

SOUTHWEST VIRGINIA COMMITTEE



•In-Person Meeting •

AGENDA

SOUTHWEST VIRGINIA COMMITTEE

**The MET, Patrick & Henry Community College
67 Motorsports Drive, Martinsville, VA 24112**

**Wednesday, September 25, 2024
4:30 P.M.**

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 623 690 842#**.

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>The Honorable James “Will” Morefield, Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Approval of the <u>5/21/2024</u> Minutes (published on website)	<i>The Honorable James “Will” Morefield, Chair</i>
Public Comment	
Extensions and Modifications	<i>The Honorable James Campos, Executive Director Ms. Sara Williams, Southwest Regional Director</i>
Other Business	<i>The Honorable James Campos, Executive Director</i>
Adjournment	

Southwest Virginia Committee

September 25, 2024

The Southwest Virginia Committee will meet on Wednesday, September 25, 2024, at 4:30 p.m. to consider extensions of four existing grants.

Floyd County EDA

Floyd Regional Commerce Center Phase II Development (#3191)

Approved for \$420,696 in September 2017 (\$389,416 balance)

Request for one-year extension

Staff Overview & Comments: The balance of this grant will be used for construction of utilities to serve the additional building pads that are under development at the Commerce Center. The project was put out to bid in early 2023 with the lowest bid more than \$1M over budget. The EDA applied to US-EDA for additional funding and, in March 2024, received notification of a \$2.7M award. Since that time, the grantee has been working through updated construction approvals required from VDOT, Federal Highways, and the US-EDA along with authorization to bid the project. Under the updated timeline construction is expected to begin in Spring 2025 and take approximately 330 days. Assuming there are no additional delays, the project will be complete by late November 2025. An extension through the end of calendar year 2025 is likely sufficient to allow adequate time for project close out.

Staff recommends the approval of a one-year extension through December 31, 2025.

Heart of Appalachia Tourism Authority

Coalfield Regional Tourism Destination Project (#3464)

Approved for \$483,220 in September 2018 (\$342,365 balance)

Request for one year extension

Staff Overview & Comments: This balance of this grant is allocated for the development of the now named Three Rivers Destination Center. Significant matching funds, including a \$1.5M POWER grant (ARC), \$209K DHCD, and local in-kind support are committed for the project. This project has been slow to proceed due, in part, to additional due diligence requirements associated with the matching funds. Significant leadership changes at Heart of Appalachia have further delayed the project. Over the past several months, Staff has met with both HOA and DHCD to determine the best path forward for this project. Russell County, at the request of HOA, will serve as the fiscal agent for the grant and will assume primary responsibility for the administration of the project. Additionally, after consulting with DHCD to determine the best and most expeditious use of all grant funding, a budget revision reallocating all TRRC funds to earlier stage design and site development costs will be considered. Under the updated budget, and assuming no additional delays, the grant will be complete within a year.

Staff recommends the approval of a one-year extension through September 30, 2025.

Southwest Regional Recreation Authority
Creating a Sportsman's Economy for Southwest Virginia (#3564)
Approved for \$125,000 in October 2019 (\$80,676 balance)
Request for final extension

Staff Overview & Comments: This grant was approved five years ago to assist with the development of a Rifle/ Pistol Complex intended to allow SRRA to diversify recreation opportunities for visitors. Commission funds were allocated for Dixon Range for property and improvements and equipment. Under the original scope of the project, a historic cabin was to be restored and renovated to house restroom facilities and offices. The Dixon Range property was donated to SRRA with a condition that the cabin be restored. Once the project was underway, former SRRA leadership made the decision to dismantle the cabin and to construct a pole barn in its place. At this time, the cabin remains deconstructed, and the conditions required by the property donor are unmet. In September 2023, a change in scope and a nine-month extension was approved to allow remaining grant funds to be used to reconstruct the cabin. A single contractor was identified with the qualifications required to complete this task however the company was not available to begin the job within the extension period. The project has been essentially “on hold” since the grant’s July 31, 2024 expiration pending approval of this extension request. The contractor is available to begin the project as soon as the extension is approved. To allow ample time for completion, a one-year extension is suggested.

Staff recommends the approval of a retroactive extension, beginning August 1, 2024 and ending September 20, 2025.

Tazewell County IDA
Cultural Arts of Southwest Virginia Corporation (#3557)
Approved for \$225,000 in October 2019 (\$161,383 balance)

Staff Overview & Comments: This grant was approved to assist with the cost of constructing two additions totaling 2,500 square feet will be added to the building to create space suitable for live performances. Tazewell County IDA is the grantee however the beneficiary is a non-profit formed around the time of the grant’s approval, Cultural Arts of Southwest Virginia Corporation. The building is owned by a for profit entity, Tazewell Cinema & Entertainment LLC, however the space developed as a result of this project is controlled by the non-profit. Since the grant’s approval, only a small amount of funding has been released. The project has been delayed due, in part, to issues with boundary adjustments affecting an adjacent landowner which resulted in additional site work. To reduce project costs, the majority of work performed has been self-contracted by the beneficiary and a single local contractor was used on a job-by-job basis. No formal contract detailing the scope of the work, associated costs, or an estimated completion time was developed. The lack of a formal contract, or professional cost estimates, was concerning. Without this information the actual cost and time required to complete the project cannot be determined. The extension approved in September 2023 contained a condition that the grantee conduct a competitive bidding process to identify qualified contractors. As with many other projects, construction estimates have continued to increase.

The project was recently awarded \$399,000 from the DHCD Industrial Revitalization Fund program. This is a very positive update and provides assurance that the project can be successfully completed. In light of this information, a one- year extension is recommended. The contingency approved in September 2023 requiring the selection of a contractor through a competitive process suitable to the

project remains in place. The grant will remain frozen until Staff has verified that the requirements of the contingency have been met.

Staff recommends the approval of a one-year extension through October 31, 2025.