wall structures will be constructed.
- 10,000 new visitors are anticipated (baseline 10,000) resulting in \$2,500 additional revenue from ticket sales.

Staff Comments:

The development of a permanent amphitheater on MECC's campus will create a space for the College, and the Town of Big Stone Gap to hold a variety of events. These events, include the Home Craft Days Festival, Mountain Music School, and the Big Stone Gap Blue Highway Festival. Each of these events bring thousands of visitors to the campus and to the Town. Set up expenses, including staging, for these events can range in the tens of thousands per event. MECC estimated the cost of staging, tents, etc. for graduation and other large events to exceed \$50,000 per event. A

permanent location while offering better accessibility and comfort for visitors will also result in cost savings for the College and Town.

Tourism projects supported under this program's RFP must document the potential to attract visitors from national and international locations. Events such as Home Craft Days, and the Blue Highway Festival have documented visitation from multiple states and countries. While these events certainly meet the program's requirements for target markets, these events are held once annually which limits the impact of the project. Other groups and events may use the amphitheater but are less likely to result in the tourism outcomes required by this project. Projects which demonstrate the potential to attract visitors from outside the region on a regular and ongoing basis offer a higher ROI for TRRC tourism investments. The location of the venue, on MECC's campus, could also be a limiting factor as the primary outcomes, such as ticket sales and visitor spending, will be largely limited to the local market and are unlikely to have a regional impact. When considering these factors, this does not appear to be a project that is well suited to this funding program.

Financial Viability Assessment:

A review of key viability criteria reveals an exciting opportunity to add a campus amenity that could also be used by government and citizens. The proposal raised some concerns, however. While sufficient match funding has been identified, dispensation is staggered over 5 years, which could create some cash flow issues for the project. The impact of this project will be limited, as it appeals primarily to the local market for a few events per year. Staff believes this will affect the sustainability and maintenance of the amphitheater going forward.

Staff Recommendation: Staff recommends no award.

Round the Mountain: Southwest Virginia's Artisan Network
Southwest Virginia Artisan Marketing & Development Initiative (#4237)
\$100,000.00 Requested

Project Summary: Funding is requested to support the implementation of the Southwest Virginia Artisan Marketing & Development Initiative including the development of an Artisan Storytelling Marketing Campaign, the expansion of artisan galleries with pop-up displays at regional visitor centers, and the addition of an Artisan Engagement Specialist. Commission funds will be used to support the newly created Artisan Engagement Specialist position (\$50,000) for two years and for contractual services for a marketing and branding campaign (\$30,000). Activities related to the gallery expansion (\$20,000) such as prototyping, branding displays, and digital technology logistics will also be supported.

Matching Funds:

- \$77,000 – Appalachian Regional Commission – approved
- \$5,000 – Virginia Commission for the Arts – approved
- \$20,000 – Virginia Tourism Corporation – approved
- \$100,000 – Friends of Southwest Virginia/ Round the Mountain – approved
- \$19,500 – Friends of Southwest Virginia (in-kind for administration and staffing support)

Project Outputs:

- The project will result in the creation of an Artisan Engagement Specialist, the development of the Artisan Storytelling Marketing Campaign, and the development of expanded RTM market locations.
- 14,000 new visitors are expected to visit the region resulting in an increase of \$244,100 of related spending.

Staff Comments:

Since 2005 TRRC has provided approximately \$370K to support start up and expansion opportunities for RTM. The last grant closed in 2014. The organization now operates under the umbrella of Friends of Southwest Virginia and does not appear to have any dedicated staff at this time. Friends of SWVA has successfully managed the organization for several years to ensure that regional artisans have viable and lucrative opportunities to market their products. The current request will allow RTM to build upon these efforts with a renewed focus on reaching and supporting artisans while providing updated resources needed to market all that RTM offers. The project will also establish RTM affiliated artisan galleries at 2-3 regional visitor centers which will provide opportunities for artisans to display their products to new audiences. The newly created Artisan Engagement Specialist will lead these efforts.

Although TRRC provided similar types of operating support during RTM's early days, it is not reasonable to expect that marketing materials or similar assets that were developed more than a decade ago can effectively reach today's markets. Additionally, RTM and the artisans served through its network will certainly benefit from a dedicated staff member. The most compelling element of this proposal is the development of satellite RTM artisan galleries around the region. These galleries will allow artisans to sell products at multiple locations under the same system. If this initiative proves successful it could be expanded to launch satellite locations outside the immediate region.

If approved, the project will need to be closely monitored to ensure that appropriate outcomes are tracked. The potential outcomes provided in the application are general tourism outcomes and were not specific to the scope of the project. The budget may also require some editing to remove items currently listed under the marketing and promotion line item which are ineligible for reimbursement according to TRRC's funding policies. These are minor adjustments which can be approved by the Grants Director.

Financial Viability Assessment:

A review of key viability criteria bring to light an opportunity to create a more robust merchandising opportunity for area artisans. Sufficient match funding has been identified and is in hand. The project is being led by a group with ample experience in the industry. The project's sustainability will be dependent on the organization developing new markets and expanding the RTM brand beyond Southwest Virginia. It will be important for RTM to develop specific performance measures to achieve a strong return on investment for this effort.

Staff Recommendation: The Commission recommends a grant award of \$100,000 contingent upon the Grant Director's approval of an updated line-item detail budget and the development of project specific outcomes.

**INCENTIVES AND LOANS
COMMITTEE**



·In-Person Meeting·

AGENDA

INCENTIVES & LOANS COMMITTEE

Inn at Wise, 110 E. Main Street, Wise, Virginia 24293

Tuesday, May 21, 2024

1:00 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **887372082#**.

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 Virginia Freedom of Information Act. If you experience problems calling in, please contact: **Hannah Franke-Fuller** at (804) 894-9659 or hfranke-fuller@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

The Honorable Daniel “Danny” Marshall, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the 1/9/2024 Minutes
(published on website)

The Honorable Daniel “Danny” Marshall, Chair

Public Comment

TROF Extensions and Modifications

Mr. Jordan Butler, TROF Program Manager

VSBF A Loan Program Update

Mr. Stephen Versen, Deputy Director

Pending VSBF A & CBL Loan Requests

Closed Session

Discussion and Decision on Loan Requests

Mr. Stephen Versen, Deputy Director

Economic Development Housing Incentive Pilot Program

The Honorable James Campos, Executive Director

Other Business

The Honorable James Campos, Executive Director

Adjournment

Incentives & Loans Committee

May 21, 2024

The Incentives and Loans Committee is meeting on May 21, 2024 at 1:00 pm to consider a request for modifications to an existing project. The following summary provides staff overview and comment on the project mentioned below.

1. Henry County

RTI Martinsville, Inc. (3177)

Request to Accept Reported Value vs. Assessed Value of Capital Assets

Staff Overview and Comments: This project includes a Tobacco Region Opportunity Fund (TROF) grant for \$80,000 that was awarded to Henry County (the “Locality”) and RTI Martinsville, Inc. (the “Company”). The performance period was March 2016 through March 2019 and was subsequently extended through March 2021. The performance agreement required the Company to employ 15 individuals with an average annual wage of \$39,520 and provide new private taxable investment of \$8,596,000. The grant was disbursed pre-performance. The Company has exceeded the employment obligation, delivering 35 jobs, well over the promised 15.

As noted in the executed performance agreement, the Commission requires “The Company’s achievement toward meeting its taxable asset obligation ***shall be based on asset values assessed by the COR for the Locality...***” (*Emphasis added*).

Using the above methodology, the Company has met 42% of the private taxable capital investment obligation by providing capital investment assessed at approximately \$3.59 million.

As noted in the attached letter (Attachment A), the Locality has requested the Commission consider using the original reported costs of Machinery & Tools (M&T) and Personal Property (PP) rather than the assessed values as the locality applies an assessment ratio that significantly reduces the assessed value. As noted above, the performance agreement requires the Commission to utilize assessed values of capital investment as reported by the Commissioner of Revenue in writing. If the Commission were to consider utilizing the original reported costs of the M&T and PP, the Company’s total capital investment would increase significantly and allow the Company to earn a greater portion of the grant devoted to capital investment (upon submittal of appropriate receipts and invoices needed to verify reported capital expenditures).

The Commission has recently approved several similar requests for acceptance of reported costs vs. assessed costs of capital expenditures.

Staff recommends that the performance agreement for TROF project #3177 be modified to permit the acceptance of reported costs (as evidenced by receipts of capital purchases) of M&T and TPP towards the Company’s taxable asset obligation as verified in writing by the local Commissioner of Revenue.

2. VSBFA Loan Program Update & Pending Requests

At its January 2024 meeting, the Commission directed the creation of a new lending program partnership with the Virginia Small Business Financing Authority and approved that \$10M from the Commission’s existing loan fund be committed to support this program. The first request for funding, a \$600,000 working capital loan to Grayson Natural Farms in Independence, was approved by Incentives and Loan Committee in early April. As of mid-May, the loan is closed and the funds transferred to the company, and immediately put to use to purchase ingredients needed to produce meat sticks for sale to the US military. Since then, two other applications and staff recommendations have been submitted to the Committee. Below is a summary of loan requests and status:

Borrower(s):	Use of Funds	Amount:	Loan Term*	Interest Rate	VSBFA Recommendation	Status
Grayson Natural Farms	working capital for meat stick production	\$600,000	5 years	5.5%	Approve	Closed, all funds released
Roses Creek Farm, LLC	new hydroponic greenhouse	\$2,300,000	10 years	5%	Decline	Pending, awaiting decision by I&L
Brunswick County IDA	construct produce processing facility	\$2,000,000	10 years	5%	Approve	Pending, awaiting decision by I&L

* All loans amortized over 25 years

Interest in the program remains strong, and the program is poised to become an important economic development tool for the Commission.

Staff recommends to decline the Roses Creek Farm request and approve the Brunswick County IDA request.

3. Economic Development Housing Incentive Pilot Program

At the direction of Director Campos, staff developed an economic development housing pilot program in early April and presented it to the Executive Committee for feedback at its meeting on April 16, 2024. The program seeks to deploy modest Commission funding alongside the energy brought about by a major economic development project to bring together the locality, the employer, and the state’s housing community to develop and implement an innovative workforce housing solution that incentivizes the company’s commitment to the Commonwealth. Developed with feedback from staff of Virginia Housing and the Virginia Department of Housing and Community Development, the program’s goal is to make the Commission’s footprint more attractive to economic development by directly addressing a major concern of expanding employers: insufficient housing for their workforce. The program overview, which incorporates feedback from the Executive Committee, is attached to this report. If this overview and implementation plan are approved by the I&L Committee and the Commission, staff intends to roll out the program beginning July 1, 2024.

Implementation plan:

Staff intends to implement the program as a pilot, being flexible in how projects are developed, evaluated, and ultimately recommended for funding. The goal is to learn from this process and

evaluate the outcomes to inform the eventual development of more traditional, structured documents for application, project development, evaluation, and implementation. The following illustrates the process staff will follow to implement each element of the pilot:

Application: Project proposals will be received through either a pre-application submitted through our website or through introduction by an economic development organization, such as VEDP. The proposal will be assessed, considering whether it includes an eligible housing project with realistic and meaningful participation identified for its development from an economic development prospect, local government, members of the state housing community, and housing project developer. If the proposal seems promising, the applicant will be invited to develop a complete application.

Project Development: One of the key players involved in the project, preferably someone from the state's housing community, will be selected as the staff's point of contact for the housing project. They will serve as the de facto project manager for the grant, working with all parties to develop a project that implements the program's goals. This individual will regularly update Commission staff on progress and seek feedback on how well the project is conforming to the goals of the program.

Evaluation: Once all the major pieces of the project are in place, a decision on Commission funding needs to be finalized in order for the project to proceed. The applicant will compile a project narrative, budget, timeline, scope of work, and other relevant supporting documentation for review by staff. Once staff believes the project is ready for review and approval by the Commission, the application materials will be shared with members of the I&L Committee for evaluation. The Committee will decide, based in part on staff's recommendation, whether or not to recommend the project to the Commission for funding.

Implementation: Once the project is approved by the Commission, staff will develop a grant agreement for the project to ensure the project complies with the program outline, our rules, and best practices, including pay for performance. Each grant agreement will differ regarding the specifics of the project and will have the provisions needed to protect the Commission's interests in the project. For example, if funds are awarded to spend up front for the infrastructure needed for a future workforce housing development, the agreement may require that a lien be placed on those assets until the workforce housing units are built.

Overall, we welcome any suggestions you have. If requested, we can brief you on each application as it comes in and get your feedback on projects until we have a good sense of what we are going to get and can develop more narrow guidelines.

March 26, 2024



Stephen Versen
Tobacco Region Revitalization Commission
701 E. Franklin St., Ste. 501
Richmond, Virginia 23219

Dear Stephen,

I am writing concerning the 2016 TROF Grant agreement for RTI-Martinsville, Inc.

It is my understanding that while the employment target has been successfully reached, there is discrepancy regarding the capital investment made since 2016 because of significant depreciation. This depreciation calculated to purchases severely impacted the perceived value of the investment, resulting in a misleading assessment of the company's compliance with grant guidelines.

Henry County is formally requesting the Commission to use the reported cost of equipment which more accurately reflects the actual investment made by RTI. We believe that this adjustment is crucial to provide a true representation of RTI's commitment to the grant's requirements.

Should you have any questions, please let me know. Henry County appreciates our positive working relationship in the past and we look forward to continuing it into the future.

Sincerely,

Dale Wagoner
County Administrator

April 29, 2024

Jordan Butler
Virginia Tobacco Region Revitalization Commission
701 E. Franklin Street
Richmond, VA 23219

Dear Commission,

I am writing this request to formally ask the Commission to consider calculating investments made by RTI-Martinsville by using the actual value and purchase price of the investments instead of the depreciated assessed value. These purchases were made during the 2016/2017/2018 time period in meeting the requirements for receiving the \$80,000 grant from the Tobacco Region Opportunity Fund.

During this 3-year period, RTI purchased and installed approximately \$8,900,000 in capital investment in Martinsville including the following:

1. Two Natural Gas Furnaces (2016)
2. Furnace Critical Spare Parts (2016)
3. Grinder Building Expansion (2017)
4. Additional Grinder (2017)
5. Baghouse for Grinder (2017)
6. Fire Suppression System (2017)
7. Lighting, Concrete Pad, Fencing, Cameras (2017)
8. Other items needed (2017-2018)
*Air Compressor, cooling racks, hoppers, crane, paving, curbing

Please let us know if you have any questions.

Thank you,



Tim Chitwood
Plant Manager
Howmet Aerospace, Martinsville VA.

Economic Development Workforce Housing Incentive Pilot Program

Total allocations: \$2 million, Maximum award: \$1 million

Purpose: Enhance the appeal of the Tobacco Region for major economic development projects by incentivizing localities and employers to develop affordable housing options for the new employees.

Incentive structure:

- Applications are made by political subdivisions of the Commonwealth on behalf of the housing developer, which may be for-profit or non-profit.
- Applications are received and evaluated on a rolling basis.
- Funds require a minimum three-to-one match and generally follow existing Tobacco Commission funding policies.
- The maximum incentive award is \$35,000 per unit with funds spent on site development, infrastructure, or direct housing construction costs.
- Units can be for rent or for sale.

Minimum qualifications for award:

- Award must be tied to an economic development project in the Tobacco Region.
- Recipient locality must have a workforce housing plan in place or commit to creating a plan that meets the needs of the incoming employer.
- The new housing development must, at least in part, target middle-income households (generally 80 -120% of Area Median Income) and meet affordability requirements (i.e. housing budget is generally 30% of income).
- The new units should be densely constructed, such as multifamily and duplexes, so as to improve affordability.
- Applicant must show a demand for housing and explain how the new jobs will impact that demand; applicant must also show proof of funding gap with completed pro-forma that shows demonstrated utilization of different funding sources.

Stronger proposals will include:

Employer participation in the housing project, such as:

- Savings match for employees to help build up their ability to purchase the unit
- Monthly housing payment-matching program to help employees keep housing costs below 30% of their total household income
- Direct financial investment by the employer into the new housing units
- Employer-provided or -subsidized transportation to and from work for residents of the new units

Innovative and meaningful support from the locality for new workforce housing, such as:

- Establishment of a Tax Increment District to help pay for the infrastructure on which the new workforce housing will be built

- The rezoning and up-zoning of parcels that are in easy commuting distance from the employer to allow for more dense and affordable housing construction
- Making significant steps in implementing the locality's workforce housing plan
- Meaningful public investment in the project, such as cash, land donation, infrastructure improvements, waived fees

Involvement from multiple partners leveraging one another's investment into the effort, such as:

- The participation of key state and Federal housing resource organizations such as Virginia Housing, Department of Housing and Community Development, and HUD
- The participation of local and regional housing organizations, including non-profits and community development organizations
- Being eligible for financing from Virginia Housing
- Achieving other community development goals, such as being mixed-use, being located in a revitalization zone, or redeveloping an historic structure
- Building on previous efforts to improve housing in the region (e.g., CIG planning grants, inclusionary zoning, zoning/policy analysis and changes to promote housing) and featuring meaningful public engagement and regional collaboration

EDUCATION COMMITTEE



▪ In-Person Meeting ▪

A G E N D A

EDUCATION COMMITTEE

Inn at Wise, 110 E. Main Street, Wise, Virginia 24293

Tuesday, May 21, 2024

2:30 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **887372082#**.

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 Virginia Freedom of Information Act. If you experience problems calling in, please contact: **Hannah Franke-Fuller** at (804) 894-9659 or **hfranke-fuller@revitalizeva.org** or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

Ms. Amanda Cox, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of 10/11/2023 Minutes
(published on website)

Ms. Amanda Cox, Chair

Public Comment

Staff Recommendations for Workforce Financial Aid

Ms. Vicki Humphreys

Extensions and Modifications

Ms. Vicki Humphreys

Other Business

The Honorable James Campos, Executive Director

Adjournment

Virginia Tobacco Region Revitalization Commission
Education Committee – May 21, 2024
Workforce Financial Aid for the FY2024-25 School Year

The Education Committee will meet at 2:30pm on May 21, 2024, to consider the following Workforce Financial Aid (WFA) proposals.

The FY24 Commission budget has allocated \$2.2 million to support Workforce Financial Aid grants in the 2024-25 school year. Staff requested that institutions apply for workforce financial aid needs based on two tier levels:

- **Tier I Requests:** Community Colleges where the majority of the student population is from TRRC localities may apply for up to \$240,000. Tier I institutions include the following Community Colleges: Central Virginia, Danville, Mountain Empire, Patrick & Henry, Southside Virginia, Southwest Virginia, Virginia Highlands, and Wytheville.
- **Tier II Requests:** Community Colleges without a majority of TRRC localities in service area, and Higher Education Centers in the region may apply for up to \$100,000. Tier II Community Colleges and Higher Education Centers include Brightpoint, New River, Virginia Western; New College Institute, Southern Virginia Higher Education Center, and Southwest Virginia Higher Education Center.

Staff received 11 applications totaling \$2,195,000 (\$1,145,000, Southern; \$1,050,000, Southwest).

Education applicants were instructed to align their requests with the Commission’s six funding categories. Below is an excerpt from the 2024-2025 WFA Guidelines:

Funding Categories & Application Requirements: The Commission’s eligible funding priorities for the WFA Program are listed below.

Category	Program	Definition	Required for Submission
1	Workforce Credentials*	Short term, non-credit certificates approved by VCCS under Fast Forward Training Program	<ul style="list-style-type: none"> • List of all short-term, noncredit workforce credential training requested for scholarship support under Category 1
2	Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	For Credit Certificates, Diplomas, Degrees in STEM-H and Advanced Manufacturing fields not eligible for G3 program. DO NOT INCLUDE DUAL ENROLLMENT HERE (see Category #4)	<ul style="list-style-type: none"> • List of all Non-G3 STEM-H and Advanced Manufacturing, requested for scholarship support under Category 2 • Total scholarship funding requested for Non-G3-Eligible Programs for non-dual enrollment students.
3	G3 Eligible Programs in STEM-H and Advanced Manufacturing	For Credit Certificates, Diplomas, Degrees in STEM-H and Advanced Manufacturing fields eligible for G3 program. DO NOT INCLUDE DUAL ENROLLMENT HERE (see Category #4)	<ul style="list-style-type: none"> • List of all G3-Eligible programs requested for scholarship support under Category 3 • Total amount of scholarship funding requested for G3-Eligible Programs for non-dual enrollment students.
4	Dual Enrollment Programs in IT and Advanced Manufacturing	For Credit Certificates, Diplomas, Degrees in IT and Advanced Manufacturing fields targeted to high school students in 9 th -12 th grade who meet the admissions requirements of the college.	<ul style="list-style-type: none"> • List of all G3 and Non-G3 Information Technology and Advanced Manufacturing requested for scholarship support under Category 4 • Total amount of scholarship funding requested for programs that are for dual enrollment students.

5	High-demand occupations (to be approved by TRRC)	For Credit Certificates, Diplomas, Degrees. Non STEM-H or Advanced Manufacturing. Limited to two (2) specific areas of study (General Studies degrees not eligible).	<ul style="list-style-type: none"> • List of training under Category 5 • Total amount of scholarship funding requested for specified high demand programs. • Must include documentation of employer demand.
6	Testing Fees	50% of fees for first time credential certification testing for Students in for-credit programs for STEM-H or Advanced Manufacturing fields.	<ul style="list-style-type: none"> • List of credential tests to be supported under Category 6 • Total amount of scholarship funding requested for defined students. Limited to total of \$24,000 for Tier I/ \$10,000 Tier II

*For Students receiving FastForward Workforce Credential funding, TRRC will support one-sixth of the cost of training program and certification (half of one-third share the student is responsible for), with the remainder to be covered by FFWC and potentially state FANTIC funds or other sources. However, TRRC will allow up to 50% tuition reimbursement for FFWC-eligible training cohorts conducted during periods when FFWC funding is not available due to state funding limitations. When requesting reimbursement, documentation should include the date FFWC funds were exhausted or limited by Virginia Community College System.

Eligible uses of WFA: WFA support shall be used only for tuition and mandatory fees. WFA may also be used to cover 50% of testing fees for industry-related credentials in eligible pre-approved by the TRRC (see Grant Conditions section for more information). WFA funds may not be used for books, transportation, and other expenses.

Staff Comments:

All requests comply with the Committee’s long-standing objectives of providing last-dollar assistance to students working to obtain a nationally recognized workforce or academic credential. The schools that propose to use WFA funding for Priority #5 programs provided evidence of regional employer demand for certain types of jobs relevant to a corresponding credential/program.

The requests anticipate serving 1,955 students and resulting in the issuance of 1,893 credentials issued in the 2024-2025 school year. An estimated 1,462 students will receive scholarships towards college tuition and fees, and an additional 493 students will benefit from assistance with testing fees for industry credentials required for employment. The proposals also estimate matching funds of more than \$2.8 million for students receiving TRRC support and students in TRRC scholarship priority areas.

Staff recommends approval of the requests as summarized on the following pages, for last-dollar Workforce Financial Aid for Tobacco Region residents in the 2024-25 school year, contingent on the following conditions:

- **Matching Funds:** Grantees must provide at least dollar-for-dollar matching funds.
- **Documentation Requirements:**
 - Grantees must report, on an individual student basis, the full distribution of all financial aid and/or other funding used to meet that student’s financial responsibility. This documentation may be marked “confidential” to protect student privacy, and the Commission asks that any other sensitive data (such as security numbers, student health or disability status, etc.) be redacted. Grantees are expected to work with the college’s financial aid office to track scholarship commitments through the People Soft system.
 - Grantees must report the program/major for each scholarship recipient for TRRC staff to validate eligibility under the approved category.
- **Dual Enrollment:** Dual Enrollment funding will be limited to regional high school program offerings at community college facilities. These scholarship funds will be limited to Advanced Manufacturing and Information Technology career programs. At least fifty percent 50% match must be provided toward Dual Enrollment tuition and fees.

- **Credential Testing Fees:** Support is limited to students in for-credit STEM-H and Advanced Manufacturing programs who qualify at or below the 500% poverty level. This funding will support 50% of the fees for the first testing attempt for the student, and for one attempt per student per credential. Support is limited to third-party certifications that are required for the student to be eligible for employment in their field. Total support for this purpose is limited to \$24,000 for Tier I institutions, and \$10,000 for Tier II.
- **Poverty Level Income Requirements:** Grantees will limit scholarships for G3 Eligible and Non-G3 Eligible for credit programs to students with family income up to 500% of Poverty Level for their family size (See below). Grantees must work with the college’s financial aid office to verify income eligibility and to track scholarship commitments through the People Soft system.
- **Final Reimbursement:** Grantees **must** submit a final reimbursement request no later than October 31st following the end of the academic year.

Federal Poverty Guidelines:

TRRC utilizes the U.S. Federal Poverty Guidelines issued annually by the U.S. Department of Health and Human Services (HHS) to determine financial eligibility for its WFA programs. HHS Poverty Guidelines for 2024 are below.

2024 Poverty Guidelines: 48 Contiguous States (for Virginia):

Persons in family/household	Poverty guideline	500% of Poverty Guideline
1	\$ 15,060	\$ 75,300
2	\$ 20,440	\$ 102,200
3	\$ 25,820	\$ 129,100
4	\$ 31,200	\$ 156,000
5	\$ 36,580	\$ 182,900
6	\$ 41,960	\$ 209,800
7	\$ 47,340	\$ 236,700
8	\$ 52,720	\$ 263,600
Each additional person	\$ 5,380	\$ 26,900

Req #	Organization	Project Title	Request Amount
Southern Virginia			
4258	Brightpoint Community College Foundation	2024-25 Tobacco Region Scholarship at Brightpoint Community College	\$85,000
4231	Central Virginia Community College Educational Foundation, Inc.	CVCC Workforce Financial Aid 2024-2025	\$240,000
4252	Danville Community College Educational Foundation, Inc.	DCC Educational Foundation Workforce Financial Aid 2024-2025	\$240,000
4249	Patrick & Henry Community College Foundation	P&HCC 2024-2025 Workforce Financial Aid	\$240,000
4257	Southside Virginia Community College Foundation	Investing in Southside Students	\$240,000
4250	Virginia Western Community College Educational Foundation	Workforce Financial Aid and Community College Access Program for Franklin County	\$100,000
Southwest Virginia			
4254	Mountain Empire Community College	MECC Works	\$240,000
4253	New River Community College Educational Foundation	Floyd County ACCE (Access to Community College Education) Program	\$90,000
4255	Southwest Virginia Community College	2024-2025 Tobacco WFA Scholarship Grant	\$240,000
4251	Virginia Highlands Community College Educational Foundation	Virginia Highlands Community College - Workforce Financial Aid FY25	\$240,000
4256	Wytheville Community College	Wytheville Community College Forging Futures Scholarship Program	\$240,000

Total (11 Applications) \$2,195,000

Southern Virginia

Brightpoint Community College Foundation

2024-25 Tobacco Region Scholarship at Brightpoint Community College (#4258)

\$85,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$0.00	0	0	0	0	0	0
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$9,427.50	3	0	0	0	1	1
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$21,997.50	7	3	1	0	2	6
Dual Enrollment Programs in IT and Advanced Manufacturing	\$53,575.00	54	21	0	0	0	21
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$85,000	64	24	1	0	3	28

Match: \$463,620 from other state and federal sources.

Dual Enrollment:

- Industrial Electricity CSC
- Basic Precision Machining CSC
- Welding CSC

Staff Comments: Brightpoint CC service area includes Amelia, Dinwiddie, and Sussex County. A detailed list of programs to be supported under each TRRC Category was provided. Dual Enrollment opportunities are coordinated with all three county school systems (students provide their own transportation to campus).

Staff Recommendation: Staff recommends a \$85,000 grant award.

Central Virginia Community College Educational Foundation, Inc.
CVCC Workforce Financial Aid 2024-2025 (#4231)
\$240,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$70,000	27	0	27	0	0	27
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$65,000	20	8	0	0	12	20
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$95,000	33	8	3	8	14	33
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$10,000	20	0	20	0	0	20
Total	\$240,000	100	16	50	8	26	100

Match: \$240,000 from other state and federal sources.

Staff Comments: CVCC’s service area includes Appomattox, Bedford, and Campbell Counties. CVCC also services students from ten other TRRC localities, in part, because of specialized degree program opportunities. A detailed list of programs to be supported under each TRRC Category was provided. CVCC is allocating \$10,000 for Testing Fees which may support Advanced Manufacturing certifications for NCCER, NOCTI (Precision Machining), MSI, AWS, NIMS, OSHA; Information Technology certifications for CompTIA, CISCO; and Healthcare certifications including Advanced EMT, Paramedic, Medical Laboratory Technician, Radiological Technician, Respiratory Therapy Technician.

Staff Recommendation: Staff recommends a \$240,000 grant award.

Danville Community College Educational Foundation, Inc.
DCC Educational Foundation Workforce Financial Aid 2024-2025 (#4252)
\$240,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$100,000	50	60	0	0	0	60
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$70,000	40	0	0	2	6	8
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$70,000	36	0	3	5	5	13
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$240,000	126	60	3	7	11	81

Match: \$240,000 from other state and federal sources.

Staff Comments: DCC services the City of Danville, Pittsylvania County and Halifax (western) Counties. A detailed list of programs supported under each Priority Category was provided.

Staff Recommendation: Staff recommend a \$240,000 grant award.

Patrick & Henry Community College Foundation
P&HCC 2024-2025 Workforce Financial Aid (#4249)
\$240,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$15,000	27	0	25	0	0	25
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$30,000	23	0	0	0	20	20
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$129,596	117	38	13	0	52	103
Dual Enrollment Programs in IT and Advanced Manufacturing	\$60,404	48	8	2	0	15	25
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$5,000	65	25	15	0	10	50
Total	\$240,000	280	71	55	0	97	223

Match: \$308,388.92 from other state and federal sources.

Dual Enrollment:

- Precision Machining CSC
- Welding CSC
- Mechatronics CSC

Staff Comments: P&HCC services the City of Martinsville, and Henry, Patrick, and Franklin (southern) Counties. A detailed list of programs to be supported under each TRRC Category was provided. P&HCC coordinates with Martinsville and Henry County school system on Dual Enrollment offerings at the Media Technology (MET) campus. Testing Fees are requested for AWS, NIMS, and IT Certifications.

Staff Recommendation: Staff recommends a \$240,000 grant award.

Southside Virginia Community College Foundation
Investing in Southside Students (#4257)
\$240,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$30,000	25	0	25	0	0	25
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$10,000	3	0	0	0	3	3
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$60,000	20	0	5	0	15	20
Dual Enrollment Programs in IT and Advanced Manufacturing	\$140,000	125	125	125	0	0	250
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$0.00	0	2	0	0	0	0
Total	\$240,000	173	125	155	0	18	298

Match: \$240,000 from other state and federal sources.

Dual Enrollment:

- Welding
- Information Technology
- HVAC
- Electricity

Staff Comments: SVCC services Brunswick, Buckingham, Charlotte, Cumberland, Greenville, Halifax (eastern), Lunenburg, Mecklenburg, Nottoway, and Prince Edward Counties; and the City of Emporia. A detailed list of programs to be supported in each TRRC Category was provided. Staff notes that the highest need for WFA support is to support dual enrollment tuition for high school students. SVCC works with the 10 public school systems, and one private school (Brunswick Academy) for providing dual enrollment opportunities at SVCC campus/satellite campus locations in Clarksville, Emporia, Halifax, and Keysville.

Staff Recommendation: Staff recommends a \$240,000 grant award.

Virginia Western Community College Educational Foundation Inc (#4250)
Workforce Financial Aid and Community College Access Program for Franklin County
\$100,000 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$10,793	21	0	31	0	0	31
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$28,844	17	4	0	0	6	10
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$44,640	32	14	0	0	10	24
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$15,723	16	0	0	0	8	8
Testing Fees	\$0.00	2	0	0	0	0	0
Total	\$100,000	86	18	31	0	24	73

Match: \$240,796 from other state and federal sources.

High-Demand Occupations:

- Business Administration AAS
- Business Management AAS

Staff Comments: VWCC serves Franklin County (northern). A detailed list of programs to be supported under reach TRRC Category was provided. Long-Term Occupational Growth projections data for 2032 (10 years) was provided to support the High-Demand occupations in Business Administration and Business Management.

Staff Recommendation: Staff recommends a \$100,000 grant award.

Southwest Virginia

Mountain Empire Community College

MECC Works (#4254)

\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$30,000	48	0	0	0	0	0
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$40,000	20	15	0	0	5	20
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$106,000	75	30	15	0	30	75
Dual Enrollment Programs in IT and Advanced Manufacturing	\$30,000	10	0	10	0	0	10
High-demand occupations (to be approved by TRRC)	\$10,000	20	10	0	0	10	20
Testing Fees	\$24,000	50	10	20	0	20	50
Total	\$240,000	223	65	45	0	65	175

Match: \$240,000 from other state and federal sources.

Dual Enrollment:

- Electromechanical Technology

High Demand Occupations:

- Education Career Pathways
 - Early Childhood Development – Early Childhood
 - Early Childhood Development – Special Needs
 - Pre-Teacher Education
- Police & Corrections Science Career Pathways
 - Law Enforcement Management and Supervision
 - Police Science
 - Corrections Management and Supervision
 - Corrections Science

Staff Comments: The MECC service area includes Lee, Scott, Wise, and Dickenson (partial) counties and the City of Norton. All required information was provided including a list of programs to be supported under this category. The application allocates \$30,000 to support students in a soon to be launched Electromechanical Dual Enrollment Academy located on MECC's campus. The College will partner with Eastman Chemical Company to develop the program. The application also allocates \$24,000 to support testing fees for an extensive list of programs. Staff will work with the applicant to ensure that all testing fees are related to qualifying programs (STEM-H and advanced manufacturing).

Staff Recommendation: Staff recommends a \$240,000 grant award.

New River Community College Educational Foundation
Floyd County – Access to Community College Education (ACCE) (#4253)
\$90,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$0.00	0	0	0	0	0	0
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$35,000	20	0	5	0	15	20
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$35,000	20	0	5	0	15	20
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$20,000	10	0	3	0	7	10
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$90,000	50	0	13	0	37	50

Match: \$90,000 from other state and federal sources.

High Demand Occupations:

- Police/Criminal Justice/Forensic Science
- Business Management/Administration

Staff Comments: Floyd County is the only TRRC region county included in NRCC’s service region. All required information, including a list of programs to be supported under each category, was provided. New River CC only serves new high school graduates enrolled in associate degree level programs. Although the College offers several short-term training programs that could qualify under Priority 1, NRCC chooses not to provide TRRC assistance to these students or to adult learners who may be returning to school. As a result, NRCC typically uses only a small portion of their WFA grant. Rather than providing TRRC scholarship assistance to any eligible student who resides in Floyd County, NRCC continues to push for the TRCC’s WFA Guidelines to be changed to allow General Studies and other non STEM-H and advanced manufacturing education programs. Programs of this nature have not been supported under TRRC WFA grants for many years.

Staff Recommendation: Staff recommends a \$90,000 grant award.

Southwest Virginia Community College
 2024-2025 Tobacco WFA Scholarship Grant (#4255)
 \$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$50,000	35	0	18	17	0	35
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$50,000	26	11	0	0	15	26
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$116,000	48	30	8	0	10	48
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$24,000	358	120	50	10	178	358
Total	\$240,000	467	161	76	27	203	467

Match: \$240,000 from other state and federal sources.

Staff Comments: The SWCC service area includes Buchanan, Dickenson (partial), Russell, and Tazewell counties. All required information was provided including a list of programs to be supported under each category. The application allocates \$24,000 to provide testing fee assistance for 358 students in a variety of healthcare, information technology, and advanced manufacturing programs. The costs of these tests range from \$120 to \$506.

Staff Recommendation: Staff recommends a \$240,000 grant award.

Virginia Highlands Community College Educational Foundation
Virginia Highlands Community College Workforce Financial Aid FY25 (#4251)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$36,000	48	0	0	0	0	0
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$164,000	115	60	0	0	55	115
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$40,000	77	60	0	0	17	77
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$240,000	240	120	0	0	72	172

Match: \$240,000 from other state and federal sources.

High Demand Occupations:

- Education
- Early Childhood Development

Staff Comments: The VHCC service area includes the City of Bristol, Washington and Smyth (partial) counties. All required information, including a list of programs to be supported under each category, was provided.

Staff Recommendation: Staff recommends a \$240,000 grant award.

Wytheville Community College
Wytheville Community College Forging Futures Scholarship Program (#4256)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Category	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$26,000	26	0	26	0	0	26
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$95,000	50	10	5	5	30	50
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$30,000	25	13	1	1	10	25
Dual Enrollment Programs in IT and Advanced Manufacturing	\$15,000	20	10	10	0	0	20
High-demand occupations (to be approved by TRRC)	\$50,000	25	5	0	0	20	25
Testing Fees	\$24,000	0	0	80	0	0	80
Total	\$240,000	146	38	122	6	60	226

Match: \$292,000 from other state and federal sources.

Dual Enrollment:

- Industrial Maintenance
- Welding

High Demand Occupations:

- Criminal Justice/Corrections Science
- Education

Staff Comments: The WCC service area includes Bland, Carroll, Grayson, Smyth (partial), and Wythe counties and the City of Galax. All required information was provided including a list of programs to be supported under each category. Dual Enrollment funds will support students at Carroll County High School and Grayson County High School. Due to lack of space at WCC’s primary off-site welding lab at The Crossroads Institute, the College has established off-site welding labs at each of the two high schools. In addition to providing the training equipment, WCC will also provide the instructor. Students at these locations will be subject to the same tuition requirements as those receiving training at any other WCC site. The application also included tuition fee assistance for 10 healthcare programs. The cost of exams for these programs ranges from \$164 per test to \$1,815 per test.

Staff Recommendation: Staff recommends a \$240,000 grant award.

OTHER BUSINESS:

**Southside Virginia Community College Foundation
Expansion of Industrial Technology Programs (#3647)
Current Project End Date: 5/18/2020 – 5th Year Extension Requested**

Staff Comments: The Commission approved this \$347,651 grant with SVCC Foundation in May 2020. This project is focused on increased enrollment and expanding learning environments for three Industrial Technology programs: electrical technology, solar photovoltaic installation, and heating, ventilation, and air conditioning. Modifications will be made to the SVCC satellite campus at the Lake Country Advanced Knowledge Center in South Hill to support high-demand employment opportunities in Construction Trades. A modular solar unit would facilitate training at locations across the Tobacco Region footprint. A balance of \$63,766.78 remains in the TRRC project account. SVCC is requesting an extension to allow this funding to support the HVAC & Electricity programs, as well as the purchase of a new mobile training unit that can be used at Lake Country Advanced Knowledge Center and the John Daniels campus in Keysville. SVCC Foundation is requesting a fifth-year extension.

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

SOUTHERN VIRGINIA COMMITTEE



• In-Person Meeting •

AGENDA

SOUTHERN VIRGINIA COMMITTEE

**Inn at Wise, 110 E. Main Street, Wise, Virginia 24293
Tuesday, May 21, 2024
3:15 P.M.**

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **887372082#**.

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 Virginia Freedom of Information Act. If you experience problems calling in, please contact: **Hannah Franke-Fuller** at (804) 894-9659 or hfranke-fuller@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

Mr. Walter “Buddy” Shelton, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the 1/8/2024 Minutes
(published on website)

Mr. Walter “Buddy” Shelton, Chair

Public Comment

Grant Projects

Ms. Sarah Capps, Southern Regional Director

Extensions and Modifications

Ms. Sarah Capps, Southern Regional Director

Other Business

The Honorable James Campos, Executive Director

Adjournment

**FY24 Southern Virginia Program – 2nd Round
Staff Summaries and Recommendations
May 21, 2024**

The Virginia Tobacco Region Revitalization Commission received fourteen applications for the February 8, 2024, application deadline of the FY24 Southern Virginia Program – 2nd Round. Applications are grouped by the four eligible investment categories. One application was withdrawn leaving thirteen requests for funding consideration. The Tobacco Commission’s Southern Virginia Committee will act on these funding requests at its meeting on May 21, 2024, at 3:45 pm.

Req#	Organization	Project Title	Requested Amount	Staff Recommendation
Agribusiness				
4216	County of Bedford	Wellfarm Meats' Tucker Terrace Processing Equipment	\$ 286,141	Table
4222	Buckingham Cattlemen's Association	Parking expansion of the BCA BARN facility and Beef Hub	\$ 90,000	Table
4225	Central Virginia Planning District Commission	CVPDC Agribusiness Marketing Development Planning Grant	\$ 20,000	\$ 10,000
Business Development				
4215	Town of Bedford	Business Development Center Feasibility Study	\$ 40,000	\$ 40,000
4223	Lynchburg Regional Business Alliance	Lynchburg Regional Marketing Grant 2024	\$ 95,600	\$ 95,600
4217	Sussex County	Sussex & Waverly Business District Revitalization	\$ 33,100	\$ 33,100
4220	VT Foundation Operating as Reynolds Homestead	Planning Grant for Reynolds Homestead Food-based Business Incubator	\$ 90,000 \$ 75,000	\$ 75,000
Sites and Infrastructure				
4212	County of Bedford	New London Phase 2.1	\$ 1,107,500	Table
4218	Campbell County	Seneca Commerce Park Lot L Grading Project	\$ 250,000	Withdrawn

4226	Franklin County	Increasing Sewer Capacity for Summit View Business Park, Franklin County	\$ 1,500,000	Table
4219	Pittsylvania County	Southern Virginia Megasite Natural Gas Gate Engineering and Permitting Loan	\$ 2,000,000	\$ 500,000
4221	Prince Edward County	Prince Edward County HIT Park Access Road Phase 1	\$ 442,005	\$ 442,005
4224	Sussex County	Sussex Megasite: Infrastructure Planning & Design	\$ 1,929,372	Table
Tourism				
4214	Town of Lawrenceville	Heritage Trail Park Connector Project	\$ 91,951	\$ 91,951

TOTAL (14 requests)

\$ 7,975,669

Staff Recommendation

\$ 1,287,656

County of Bedford

Wellfarm Meats' Tucker Terrace Processing Equipment (#4216)

\$286,141 Requested

Project Summary: Wellfarm Meats is a public benefit corporation co-founded by livestock veterinarians that integrates local meat production with local meat consumption. The meat processing industry is prohibitive to local markets due to consolidation at the top levels and a lack of USDA certification at the custom-exempt levels. Wellfarm Meats' operations will fill this gap, providing processing slots for local producers in Virginia to sell a USDA-certified product in local markets. Direct-to-consumer sales are increasing in popularity and profitability, as is social consumerism around animal products. Wellfarm Meats will support the consumer's needs by providing a transparent supply chain guaranteed to be raised, transported, and slaughtered, prioritizing ethics and sustainability. Cost barriers to entry for this industry are the primary reason for the lack of these mid-sized facilities. The Tobacco Region Revitalization Commission grant will help lower these barriers and offer retail-ready local meat products out of Bedford County by covering a portion of the facility's processing equipment costs.

Matching Funds:

- \$858,428 - USDA Meat and Poultry Processing Expansion Program (MPPEP) Round 2 to be used towards 75% of \$1,144,564 equipping cost, grant funding requested.

Project Outputs:

- Equipping of meat processing facility at The Tucker Terrace property with ability to process 5,200 head annually (90% capacity).

Staff Comments:

Bedford County is sponsoring this application on behalf of Wellfarm Meats, which proposes to address the need for increasing local meat processing capacity. Grant funds are requested for 25% of the \$1,144,563 estimated costs for equipping what would be the Commonwealth's largest meat processing facility on a per head basis. A \$1,089,219 cost estimate from Ultra Source plus state sales tax is the basis for the \$1.14 million total project cost which is only for equipping.

Wellfarm Meats identifies a strong consultant team for design and planning; and the management team includes a local cattleman who would be involved in operation of the facility. A detailed Business Plan was provided. The company has entered into a purchase agreement for The Tucker Terrace property in the Evington area of Bedford County. The property was formally used for meat processing and large-scale food production and includes 7,272 square feet of former production facility and outbuildings with 3-phase power, loading docks, wells and water storage, septic system and large gravel parking area. The purchase agreement is contingent on completion of due diligence and allowance of time to secure the federal USDA grant funding. A total of \$4.7 million is required to support capital costs for start-up of the facility and the beneficiary is relying primarily on the USDA MPPEP II grant funding for financing this new business.

Under the Agribusiness investment category, the Commission can consider a grant incentive of up to 25% of total capital costs for equipment for a privately owned value-added processing facility. To be eligible the value-added facility must have an extended benefit to multiple producers in the region. Facilities that process cattle and other livestock meet this criterion. The long-term agribusiness outcomes are projected

for 90 Tobacco Region producers benefiting annually from the facility, with aggregate estimated direct sales of \$3.4 million for tobacco region producers. The facility is expected to employ 7-10 people initially, expanding to 29 employees when operating at full capacity. Average annual revenue is estimated at \$6.5 million.

Financial Viability Assessment:

The initial viability of access to funding for the capital costs required for the facility to be operational hinges on the USDA MPPEP II which is expected to be decided between April and June 2024. The Tobacco Commission request for an incentive for equipping the facility would be for a later stage of the project after the property is acquired and renovations are completed. A grant award prior to securing the financing for the business would be premature, and as such, staff suggest that the application be Tabled to be reconsidered after financing is in place.

Staff Recommendation: Staff recommends the application be Tabled until financing for capital costs required for start-up of the meat processing facility is secured. This project could also be considered for funding under the Agribusiness Fund, which is expected to be established with the Full Commission's approval of the FY25 budget.

Buckingham Cattlemen's Association

Parking expansion of the BCA BARN facility and Beef Hub (#4222)

\$90,000 Requested

Executive Summary: The Buckingham Cattlemen's Association has been striving to increase the opportunities and markets of cattle producers across the state, as well as providing a trustworthy source of replacement cattle and services. It was a great honor to be supported by the Tobacco Region Revitalization Commission (TRRC), Virginia Department of Agriculture and Consumer Services, Buckingham and Surrounding counties, and the Commonwealth Regional Council, in the construction of the Buckingham Agriculture Resource Network (BARN).

The BARN facility has been expanding and adding services to the community since its construction. Recently, the TRRC and USDA Rural Business Development grant funded the BCA BARN Beef Hub. It provided a Refrigerator/Freezer unit and Refrigerator trailer at the BARN facility to assist producers in the Piedmont region with accessibility to USDA processing and cooperative hauling, free delivery, and a finished beef program that simplifies the process for producers.

BCA continues to exceed expectations of the impact these programs and this facility is having in central and southside Virginia. In addition to this, many entities and communities, including local agritourism businesses and the local Amish community have been interested in using the facility to further its diverse use. However, they have voiced concerns on the limited parking capacity for not only livestock trailers, but also for potential buyers. The limited parking space has posed a deterrent for large-scale events and farmers' markets, as well as potential for additional sales and events. Since sales and events that can accommodate a high-volume of participants, as well as a high-volume of livestock, can bring in additional money and premiums, this expansion will benefit the community of Buckingham County and all those around it. Funds will be used to purchase and develop adjoining land for additional parking.

Matching Funds:

- \$50,000 - Virginia Cattle Industry Board, application filed.
- \$35,000 - VDACS Agricultural Forestry Industry Development (AFID), application filed.
- \$8,000 - Buckingham Cattleman's Association, in hand.
- \$31,000 - In-Kind contributions from Buckingham County, VCE, and local contractors.

Project Outputs:

- Expansion of parking area for BARN facility with safety lighting on 3-5 acres to be acquired. (*Size of expanded parking area is still to be determined.*)

Staff Comments:

The Commission helped to create the BARN facility as a regional agricultural event center with \$815,860 contributed towards property acquisition, construction of building, and equipping with the first grant awarded in January 2013. The facility offers a 50' X 60' conference room for indoor workshops/events and a 140' X 240' outdoor arena with bleachers and capacity for 600 people and including a covered cattle handling working area. More recently a \$186,000 grant (#3756) awarded in May 2021 is supporting the cold storage facility for the BCA BARN Beef Hub.

This funding request is towards the cost to purchase and develop adjoining land for additional parking. The expanded parking facility will allow a larger number of livestock trailers and potential buyers for cattle sales, and a larger number of vehicles during other events. The scope for the parking expansion project is still in development with the number of acres (between 3-5 acres) to be acquired and details of the purchase agreement are still being determined. The acreage and the size of the expanded parking area will inform the estimates and related opportunities to expand events in support of increasing new farm income for agriculture producers in the region. Matching funds are all being pursued. While the initial timeline was to have the parking available by November 2024, the applicant agrees with the staff recommendation to Table the application to allow time for the scope to be developed further and matching funds to be secured.

Financial Viability Assessment:

A review of key viability criteria indicates that this project is still in its very early stages of development. While appropriate match sources have been identified, no matching funds have been committed at the time of application. Staff is unable to measure the viability of the project at this time.

Staff Recommendation: Staff recommends application be Tabled.

Central Virginia Planning District Commission
CVPDC Agribusiness Marketing Development Planning Grant (#4225)
\$20,000 Requested

Project Summary: The Central Virginia Planning District Commission (CVPDC) region has a wealth of agricultural, horticultural, and silviculture producers, direct-to-consumer, farm-based businesses and organic, food-based businesses. However, communication with small agricultural producers, representatives from local food nonprofit Land and Table has revealed the need for a comprehensive format by which producers can market their agricultural resources more adequately to targeted customers, from local consumers seeking locally grown meats and produce, to institutional buyers, to specialty livestock breeding operations. The CVPDC seeks to conduct a comprehensive marketing initiative to guide development of marketing instrument(s) to raise the profile of and advance the economic sustainability of local agricultural producers by facilitating interaction between local producers to their targeted consumers and customer base.

Matching Funds:

- \$15,000 - Central Virginia PDC, money in hand for PDC staff salaries.
- \$5,000 - In-Kind contribution from Central Virginia PDC for staff time towards project.

Project Outputs:

- CVPDC Agricultural Producers Marketing Plan and GIS Interactive Map

Staff Comments:

CVPDC's service area includes Bedford, Campbell and Appomattox Counties within the Tobacco Region, as well as Amherst County and City of Lynchburg that are outside of the footprint. The counties are predominately rural and have a strong agricultural base of their economy. CVPDC proposes to develop a strategic document for their region that focuses on agriculture, forestry, farming and working lands and presents strategic economic goals aimed at advancing the financial sustainability of local producers. The CVPDC proposes to lead a planning effort for development of an Agribusiness Marketing Development Plan and a regional needs assessment with funding from the VDACS AFID program.

The funding request to the Commission is primarily to support CVPDC staff (\$19,091) with some funds for travel and printing (\$909) and equal amounts of match presented from a combination of CVPDC cash reserves and in-kind contribution for staff effort. An application to AFID is not included in the project budget. Recognizing that the AFID Planning Grants (up to \$35,000 for regional projects) by their design are intended to support regional agriculture planning initiatives, staff suggests this funding should be pursued and included with the scope of an award supported by the Commission.

Financial Viability Assessment:

A review of key viability criteria indicates that this funding for this project is still in development. As proposed, the project budget does not meet the Commission's match requirement. All match would be salaries for existing staff, which is considered an In-Kind contribution and is limited to no more than 25% of the required match. Staff suggests that if the Central Virginia PDC secures an AFID planning grant, it would be reasonable to award a grant of up to \$10,000 to support administrative costs.

Staff Recommendation: Staff recommends a grant award of up to \$10,000 to support administrative costs, contingent on an AFID Planning Grant being secured as Match.

Business Development

Town of Bedford

Business Development Center Feasibility Study (#4215)

\$40,000 Requested

Project Summary: The Town of Bedford Economic Development Authority seeks to study the feasibility of a new Business Development Center with a focus on entrepreneurship. This Center may be in the form of a business incubator, manufacturing makerspace, or other manner of business launch space, with a focus on specialized manufacturing. A feasibility study will provide a basis for moving forward with developing a Center and what that may look like in an operating model for the EDA, preferably in the downtown core.

Matching Funds:

- \$40,000 - Town of Bedford Economic Development Authority, money in hand.

Project Outputs:

- Feasibility Study for Business Development Center

Staff Comments:

This request is to advance planning for creation of a business development center, one of three high priorities identified in the Town of Bedford EDA's adopted Strategic Plan (2021). The objective is to identify a location, required renovations and a business plan for a specific property that can be used for pursuing grant funding for implementing. The Town EDA indicates a preference for redevelopment in the downtown core with three potential buildings identified. The proposed center is expected to focus on hands on production type of businesses, over the office-center/service businesses, making a distinction from the recently opened Lynchburg Business Development Center. Two cost estimates with ranges of fees from \$25K to \$80K, were provided by consultants qualified to complete the feasibility planning. The request to the Commission reflects 50% of the higher end of range and includes business planning for a selected facility. A viability check is included half-way through the project to consider whether it makes sense to continue. Staff recommends approval of the full amount to allow the Town flexibility to select the consultant that would be the best fit for performing the assessment.

Financial Viability Assessment:

A review of key viability criteria indicates that this project proposal has been fully developed and costs are supported by quotes from third party contractors. Matching funds are already in hand. Staff feels confident that the Town is well-positioned to viably carry out the project.

Staff Recommendation: Staff recommends a grant award of \$40,000, for no more than 50% of third-party consultant costs for professional services.

Lynchburg Regional Business Alliance
Lynchburg Regional Marketing Grant 2024 (#4223)
\$95,600 Requested

Project Summary: The Lynchburg Regional Business Alliance is applying for business development funds to create a regional brand, brand strategy, marketing campaign and update the regional economic development specific website that reflects the new brand, brand story and specifically markets the industrial assets and opportunities in our region. The tobacco localities include Town of Appomattox, Town of Altavista, Bedford County and Campbell County.

Matching Funds:

- \$95,600 - Lynchburg Regional Alliance – money in hand.

Project Outputs:

- Creation of a regional brand and brand strategy
- Marketing materials including industry data sheets, new brochure (virtual and print), a new regional economic development website, and a new digital footprint for the region.

Staff Comments:

The Lynchburg Regional Business Alliance is requesting \$95,600 for 50% of the \$191,000 contract with DCI Development Counselors International for creation of a regional branding, branding campaign, and web presence to improve marketing of the Lynchburg region. The Alliance has been operating since 2016 without a clear brand. This project will result in the creation of a brand supported by print and virtual marketing materials. The \$191,000 branding contract is included in the Alliance's \$293,000 budget for their 2024 Marketing Plan. In addition to Bedford, Campbell and Appomattox Counties, the Alliance also serves the City of Lynchburg and Amherst County. The impact of stronger marketing of the Lynchburg Regional for economic growth will produce dividends across the region. Staff notes that the Alliance serves 25% of the population of the Southern Virginia area and the Lynchburg region's businesses support employment for many individuals in the Tobacco Region. In addition to the \$95,600 match for the branding contract, the Alliance is contributing an additional \$102,000 toward Marketing. Staff supports a grant award for the full request amount for 50% of the branding contract.

Financial Viability Assessment:

A review of key viability criteria indicates an established regional marketing organization launching a branding campaign to increase attention to the region. Match is appropriate and in hand to leverage the project. The budget is reasonable and supported by current quotes by a qualified vendor. It is staff's estimation that the project is financially viable and will be a positive investment for the region.

Staff Recommendation: Staff recommends approval of a \$95,600 grant for 50% of the \$191,000 contract for a regional economic development brand and branding campaign.

Sussex County

Sussex & Waverly Business District Revitalization (#4217)

\$33,100 Requested

Project Summary: The Town of Waverly and Sussex County are requesting funding from the Tobacco Region Revitalization Commission for a Business District Revitalization Project. These funds will be used to conduct several consultant-managed planning and capacity building activities to (1) encourage occupancy of vacant, underutilized buildings in downtown Waverly; (2) stimulate and capitalize on arts-based, agricultural-based, and craftsman-based economic activities; and (3) create more vibrancy and economic activity in the Town overall. All of these activities would have the important added benefit of enhancing quality of life, which the County and Town consider to be fundamental to ensuring the successful development of the Sussex Megasite, which is less than 2 miles west of downtown Waverly.

Matching Funds:

- \$16,500 - Sussex County (pending)
- \$16,500 - Town of Waverly (pending)

Project Outputs:

- Miles B. Carpenter Museum Studies, Graphics and Plans
- Melody Inn Studies, Graphics and Plans
- Co-working Space Studies, Plans and Graphics

Staff Comments:

This request is to support three consultant-managed planning and capacity building activities to support redevelopment of the Town of Waverly business district. The project is part of a holistic strategy, and augments existing revitalization efforts underway to support local business development and building the tourism sector of the economy. The Town of Waverly is located on a heavily traveled stretch of Route 460 and revitalization efforts will help the town attract more consumers. The Town recently acquired the historic Miles B. Carpenter Museum property and has made improvements to the historic home building and surrounding 8-acres of the property. Funding will support an architectural and engineering concept design remodeling plan, environmental studies, and a feasibility study. An operating plan and an arts programming marketing plan will be developed to maximize the value of the property to the community. The Town and County envision the space developed to host an artist-in-residency program, community markets showcasing local artisans, crafts people and agriculture products, and providing other cultural events to support the development of the arts driven sector of the economy.

Grant funds will also be used for a hospitality study, construction budget and proforma for the former Melody Inn Property and an adjacent property. Finally, funds are requested towards a feasibility study and operational plan for a 2nd floor co-working space designed as a public-private partnership for bringing higher skilled workers and the related services that they offer into downtown.

Financial Viability Assessment:

A review of key viability criteria indicates a modest request planning that allows the Town of Waverly to advance their place-making efforts to market the Town for continued revitalization of the business district. While match is not yet fully committed, there is a strong partnership reflected in application with both the Town of Waverly and Sussex County, each contributing equally towards 50% of planning costs. Staff feels that once match funding becomes available, this project is highly viable, and the placemaking efforts represent a positive investment toward the Town and County's economic development future.

Staff Recommendation: Staff recommends approval of a \$33,100 grant award to support 50% of the third-party professional service contracts, contingent on receiving matching funds from Sussex County and the Town of Wakefield.

VT Foundation Operating as Reynolds Homestead (#4220)

Planning Grant for Reynolds Homestead Food-based Business Incubator

~~\$90,000 Requested~~ \$75,000 Revised Request

Project Summary: The Reynolds Homestead is requesting a planning grant from the Tobacco Region Revitalization Commission to complete an environmental assessment, market analysis, and business and operation plans for a shared-use, licensed, and fully equipped kitchen to serve as a food-based business incubator.

Matching Funds:

- \$155,350 - Design contract with Dewberry Engineering from a portion of the \$800,000 pledged by Virginia S. Reynolds Foundation and Reynolds S. Reynolds Foundation to support construction of a food-based business incubator.

Project Outputs:

- Business Plan for Shared Commercial Kitchen
- NEPA Environmental Assessment

Staff Comments:

The applicant has reduced the request to the Commission to \$75,000 based on estimates provided by the identified third-party contractors. Grant funds are requested by the Virginia Tech Foundation to support expansion of The Reynolds Homestead property in Patrick County to include a shared commercial kitchen. The 717-acre historic property, birthplace of tobacco magnate R.J. Reynolds was deeded to Virginia Tech in 1970 and a Community Engagement Center and the Reynolds Homestead Forest Resource Research Center were established. The Forestry Center operates as one of 11 Area Research Education Center's for Virginia Tech and is integrated with Virginia Cooperative Extension. The property services as a museum space, community gathering place and educational and cultural center. Reynolds Homestead has expanded its vision for the property to include a new community kitchen to support the region's tourism economy. The three-pronged mission of the shared kitchen 1) a teaching kitchen, 2) a certified kitchen utilized by entrepreneurs, 3) a catering kitchen for events.

A study for a Community Enrichment Center at the Reynolds Homestead completed by the Virginia Tech Center for Economic and Community Engagement (VT CECE) in October 2019, evaluated two additions, a commercial food kitchen and creation of an expanded multipurpose space. Virginia Tech Foundation has narrowed the focus to the shared commercial kitchen facility. The Virginia Tech study emphasizes the opportunity for shared-use kitchens to support small-scale entrepreneurs and start-up businesses in the food industry while also used as a catering kitchen to expand on large event opportunities at the property.

The funding request to the Commission is for a planning grant to support two elements. The first is for a market analysis and development of a Business/Operating Plan with \$45,000 fee estimate from Virginia FAIRS. The second is funding for a NEPA environmental report supported by a \$30,000 estimate from

Dewberry Engineering. Both are necessary to evaluate feasibility and readiness of project, for pursuit of Tobacco Commission and other state and federal funding towards capital costs.

Virginia Tech Foundation has contracted with an engineer for design planning and a kitchen consultant to evaluate equipping needs. The design is for construction of a 1,500 square-foot community kitchen wing on the Community Engagement Center. The preliminary estimate is for \$1.29 million construction budget. A reported \$800,000 of funding has been pledged towards the project. The applicant has requested that the \$155,350 design contract underway with Dewberry and Reynolds Homesteads be accepted to satisfy the Match requirement on the TRRC request. The Virginia Tech Foundation has paid \$41,836 towards this contract with \$30,000 expected to be distributed this spring for the archeological study and geotechnical engineering, and the remaining \$105,000 to be spent this summer for final design plans.

The applicants present a strong case for how a shared-use kitchen can strengthen multiple aspects of the region's Tourism economy, complementing and allowing for growth in existing programs, events, and programming offered by Reynolds Homestead. The shared-use kitchen business model provides clear opportunities for food-based businesses by removing restricted financial barriers associated with high capital costs for leasing or purchasing a kitchen and equipment. Specialty food businesses expected to benefit from the facility include mobile food trucks, food cart vendors, small scale value-added agribusiness food processors and caterers. The maximum benefit for food entrepreneurs will be accomplished if Reynolds Homestead is able to provide a more active function of a business incubator, providing resources to support start-up businesses, as opposed to simply providing a shared kitchen space for their use. Staff recommends a business and operating plan to capitalize on this opportunity.

The value that a shared-use commercial kitchen can offer to the region is expected to produce Business Development and Tourism outcomes strengthening the region's tourism economy. Additional benefit is expected to accrue to the agriculture community from the increased purchases of produce and meats used for the value-added products. As presented in the Virginia Tech CECE study, the new facility can provide a rural solution for supporting development of food-based businesses. Approval of a grant would represent the first grant from the Tobacco Commission benefiting Reynolds Homestead. Support for development of the business plan will provide a better idea of how business incubation will be accomplished; and environmental study advances the planning necessary for completing fundraising for construction and equipping of the facility. Staff supports approval of the reduced request for \$75,000.

Financial Viability Assessment:

A review of key viability criteria indicates a well-designed proposal that would increase the value of a community asset to provide business opportunities for entrepreneurs and farmers in the area. Match is appropriate and in hand to leverage the study. The budget is reasonable and supported by current quotes by a qualified vendor. It is staff's estimation that the project is financially viable and will be a positive step toward creating additional businesses and opportunities for the region.

Staff Recommendation: Staff recommends a grant award of \$75,000 to support the NEPA environmental study and a business plan that includes food-based business incubation.

County of Bedford

New London Phase 2.1 (#4212)

\$1,107,500 Requested

Project Summary: The ultimate goal of this project is to finish out the site development of the New London Business & Technology Center and create two pad-ready sites. However, given the total cost and the timeline, the Economic Development Authority would like to do the project in a phased approach. This proposed project (2.1) could be completed in 18 months and will extend Meade Road to 100' beyond the entrance to Lot 16, add a gravel road extension to provide access to Dominion's power line; extend water and sewer lines, add sidewalks and lighting, and a gravel parking lot for park amenities and partially clear and grub the site.

The next phase (2.2) will create two pad-ready sites to accommodate a 170,000 SF building and a 300,000 SF building for prospects.

Matching Funds:

A total of \$4,430,000 is needed to support Phase 2.1 estimated costs. Sources are identified as:

- \$2,215,000 - VEDP Virginia Business Ready Site Program request towards \$4,430,000 total for Phase 2.1, application submitted.
- \$1,107,500 - Bedford County EDA, \$320,000 committed.
- \$400,000 - Bedford County, requested for approval in FY25-29 capital improvements budget.

Project Outputs:

- Design and construction of 2,200 linear feet of roadway and utilities.
- Clearing and grubbing of Lot 15.

Staff Comments:

This funding request is for Phase 2 development of the New London site for the extension of Meade Road and on-site development to access an additional 220 acres of the property to address a demand for larger sites. The Tobacco Commission has invested \$7.9 million in site development and two buildings at New London Business & Technology Center (\$5.4 million went towards the property previously referred to as CAER which is now Liberty University's Center for Engineering Research and Education facility and includes a 28-acre Technology campus). New London currently hosts companies including Simplimatic Automation, Damage Prevention Solutions, Belvac Production Machinery, and RA Tools.

This application is for a portion of the \$4.43 million costs for Phase 2.1, with other funding sources including a \$2,215,000 request to VBRSP and \$1,507,500 proposed for local matching funds. The scope of Phase 2.1 is for design and construction of 2,200 linear feet of roadway and utilities including installation of conduits and manholes for electrical and communications, street lighting, water, storm sewer, and sanitary sewer extension to Lot 15. Clearing and grubbing of Lot 15 would also occur. An additional \$10.53 million is estimated to be needed for Phase 2.2, which includes an extension of utilities to Lot 16, and grading of both Lots 15 and 16, to provide approximately 14-acre and 25-acre pad ready sites, respectively, and suitable for up to 170,000 and 300,000 square foot buildings.

Long-term outcomes projections for development of the larger of the two sites for a 25-acre pad ready site are based on two active prospects, one in the nuclear sector and a second for assembly and distribution and both requiring a site for a 300,000 square foot building. One is estimated to result in 250 new jobs and \$90,000 average salary/wage, and \$140 million private capital investment; and the second is estimated at 220 jobs and \$290 million private investment.

Staff notes that the Bedford County EDA currently has available three existing lots that are 20 acres or larger with road access in the already developed area of the 500-acre site. This includes Lot 4 (24.10 acres); a Tier 5 site identified as cleared and graded with 15 acres available and able to accommodate a 175,000 square foot building; Lot 9 (20.67 acres); and Lot 14 (48.59 acres) which the county indicates as unsuitable for a large building due to a seasonal wetland area in the center of the lot. While these are not sufficient to accommodate a 300,000 square foot building, they do represent an inventory of small and medium sized lots available for attracting companies to the region.

For the Phase 2 area expansion (Phases 2.1 and 2.2), a letter from Bedford County Office of Economic Development identifies other potential funding sources could include funds from ARPA designated for water expansion projects, a VDOT Access Road grant for road improvements and design, and funding from Dominion Power for gravel access road to their power lines. Staff is recommending this application be Tabled which will allow time for funding partners to be solidified for the most essential next steps towards development of New London.

The largest portion of funding for this project would be provided from an application for \$2,215,000 submitted to VEDP's VBRSP to be used towards the \$4,430,000 Phase 2.1 costs. VEDP staff are working with the county to rescope the project which is expected to reduce the grant budget. Funding decisions are expected to be made by the VBRSP Funding Approval Committee in June 2024. Staff recommends an award from the Commission should align in scope, and amount with an award from VEDP and as such recommends this application be tabled for a decision at the Commission's meetings in September 2024.

Financial Viability Assessment:

A review of key viability criteria reveals a relatively large request for a project in planning to complete the development of a popular industrial park. At this point in the planning, little funding is yet committed, with many requests for matching funds under consideration by various sources. Staff is currently unable to determine the viability of the project without additional information on progress with funding commitments.

Staff Recommendation: Staff recommends application be Tabled.

Campbell County
Seneca Commerce Park Lot L Grading Project (#4218)
~~\$250,000 Requested~~ Withdrawn

Project Summary: Campbell County Economic Development plans to leverage awarded grant funds against existing Campbell County capital improvement funds that are designated for Seneca Commerce Park. Without the funds, the budget is insufficient to complete this project. Seneca Commerce Park Lot L Grading Project needs to be resurveyed and cleared and graded to prepare the lot to fit a 22,000 to 27,000-square-foot pad-ready site.

Staff Comments:

The Commission approved a \$404,918 grand award in October 2023 for a grading project at Seneca (#4155) and suggests this be completed prior to committing additional funding towards grading other lots. Staff identified a need for additional information to support the regional significance of the project, recognizing that smaller sites are currently available in Seneca and at other industrial parks in the Lynchburg region. Campbell County Economic Development Office did confirm that the project aligned with their master plan for Seneca. They also understood the expressed concerns and agreed with the recommendation to Withdraw the request from consideration.

Staff Recommendation: This application was **Withdrawn**. No action required.

Franklin County (#4226)
Increasing Sewer Capacity for Summit View Business Park, Franklin County
\$1,500,000 Requested

Project Summary: Franklin County is looking to increase the sewer capacity at their Summit View Business Park. This main sewer line is the backbone of the overall U.S. 220 North corridor wastewater system, and the increased capacity will enable the Summit View Business Park to compete for a wider range of projects and better match the capacity of large acreage that includes one of the few 100-acre business sites in the Commonwealth. Funding is needed to plan engineering, inspection, and construction to increase the ultimate sewer line and treatment plant capacity to 400,000 gpd. The study will require an evaluation of the sewer collection system and possible upgrades to certain minor components of the collection system.

Matching Funds:

A total of \$5,495,714 of Matching funds were presented from the following sources:

- \$5,145,714 - VEDP Virginia Business Ready Sites Program, application filed.
- \$350,000 - Southeast Crescent Regional Commission, application filed.

Project Outputs:

- Phase 4B-Systems Inspection/Modeling study to support increasing capacity for sewer lines to 400,000 gpd including an evaluation of the sewer collection system (TRRC)
- Possibly small construction upgrades to minor components of collection system that may be needed to increase capacity to 400,000, if the study identifies these upgrades are needed (TRRC).
- Construct 7,000 linear feet of force main and gravity sewer to connect to end of existing sewer line that dups into pump station in Town of Rocky Mount's Wastewater Treatment Plant (Match).

Staff Comments:

The focus of this \$1.5 million funding request is to address the wastewater capacity limitation which is the primary inhibiting factor for continued growth at Summit View Business Park in Franklin County. Summit View encompasses 550 acres separated into North and South regions with both areas located adjacent to U.S. Route 220 in northern Franklin County. The vision for the business park with designated public open space is to serve as a community hub for jobs and recreation. The master plan estimates the potential for 15-20 new businesses with \$300 million in private investment and creation of 2,200 new jobs at ultimate build-out. The Commission has provided over \$3 million in funding under five grants to support the development of the property; as well as TROF incentives for private companies.

The North region hosts Stik-Pak Solutions Inc., a clean manufacturing company providing contract packing solutions. The company invested ~ \$10 million in a 50,000 square foot building and equipment on a 7-acre site in the North region of Summit View opening its operation in 2021. In 2020 the California based Traditional Medicinals committed to establishing its East Coast herbal tea manufacturing and processing facility on a 30-acre pad site in North area of Summit View. The company with plans to invest \$29.7 million and create 56 new jobs has not yet located to the site.

The South region of Summit View hosts the ValleyStar Credit Union's Administrative Campus which also opened its 19,000 square-foot administrative facility in 2021. The ValleyStar building has a high-tech feel designed by Spectrum Design taking advance of expansive views and natural materials with the landscape being a key feature of the interior space. The Summit View location houses the credit union's executive team, IT and members from the accounting and marketing teams. The South region also hosts the Foothills Produce Auction which supports the vibrant agriculture sector of Franklin County's economy.

The primary objective of the proposed project, including the scope of work under the Matching funds request to VEDP's VBRSP, is to provide for between 400,000 gpd and 600,000 gpd for tenants at Summit View. The VBRSP assessment for Summit View identifies 110,000 gpd wastewater capacity available and a preliminary design for 250,000 gpd. A previous Commission grant for \$250K (#3597) supported expansion of the wastewater treatment capacity to 115,000 gpd, with construction of 7,100 linear feet of 8-inch sewer force main extension tying into the Town of Rocky Mount's sewer treatment system. Several aspects of the multi-phase project are needed in the next stages of planning/design and construction in order to provide the wastewater capacity solution. TRRC funding is requested for Phase 4B engineering and inspection, and for evaluation for possible updates to components needed for increasing capacity with the existing sewer collection system. Matching funds are requested for construction of 7,000 linear feet of force main and gravity sewer to connect to existing sewer line that dumps into pump station at Town of Rocky Mount's Wastewater Treatment Plan. A \$3.6 million estimate was provided for work requested for funding from VEDP.

Staff requested supporting cost estimates for the \$1.5 million requested from the Commission. A February 2024 estimate for \$224,195 from Whitman, Requardt & Associates engineers services that was provided to the Western Virginia Water Authority for costs to evaluate the sewer collection and system and identification of possible upgrades to components of the system was provided. This A&E work is for Phase 4B-Systems Inspection/Modeling. This would be underway in tandem with an evaluation of improvements needed to increase capacity. A separate cost estimate for ~ \$712,500 was provided by WVWA with potential costs for the Investigation and Study including engineering, pipe cleaning, CCTV, point repairs and patches, flow monitoring and contractor support. The rehabilitation work assuming 50% of the lines would need maintenance improvements was estimated by WVWA to cost ~ \$755,492.

Recognizing that the scope of the total project for the wastewater solution is currently being vetted by VEDP which is the source of the largest portion of the project funding, it is recommended that the application be Tabled until the VBRSP Funding Committee Approval Committee decisions are made in June 2024. An award from the Commission should align in scope and amount with an award from VEDP. Tabling will also allow time for the County to further refine the cost estimate for the proposed work.

Financial Viability Assessment:

A review of key viability criteria reveals a relatively large request for a project in support of a regional industrial park. At this point in time, match funding is yet to be committed, with two requests for matching funds under consideration by VEDP and SCRC. Staff is currently unable to determine the viability of the project until additional information is provided on status of match funding requests.

Staff Recommendation: Staff recommends the application be Tabled.

**Pittsylvania County (4219), Southern Virginia Megasite Natural Gas Gate Engineering and Permitting Loan
\$2,000,000 Requested**

Project Summary: The loan would pay for the upfront engineering and permitting costs for a new gas gate within the Southern Virginia Megasite.

Matching Funds:

- Zero Match is required for a Loan.
- Potential Match for Grant Award: Up to \$2,000,000 from VEDP Virginia Business Ready Site Program

Project Outputs:

- Engineering design for natural gas gate to serve the Southern Virginia Megasite

Staff Comments:

Prospect interest in the Southern Virginia Megasite at Berry Hill makes it imperative that engineering design for the natural gas gate proceed so that the required gas gate infrastructure can be constructed to provide natural gas service to the property. In addition to the \$2 million loan funding request to the Commission, the applicant is also requesting funding from VEDP's Virginia Business Ready Site Program to support the gas gate engineering and as well as additional grading.

Provision of natural gas would be from the Transco pipeline and distribution would be by Southwest Virginia Gas based on the Virginia State Corporation Commission's Natural Gas Service Territory. A cost estimate for engineering still needs to be provided to serve as the basis for grant or loan funding. Review by SCC for ability of public utility to support financing costs for construction of the gas gate will be required prior to financing being completed for construction of the required infrastructure. Allowing funds to support engineering design will advance the timeline with SCC review. Staff with VEDP confirmed they received a VBRSP grant request for the \$2 million gas gate engineering and other costs at Berry Hill.

Funding decisions are expected to be made by the VBRSP Funding Approval Committee in June 2024, and VEDP staff have indicated their support to provide funding for the gas gate.

Financial Viability Assessment:

A review of key viability criteria recognizes the timely need to begin the engineering in order for the site to remain competitive for current prospects. However, cost estimates for the project were not received in time for this report. Instead of Tabling this request, staff is recommending an award of up to \$500,000, for no more than 50% of the required Match for a VBRSP funding for the gas gate engineering. (If the VBRSP covers the full cost then a grant from the Commission would not be needed.) To further document The award will also be contingent on receiving a detailed cost estimate for the work.

Staff Recommendation:

Tobacco Commission staff recommends approval of a grant award of up to \$500,000, if Tobacco Commission funding is needed, for no more than 50% of the required Match for the VBRSP funding for the gas gate engineering and contingent on a detailed cost estimate being approved prior to issuance of a grant agreement. Approval of grant funding will require supporting expense documentation to be submitted for engineering and planning costs per the Commission's Funding Policies.

Prince Edward County

Prince Edward County HIT Park Access Road Phase 1 (#4221)

\$442,005 Requested

Project Summary: Prince Edward County is requesting funding for Engineering Design Services, Right-of-way costs, and Utility Relocation Cost for the build-out of an access road into the Heartland Innovative Technology (HIT) Park.

Matching Funds:

- \$442,005 - VDOT Economic Development Access Program, application intended.

Project Outputs:

- Engineering design for VDOT approval to allow Access Road construction plans to be bid
- Right-of-way acquisition and utility relocation to allow access road construction

Outcome projections based on a Mangum Economic report indicate potential for 1.3 million gross square feet for three data center facilities on 280-acre size. This would create an estimated 130 new jobs with an average salary of \$107,692, and \$5.2 billion investment.

Staff Comments:

The HIT Park is a 280-acre industrial site acquired by Prince Edward County in 2020 for development and marketing to data centers. HIT Park ranked in the top 15 of 65 sites in Southern Virginia evaluated for data centers in a 2018 study contracted by Mid-Atlantic Broadband Community Corporation with Timmons Group. The site is located near the Town of Farmville on a rural road 1.1 miles off US-460 Business. The value of the property for data center consideration pertains to the MBC fiber routes and two Dominion Power transmission lines (230 kV and 115 kV) running through the site. The park is a Tier 3 Certified Site in accordance with the VBRSP. Completion of water, sewer, transportation infrastructure design and/or construction necessary to position the site for delivery in 12 months or less is required to raise the site to Tier 4. The Commission approved a \$530,100 grant in May 2022 for A&E design for an elevated water tank and booster pump station. A VBRSP grant also in 2022 is supporting A&E design for water and sewer to connect the park to the Town of Farmville public utilities.

A \$4,545,993 preliminary project budget for Route 638 improvements was provided. Of this total, grant funds are requested for 50% of the \$884,009 costs for A&E design services, VDOT oversight, right-of-way compensation, utility relocation costs and contingencies. This design and planning phase for the access road allows the site to be more marketable by shortening the timeline for when access road construction may occur. A Traffic Impact Analysis & PER completed in June 2022 was based on a 10-year development horizon for full built out and operational by 2031. The Mangum Economic report from July 2023 presents a plan for full buildout in 2028.

The HIT Park will require an estimated 4.0 M gallons per day (MGD) of water demand based on build-out. Wastewater would be approximately 1 to 1.5 MGD. Power utility requirements are expected to exceed current available power and a substation (or substations) are anticipated to be built on site. Currently there is 1.0 MGD available from the Town to serve as an interim water source until build out of a new regional Water Treatment Plant at Sandy River Reservoir is completed. An application to VEDP VBRSP funding is pending which would support construction of water infrastructure for the site.

With Microsoft's continued expansion and other data center operators looking at sites in Southern Virginia investment in road infrastructure design and planning will shorten the build cycle for a data center operator to develop the site and get their facilities up and running. While the application presents a plan to pursue VDOT Economic Development Access Program funding for the match, after further discussion with staff, pursuing the VDOT funding would likely be reserved for the construction phase. Therefore, it may be necessary for the county to contribute Matching funds if an alternative source of funding is not available. On the \$884,009 estimate the VDOT oversight charges will need to be supported from matching funds based on the Commission's policy to not supplant local, state or federal funding. Staff supports a grant for up to 50% of the \$884,009 total for engineering design and planning costs for the access road.

Financial Viability Assessment:

A review of key viability criteria recognizes the urgency of the completion of this project in order for the site to remain competitive for data center prospects. While appropriate match sources (VDOT and Prince Edward County), those are not yet fully committed. It would be prudent for this award to be contingent on acquisition of the matching funding.

Staff Recommendation: Staff recommends approval of a \$442,005 grant award for up to 50% of costs for access road engineering design, right-of-way, and utility relocation, contingent on securing matching funds.

Sussex County

Sussex Megasite: Infrastructure Planning & Design (#4224)

\$1,929,372 Requested

Executive Summary:

As a result of grant funding provided by the TRRC and VEDP in 2023, Sussex County recently completed several activities to take a fresh look at its Megasite, including: (1) master planning and conceptual design to maximize site layouts and uses, (2) evaluation of natural gas delivery opportunities, (3) updates to required environmental studies, and (4) assessments of options to increase the volume of water available to the site. Several other activities are nearing completion, which - in tandem with the others mentioned - will provide the County with a comprehensive roadmap and strategy to competitively advance the Sussex Megasite toward the County's ultimate goal: site readiness and development. This request for funding is primarily focused on projects identified and/or informed by the 2023 grant that will reduce lead times in

delivering essential infrastructure to the Megasite property, including: (1) Route 460 Waterline Design, (2) Designs for Treated Wastewater Facilities, (3) Electrical Demand Study, (4) Natural Gas Pipeline and Point of Delivery Design, (5) Well Exploration/Well Development to fully examine all available water options, and (6) a Route 460 Waterline Economic Impact and Market Study.;

Matching Funds:

A total of \$9,646,861 of Matching funds were presented from the following sources:

- \$7,717,488 - VEDP VBRSP, application submitted in January 2024.
- \$1,447,029 - USEDA & USDA Rural Development, applications intended post-VEDP VBRSP award.
- \$482,343 - Sussex County, request to board of supervisors intended post-VEDP VBRSP award.

Project Outputs:

- Final engineering, planning, and construction documents for Route 460 Water Line Design
- Final engineering and planning for Phase 1 Treated Wastewater Facility
- Final engineering and planning for Phase 2 Treated Wastewater Facility
- Final Report for Electrical Demand Study
- Final Report on Well Exploration/Well Development
- Final Report Route 460 Water Line Economic Impact Study
- Final engineering, design, permits, and easement acquisition for Natural Gas Line Design study and Point of Delivery

Staff Comments:

This application is to support \$1.9 million portion of over \$11.5 million requested for a plethora of engineering and planning services for the Sussex Megasite property which is already a Tier 4 site. The Commission has invested over \$10.2 million in the Sussex Megasite primarily from the Megasite Program. Sussex Megasite has a total of 1,130 acres, with the two largest contiguous developable acreage identified as 595 acres, and 112 acres, both of which have a Tier 4 site characterization. A 2018 letter certified the site as Tier 4 and the site was identified “as the only Tier 4 certified site over 1,000 acres with significant Norfolk Southern rail frontage... and a key strategic property within the Commonwealth of Virginia’s inventory of large sites.” The characterization as Tier 4 confirms all infrastructure is in place or would be deliverable within 12 months; and certifies that all permit issues have been identified and qualified.

History on Initial Investments

In 2005 and 2006, the Commission began working with VEDP to identify opportunities for mega sites for industrial development. Approximately 4,000 acres in Sussex County then referred to as the 460-Waverly Megasite was recommended as the first preference out of nineteen sites evaluated. A 300 acre sub-parcel out of the ~ 4,000 acres was identified as readily suited for industrial development. The state formalized its focus on mega site when the 2010 Virginia General Assembly authorized VEDP to establish procedures and guidelines for a Major Employment and Investment (MEI) Project Site Planning Grant Fund Program. The Commission provided \$5 million to VEDP to initiate this work. A MEI/Mega Project was defined as a high-impact regional economic development project in which a private entity was expected to make a capital investment exceeding \$250 million and create more than 400 new full-time jobs.

When the Commission first approved funding the Sussex County Megasite in December 2010, total costs to develop the site were estimated at \$15.4 million and future costs of \$7.6 million for grading, water and sewer. The initial TRRC award of \$250,000 for PER and related engineering/assessment was premised on the need for evaluating potential pads, road and rail access, wastewater expansion and the reliability of the well water system before committing to site acquisition.

When grant funds were approved in 2012 towards acquisition of 982 acres including the mentioned 300-acre sub-parcel, the site was recognized as having existing on-site utilities for water, sewer, gas and electric, as well as direct road and rail access to the Port of Virginia. The site was celebrated as being well-positioned to accommodate a major supplier to the nearby Rolls-Royce plant in Prince George County. The Black Swamp Wastewater Treatment Facility adjacent to the site was expandable to 1.8 MGD, to provide 1.2 MGD capacity to the site; and the existing 12” waterline located east of the site had capacity to provide 1500-2000 GPM, with an additional 0.50 MGD available with tanks and booster pumps. It was conveyed to the Commission that the processed water could be increased to 1.8 MGD once industry located to the site; and the Sussex Service Authority was working with DEQ to increase the quantity of groundwater able to be withdrawn under their withdrawal permit. Other infrastructure at the site included two main electrical transmission lines (115k and 500kv) running through portions of the site; and natural gas was available at the intersection of Route 460 and Route 602 near the western edge of the site.

More Recent History

When Project Glove selected the Sussex Megasite as a finalist in 2021, it was discovered that the Commonwealth had implemented groundwater withdrawal limitations for the Potomac Aquifer, creating an inability to meet the company’s refined water demands. These groundwater regulations are expected to remain and may become even more restrictive due to increasing depletion of the aquifer. With this limitation identified, Virginia’s Gateway Region secured funding for a Preliminary Engineering Report to evaluate water supply alternatives to serve the Sussex County Mega Site.

This PER from March 2022 initially focused on 2 MGD use at the Megasite for build out; and in evaluating alternatives it became clear that there was a need for a long-term regional water solution benefiting multiple localities along the US 460 corridor which all rely on the groundwater aquifer. A majority of the average daily demand capacity for a new regional water system as presented in the PER would be for economic development sites. This included 2.261 MGD for the Western Corridor (plus 0.74 for municipal systems) and 3.26 MGD for the Eastern Corridor (plus 2.27 for municipal systems). The PER recommended initiating discussions with Prince George County and the City of Petersburg for a finished water supply, suggesting a combination of both could be implemented by establishing a temporary connection to the City of Petersburg while the Prince George alternative was developed. While the Petersburg system was noted as having 4.98 MGD capacity, the City had stated publicly that they are reluctant to sell water capacity to adjoining localities. The Prince George system had 0.96 MGD available capacity, and a new WTP providing additional capacity would be required. The PER noted that more detailed negotiations would be needed regarding water sales rates, cost sharing, service area and capacity.

Pending Application

This application presents a \$11.5 million project budget primarily for engineering and planning:

- Project Management/Consultant (\$70,000) - \$12,000 TRRC & \$60,000 Match
- Route 460 Water Line: Design and Preliminary Easement Acquisition Evaluation (\$7,819,234) - \$1,303,206 TRRC & \$6,516,028 Match
- Designs for Treated Wastewater Facilities (\$1,113,000) - \$185,500 TRRC & \$927,500 Match
- Electrical Demand Study (\$250,000) - \$41,667 TRRC & \$208,333 Match
- Natural Gas Pipeline Design (\$264,166) - \$55,833 TRRC & \$208,333 Match
- Natural Gas Point of Delivery Design (\$301,000) - \$50,167 TRRC & \$250,833 Match
- Well Exploration/Well Dev. Study (\$1,600,000)- \$266,667 TRRC & \$1,333,333 Match
- Economic Impact Study of Route 460 Water Line (36,000) - \$6,000 TRRC & \$30,000 Match

Sussex County has a population of ~ 10,275 making it the 2nd smallest county in Southern Virginia area based on population (with Cumberland being the smallest). It is considered double distressed based on

both unemployment rate and poverty rate being greater than the statewide average; and the county has an above average fiscal stress index. Meanwhile, the cost estimates to provide the water and sewer capacities that Timmons Engineering is presenting for the proposed direction for further development of this site would be at least \$119 million. This includes cost estimates for the Route 460 Waterline providing a 14 mile, 20” waterline to the Prince George water system identified as \$31.2-33.8 million; and the Sussex County cost share estimate for a new Water Treatment Plant and distribution system in Prince George County using 37.5% prorated share based on 3 MGD of 8 MGD total is estimated at \$29.9 million. The \$119 million also includes construction estimates for a three phased solution for \$57.9 million including Blackwater Swamp WWTP (\$32.7 million), Atlantic Waste Management (\$14 million), and Spring Branch WWTP (\$11.2 million) The county makes it clear in the application that it has fiscal limitations and will be heavily dependent on state and federal funding sources to provide the substantial (“extremely expensive”) water and sewer infrastructure investments necessary for serving a major megasite prospect.

A \$61,050 grant from the Commission in January 2023, provided 50% of Match required for a VEDP VBRSP award focused on revisiting master planning and engineering activities to address water and the other more recently identified limitations for the Sussex Mega Site. The funding included identifying attainable industrial users (specifically for manufacturing and distribution sectors), based on the highest and best uses of the property and with low water requirements. This report is forthcoming. Sussex County staff indicate that site with the current Tier 4 characterization is currently being targeted to low water users in manufacturing, distribution/warehousing, assembly and packaging.

The current site does have a Tier 4 characterization and attention should be given to marketing the site to industrial users suitable for the existing utility infrastructure. The financial limitations of Sussex County are noted as well as the fact that aside from a 300-acre parcel that was acquired, the primary area identified in the 2005 study for a mega site had not been acquired. Recognizing these facts, during the review of this application staff inquired as to whether the county had considered dropping “megasite” from the name of this industrial site property. The county confirmed that a rebranding exercise was currently underway with a goal to reduce the expectations of prospect interests for required infrastructure.

While various engineering and planning work is presented for support in this application, the most critical need identified by Virginia Gateway Region is for a regional water solution for many localities in this area of the Commonwealth who are depending on groundwater withdrawal from the Potomac Aquifer.

Staff suggests funding consideration be delayed until after vetting of the application to VEDP’s VBRSP is completed with their award decisions expected in June 2024. Recognizing that this is currently a Tier 4 site—the Commission will also need to consider the county’s rebranding of the site (which is expected to be announced in the near term) as well as opportunities identified in the forthcoming study for targeted low water users given that the site already offers two Tier 4 certified sites. Staff suggests that the highest priority from those presented in the funding request would be support for the regional water system. However, such a need should demonstrate vested interest with funding contributions from the municipalities that would benefit; and include an evaluation of federal USDA Rural Development funding available to support the regional water system design and engineering.

Financial Viability Assessment:

A review of key viability criteria reveals a relatively large request for a project in support of the development of a megasite. At this point in time, match funding is yet to be committed, with a request for VBRSP funding under consideration by VEDP. Staff is currently unable to determine the viability of the project until additional information is provided on status of match funding requests.

Staff Recommendation: Staff recommends the applications be Tabled.

Town of Lawrenceville

Heritage Trail Park Connector Project (#4214)

\$91,951 Requested

Executive Summary:

The Town of Lawrenceville is seeking \$91,951.00 in gap funding for the Heritage Trail Park Connector Project. The purpose of this project is to connect the Heritage Trail Park in downtown Lawrenceville to the existing 16-mile Tobacco Heritage Trail (THT) segment that spans two counties and three towns. This would require extending the Tobacco Heritage Trail approximately 550 feet east, just beyond North Hicks Street and the construction of an ADA compliant concrete ramp from the new trail extension up to the existing park. This will provide better pedestrian & bicycle connectivity between the Trail, the park, and most importantly, downtown areas. The scope of this project is to construct approximately 550LFT of 10-foot-wide shared use path with a gravel surface and approximately 425LFT of 10-foot wide concrete ramp at a grade less than 5.0% with guardrails and retaining walls where necessary.

Matching Funds:

\$481,812 -- VDOT Transportation Alternatives Set-Aside - award in September 2019

\$367,803 -- VDOT Transportation Alternatives – application for spring 2024 announcement

\$117,952 -- Town of Lawrenceville - local match funding committed to first VDOT award

Project Outputs:

- 550 linear feet (0.104 miles) of trail constructed in gravel base to provide connectivity between the Town of Lawrenceville and the Tobacco Heritage Trail
- 425 linear feet handicap accessibility ramp constructed with guardrails and retaining wall

Staff Comments:

Grant funds are requested for the 20% match required for \$367,803 in supplemental funding requested from VDOT to cover cost overruns for the Heritage Trail Park Connector and handicap accessibility ramp in the Town of Lawrenceville. This project was previously submitted to the Commission for a \$232K grant in October 2023, which was declined due to an insufficient cost benefit for the requested investment. The need for additional funding is due to inflated construction costs following the 2019 VDOT award and is based on bid results from August 2023 that reflected a budget deficit of \$459,753. The revised proposal reduces the amount of Tobacco Commission funding and makes a stronger argument for how the project fits within the larger recreational Tourism planning that is underway in this area of Brunswick County.

The new trail segment will provide a safe route for pedestrian and bicyclist to travel under Highway 46, providing a connection for visitors to/from the 10-acre Turntable Park and the Tobacco Heritage Trail with the restaurants and shops located in the downtown business district. Visitors to the area will be able to rent e-Bikes or secure their own bikes on racks that will be installed at Heritage Park. The project connects Turntable Park, a 10-acre park that the Brunswick IDA is in final design stages of developing and that is expected to provide a central location for hosting trail and tourism related events. While trail projects involving VDOT funding are expensive to build, the project will be well-leveraged if the second VDOT award is secured. Estimated long term outcomes following completion of the Connector is for an increase of 723, annual users of the trail from a baseline of 1,820 to 2,548. An Economic Impact Study for the Tobacco Heritage Trail from 2006, produced by Chmura Economics & Analytics for the Southside

PDC and Roanoke River Rails-to-Trails, Inc. was provided to demonstrate the potential economic impact of visitor spending. The applicant portrays the community's commitment to develop recreational tourism opportunities focused on the Tobacco Heritage Trail as an asset for the region. All of the TRRC funding request is allocated towards construction and match contributions will be used to cover required VDOT review/oversight and grant administration fees.

Financial Viability Assessment:

A review of key viability criteria for this project reveals that the budget has been reduced from the previous application due to the request for supplemental VDOT funding for the connector trail. This new leverage creates a more favorable return on investment for Commission funds, should VDOT approve the second request, and makes the project's ability to be completed much more viable.

Staff Recommendation: Staff recommends approval of a \$91,951 grant award, contingent on the second VDOT award being approved to complete funding for the project.

OTHER BUSINESS:

**Danville-Pittsylvania Regional Industrial Facility Authority
Water System Improvements Phase II (Virginia System) / Berry Hill (#3011)
Current Project End Date: 5/31/2024 – 14-Month Extension Requested**

Staff Comments: Danville-Pittsylvania RIFA is requesting a 14-month extension for completion of the Water System Improvements Phase II project for serving the Southern Virginia Megasite at Berry Hill. This \$2,241,567 grant award from the Commission's Megasite program was approved in May 2015. The scope is for construction costs for water infrastructure from the North Carolina line to and into the Berry Hill mega site property. Use of grant funding for on-site infrastructure is justified based on the size of the Megasite and linear distance to bring infrastructure to the primary development areas. The original project was delayed early when waterline construction was halted with a decision by the RIFA to relocate the waterline segment within the park. This change was necessary based on facility layout and infrastructure needs of active prospects at that time. There remains a balance of \$1,220,222 on the TRRC project account. In May 2022, the Commission approved a two-year extension request to May 31, 2024, and allowance to use the balance of grant funds toward the \$4.8 million estimated cost to extend the 20" water main from Berry Hill Road to the proposed Oak Hill pumping station and water tank location.

Engineering for the on-site water system is complete and Danville Utilities issued bids for construction in February 2024. Bid results were received and are just under the \$4.8 million budget. The requested extension will allow time for construction of the water tank expected to take 420 days and the waterline expected to take 180 days to complete. Staff is recommending an extension through the third quarter of 2025 (16-months), to allow time for the full scope of work to be completed.

Staff Recommends: Staff recommends approval of a final extension to September 31, 2025.

ENERGY INGENUITY COMMITTEE



▪ *In-Person Meeting* ▪

A G E N D A

ENERGY INGENUITY COMMITTEE

Inn at Wise, 110 E. Main Street, Wise, Virginia 24293

Tuesday, May 21, 2024

4:15 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 887372082#**.

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 Virginia Freedom of Information Act. If you experience problems calling in, please contact: **Hannah Franke-Fuller** at **(804) 894-9659** or **hfranke-fuller@revitalizeva.org** or **Roz Stein** at **(804) 894-9651**.

Welcome and Call to Order	<i>TBD</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Public Comment	
Program Overview and Development	<i>The Honorable James Campos, Executive Director, and Ms. Vicki Humphreys, Grants Director</i>
Grant Projects	<i>Mr. Jerry Silva, Director of Regional Energy Development and Innovation</i>
Other Business	<i>The Honorable James Campos, Executive Director</i>
Adjournment	

**FY25 Energy Ingenuity Program
Staff Summaries and Recommendations
May 21, 2024**

The Commission received seventeen pre-applications for the March 31, 2024, application deadline of the FY25 Energy Ingenuity Program. Nine applicants were invited to submit full proposals, and four proposals were ultimately received by the deadline. The Energy Committee will act on these applications at its meeting scheduled for May 21, 2024, at 4:15 pm. The applications are grouped by investment category.

Req#	Organization	Project Title	Requested Amount	Staff Rec.
Energy Catalyst – Planning Grants				
4259	ATIP Foundation, LLC	Planning for Energy Revitalization Project	\$50,000	\$50,000
4262	Edtunity Institute	The Next Military EV Education	\$50,000	\$50,000
Energy Execution – Implementation Grants				
4260	Halifax County	Hitachi Energy Equipment Upgrades for Increased Productivity in the Energy Sector	\$2,000,000	Tabled
4261	Brunswick County	LNG Storage Project	\$1,000,000	Tabled
TOTAL (4 requests) / Staff Recommendation			\$ 3,100,000	\$100,000

Energy Catalyst – Planning Grants

ATIP Foundation, LLC

Planning for Energy Revitalization Project (#4259)

\$50,000 Requested

Project Summary: The purpose of the Catalyst planning grant is to lay the foundation for local and regional demonstrations of biomass-to-bioenergy and co-products conversion technologies. The geographic scope of this plan would encompass all counties in the Southwest (14 counties & 3 cities) and Southern (20 counties plus 3 cities) footprints of the Tobacco Region Revitalization Commission. Thus, the planning grant includes (1) identifying all biomass feedstocks in region (geospatial inventory) for conversion; (2) analyzing these data to identify potential demonstration sites where a combination of feedstocks and infrastructure is sufficient for the given (specific) technology; (3) identifying and engaging community leaders and organizations that will commit to work with the Foundation to serve on a regional advisory council to draft and finalize a Regional Strategic Plan; and (4) establishing a working group of those identified in #3 above to coordinate communications & education of stakeholders, and to develop a timeline of action items to result in execution of demonstrations.

Matching Funds:

- \$50,000 from USDA Rural Business Development grant (money in hand)

Project Outputs:

- Quarterly reports providing progress to date on each of the four enumerated Tasks. Each report will include status of GIS work and screenshots of important layers documenting geospatial inventory of feedstocks.
- GIS analysis layers and tables to identify potential demonstration sites where a combination of feedstocks is sufficient for the technology.
- List and contact points of community leaders and organizations that will commit to work with the Foundation as the Regional Advisory Council
- Strategic Regional Plan for Advancing the Bioeconomy and Bioenergy Production in SW Virginia.
- Roster of working group members and their respective roles & responsibilities in developing communication & education materials and developing proposed timelines for subsequent technology demonstrations.
- Final Comprehensive Report from ATIP Foundation and Regional Advisory Council suitable to serve as a multi-year, multi-technology implementation document.

Staff Comments:

This application requests \$50,000 in Energy Catalyst funding for a planning study to lay the foundation for future efforts to advance a bioenergy economy in Southwest Virginia. As of 2021, out of the 30 biomass facilities in the Commonwealth, only one was located in Southwest. The study will include documentation of feedstocks and potential placements of biomass conversion technology in the region, a strategic plan for regional implementation, and development of an advisory council for the project. The study will also include projections regarding the job creation and capital investment outcomes that could result from future bioenergy projects in the region.

The Agricultural Technology Innovation Partnership (ATIP) Foundation is a 501(c)(3) based in Arlington, TX, with member offices in eight states. They form strategic, collaborative partnerships to promote adoption and commercialization of USDA research outcomes. In September 2023, ATIP was instrumental in collaborating with the Cumberland Plateau PDC, the Virginia Coalfield Economic Development Authority, and several other partner organizations in having a Bioeconomy Development Opportunity (BDO) Zone “A” Rating for woody biomass in Tazewell County.

The ATIP Foundation will match the \$50,000 request with an equal amount of funding from the USDA’s Rural Business Development Grant program. Three third-party contractors (Bioeconomy Strategic Innovations, Wes Jurey, and Clean Economy Works LLC) will lead various facets of the study.

Financial Viability Assessment:

A review of key viability criteria for this project indicates that it is highly achievable. . The ATIP Foundation is a bonafide 501(c)(3) nonprofit, and is active and in good standing with the State Corporation Commission. The ATIP Foundation has been in operation since 2011. The applicant has identified qualified contractors to complete the study. The budget is appropriately scaled and all match is in hand. Staff believes this project is a good investment that would provide some new opportunities for agriculture and forestry producers and contribute to the overall effort to expand the energy economy in Southwest Virginia.

Staff Recommendation: Staff recommends a \$50,000 planning grant to support this effort.

Edtunity Institute
The Next Military EV Education (#4262)
\$50,000 Requested

Project Summary: As a result of the landmark federal Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act of (IIJA), the federal government is investing over \$7 Billion dollars in Electric Vehicle (EV) charging infrastructure. The states and regions that will benefit most from this massive investment will be the ones with an EV-ready workforce that has the skills to design, install and repair the battery charging stations on which electric vehicles depend. Edtunity Institute is a nonprofit training organization that certifies transitioning military, reservists, National Guard members and other underserved populations for technical jobs in telecommunications and media fields. Edtunity just started a pilot training program for EV technicians. In this proposal, Edtunity will assess the EV charging skills needed by transitioning military personnel in Southern and Southwest Virginia to qualify for jobs in infrastructure installation, maintenance and repair. The Needs Assessment will include an Implementation Plan that will lay out the curriculum, institutional partnerships and resources needed to create a local, skilled EV charging infrastructure workforce.

Matching Funds:

- \$50,000 - grant from ElectrifyAmerica (a subsidiary of Volkswagen Group of America established in late 2016 by the automaker as part of its efforts to offset emissions).

Project Outputs:

- A ten-year analysis and report projecting a 10-year outlook on:
 - Number of charging infrastructure jobs in the target region.
 - Current and projected supply of workers in the Southern and Southwestern regions, and assessment of the gap between supply and demand.
 - Specialized skills needed for selected EV charging infrastructure jobs including charging station design, installation, maintenance and repair, as well as creating and maintaining charging networks and payment systems.
 - Current public and private training and job placement resources serving the target area.
 - Environmental and economic impacts of bringing additional EV-related jobs to Virginia.
- 10-year Plan for Training the TRRC Regional EV Infrastructure Workforce

Staff Comments:

Grant funds are requested to support a workforce needs assessment for Southern and Southwest Virginia to inform electric vehicle (EV) infrastructure training plans. This training, funded in part by a \$100,000 grant from Electrify America, will be targeted to transitioning active military personnel, reservists and National Guard members living or serving in various locations in Southern and Southwest Virginia. These locations include the following:

SOUTHERN	SOUTHWEST
<ul style="list-style-type: none"> • Fort Barfoot, Nottoway • Army Reserve Harmony Crossing, Bedford • US Army 98th Training Division, Campbell 	<ul style="list-style-type: none"> • US Army 412th Theatre Engineer Command, Smyth • Army Reserve unit 655 Transportation Company Detachment 1, Galax • Engineers (heavy equipment operators, electricians, carpenters) and wheeled vehicle mechanics, Tazewell • Truck drivers and wheeled vehicle mechanics, Scott and Washington Counties

Since 2021, Electrify America has granted more than \$3MM to community organizations to deliver STEM and workforce development programs. Organizational leadership for the project will be provided by Brigadier General (Retired) Marianne Watson, Edtunity Institute's Chief Operating Officer. She has notable expertise in veteran employment efforts. Other partners in the project include Virginia Clean Cities, Green Paradigm Consulting, and SkillFusion, a software development corporation specializing in developing skilled EV workers.

The Electrify America grant, \$50,000 of which will serve as matching funds for the project, is restricted to the delivery of training for 50 individuals exclusively from the Tobacco Region footprint. Because the EA grant was specified for training materials and trainee recruitment and tracking, it cannot be applied 50/50 across the expenses for the needs assessment being proposed for TRRC funding. Staff typically likes to see equal distribution of expenses across the budget line items between TRRC and the applicant organization. Edtunity has been made aware of TRRC funding policies that require documentation of expenditures and application of match funding; and that the matching funds must be expended before they can receive reimbursement from TRRC for the needs assessment. Staff is supportive of the effort, however, to identify and address the specific needs of service members and others from the Tobacco Region to facilitate their transition into energy careers.

Financial Viability Assessment:

A review of key viability criteria reveals an interesting opportunity to study needs and best practices for training individuals in Southern and Southwest Virginia for careers that support zero-emission vehicles and their associated service/infrastructure needs. Edtunity Institute is a bonafide 501(c)(3) nonprofit headquartered in Norfolk, VA and is active and in good standing with the State Corporation Commission. Edtunity Institute has been in operation since 1994. The budget is supported by cost estimates with delineated scopes of work from identified contractors. The application of match is a bit lopsided due to Electrify America grant use restrictions, which may present an obstacle to receiving reimbursement in a more timely manner. This may affect cash flow for Edtunity and they will need to structure their operations to account for this issue.

Staff Recommendation: Staff recommends approval of a \$50,000 planning grant award.

Energy Execution – Implementation Grants

Halifax County Industrial Development Authority

Hitachi Energy Equipment Upgrades for Increased Productivity in the Energy Sector (#4260)

\$2,000,000 Requested

Project Summary: Hitachi Energy is one of the largest power and distribution liquid filled transformer manufacturers. Hitachi Energy has operated in Halifax County for over fifty years, beginning as Westinghouse, then ABB and now Hitachi Energy. Hitachi Energy is Halifax County's fourth largest employer with over five hundred employees currently. Virginia is home to two Hitachi Energy facilities, one in Bland and one in South Boston Virginia. South Boston's tank shop is hampered by outdated plasma punch machines, necessitating significant weekly maintenance to sustain operation. This ongoing maintenance burden translates into approximately 22 hours of downtime per week, incurring excessive costs and disrupting production schedules. Consequently, the company is compelled to outsource plate cutting, impeding its ability to meet burgeoning demand and undertake future projects. In response to

these challenges and to fortify South Boston's operational capacity, there is an urgent need for updated cutting equipment in the tank shop.

Matching Funds:

Matching funds are being requested from Hitachi for the following purposes:

- \$250,000 for property and improvements
- \$3.4MM toward the purchase/shipping/installation of a second 30kW fiber laser cutting system and related building modifications required to support the new equipment.

Project Outputs:

- Reduce cost of outsourced components, estimated annual savings \$407K USD
- Reduce operating cost by \$68/hour or \$326K USD/year
- Eliminate use of “plate dogs” to load plate steel/material handling savings ~ \$64K USD
- Eliminate manual identification of parts ~ \$128K USD
- Scrap material reduction, estimated annual savings \$427K USD
- Reduce machine downtime by 75% ~ \$80K USD

Staff Comments:

This project expands the capacity of Hitachi Energy to realize cost savings, and maintain jobs associated with the tank room operation. Grant funds are requested in the amount of \$2,000,000 to replace an outdated Whitney Plasma Punch machine and oxy fuel burn table with a 30kW fiber laser cutting system. The applicant states that this will result in a \$5.5MM total capital investment and addition of 30 jobs through the increase in capacity gained from replacement of the outdated machines. An analysis of operating costs and a time study of the current and proposed equipment was provided, indicating that operating costs were reduced by \$635K when switching to the new equipment. The applicant also states that Halifax County can expect to net \$173,210 over a ten year period in Machinery and Tools Tax revenue for the new equipment (when adjusted for Enterprise Zone incentive payments).

The TRRC’s longtime practice regarding reimbursement for equipment for a private beneficiary is limited to no more than 25% of the total cost of the equipment, which is still a sizable request at \$1.35MM.

Hitachi is currently experiencing a growth in business that the current equipment cannot support. Not replacing the equipment could result in outsourcing cutting to other Hitachi facilities and reducing the number of additional new hires.

Financial Viability Assessment:

A review of key viability criteria for this project reveals an opportunity for a major Halifax County employer to receive financial assistance from the Commission to replace some outdated equipment that is hindering productivity. The project’s budget is detailed and supported by current quotes from vendors. The project has at least 75% match identified, but a request for corporate funding is pending. It is difficult to ascertain, at this time, the estimated return on investment to the Commonwealth for the project. Further discussion is warranted due to the size of the request and the newness of the TRRC Energy Ingenuity Fund.

Staff Recommendation:

Staff recommends that this application be tabled until the Fall Commission meeting to allow for additional discussion/evaluation by the Commission.

Brunswick County
LNG Storage Tank Project (#4261)
\$1,000,000 Requested

Executive Summary:

Dominion Energy Virginia plans to construct a liquified natural gas (LNG) storage facility to support Brunswick and Greensville Power Stations with backup fuel. Mecklenburg Cooperative, the local distribution company at the proposed construction site, will build a new substation to provide power to the LNG facility. Brunswick County is seeking funding from the Tobacco Region Revitalization Commission on behalf of Dominion Energy to support the purchase of equipment that will be installed in the electric substation.

Matching Funds:

- \$1,000,000 from Dominion Energy to support equipment purchase (cash in hand).

Project Outputs:

- Agreement between Dominion Energy and Mecklenburg Electric Cooperative
- Electric load requirement document
- Design Engineering Report
- Substation ready for operation

Staff Comments:

The operation of the LNG Storage facility will improve the dependability of DEV's electric grid, which provides service to 2.7 million customers in North Carolina and Virginia. The implementation of the LNG Storage facility will serve as a blueprint for other potential projects seeking to improve resiliency and reliability of the electric infrastructure, positioning Virginia's Southern Tobacco region as a case study to support similar projects throughout the country. The proposed LNG Storage Project is a high-impact/priority project for Dominion Energy Virginia (DEV) since it helps mitigate risks associated with natural gas fuel supply to two power generation stations that are critical to supporting electricity demand in the Commonwealth from DEV's electric customers.

Traditionally, utilities generate earnings through regulator-approved adjustments to rates that recover investment costs and add a margin of return, typically a return-on-equity over the life of the investment asset(s). In this case, the investment in the LNG Storage Project by DEV, if approved by the Virginia State Corporation Commission (DEV's regulator) will earn a fixed return on equity, currently approved at 9.7%, annually through the expected life of the asset. Additionally, the reasonable and prudent operating and maintenance costs would also be recovered from customers on an annual basis and passed along at cost to DEV customers. If the VA TRRC decides to provide a \$1M grant for this project, it would result in lowering the cost recovered from DEV customers, by reducing the capital investment basis that is used to determine customer rates.

Financial Viability Assessment:

A review of key viability criteria for this project indicates that more information is needed to be able to determine whether the project is a good investment for TRRC funding. The project's budget lacks details on the specific piece(s) of equipment that would be supported by the grant. The outcomes projections appear to need further refinement.

Staff Recommendation: Staff recommends that this application be tabled until the Fall Commission meeting to allow for further evaluation.

FULL COMMISSION



▪ In-Person Meeting ▪

AGENDA

FULL COMMISSION

**DeBusk Veterinary Training Center
Veterinary Education and Teaching Building, Room 215
203 Debusk Farm Drive, Ewing, Virginia 24248
Wednesday, May 22, 2024
10:30 A.M.**

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **887372082#**.

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 you experience problems calling in, please contact: **Hannah Franke-Fuller** at (804) 894-9659 or hfranke-fuller@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order	<i>The Honorable James “Will” Morefield, Vice-Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Approval of the <u>1/9/2024</u> Minutes <i>(published on website)</i>	<i>The Honorable James “Will” Morefield, Vice-Chair</i>
Public Comment	
Executive Committee	<i>The Honorable James “Will” Morefield, Vice-Chair</i>
Energy Committee	<i>The Honorable Thomas A. Garrett, Jr., Chair</i>
Southwest Virginia Committee	<i>The Honorable James “Will” Morefield, Chair</i>
Incentives & Loans Committee	<i>The Honorable Danny Marshall, Chair</i>
Education Committee	<i>Ms. Amanda Cox, Chair</i>
Southern Virginia Committee	<i>Mr. Walter “Buddy” Shelton, Chair</i>
Election of Chair and Vice-Chair	<i>The Honorable James Campos, Executive Director</i>
Other Business	<i>The Honorable James Campos, Executive Director</i>
Adjournment	

Tobacco Region Revitalization Commission
Proposed FY2025 Budget
 Executive Committee Recommendation 5/9/2024

Endowment Balance July 1, 2023	\$ 122,085,751
Minus June corpus invasion	<u>(18,312,863)</u>
Ending Endowment Balance June 30, 2024	\$ 103,772,888
Corpus Invasion-->	15.0%

<u>SOURCES of Funds</u>	<u>Proposed FY2025 Budget</u>
Interest Earnings	\$ 4,300,000
TICR Endowment	18,312,863
Carryforward	<u>2,640,440</u>
Total Sources	\$ 25,253,303

USES of Funds

Administration

Salaries, Benefits, Per Diems	\$ 1,819,995
Contractual Services, Travel	358,600
Supplies and Materials	10,000
Transfer Payments	323,800
Rent, Insurance, Agency Svc Charges	340,050
Furniture and Equipment	<u>6,000</u>
Total Administration	\$ 2,858,445

Education

Workforce Financial Aid	\$ 2,200,000
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Economic Development

Southern Va Committee	\$ 6,000,000
Southwest Va Committee	<u>6,000,000</u>
Total Economic Development	\$ 12,000,000

Agribusiness

\$ 1,500,000

Economic Development Housing Pilot

\$ 2,000,000

Lending Program

\$ (3,500,000)

Total Uses	\$ 17,058,445
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Tobacco Region Revitalization Commission

Financial Summary

As of April 30, 2024

TICR Fund Balance	\$ 223,003,642
Restricted Endowment Balance	\$ 75,976,441
Unrestricted Endowment Balance	\$ 46,109,311
Restricted Endowment Accum Interest	\$ 2,636,670
Unrestricted Endowment Accum Interest	\$ 1,589,691
Total Cash & Investments	\$ 349,315,753

Cash Disbursements - this month	\$ 1,055,651
Cash Disbursements - FYTD	\$ 10,456,532

Fund	Unobligated Balances
Special Projects	\$ 271,699
Education	\$ 6,526,348
Education-Workforce Training	\$ 3,867,827
Education-TAP	\$ 4,162,950
TROF (Deal Closing)	\$ 21,920,622
Southside Economic Development	\$ 11,095,321
Southern Va Committee	\$ 19,490,748
Southwest Va Committee	\$ 5,094,587
Agribusiness	\$ 311,218
R&D/Broadband	\$ 323,425
Rural Energy Innovation	\$ 12,000,000
Megasite Development	\$ 17,375,889
Lending Program	\$ 31,920,577
Administration	\$ 980,036
TICRC General Account	\$ 2,148,665
FY2024 Budget Balance	\$ 137,489,912

Tobacco Region Revitalization Commission
Statement of Revenues, Expenditures, and Changes in Fund Balance (Cash Basis)
As of April 30, 2024

	<u>FY24 Budget</u>	<u>YTD Actual</u>	<u>YTD Actual as % of Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Other Revenue (all cost codes)	\$ -	\$ 2,108,694.40		2,108,694.40
Total Revenues	\$ -	\$ 2,108,694.40		\$ 2,108,694.40
EXPENDITURES				
Administration				
Salaries, Fringe Benefits, Per Diems	\$ 1,432,900	\$ 1,193,741.87	83.3%	\$ 239,158.13
Contractual Services	237,800	160,510.07	67.5%	77,289.93
Supplies and Materials	11,000	5,062.05	46.0%	5,937.95
Transfer Payments	1,045,887		0.0%	1,045,887.00
Rent, Insurance, Agency Svc Charges	213,400	149,971.05	70.3%	63,428.95
Furniture and Equipment	7,000	8,533.98	121.9%	(1,533.98)
Subtotal - Administration	\$ 2,947,987	\$ 1,517,819.02	51.5%	\$ 1,430,167.98
Community Revitalization	25,700,000	8,938,713.43		
Total Expenditures	\$ 28,647,987	\$ 10,456,532.45		
Revenues Over (Under) Expenditures	\$ (28,647,987)	\$ (8,347,838.05)		
OTHER FINANCING SOURCES (USES)				
Transfers In (endowment and earnings)	\$ -	\$ -		
CASH BALANCE, June 30, 2023	\$ 231,351,480	\$ 231,351,479.55		
CASH BALANCE, April 30, 2024	\$ 202,703,493	\$ 223,003,641.50		

TROF Loans May 2024

Project #	Date Approved	Organization	Project Title	Status	Loan Amount Approved	Remaining Loan Amount to be Repaid	% Loan Repaid	Notes
3754	4/30/2021	Danville-Pittsylvania Regional Industrial Facility Authority	Walraven, Inc.	To be disbursed	\$ 48,000	\$ 48,000	0%	Award docs complete pending disbursement.
3734	7/28/2021	Danville, City of	Kegerreis Digital Marketing, LLC	To be disbursed	\$ 45,500	\$ 45,500	0%	Award docs complete pending disbursement.
3674	5/3/2021	Blackstone, Town of	Blackstone Hotel Partners, LLC	Disbursed - 8/27/21	\$ 44,500	\$ 22,250	50%	Next payment due 8/1/24.
3556	8/6/2019	Danville-Pittsylvania Regional Industrial Facility Authority	MEP, Ltd.	Disbursed - 9/28/21	\$ 270,000	\$ 270,000	0%	2/1/24 - overdue - staff following up to secure payment.
3545	4/30/2019	Carroll County	Blue Ridge Designs, LLC	Disbursed - 7/10/19	\$ 50,000	\$ 15,000	70%	8/1/23 - overdue - staff following up to secure payment.
3544	4/30/2019	Joint IDA of Wythe County, VA	Seven Sisters Brewery, LLC	Disbursed - 4/1/20	\$ 15,000	\$ 6,000	60%	2/1/24 payment due. Staff has reminded locality that this payment is due.
3507	6/6/2019	Russell County Industrial Development Authority	Polycap LLC	Disbursed - 8/30/19	\$ 140,000	\$ 84,000	40%	8/1/23 - overdue - staff following up to secure payment.
3482	10/15/2018	Danville-Pittsylvania Regional Industrial Facility Authority	Harlow Fastech LLC	Disbursed - 9/17/2019	\$ 630,000	\$ 630,000	0%	Forbearance period approved - 1st payment overdue 2/1/24 - Staff following up to ensure payment.
3481	10/9/2018	Franklin County	Empire Bakery Commissary	Disbursed - 6/18/19	\$ 140,000	\$ 14,000	90%	Next payment due 8/1/24
3448	6/6/2018	Nottoway County	UAV Pro, Inc.	Disbursed - 7/6/22	\$ 144,000	\$ 96,075	33%	Next payment due 7/1/24
3428	3/27/2018	Scott County EDA	Mountain Top Timber Products, LLC	Disbursed - 5/21/2018	\$ 125,000	\$ 75,000	50%	Next payment of \$50k due 8/1/24
3340	9/12/2017	Appomattox County EDA	Innovatio Sealing Technologies, LLC.	Disbursed - 2/16/18	\$ 40,000	\$ 7,200	82%	Next loan payment due 1/1/25
TOTALS					\$ 1,692,000	\$ 1,313,025		

Active TROFs with Concluded Performance Periods May 2024

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Remaining	Notes
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	\$42,592.00	Repayment plan executed - 7/15/23 payment overdue. Staff following up to ensure payment.
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		Reviewing final performance data. Need updated data from locality. Staff following up to close.
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		Under an agreement with Appomattox County the remaining grant portion of this project (\$210,000) will be used for another project to be determined. Staff is working to determine if the requirements of this agreement have been met and close the file.
2999	1/15/2015	12/31/2014	6/30/2024	Grayson County Economic Development Authority	Oak Hall Industries (Oak Hall Cap & Gown)	Extension Approved	Gathering Performance Data	repayment required	\$163,625.00	\$163,625.00	Commission granted extension through 6/30/2024. Staff monitoring performance.
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	\$24,000.00	Repayment plan executed 12/13/22. Next payment of \$12,000 due on 8/1/24.
3101	10/8/2015	9/30/2015	9/30/2022	Tazewell County Industrial Development Authority	Blue Wolf Sales and Service	Performance Period Ended	Gathering Performance Data	repayment required			TRRC agreed at 5/23 meeting allowance of real estate purchase as part of investment - calculating final repayment amount with real estate inclusion.
3177	5/4/2016	3/31/2016	3/31/2021	Henry	RTI Martinsville, Inc. (Project LID)	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Requesting modification of performance agreement to allow for use of initial, rather than assessed, value for CapEx.
3266	3/6/2017	12/31/2016	12/31/2020	Wise	DP Facilities, Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Cap X modification granted at May 2022 commission mtg. Gathering data to confirm performance - locality still gathering data.
3295	6/8/2017	3/31/2017	6/30/2024	Greensville County	Oran Safety Glass, Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data			Extension through 6/30/24 granted by Commission. Staff is monitoring to determine final performance.
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		Gathering info from locality to determine final performance and close file.
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	\$60,000.00	Repayment agreement executed 5/18/22. Next repayment due 1/1/25.
3375	12/7/2017	9/30/2017	9/30/2022	St. Paul, Town of	Willis LLC c/o St. Paul IDA	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Have requested further data from the locality.
3376	11/13/2017	9/30/2017	6/30/2023	Pittsylvania County	Panacea BioMatx	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			In contact with locality. Gathering jobs/wage data to determine next steps.
3393	12/7/2017	9/30/2017	9/30/2020	Buchanan	Trina Health of Pounding Mill, LLC DBA Trina Health Town Center	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Reviewing info from locality to determine performance and close file.
3394	12/28/2017	9/30/2017	9/30/2022	Pittsylvania County	Amthor International, Inc.	Performance Period Ended	Moving to close - DNM	Moving to close - DNM	TBD		Locality has indicated that we should go ahead and close this out as DNM.
3395	1/29/2018	12/31/2017	12/31/2021	Bedford, County of	KMR Aviation Services Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Locality is working to gather additional data from company to calculate final performance.
3406	2/22/2018	12/31/2017	12/31/2021	Floyd County	Daley Acquisitions, LLC	Performance Period Ended	Full Performance Not Met	Repayment Plan Executed	\$49,573.17	\$16,524.39	Next clawback due 1/1/25
3428	3/27/2018	12/31/2017	12/31/2020	Scott	Mountain Top Timber Products, LLC	Performance Period Ended	Repayment Plan Executed	Default - bankruptcy	\$250,000.00	\$125,000.00	next repayment due August 2024
3448	6/6/2018	3/31/2018	3/31/2021	Nottoway County	UAV Pro	Performance Period Ended	just loan payments	just loan payments	n/a	n/a	only loan current. Earned portion of grant disbursed. Next loan payment due 7/1/24.
3451	7/17/2018	6/30/2018	6/30/2023	Smyth County Economic Development Authority	Speyside Bourbon Cooperage, Inc.	Performance Period Ended	Disbursing payment based on performance.	Disbursing payment based on performance.	n/a	n/a	Working to disburse TROF payment.
3452	7/17/2018	6/30/2018	6/30/2021	Smyth-Washington Regional Industrial Facilities Authority (SWIFA)	Speyside Bourbon Cooperage, Inc.	Performance Period Ended	Full performance met	Revenue Sharing Only	\$0.00	\$0.00	Revenue Sharing Only

Active TROFs with Concluded Performance Periods May 2024

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Remaining	Notes
3455	7/25/2018	12/31/2017	12/31/2020	Halifax IDA	Aquatic	Performance Period Ended	Funds Disbursed	Revenue Sharing Only	\$0.00	\$0.00	Revenue Sharing Only
3481	10/9/2018	9/30/2018	9/30/2022	Franklin County	Empire Bakery Commissary	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		working with locality on performance data
3482	10/15/2018	9/30/2018	9/30/2023	Danville-Pittsylvania RIFA	Harlow Fastech LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Gathering data from company/locality.
3483	10/15/2018	9/30/2018	9/30/2023	Prince Edward	Yak Attack	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Gathering data from company/locality.
3485	11/1/2018	9/30/2018	9/30/2023	Smyth County Economic Development Authority	Smyth County Machine and Fabrication LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Commission granted extension through 9/30/24. Monitoring performance.
3501	12/12/2018	09/30/2018	09/30/2021	Danville, City of	Essel Propack	Performance Period Ended	Award disbursed	Open only for rev sharing.	\$0.00	\$0.00	TROF award disbursed. Project remains open solely for rev sharing payments.
3502	12/12/2018	9/30/2018	9/30/2023	Franklin County	McAirlaids, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Reaching out to VEDP for info on performance.
3506	2/12/2019	12/31/2018	12/31/2023	Smyth County Economic Development Authority	Scholle IPN	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	n/a	n/a	Disburse post-performance - only receive what is earned. Performance extension granted by Commission through 12/30/23 and reported costs to be accepted. Analyzing data to determine performance.
3507	6/6/2019	3/31/2019	3/31/2023	Russell County IDA	PolyCap	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Commission approved acceptance of reported costs. Gathering data to determine performance.
3544	4/30/2019	9/30/2019	9/30/2022	Joint IDA of Wythe County, VA	Seven Sisters Brewery, LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Working with locality on performance data & possible admin extension. 2/1/24 loan payment is overdue.
3545	4/30/2019	03/31/19	3/31/2022	Carroll IDA	Blue Bridge Designs, LLC	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	\$0.00	\$0.00	only loan repayment remaining; 8/1/23 payment overdue. Staff will contact locality to ensure payment.
3546	4/30/2019	03/31/19	3/31/2022	Galax, City of	MOOG Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Gathering performance data.
3550	5/22/2019	03/31/19	3/31/2022	Danville, City of	Litehouse Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	n/a	n/a	Disburse post-performance - only receive what is earned. Have reached out to locality for performance data.
3611	1/14/2020	12/31/19	12/31/2023	Franklin County	Traditional Medicinals, LLC.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Working with locality to determine final performance.
3612	12/9/2019	09/30/19	9/30/2022	Pittsylvania County	Just Greens, LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Staff working w/locality on status of this grant given chp. 11 of company. Company restructuring and project still may be viable.
3654	3/31/2020	3/31/2020	3/31/2023	Grayson County Economic Development Authority	Metalworx Inc.	Performance Period Ended	TROF Disbursed	TROF Disbursed	n/a	n/a	TROF disbursed. Revenue sharing ongoing.
3672	9/11/2020	6/30/2020	6/30/2023	Washington County	SPIG Industry LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Will be closed under "Did Not Materialize".
3673	12/21/2020	12/21/2020	12/21/2023	Pittsylvania County	Ison Furniture Manufacturing, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3674	5/3/2021	5/3/2021	5/3/2024	Town of Blackstone	Blackstone Hotel Partners, LLC.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3685	12/21/2020	5/1/2021	5/1/2024	Smyth County EDA	Woodgrain Millwork, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3701	12/21/2020	12/21/2020	12/21/2023	Pittsylvania County	Intertape Polymer Corporation	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data. Jobs met, establishing CapEx.
3709	12/21/2020	12/21/2020	12/21/2023	Joint IDA of Wythe County, VA	Klockner Pentaplast of America, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	To be disbursed post performance. Gathering data to determine performance.
3721	1/15/2021	1/15/2021	1/15/2024	Scott County EDA	eHealth Technologies	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3735	4/5/2021	4/15/2021	4/15/2024	Pittsylvania County	J&J Truck Sales, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
TOTALS									\$1,051,091.53	\$431,741.39	

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
4228	03/25/24	Approved - Pending Award Documents	Town of Blackstone	J.E.T. Award	16	\$ 1,300,000.00	\$ 10,000.00	\$ 10,000.00	\$ 20,000.00
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	2	186	\$12,600,000	\$156,000	\$10,000	\$166,000
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	Skip Barber Racing School	24	\$ 8,900,000.00	\$ 32,500.00	\$ -	\$ 32,500.00
3976	08/11/22	Approved - active	Dinwiddie County	DroneUp, LLC	145	\$ 18,850.00	\$ 111,000.00	\$ -	\$ 111,000.00
3943	07/18/22	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 - active	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	\$1,774,000	\$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

Virginia Tobacco Region Revitalization Commission

Commission Committees

rev. 5/16/2024

Executive Committee

TBD, Chair
The Honorable James W. "Will" Morefield, Vice Chair
The Honorable Lashrecse D. Aird
Mr. Edward "Ed" Blevins
Ms. Amanda Cox
The Honorable Thomas A. Garrett, Jr.
The Honorable T. Travis Hackworth
The Honorable Terry G. Kilgore
The Honorable L. Louise Lucas
The Honorable Daniel W. "Danny" Marshall, III
The Honorable Frank M. Ruff, Jr.
Mr. William A. "Will" Pace
Mr. Walter H. "Buddy" Shelton

Southwest Virginia Committee

The Honorable James W. "Will" Morefield, Chair
The Honorable T. Travis Hackworth, Vice Chair
The Honorable Jonathan E. "Jed" Arnold
Mr. Edward "Ed" Blevins
Ms. Gretchen Clark
Ms. Amanda Cox
The Honorable Terry G. Kilgore
The Honorable Matthew Lohr
The Honorable Israel D. O'Quinn
The Honorable William A. Pace
The Honorable Todd E. Pillion
Ms. Sandy Ratliff
Mrs. Sarah L. Wilson

Strategic Planning Committee

Mr. Edward "Ed" Blevins, Chair
The Honorable Frank M. Ruff, Jr., Vice Chair
The Honorable Jonathan E. "Jed" Arnold
Ms. Gretchen Clark
Mr. Lee "Randy" Everett
The Honorable T. Travis Hackworth
The Honorable Matthew Lohr
Mr. Arthur "Dale" Moore

Energy Ingenuity Committee

The Honorable Thomas A. Garrett, Jr., Chair
The Honorable Lashrecse D. Aird, Vice Chair
Ms. Amanda Cox
Mr. Watt R. Foster, Jr.
The Honorable T. Travis Hackworth
The Honorable Terry G. Kilgore
The Honorable Daniel W. "Danny" Marshall, III
Mr. Arthur "Dale" Moore
The Honorable James W. "Will" Morefield
The Honorable Israel D. O'Quinn

Southern Virginia Committee

Mr. Walter H. "Buddy" Shelton, Chair
William A. "Will" Pace, Vice Chair
The Honorable Lashrecse D. Aird
Mr. Joel Cunningham, Jr.
Mr. Lee "Randy" Everett
Mr. Watt R. Foster, Jr.
Mr. Richard T. Hite, Jr.
Mr. Jay D. Jennings
The Honorable L. Louise Lucas
The Honorable Daniel W. "Danny" Marshall, III
The Honorable Caren Merrick
Mr. Arthur "Dale" Moore
The Honorable Frank M. Ruff, Jr.
The Honorable Gary D. Walker

Education Committee

Ms. Amanda Cox, Chair
The Honorable L. Louise Lucas, Vice Chair
The Honorable Lashrecse D. Aird
The Honorable Jonathan E. "Jed" Arnold
Ms. Gretchen Clark
Mr. Joel Cunningham, Jr.
The Honorable T. Travis Hackworth
Mr. Richard T. Hite, Jr.
The Honorable Todd E. Pillion
Ms. Sandy Ratliff
The Honorable Gary D. Walker

Incentives & Loans Committee

The Honorable Daniel W. "Danny" Marshall, III, Chair
The Honorable Terry G. Kilgore, Vice Chair
The Honorable Lashrecse D. Aird
Mr. Edward "Ed" Blevins
Ms. Gretchen Clark
The Honorable Stephen Cummings
The Honorable T. Travis Hackworth
The Honorable L. Louise Lucas
The Honorable Caren Merrick
The Honorable Israel D. O'Quinn
The Honorable William A. Pace
The Honorable Todd E. Pillion
The Honorable Frank M. Ruff, Jr.