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**Virginia Tobacco Region Revitalization Commission
Spring 2025 Committee & Commission Meetings
The Bristol Hotel
115 Country Music Way, Bristol, VA 24201
May 20 - 21, 2025**

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ITINERARY

**Virginia Tobacco Region Revitalization Commission
Spring 2025 Tobacco Commission Meetings
The Bristol Hotel
115 Country Music Way, Bristol, VA 24201
May 20 - 21, 2025**

Tuesday, May 20, 2025

FLIGHT: Richmond – Brodnax - Abingdon

(see next page for details)

11:00 AM	Southwest Virginia Committee
12:00 PM	Lunch available
12:30 PM	Education Committee
1:30 PM	Incentive & Loans Committee
2:30 PM	Energy Ingenuity Committee
3:30 PM	Strategic Planning Committee
5:00 PM	Adjourn
6:30 – 8:30 PM	RECEPTION – Birthplace of Country Music Museum 101 Country Music Way, Bristol, Virginia

Wednesday, May 21, 2025

8:00 AM	Breakfast available
9:00 AM	Southern Virginia Committee
10:00 AM	Full Commission Meeting
11:00 AM	Lunch

FLIGHT: Abingdon – Brodnax - Richmond

(see next page for details)

TRANSPORTATION SCHEDULE

Virginia Tobacco Region Revitalization Commission Spring 2025 Tobacco Commission Meetings

Tuesday, May 20, 2025

Flight Itinerary

Richmond to Brodnax

7:52 AM Departure Department of Aviation, Richmond
5702 Gulfstream Rd, Richmond, VA 23250
Phone: 804-236-3639

8:30 AM Arrival Mecklenburg-Brunswick Regional Airport
1495 Regional Airport Rd, Brodnax, Virginia 23920
Phone: 434-729-2591

Brodnax to Abingdon

8:56 AM Departure Mecklenburg-Brunswick Regional Airport
1495 Regional Airport Rd, Brodnax, Virginia 23920
Phone: 434-729-2591

10:00 AM Arrival Virginia Highlands Airport
18521 Lee Hwy, Abingdon, Virginia 24210
Phone: 276-628-6030

10:00 AM Transport Virginia Highlands Airport to Bristol Hotel

Wednesday, May 21, 2025

1:45 PM Transport Bristol Hotel to Virginia Highlands Airport

Flight Itinerary

Abingdon to Brodnax

2:15 PM Departure Virginia Highlands Airport

3:17 PM Arrival Mecklenburg-Brunswick Regional Airport

Brodnax to Richmond

3:23 PM Departure Mecklenburg-Brunswick Regional Airport

4:00 PM Arrival Department of Aviation, Richmond

THE BRISTOL HOTEL

115 Country Music Way, Bristol, Virginia

[Bristol's First Boutique Hotel](#)

In a city straddling two Southern states, The Bristol Hotel does them both proud—offering up barrel-aged Tennessee whiskeys and Virginia regional fare against the scenic backdrop of the Appalachian Mountains. Here, in the birthplace of country music, past and present connect in a striking 1925 architectural landmark turned first-ever boutique hotel. Ready to welcome guests who believe that blurring the lines inspires the soul.



THE BIRTHPLACE OF COUNTRY MUSIC MUSEUM

101 Country Music Way, Bristol, Virginia



An affiliate of the Smithsonian Institution, the award-winning Birthplace of Country Music Museum in Historic Downtown Bristol, Virginia-Tennessee tells the story of the legendary 1927 Bristol Sessions – the event in history that scholars call the “big bang” of country music – and their lasting impact on the music of today.

The Birthplace of Country Music Museum explores how evolving sound technology shaped the success of the 1927 Bristol Sessions and highlights how this rich musical heritage still thrives in the Appalachian region and beyond.

A green poster for a Spring Reception. At the top left is a circular logo for the Virginia Tobacco Region. The text reads: 'THE VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION Cordially invites you to our SPRING RECEPTION Tuesday, May 20, 2025 6:30 P.M. The Birthplace of Country Music Museum 101 Country Music Way, Bristol, Virginia Business Casual'. At the bottom left is the text 'Thank you to our sponsors!'. At the bottom right are logos for 'THOMPSON & LITTON ENGINEERS ARCHITECTS SURVEYORS' and 'FARM BUREAU VIRGINIA'.

SOUTHWEST VIRGINIA COMMITTEE



▪In-Person Meeting ▪

AGENDA

SOUTHWEST VIRGINIA COMMITTEE

The Bristol Hotel

115 Country Music Way, Bristol, VA 24201

Tuesday, May 20, 2025

11:00 A.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 800 384 124#**.

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: **Warren Bryson** at (804) 894-9659, wbryson@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 1/7/2025 Minutes
(published on website)

The Honorable James “Will” Morefield, Chair

Public Comment

Grant Projects

The Honorable James Campos, Executive Director
Ms. Sara Williams, Southwest Regional Director

Extensions and Modifications

Ms. Sara Williams, Southwest Regional Director

Other Business

Mr. Stephen Versen, Deputy Director

Adjournment

**FY25 Southwest Virginia Program – 2nd Round
Staff Summaries and Recommendations
May 20, 2025**

The Virginia Tobacco Region Revitalization Commission received thirteen applications for the February 27, 2025, application deadline for the FY25 Southwest Virginia Program – 2nd Round. One application was tabled at the January 2025 meeting. The 14 applications are grouped according to investment category. The Tobacco Commission’s Southwest Virginia Committee will act on these funding requests at its meeting on May 20, 2025, at 11:00 am.

Req #	Organization	Project Title	Request Amount	Staff Recommends
Agribusiness				
4337	Abingdon Feeder Cattle Association	New Beef Builder Initiative Phase 2	\$500,000	\$500,000
4340	Lee County Livestock Association	Virtual Fencing Systems: Pilot for Southwest Virginia	\$107,000	\$107,000
4336	Russell County Industrial Development Authority	Planning Grant for Large Animal Veterinarians in Southwest Virginia Incentive Program	\$20,000	\$20,000
4341	Tazewell County IDA	Ponderosa Revision	\$350,000	\$350,000
4349	Town of Tazewell	Clinch River Pavilion and Farmers Market (Phase 1)	\$296,500	Table
Business Development				
4351	Carilion Tazewell Community Hospital	Ensuring access: Preventive care for a healthier workforce and economy	\$287,745	No Award
4334	Mount Rogers Regional Partnership	Reaching New Foreign and Domestic Markets	\$104,200	\$104,200
4296	Tazewell County - Tourism Department	Route 16 Billboard	\$65,709	No Award

Sites and Infrastructure				
4350	Scott County Economic Development Authority	Pioneer Center Roof Replacement	\$140,000	\$140,000
4328	Virginia Highlands Airport	Westside Development - Phase II (Additional Funding)	\$25,000	No Award
4343	Washington County	Lots 6 & 7 - Highlands Business Park	\$60,854	\$60,854
Tourism				
4352	Blue Ridge Parkway Foundation	Enhancing Tourism Infrastructure at the Blue Ridge Music Center	\$130,000	\$130,000
4353	City of Galax	Rex Theater Lighting, Sound, and Accessibility Improvements	\$300,000	\$300,000
4332	Town of Hillsville	Town of Hillsville Annual Flea Market and Antique Show	\$750,000	\$325,000
Total (14 requests)			\$3,137,008	\$2,037,054

Agribusiness

Abingdon Feeder Cattle Association ***New Beef Builder Initiative Phase 2 (#4337)*** **\$500,000.00 Requested**

Project Summary: Commission funding is requested to continue a cost share program to serve beef producers in the counties of Bland, Buchanan, Carroll, Dickenson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe. This program will be used to help fund 100 producer applications with the purchases of chutes, scales, alleys, and other equipment to assist the producers in the safe and humane handling of beef cattle. Commission funds will reimburse 33% of eligible expenses up to a \$5,000 per producer limit.

Matching Funds:

- \$1,470,000 – Program participant contribution (66% of purchases)
- \$10,000 – Virginia Cooperative Extension (in-kind for grant administration and related costs)

Project Outputs:

- 100 producers will be served by the program.
- \$3,706 average new revenue per participant

Staff Comments: In May 2024, the Commission approved grant # 4238 to support the implementation of this cost share program. That application, which requested \$400,000, was approved for a smaller amount (\$300,000) which has now been allocated. The current request will allow the 100 producers currently on the program's waiting list, to be serviced. This cost share program revisits similar cost share programs implemented in the SW region over the past 20 years. The reduced award recognized the Commission's long-standing policy of supporting cost share programs with the potential to incentivize the implementation of new practices/ technologies. As a result, participation in the current program was limited to only those producers who had not previously received similar cost share support through prior TRRC grants. The first round of funding supported 78 cost share applications

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 continuation of this program, additional regional producers will be provided the opportunity to update, renew, or obtain the training required to be a BQA certified producer.

Financial Viability Assessment: A review of key viability criteria for this project indicates a viable project managed by an applicant with a successful history of implementing cost share programs. The required match will be fulfilled by the private investment of participants. The Commission investment will be matched 3:1.

Staff Recommendation: Staff recommends a grant award of \$500,000 to support a second, and final, funding round for this cost share program. Participation will be limited to only those producers who have not received similar cost share support through previous TRRC grants.

Lee County Livestock Association

Virtual Fencing Systems: Pilot for Southwest Virginia (#4340)

\$107,000.00 Requested

Project Summary: Commission funds are requested to support the implementation of a virtual fencing demonstration program. The demonstration program will allow region farmers to

determine if the new technology can benefit their practices. Virtual fencing enables farmers to increase their profitability through intensive grazing strategies and better land management. With limited to no research or utilization of virtual fencing currently in the region, Extension agents will monitor the project to determine any potential issues and provide workable solutions. Eight units will be purchased with demonstration projects to be implemented in eight counties (Lee, Wise, Scott, Russell, Bland, Wythe, Grayson, and Carroll).

Matching Funds:

- \$12,000 – In-Kind - Committed
- \$30,000 – Slemp Foundation – Filed
- \$30,000 – Matthews Foundation – Approved
- \$50,000 – Soil & Water Conservation Districts, Farm Bureaus, and County Governments – Filed
- \$15,000 – Lee County Community Foundation - Filed
- \$40,000 – Virginia Cooperative Extension - Approved

Project Outputs:

- Implementation of virtual fencing demonstration project
- 20 regional farmers will participate.
- \$9,500 of additional revenue will be earned per participant.

Staff Comments: Commission funds are requested to support a demonstration project validating the use of virtual fencing systems in the region. Virtual fencing is a new technology that allows for more flexible land management, reduced infrastructure, and labor costs compared to traditional fencing. Virtual systems can replace interior fencing used for rotational grazing. They do not replace perimeter fencing. Although these systems are relatively low cost compared to traditional fencing, the technology is fairly new. The proposed pilot project will demonstrate the use of these systems within the SWVA region and will provide farmers with the opportunity to determine if it could be beneficial to their practices.

Although new to Virginia, virtual fencing has been successfully implemented in other parts of the nation and world including Oregon, South Dakota, New Mexico, Australia, and New Zealand. In those cases, the efficiency of the systems' usage for management on large tracts of land was documented. The technology is expected to be very effective in this region's mountainous terrain which often make traditional fencing challenging and expensive. The application notes that traditional fences for rotational grazing systems in SWVA typically cost between \$25K-\$100K. Traditional systems also require regular maintenance and are prone to damage by weather events. The demonstration project will allow producers to see the technology at use in the region.

The demonstration project will include two types of fencing systems, Base station (GPS) and cellular. Both types of systems use collars to warn the animal that it is approaching a unit. Initially a warning sound is emitted. If the animal continues towards the boundary, a mild shock (about 1/10 the strength of a traditional electric fence) is given. Livestock typically adapt to the system within 2-4 days. Base station systems are used when cell service is not available or is not sufficient. These GPS based units are mounted on small trailers and allow for 50 acres of coverage. The trailer allows the units to be moved as needed, to support rotational grazing.

Cellular systems do not require a base station but instead use available cellular networks to communicate with collars. Collars can use either solar charging systems or lithium batteries.

Commission funds will be used to purchase a trailer and base station for a GPS system. These systems require that collars are leased. Collars will be purchased for cellular based systems. At the end of the demonstration project the units may be leased to producers for short periods of time to help them make a final determination about investing in a system. The details of this are not fully developed. Commission Staff will monitor these plans throughout the grant process to ensure that TRRC's asset management policy is followed.

Financial Viability Assessment: A review of key viability criteria for this project indicates a viable project managed by an applicant with a history of implementing cost share programs. Matching funds are not fully committed however applications are outstanding with multiple organizations which provides confidence that the match requirement will be successfully met.

Staff Recommendation: Staff recommends a grant award of \$107,000. This award is contingent upon documentation of the availability of are required matching funds prior to the disbursement of the grant.

Russell County Industrial Development Authority (#4336)
Planning Grant for Large Animal Veterinarians in Southwest Virginia Incentive Program
\$20,000.00 Requested

Project Summary: Commission funds are requested to support 50% of the cost to design a facility intended to house a large animal veterinary practice. The publicly owned facility will be used to attract new large animal veterinarians to Russell County.

Matching Funds:

- \$20,000 – AFID – Application Intended

Project Outputs:

- Design of potential large animal veterinary facility

Staff Comments: This application presents a creative approach to addressing the critical shortage of large animal veterinarians serving the region. The planning grant will be used for design and planning expenses for the development and construction of a large new “haul-in” large animal veterinary facility. It will be constructed on a small parcel of available land in a County owned industrial park with good road frontage. Locating the facility on this site reduces the overall development cost due to the large amount of existing infrastructure already in place, while also making good use of a parcel likely too small to host a manufacturer.

This project is part of a larger effort underway to address the shortage of large animal veterinarians serving the region. The planned facility directly addresses major barriers faced by new vets coming to the area. Since it will be publicly owned, prospective vets will benefit from

affordable lease rates and not have to deal with the major debt and time commitment it would take to build their own facility. Additionally, the facility is being purpose built to enable producers to haul their animals in to the facility for treatment, rather than requiring vets to make the often long and costly visit to their farm. While farm visits will remain an important part of a vets business, this “haul-in” option can help small producers get vet service quickly. Many vets also prefer working from such facilities because they can make more efficient use of their time, see more clients, and importantly, do this work in a safer environment.

Because the structure must be suitable for veterinary use, it is important that proper planning and design occur to ensure that all facility requirements are considered. Once complete, the facility will be used to attract one or more veterinarians to use the facility, as it will serve as an excellent training ground for new veterinarians, helping them get established in the region where they may eventually open up a practice of their own. The IDA will maintain ownership of the facilities, building and equipment. Participating veterinarians will lease the facilities through a triple net lease.

A follow-up application, requesting assistance with construction and equipment costs is expected. Staff is very supportive of this innovative and needed effort and recognizes that for a need this important to the livestock industry, a public-private model is worth exploring. If successful, a similar approach could be used to increase the number of practices in other parts of the Commission footprint. It is important to note that this project will be coming on-line just as the state’s new Large Animal Veterinary Incentive Program is underway, potentially alongside a complimentary program funded by the Commission. Taken together, these initiatives could make major improvements to the availability of large animal veterinary care in the region.

The SWVA Program RFP limits support for planning projects to no more than 50% of third-party contractual expenses. Matching funds are currently uncommitted and must be in place before the project can proceed. A contingency requiring documentation of the availability of matching funds should be added to the staff recommendation.

Financial Viability Assessment: A review of the financial viability criteria for this project found that, although this appears to be a reasonable step toward the development of a new veterinary practice, caution must be used to ensure that adequate resources are available to complete both the planning and construction phases. It is also important that, in addition to the design of the facility, careful consideration is given to the development of a business and operating plan outlining how the facility will be managed. This information will guide future funding decisions related to the construction or equipping of the facility.

Staff Recommendation: Staff recommends a \$20,000 grant award to support 50% of third party contractual expenses. This award is contingent upon documentation of the availability of all matching funds required to complete the project.

Tazewell County IDA
Ponderosa Revision (#4341)
\$350,000.00 Requested

Project Summary: Commission support is requested to continue the development of a new meat processing facility in Tazewell County. These funds will support 50% of new land acquisition and construction costs.

Matching Funds:

- \$350,000 – VCEDA – Application Intended

Project Outputs:

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

Staff Comments: This request seeks additional funding to support the development of a new meat processing facility in Tazewell County. Two previous grants have been provided for the project. The first grant, approved in October 2023, provided \$979,000 to support 50% of the estimated cost to construct the facility. When complete, the 7500 SF facility will be leased to a private operator. Blue Ridge Butchery. In January, 2024 TRRC approved a \$100,688 grant to support 25% of equipment purchases. public/ private partnership is a unique and creative solution to increasing processing capacity in the region. The facility will contain two processing lines and will process beef, pork, lamb, and chicken.

Several issues were identified with the original project site which led the IDA to explore new locations in the County. The newly selected site is ideal. The site, adjacent to U.S. Hwy. 460, is already prepared for construction with utilities in place. This will significantly reduce the construction timeline as well as the overall project cost.

Although the cost to develop the project at the new site is less than the current estimated cost to develop at the original site, additional funding is needed. Funding is needed to acquire the new site, which is currently privately owned. Commission funds will support 50% of the \$350,000 acquisition cost. The remainder of the request will support construction expenses. Design of the building is underway with plans to move into the construction phase as quickly as possible following property acquisition.

During review of each of the three Ponderosa applications, including the current request, Staff has provided strong support for this project which addresses a deficit in regional meat processing capacity. The public/ private design of the project reduces the risk, and start up costs, for private operators while also ensuring that the primary asset (the building) remains under public ownership. If successful, this is a model that could be duplicated in other parts of the region.

Financial Viability Assessment: A review of financial viability criteria for this project indicates that the Commission's previous investments in the project, as well as the approval of the additional funding requested in the current application, are appropriate. Although meat processing facilities typically operate on very tight margins, the public/ private partnership model used in the development of this project provides safeguards that protect the interests of all involved parties and funders. The IDA's ownership of the facility ensures that the asset, developed entirely with Commission and VCEDA funds, will lower the start up costs associated

with new processing facilities. The private operator will benefit from generous lease terms that will allow the business to launch successfully.

Staff Recommendation: Staff recommends a grant award of \$350,000.

Town of Tazewell

Clinch River Pavilion and Farmers Market (Phase I) (#4349)

\$296,500.00 Requested

Project Summary: Commission funds are requested to support 50% of the cost to construct a new, permanent, farmers market in Town of Tazewell. The market will be constructed at the site of a former brownfield property on Riverside Drive. The Town worked with Virginia DEQ to obtain a Virginia Brownfields Assistance Fund (VBAF) Restoration and Economic Development Assistance grant. The completed structural assessment revealed that the best option was to demolish the structure. This work is complete, and the site is available for redevelopment.

Matching Funds:

- \$74,125 – Town of Tazewell (in-kind)
- \$222,375 – Town of Tazewell (cash)

Project Outputs:

- Construction of a permanent Farmers Market Pavillion
- Increased market opportunities for local producers

Staff Comments: The redevelopment of this former brownfields site into a permanent farmers market will result in an attractive and useable space for town residents. Although a mobile farmers market has operated around Tazewell for several years, a dedicated space will provide consistency as well as shelter from weather events. Project organizers would like to add a second market day each week and are also interested in the development of a winter market. A permanent location will greatly increase the likelihood that these can be successfully implemented.

The SWVA Program RFP requires applicants to submit third party cost estimates and design documents with all applications requesting support for the construction of new facilities. After meeting with Commission Staff in fall 2024, the Town worked with Thompson and Litton to develop a preliminary architectural report for the project. The completed PAR shows the estimated cost to complete Phase I is \$593,000. This Phase will construct the main market pavilion. Additional phases will add restroom facilities and other amenities. This program's RFP limits support for projects such as this to 50% of capital (construction) expenses. The \$296,500 request amount is half the total project cost estimated in the PAR. The Town has pledged matching funds of \$296,500 however \$74,125 of this amount is "in kind" representing the contributions of several Town employees. Staff advised the applicant that, while in-kind match is acceptable, it must be limited to only those employees performing work directly related to the construction of the project (performing tasks identified in the PAR). The in-kind amount is 25% of the applicant's total match which aligns with the Commission's 25% limit on non-cash match.

Commission Staff also advised the applicant that the project appeared to be eligible for funding from USDA and possibly AFID. In addition to providing contact information for these programs, Commission Staff also used the monthly funders meeting (TRIAD) to present the project to the agencies. Despite these efforts, the Town chose not to proceed with applications to these potential funders. The Commission's longstanding preference is that applicants utilize all appropriate funding sources for which a project is eligible. This reduces the investment required by all parties, including the Town. In April 2025 the Town was invited to join the TRIAD meeting to discuss the project directly with potential funders. Based on the discussion from that meeting, the project remains eligible for USDA funding. Staff suggests that this application be tabled to allow the Town to complete the USDA application process.

Financial Viability Assessment: A review of financial viability criteria indicates that, although the Commission's match requirement has been met, the project could benefit from additional financial resources. Additional funding would reduce the investment required by the Commission and the Town.

Staff Recommendation: Staff recommends that this application be tabled to allow the applicant to apply to USDA [and potentially AFID Infrastructure] and other programs for which the project may qualify.

Business Development

Carilion Tazewell Community Hospital (#4351)

Ensuring access: Preventive care for a healthier workforce and economy

\$287,745.00 Requested

Project Summary: Commission funds are requested to purchase an upgraded computed tomography (CT) scanner for Carilion Tazewell Community Hospital. This equipment will provide advanced diagnostic capabilities and result in earlier detection of colorectal, breast, lung, and cervical cancers.

Matching Funds:

- \$287,745 – Carilion Clinic – application intended

Project Outputs:

- Upgraded CT scanner with advanced diagnostic capabilities
- Enable early detection and treatment
- Improve overall healthcare outcomes

Staff Comments: The funding requested in this application will fund 50% of the cost for an upgraded CT scanner for Tazewell Community Hospital. The scanner will allow the Hospital to improve early detection rates for colorectal, breast, lung, and cervical cancers.

This application was submitted under this program's Business Development investment category which is intended to support the recruitment of higher paying jobs to the region. Although the

application notes ongoing recruitment efforts to increase the number of healthcare providers, these efforts do not appear to be directly related to the replacement of the CT scanner. The application was not able to document the potential for any Business Development outcomes, the recruitment of new businesses and the creation of new jobs, as a result of the project. The primary deliverables (advanced diagnostic capabilities, early detection and treatment, and the improvement of overall healthcare outcomes) while critical to the quality of life of residents who rely on the hospital for medical diagnosis and treatment, are better aligned with a healthcare investment strategy. Although the Commission supported healthcare projects under previous strategic plans, it was removed in 2020. The Commission has supported two healthcare projects, a dental lab and a new medical building, in recent years however those projects were able to provide documentation of associated recruitment strategies to meet the requirements of the Business Development investment category.

When healthcare was included in the Commission's list of eligible investment strategies, funding was limited to only projects that could demonstrate the ability to increase access to healthcare services. The funding requested in this application replaces existing equipment. A review of the Hospital's website indicates that CT lung cancer screening is already provided. Purchasing equipment for existing medical facilities is a dangerous precedent. Medical care is revenue generating and, according to the Commission's policy for revenue generating projects should only be supported through loan support. The application did not contain any financial information related to the Hospital or Carilion Health System's ability to acquire this equipment on their own. Without a clearly identified funding gap that cannot be filled through other funding sources, there is no justification that Commission funds are necessary.

Financial Viability Assessment: A review of the financial criteria for this application shows that, despite committed matching funds, it is not possible to evaluate the true viability of this project. Projects that document the potential to generate revenues must be considered under the Commission's loan programs. The application did not contain any financial information, including operating budgets, pro forma, etc. that would allow Staff to determine if Commission funds are required to implement the project.

Staff Recommendation: Staff recommends no award.

Mount Rogers Regional Partnership

Reaching New Foreign and Domestic Markets (#4334)

\$104,200.00 Requested

Project Summary: Commission funds are requested to support Mount Rogers Regional Partnership with its economic development marketing initiative, Reaching New Foreign and Domestic Markets. Commission funds will support MRRP's strategic priorities surrounding new business attraction through both foreign direct investment (FDI) and courting domestic businesses. MRRP will also undertake lead generation activities, including attending call trips, consultant meetings, and other business and industry events, as well as engage in targeted content creation and advertising efforts.

Matching Funds:

- \$78,150 – Local (in-hand)
- \$26,050 – In-Kind

Project Outputs:

- 3 new business
- 120 new jobs
- \$34,272,000 in private capital investment

Staff Comments: The Mount Rogers Regional Partnership is a regional marketing organization serving Bland, Carroll, Grayson, Smyth, and Wythe Counties as well as the City of Galax. Commission support for regional marketing organizations (RMOs) is described under the SWVA Program’s Business Development investment category. The Commission has provided assistance to regional marketing organizations for several years, including a grant in 2018 which provided funding to each organization that serves TRRC region localities. In 2022, a \$300,000 award was provided to MRRP for regional marketing and lead generation activities which are the primary activities eligible for support under this investment category. The current application will continue to fund these activities which include travel for industry recruitment meetings and events, lead generation contracts, and certification as an FDI- Qualified Community. Matching funds will be provided by the applicant through funds provided by member localities. A portion of the match (\$26,050) is “in-kind” representing the Executive Director’s contribution to the implementation of the project.

Funding is requested to support 25% of the Marketing and Communications salary. This position was created approximately three years ago through grants provided by a local foundation. Unfortunately, in 2024, the foundation decided to close the grant leaving the third year of support unfunded. A portion of TRRC grant 3973 was repurposed to support this grant through the end of the grant period (June 30, 2025). The funding requested in the current application is intended to support the position beginning July 1, 2025, and continue for the two year grant period. The application states that the additional funding will allow MRRP to continue to raise local funds to support the position at the end of the grant period. The Commission’s Funding Policies state that operating support, such as salaries for newly created positions, will be limited to a three-year start-up period. The decision to limit support to a three-year period was largely based on funding requests from education partners. In these cases, three years is typically what is required to build sufficient tuition revenues to cover program operating costs. During the Commission’s recent strategic planning listening sessions, the “three year” rule was frequently mentioned by focus group participants. While these participants were overall supportive of limiting operating support to a project’s start up period, many felt that a longer start up period may offer a greater likelihood of sustainability beyond the grant period. The MRRP request is a good example of one of these cases. At time local funds can support only 75% of the salary. Allowing Commission funds to provide the remaining 25% for the two-year period will ensure continuity for the position which is critical to MRRP’s operations.

The Mount Rogers Regional Partnership is an important asset that is critical to the economic recruitment efforts of its member localities. Ongoing support for MRRP, and other regional marketing organizations, helps to ensure that these groups have adequate resources to effectively market the region.

Financial Viability Assessment: A review of financial viability criteria for this project indicates that matching funds are in place to proceed with the project. The organization, which relies heavily on contributions from its member localities, indicates that additional funding will be requested to increase organizational sustainability. The current request is less than half the amount awarded in the previous grant. The applicant indicates that this trend is expected to continue with future requests as the organization weans itself from Commission support.

Staff Recommendation: Staff recommends a grant award of **\$104,200**

Tazewell County - Tourism Department
Route 16 Billboard (#4296)
\$65,709.00 Requested

Project Summary: Commission funds are requested to support the installation of a billboard along Route 16. Commission funds will be used for the design, landscaping, construction, and installation of the billboard. The billboard will be used to direct travelers and tourists to the Town of Tazewell. The total cost of the billboard is estimated to be \$131,418. Commission funds are requested for 50% of this cost.

Matching Funds: A total of \$65,709 of matching funds will be contributed from the following sources:

- \$50,000 – Shott Foundation
- \$10,709 – Tazewell County
- \$5,000 – Smyth County

Project Outputs:

- A billboard will be constructed along Route 16.
- The project will result in a 5% increase in visitation to the Town of Tazewell.
- Visitor spending will result in a 3-5% revenue increase for businesses.
- The Town of Tazewell will receive an additional 3-5% in tax revenue.

Staff Recommendation: This project was tabled at the January 2025 meeting due to a lack of required agreements between the County and the private landowner. These documents were received in late February.

The project update included an executed MOU between the Tazewell County Board of Supervisors and Dragon Fire, LLC. Under the terms of this agreement, the County will maintain ownership of the billboard and will be responsible for the construction of the billboard and the related electric infrastructure. The County and Dragon Fire, LLC will split ongoing maintenance costs. The LLC, in exchange for its contribution to the maintenance and upkeep of the billboard, will receive a billboard panel on the Marion side (viewed as one travels toward Tazewell). Additionally, a deed of conveyance between the County and the owner of Foxtail Orchards grants Tazewell ownership of the piece of property where the billboard will be placed for 30 years. These agreements address concerns related to the construction of a public asset on privately owned property since Commission funds cannot be used for the construction or renovation of privately owned property. The Commission will maintain a security interest in the

billboard which prohibits the asset from being sold, leased, disposed of, hypothecated, mortgaged or encumbered without prior written permission of the Executive Director. Foxtail Orchards will receive a billboard panel facing toward Tazewell (viewed as one travels towards Marion) as well as the placement of their logo atop the billboard and visible from both directions.

The update also contained a letter of commitment from Smyth County who will contribute \$5,000 for the construction of the billboard. This will reduce Tazewell County's local match by an equal amount. The County will receive a panel facing Tazewell (viewed as one travels toward Marion). The addition of Smyth County is a positive development that illustrates the importance of The Back of the Dragon to the two localities. Current data indicates that the majority of visitor spending occurs on the Marion end of the route. The proposed billboard is intended to draw more of these visitors into the downtown Tazewell area resulting in increased spending in local businesses. While this is a reasonable goal, the outcomes presented in the application are extremely modest. Only a 5% increase in visits is anticipated because of this project. Under this scenario, only an additional 50 visitors per every 1,000 would visit downtown Tazewell. The increased patronage is estimated to result in only a 3-5% revenue increase for businesses. The same increase (3-5%) will apply to tax revenues. This project was submitted under the Business Development investment category likely due to its stated goal of increasing revenue for these businesses. However, these estimates indicate that the project is not a strong candidate for funding under this investment category.

This project does not qualify under the Commission's tourism investment category because it does not directly result in an increase of visitors from national or international markets. The proposed billboard will provide information to those visitors who have already decided to visit the region. These visitors have likely already researched the shopping and dining options along the Back of the Dragon route and are already aware of the associated shopping and dining opportunities. This information is readily available on websites such as Backofthedragon.com which contains a "Plan Your Trip" page.

Despite the positive developments which have improved the organization of the project, the applicant has not been able to address the primary reason for Staff's previous recommendation of no award. With an estimated total cost of over \$131,000, this appears to be a very expensive structure that will benefit only a handful of businesses. It lacks integration with an identified comprehensive, and regional, marketing strategy which could increase the potential economic impact. As presented, this application does not appear to generate adequate returns to justify the relatively large project cost.

Financial Viability Assessment: The financial viability of the Route 16 Billboard project shows promise with secured matching funds, demonstrating strong local support and financial commitment. Billboards generally offer a cost-effective advertising solution with lower cost per impression compared to other media. However, the project's reliance on a single billboard may limit its overall impact and return on investment. It is Staff's conclusion that as presented, the project would not be a sound investment for the Commission.

Staff Recommendation: Staff recommends no award.

Sites & Infrastructure

Scott County Economic Development Authority Pioneer Center Roof Replacement (#4350) \$140,000.00 Requested

Project Summary: Commission funds are requested for the construction of a new roof for the Pioneer Center. The Pioneer Center is a business incubator located in the Duffield Regional Industrial Park in Scott County. The business incubator assists new and emerging small businesses with lower startup costs.

Matching Funds:

- \$110,000 – Scott County Economic Development Authority (pending)
- \$30,000 – Scott County Economic Development Authority (approved)

Project Outputs:

- Construction of a new roof for the Pioneer Center
- Attraction of 4 new businesses creating 8 new jobs

Staff Comments: This request supports the replacement of the roof of the Pioneer Center, a business incubator located in Duffield. The building, constructed in the 1980s, originally housed a grocery and hardware store before the EDA's acquisition in 2003. At that time, the facility was redeveloped into a business incubator. The 46,000 sq. ft. space currently houses nine businesses and is also used to provide space for a variety of business and community events. The application states that the Center's roof was completed in the 1980's with at least one roof replacement and multiple repairs since that time. The date of the last replacement was not provided, however, in April 2006 the Commission approved \$114,000 to support the replacement of the roof. Upon review of the documentation associated with that grant it appears that the use of funds was changed and, rather than replace the roof, repairs were made. The application submitted in 2006 noted that only patchwork repairs had been performed on the roof and that a replacement was needed to provide a long-term solution. Changing the use of funds to repair, rather than replace the roof, was a cost-effective option that provided a partial solution for nearly 20 years. Unfortunately, recent winds and heavy rains have further deteriorated the existing roof. Water has leaked inside the building, damaging ceiling tiles, walls, etc. Several tenant spaces are not available until the roof is replaced and the damage repaired.

The EDA leases the facility to the Mountain Empire Regional Business Incubator for \$1 a year. Under the terms of that lease agreement, MERBI is required to "at its own cost and expense to repair, replace, and maintain in good, safe, and substantial condition all buildings". The Incubator's operating budget does not include funding in the Capital Improvements/ Reserve line item. According to a letter provided by the EDA, only \$30,000 of the \$140,000 match is available at this time. Additional funding will be allocated once the final project cost is known. During discussions prior to the submission of the application, Staff learned that the contractor who provided the quote to replace the roof was also working to determine if a repair could be performed which would lower the overall project cost. While Staff is supportive of this project,

due to the long history of roof repairs to the Center, any Commission funds awarded to support this project should only be used for replacement.

Financial Viability Assessment: A review of the financial viability of this project reveals an issue of minor concern. Currently, only \$30,000 of the required \$140,000 match has been committed. The project appears to qualify for additional federal and state funding opportunities which the grantee can explore. This approach to meeting TRRC's match requirement could delay the project, resulting in cost increases. This concern can be mitigated by adding a contingency to the recommendation requiring documentation that all funds sufficient to complete the roof replacement, are in place within one year of the award date. This language also appears in the Commission's standard Letter of Agreement. Most importantly, the facility's long history of successful operations is a strong indicator of its future sustainability. Once complete, additional tenant space will become available for lease which will result in increased rental revenue for MERBI.

Staff Recommendation: Staff recommends an award of \$140,000 contingent upon the documentation of all funding sufficient to complete the project, within one year of the award. Additionally, Commission funds may only be used for the replacement, not repair, of the roof.

Virginia Highlands Airport

Westside Development - Phase II (Additional Funding) (#4328)

\$25,000.00 Requested

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

Matching Funds:

- \$240,000 – Approved

Project Outputs:

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

Staff Comments: In January 2024 the Commission approved \$225,000 to assist with 50% of the cost of engineering design services related to a future expansion for the airport. This amount was based upon the cost estimate provided by the applicant during our review of the application. The cost estimate provided by Delta Airport Consultants, Inc. dated November 2, 2023, was accurate at the time of the Commission's approval of the grant. Unfortunately, Washington County did not include the \$225,000 matching funds in their FY24-25 budget. This prevented the Airport from executing the contract with Delta and delayed the project. In August 2024, Delta notified

the applicant that due to delays executing the original contract, the cost had increased by \$50,000. The increase is the result of new FAA requirements and inflationary costs. According to an email from the applicant in August, the County planned to approve \$250,000 reflecting the initial 50% cost plus 50% of the additional cost. An application to the Commission was expected to be submitted to cover the remaining \$25,000.

Although originally receptive to the plan to submit a second application to cover the cost overage, during review Staff learned critical information about the reason for the cost increase. The application that was submitted was very poorly developed. The documents provided in the current application were identical to those provided in the first application. The budget documents, project narrative etc. all reflected only the original project scope and costs. It was clear that the old information was simply reused in the new application. The need for additional funding was not explained in any section of the application. Staff repeatedly reached out to the applicant to request updated information including an updated budget document and project narrative. On March 13 this information was received with only minor changes including a sentence describing the project delay and an updated timeline changing the project start date from 2024 to 2025.

Applications requesting support for contractual services must include a current estimate from a contractor. No cost estimate was provided with the application. This information was especially important for this application because it was needed to document when the increased project cost was first communicated to the Airport and to describe any changes in scope that contributed to the cost increase. The updated contract was finally provided to Commission Staff in late March. The email contained communication from Delta describing the project timeline since 2023. Delta notified the Airport in August 2024 that, due to delays in securing the required funding, the cost would increase. The revised contract, documenting a \$500,000 project cost, was sent to the Airport in late September 2024.

The Budget Worksheet provided with the 2024 application described the status of the Washington County matching funds as “Money in Hand”. This status indicated that, once TRRC funds were approved, the project was fully funded and ready to proceed. The increased project cost is due entirely to Washington’s County failure to approve match in a timely manner. Had matching funds been committed, as described in the application, the original contract (with original project cost) was ready to be executed. Based on this information, an additional award by the Commission is not appropriate.

Financial Viability Assessment: A review of financial viability criteria reveals concerns. The financial viability assessment of the previous application noted that the applicant had fully committed matching funds in hand. This information, along with the detailed cost estimate, provided assurance that the project was ready to proceed as described and had a high likelihood of reaching a successful conclusion. The recent discovery that matching funds were actually not committed is alarming. The delay in the commitment of matching funds directly resulted in the increased project cost. As a result, additional investment by the Commission is not merited.

Staff Recommendation: Staff recommends no award.

Washington County
Lots 6 & 7 - Highlands Business Park (#4343)
\$60,854.00 Requested

Project Summary: Commission funds are requested to support 50% of the cost of planning activities related to the potential development of Lots 6 & 7 at Highlands Business Park. These lots were previously determined to be cost prohibitive to develop, however, with the potential arrival of an inland port in Washington County, there is an increased need for new industrial sites.

Matching Funds:

- \$60,854 – Washington County IDA (approved)

Project Outputs:

- Completion of engineering activities including a geotechnical report, civil engineering design, and development of construction documents

Staff Comments: If the potential Inland Port is successfully developed in Washington County there will be a need for additional sites across the region. Additionally, Washington County's inventory of sites will be very limited. The proposed planning and engineering for lots 6 & 7 of the Highlands Business Park will allow the County to determine if the development of these sites is possible. These are the only remaining sites at the otherwise fully developed industrial park. Due to the large amount of rock, further development of these lots will likely be very costly. As a result, these locations were previously determined to be unfeasible for development.

Because of the limited number of developed and available sites, it is understandable that the County would like to revisit the potential of this location. The Commission's involvement in the planning phase of this process is reasonable, however concerns remain about the future cost to fully develop these lots. Due to this program's limited funds, it is unlikely that TRRC will be able to provide significant funding during the next phase of the project. At 24.25 acres, these sites do not qualify for VEDP's Business Ready Sites Program. Because the current application notes that a future request for additional TRRC funding is anticipated, it is important that the applicant is aware of these funding limitations. The current RFP for the SWVA Program places a funding limit of \$750K for project supporting the development of industrial sites and infrastructure. This limit is not fixed and could change depending on future SWVA Program budgets. Despite these concerns, Staff recognizes that completion of the proposed planning activities is critical and will allow both the applicant, and potential funders, to make an informed decision regarding the developability of this site.

Financial Viability Assessment: A review of financial viability criteria, including cost estimates, shows that the scope of the project proposed in the application is likely to be completed successfully. A letter from the Washington County IDA was provided with the application to document that the required matching funds are committed. The information provided as a result of this project will be crucial to determining if development of these sites should proceed.

Staff Recommendation: Staff recommends a \$60,854 grant award to support 50% of third party contractual services.

Tourism

Blue Ridge Parkway Foundation

Enhancing Tourism Infrastructure at the Blue Ridge Music Center (#4352)

\$130,000.00 Requested

Project Summary: Commission funds are requested to enhance the outdoor facilities and infrastructure at the Blue Ridge Music Center in Galax. Infrastructure to be addressed includes visitor use areas/walkways, stone walls, and flagstone patios that play a central role in hosting visitors and supporting programming and other facility operations. The requested funds will support critical repairs to the outdoor infrastructure, including masonry seating and retaining walls, walking areas, and curbs.

Matching Funds:

- \$134,210.62 – National Park Foundation
- \$4,210.61 – Blue Ridge Parkway Foundation

Project Outputs:

- Repairs of outdoor infrastructure
- Improve visitor and staff safety
- Extend the operational life by 20 or more years

Staff Comments: The Blue Ridge Music Center is one of only nine of the Crooked Road's major venues. The Center, located at milepost 213 on the Blue Ridge Parkway, attracts more than 25,000 visitors to Carroll and Grayson counties each year. The economic impact of these visitors, from regional, national, and international markets, is significant. According to the outcomes information provided with the application, these visitors spend over \$225,000 for ticket sales with total visitor spending estimated at over \$2.4M. The application estimates that 79% of daytime visitors and 63% of advance ticket buyers are non-local and out of state. The Blue Ridge Parkway is an internationally known tourism destination. To increase the Parkway's impact on communities along the route, the Blue Ridge Rising Action Plan was developed. While this plan addresses growth opportunities for the entire Parkway, a separate strategic plan has been developed for the Music Center. This plan calls for additional facilities, programs, amenities and events that will continue to attract visitors resulting increased economic impact.

Despite a very successful track record of attracting visitors for over 20 years, the Center requires several facility improvements. The primary areas of concern include the parking lot, visitor center complex, and the outdoor amphitheater. These areas are affected by mortar and grout and loose stones in the stone walls and curbs as well as numerous cracks and tripping hazards in the paved walkways and patios. Substantial stonework is required to repair these areas. Delaying repairs could not only lead to additional damage but will also impact visitor safety. Providing a safe and attractive venue is critical to maintaining current visitation. The application provided detailed cost estimates as well as a plan to proceed the project immediately following the approval of the grant. The project is expected to be complete by the end of 2025.

Financial Viability Assessment: A review of key financial viability criteria for this application provides assurance that the project has a high likelihood of successful implementation. Matching funds are committed, and the project is ready to proceed following the approval of Commission funding. Detail cost estimates were provided describing the scope of work and associated costs for the various elements of the project. This information, along with the Center’s 20+ year track record of successfully attracting thousands of visitors to the region is strong indication that the venue will continue to create a strong economic impact in the region.

Staff Recommendation: Staff recommends the approval of a \$130,000 grant award.

City of Galax

Rex Theater Lighting, Sound, and Accessibility Improvements (#4353)

\$300,000.00 Requested

Project Summary: Commission funds are requested to assist with the renovation of the Rex Theatre in the City of Galax. These improvements are necessary to modernize the facility, allowing it remain competitive with growing competition in the performance venue marketplace. The renovations will include improving accessibility and upgrading sound and lighting equipment.

Matching Funds:

- \$145,000 – City of Galax (approved)
- \$5,000 – Twin County Community Foundation (approved)
- \$225,000 - Department of Historic Resources (approved)

Project Outputs:

- Installation of updated sound and lighting equipment
- Addition of 100 new seats
- Renovation of 2 restrooms and addition of 2 new restrooms (all ADA accessible)

Staff Comments: In May 2005 the Commission approved a \$50,000 grant to support 50% of the cost to develop a preliminary architectural report and an updated business and operating plan for the Theater. The Theater, which was purchased and renovated by the Galax Downtown Association approximately 20 years ago, is currently owned by the City of Galax. Additional facility upgrades are required to meet current needs. These include expanded seating, ADA accessible bathrooms, and other renovations. The upgrades will ensure that the Rex is able to offer comfortable, accessible, and high quality, visitor experience. The creation of additional seats, as well as expanded programming, will allow the Theater to sell more tickets for more shows. The additional revenue will result in a more sustainable organization.

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 final versions of the business/ operating plan and the PAR are not complete, well-developed drafts of each document were provided during the review period. The PAR indicates that the complete renovation project will cost approximately \$4M. The City intends to complete the project in phases with the current TRRC application reflecting the first phase of improvements. Matching funds are committed from the City, the Twin County Community Foundation, and the Department of Historic Resources. Funding for future phases will be requested from the Appalachian Regional Commission (pending) and Historic Tax Credits. The application also indicates that a future \$300,000 request will be submitted to the Commission. Staff is supportive of the phased approach to funding this project.

The single point of concern during review of this application is the very ambitious outcomes projections which appear to be based on the maximum attendance and associated revenue resulting from multiple sold out shows every week. Increasing both the number of shows and attendance is the overall goal of the project however Staff would like to see more realistic projections that reflect the true break even point for the Theater. This information could be provided in the final business/ operating plan. A positive recommendation for funding should contain a contingency requiring Commission Staff's review and approval of the final business/ operating plan and PAR documents prior to the release of funds.

Financial Viability Assessment: A review of key viability criteria indicates that the project described in the application has a high likelihood of successful implementation. Matching funds for the current phase of the project are in place and a funding plan to support future phases has been identified. Although there are concerns related to the development of realistic outcome projections, Staff is confident these can be addressed during the finalization of the business/ operating plan. Including a contingency requiring Staff's approval of the final planning documents will ensure that all concerns are addressed prior to the release of funds.

Staff Recommendation: Staff recommends the approval of a \$300,000 grant award contingent upon the Southwest Regional Director's review and approval of the final business/ operating and PAR documents prior to the release of funds.

Town of Hillsville

Town of Hillsville Annual Flea Market and Antique Show (#4332)

\$750,000.00 Requested

Project Summary: Commission funds are requested to support the Town's purchase of property currently owned by the Grover King Post 1115 Veterans of Foreign Wars. The property is the site of the VFW's annual Labor Day and Memorial Day Flea Markets. Due to aging membership, the VFW is ready to sell the property. The Town's acquisition of the site will ensure the continuation of the Labor Day and Memorial Day Flea Markets as well as other events that result in significant economic impacts for the locality.

Matching Funds:

- \$625,000 Town of Hillsville (combination of cash and potential loan funds)

Project Outputs:

- Acquisition of the 49.166 acre property
- Continuation of the annual Labor Day and Memorial Day Flea Market events
- Implementation of marketing campaign
- 100,000 new visitors
- \$42,500 additional ticket sales
- \$300,000 increased associated spending

Staff Comments: Since 1967 the annual Labor Day and Memorial Day Flea Markets have attracted hundreds of thousands of visitors to the area. The event is marketed as the largest flea market east of the Mississippi and attracts over 300,000 visitors each year. The Markets create a significant economic impact on the Town of Hillsville and Carroll and Grayson Counties. Due to its aging membership, the VFW is planning to sell the property. Depending on who purchases the property, there is a strong likelihood that these events, and their associated economic impact, will disappear. Although others have shown interest in purchasing the property, VFW has offered to sell it to the Town at a reduced price. The appraised value of the property is \$1,172,700, however the price quoted to the Town is \$950,000. A letter of support from the VFW notes that, although a higher offer has been received from an interested party, the organization's priority is to see the property continue to benefit the community. Hillsville is under a very tight timeframe as the purchase offer extends only through August 2025.

If the property moves to private ownership, it is extremely unlikely that the Flea Markets will continue. The Commission's tourism investment category focuses on projects with the likelihood of attracting significant visitation from national and international events. The Labor Day and Memorial Day events have a nearly 60-year history of successfully accomplishing this goal. The loss of these events would be devastating to the communities and the businesses that depend on the revenue earned over these two weekends to sustain their operations through slower times of the year. Additionally, the Town plans to implement an aggressive marketing campaign for the facility that will increase tourism throughout the year while maintaining visitation rates for the Labor Day and Memorial Day events. A list of possible events include a music and arts festival, the Southwest Outdoor Adventure Expo, East Coast Renaissance Faire, Storytelling & Literary Festival in partnership with PBS. These events, spread over the calendar year, appear to have potential to attract a wide variety of audiences.

When submitted, the application requested \$750,000 with only a \$200,000 match. Due to the Commission's strict match policy which requires a 1:1 match, the project was ineligible for consideration. Staff worked with the Town to revise the application through the commitment of additional matching funds. The Town quickly responded with a firm commitment to provide all necessary local support, including financial resources, to ensure the project's success. After careful review, the Town was comfortable committing ½ of the purchase price (\$475,000) to the project. Unfortunately, the SWVA Program's limited budget, with only \$2M available for this funding round, cannot accommodate a \$475,000 award. Staff suggests a smaller amount of \$325,000 would support approximately 1/3 of the purchase price. The Town is agreeable to this amount and also expressed interest in the Commission's lending programs which could assist with some, or all of the funding needed to complete the purchase. Due to the very time sensitive nature of this request, and the potential for the tremendous negative economic impact that could result if the Town is unable to complete the purchase, a recommendation for Commission

support must require a contingency requiring the documentation that all funding sufficient to complete the purchase is in place prior to the release of the grant.

Financial Viability Assessment: A review of key financial viability information indicates that this project, while overall a strong candidate for Commission support, contains some risk due to the unknown status of remaining matching funds required to complete the purchase. The proposed contingency will reduce this risk by ensuring that grant funds are not released until all funding is in place to complete the purchase.

Staff Recommendation: Staff recommends the approval of a \$325,000 grant award contingent upon the grantee's documentation of the availability of all required matching funds prior to the disbursement of the grant.

OTHER BUSINESS

Extensions

Grayson County

Connect Grayson (3530)

Approved for \$325,000 in June 2019 (\$316,533 balance)

Request for extension

Staff Overview & Comments: This project was approved in 2019 with a goal to serve over 5,000 premises across Grayson County through wireless services provided by Gigabeam Networks. Although Gigabeam was able to complete work in other areas of the county, the western area remained unserved due to challenging terrain and other challenges. To better address these challenges, the grantee requested, and was granted, permission to add a second last mile vendor to deploy 5G wireless broadband services which were determined to be more suitable to effectively serve this portion of the County. A contract was negotiated with US Cellular to design and build three high rise towers to be owned by the county for the deployment of 5G cellular internet services.

When the last extension was approved a year ago, the project update was very promising. Construction on the first tower was scheduled for October 2024 with the remaining two towers to be developed over the following months. Unfortunately, just before construction could begin on the first tower, Hurricane Helene caused massive destruction to Grayson County. The tower sites were inaccessible for many months. The updated timeline shows construction of the first tower to begin in July with completion of the third tower in late March 2026. Despite the extremely long grant period already provided to this grant (6 years), given the extenuating circumstances that prevented the project from proceeding as planned during the last year, one final extension is justified.

Staff recommends the approval of a one-year extension through May 31, 2026.

Special Funding Round

Commission staff have been in discussions with GOVA and DHCD staff about a potential funding round to be held prior to the September 2025 Commission meeting. After June 30, 2025, applicants to GOVA will no longer be able to use Commission funds to meet GOVA's match requirements. Additionally, GOVA has allocated \$1.5 million for a special funding program focused on Hurricane Helene relief. This program requires only a 2:1 match. To help applicants meet this match requirement staff suggests that the SWVA Program hold a special funding round focused only on projects that will be applying to the GOVA program and require TRRC funds to meet the match requirement. The maximum amount of Commission funds that could be awarded is \$750,000. These funds will come from any remaining carryover funding from this fiscal year as well as new funding provided to the program in the FY26 budget. Two regular funding rounds are also planned ahead of the January 2026 and May 2026 meetings.

EDUCATION COMMITTEE



• In-Person Meeting •

A G E N D A
EDUCATION COMMITTEE

The Bristol Hotel
115 Country Music Way, Bristol, VA 24201

Tuesday, May 20, 2025
12:30 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **800 384 124#**.

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: **Warren Bryson** at **(804) 894-9659**, **wbryson@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

Introduction

The Honorable James Campos, Executive Director

Approval of 1/6/2025 Minutes
(published on website)

Ms. Amanda Cox, Chair

Public Comment

Workforce Financial Aid Grants

Ms. Emily Van Pelt, Grants Assistant-Southern

Competitive Education Grants

Ms. Sarah Capps, Southern Regional Director
Ms. Sara Williams, Southwest Regional Director

Extensions and Modifications

Ms. Sarah Capps, Southern Regional Director

Large Animal Veterinary Incentive Program

Mr. Stephen Versen, Deputy Director

Other Business

The Honorable James Campos, Executive Director

Adjournment

Virginia Tobacco Region Revitalization Commission
Education Committee – May 20, 2025

Workforce Financial Aid for the FY2025-26 School Year

The Education Committee will meet at 12:30pm on May 20, 2025, to consider the following Workforce Financial Aid (WFA) proposals.

The FY25 Commission budget has \$2.2 million available to support Workforce Financial Aid grants in the 2025-26 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 10 applications totaling \$2,110,000 (\$1,060,000, Southern Virginia; \$1,050,000, Southwest Virginia).

Applicants were instructed to align their requests with the Commission's four funding priority areas. Below is an excerpt from the 2025-2026 WFA Guidelines:

Funding Priorities and Application Requirements: The Commission's four funding priorities for the WFA Program are listed on the next page in ranked order. Applicant institutions must use WFA funding for all eligible students in a higher priority category program before using WFA funding for other eligible students in a lower priority category.

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 amount of scholarship funding requested for Non G3-Eligible Programs that are 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 Information Technology and Advanced Manufacturing programs 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 programs 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 administered by a third party 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.

TRRC staff will recommend awards to applicant institutions that allocate funding to higher funding priority categories before allocating funding to lower priority categories. Staff will not recommend awarding funds for applications that allocate funds to lower priority categories without documented employer demand.

Eligible uses of WFA: WFA support shall be used only for tuition and mandatory fees. 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 #4 programs provided evidence of regional employer demand for certain types of jobs relevant to a corresponding credential/program.

The requests anticipate serving a total of 2,162 students and resulting in the issuance of 1,980 credentials being issued in the 2025-2026 school year. The proposals also estimate matching funds of more than \$4.8 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 2025-26 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 for tuition and mandatory fees. 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.
 - Support for testing fees for individual students must be authenticated via third party expense documentation.
 - Grantees must report the program/major for each scholarship recipient in order 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 (see next page for chart), or have a Student Aid Index (SAI) number at or below the ranges as specified in the chart on the next page. 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 next page for chart), or have a Student Aid Index (SAI) number at or below the ranges as specified in the chart on the next page. Grantees must work with the college's financial aid office in order to verify income eligibility and to track scholarship commitments through the People Soft system.
- **Final Reimbursement:** Grantees must submit 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 2025 are below.

2025 Poverty Guidelines: 48 Contiguous States (for Virginia):

Persons in family/household	Poverty guideline	500% of Poverty Guideline
1	\$ 15,650	\$ 78,250
2	\$ 21,150	\$ 105,750
3	\$ 26,650	\$ 133,240
4	\$ 32,150	\$ 160,750
5	\$ 37,650	\$ 188,250
6	\$ 43,150	\$ 215,750
7	\$ 48,650	\$ 243,250
8	\$ 54,150	\$ 270,750
Each additional person	\$ 5,500	\$ 27,750

Student Aid Index:

For colleges utilizing the FAFSA's Student Aid Index numbers to determine financial eligibility, SAI eligibility thresholds for most financial aid are to the right.

Keep in mind that these figures are estimates. This chart assumes that assets are zero, and student income is zero.

2025 - 2026 SAI Chart				
AGI	SAI Number			
	1 Dependent	2 Dependents	3 Dependents	4 Dependents
\$30,000	\$0	\$0	\$0	\$0
\$32,500	\$0	\$0	\$0	\$0
\$35,000	\$0	\$0	\$0	\$0
\$37,500	\$0	\$0	\$0	\$0
\$40,000	\$0	\$0	\$0	\$0
\$42,500	\$1,680	\$0	\$0	\$0
\$45,000	\$2,122	\$0	\$0	\$0
\$47,500	\$2,564	\$0	\$0	\$0
\$50,000	\$3,066	\$1,504	\$0	\$0
\$52,500	\$3,448	\$2,387	\$0	\$0
\$55,000	\$3,890	\$2,387	\$0	\$0
\$57,500	\$4,332	\$2,829	\$1,410	\$0
\$60,000	\$4,774	\$3,271	\$1,852	\$0
\$62,500	\$5,216	\$3,713	\$2,294	\$0
\$65,000	\$5,703	\$4,155	\$2,736	\$0
\$67,500	\$6,205	\$4,597	\$3,178	\$1,598
\$70,000	\$6,752	\$5,039	\$3,620	\$2,040
\$72,500	\$7,334	\$5,502	\$4,062	\$2,482
\$75,000	\$7,953	\$6,004	\$4,504	\$2,924
\$80,000	\$9,334	\$7,101	\$5,396	\$3,808
\$85,000	\$10,883	\$8,314	\$6,364	\$4,660
\$90,000	\$12,517	\$9,558	\$7,374	\$5,448
\$95,000	\$14,170	\$10,965	\$8,513	\$6,328
\$100,000	\$15,824	\$12,614	\$9,792	\$7,332
\$105,000	\$17,477	\$14,267	\$11,235	\$8,463
\$110,000	\$19,130	\$15,920	\$12,889	\$9,734
\$115,000	\$20,783	\$17,573	\$14,542	\$11,167
\$120,000	\$22,437	\$19,227	\$16,195	\$12,820
\$125,000	\$24,090	\$20,880	\$17,848	\$14,474
\$130,000	\$25,743	\$22,533	\$19,501	\$16,127
\$135,000	\$27,396	\$24,186	\$21,155	\$17,780
\$140,000		\$25,839	\$22,808	\$19,433
\$145,000		\$27,493	\$24,461	\$21,087
\$150,000			\$26,114	\$22,740
\$155,000			\$27,768	\$24,393
\$160,000				\$26,046
\$165,000				\$27,699

Req #	Organization	Project Title	Request Amount	Staff Rec
Southern Virginia				
4342	Central Virginia Community College Educational Foundation, Inc.	CVCC Workforce Financial Aid 2025-2026	\$240,000	\$240,000
4359	Danville Community College Educational Foundation, Inc.	DCC Educational Foundation Workforce Financial Aid 2025-2026	\$240,000	\$240,000
4361	Patrick & Henry Community College Foundation	P&HCC 2025-2026 Workforce Financial Aid	\$240,000	\$240,000
4360	Southside Virginia Community College Foundation	Investing in Southside Students	\$240,000	\$240,000
4358	Virginia Western Community College Educational Foundation Inc	Workforce Financial Aid and Community College Access Program for Franklin County	\$100,000	\$100,000
Southwest Virginia				
4344	Mountain Empire Community College	MECC WORKS	\$240,000	\$240,000
4345	New River Community College Educational Foundation	Floyd County - Access to Community College Education (ACCE)	\$90,000	\$90,000
4357	Southwest Virginia Community College	2025-2026 Tobacco WFA Scholarship Grant	\$240,000	\$240,000
4367	Virginia Highlands Community College Educational Foundation	Virginia Highlands Community College Workforce Financial Aid Program	\$240,000	\$240,000
4368	Wytheville Community College	Wytheville Community College Forging Futures Scholarship Program	\$240,000	\$240,000

Total (10 Applications) \$2,110,000 \$2,110,000

Southern Virginia

Central Virginia Community College Educational Foundation, Inc.

CVCC Workforce Financial Aid 2025-2026 (#4342)

\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$80,000.00	50	0	45	0	0	45
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$65,000.00	30	17	0	9	0	26
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$85,000.00	40	23	10	4	0	37
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	\$10,000.00	25	11	0	0	0	11
Total	\$240,000.00	145	51	55	13	0	119

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 to support 120 students. CVCC is allocating \$10,000 for Testing Fees for 25 students 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. Reimbursement of 50% of testing fees are available under this category. Anticipated results represents data from Fall 2024 and will increase for an entire school year.

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

Danville Community College Educational Foundation, Inc.
DCC Educational Foundation Workforce Financial Aid 2025-2026 (#4359)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$100,000.00	100	80	0	0	0	80
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$70,000.00	35	0	0	1	7	8
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$70,000.00	35	0	1	2	7	10
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	\$240,000.00	170	80	1	3	14	98

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. Anticipated results are based on the 2024-2025 school year.

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

Patrick & Henry Community College Foundation
P&HCC 2025-2026 Workforce Financial Aid (#4361)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$14,000.00	18	0	17	0	0	17
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$24,000.00	30	6	0	0	15	21
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$115,562.50	80	9	12	0	20	41
Dual Enrollment Programs in IT and Advanced Manufacturing	\$75,195.00	53	8	2	0	15	25
High-demand occupations (to be approved by TRRC)	\$0.00	0	0	0	0	0	0
Testing Fees	\$11,242.50	180	35	25	0	20	80
Total	\$240,000.00	361	58	56	0	70	184

Match: \$401,772 from other state and federal sources.

Dual Enrollment:

- Welding CSC
- Mechatronics CSC

Staff Comments: P&HCC services the City of Martinsville, Henry, Patrick, and southern Franklin Counties. A detailed list of programs to be supported under each TRRC Category was provided for 128 students. P&HCC coordinates with Martinsville and Henry County school system on Dual Enrollment offerings at the Media Technology (MET) campus for an additional 53 students. Testing Fees for 180 students are requested for AWS, and IT Certifications at 50% of fees for first time credential certification as stated in the RFP. Anticipated results are based on the 2024-2025 school year.

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

Southside Virginia Community College Foundation
Investing in Southside Students (#4360)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$25,000.00	20	0	20	0	0	20
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$5,000.00	3	0	0	0	3	3
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$50,000.00	18	0	5	0	13	18
Dual Enrollment Programs in IT and Advanced Manufacturing	\$160,000.00	150	150	150	0	0	300
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	\$240,000.00	191	150	175	0	16	341

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 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 10 public school systems, and 3 private schools if there is interest (Brunswick Academy, Kenston Forest School and Fuqua School) for providing dual enrollment opportunities at SVCC campus/satellite campus locations in Emporia, Keysville, South Boston and South Hill.

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

Virginia Western Community College Educational Foundation Inc (#4358)
Workforce Financial Aid and Community College Access Program for Franklin County
\$100,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$12,822.00	24	0	31	0	0	31
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	\$74,704.00	39	12	0	0	8	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)	\$12,474.00	6	3	2	0	3	8
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$100,000.00	69	15	33	0	11	59

Match: \$133,372 from other state and federal sources.

High-Demand Occupations:

- Business Management AAS
- Culinary Arts AAS
- Professional Catering CSC
- Culinary Arts: ADV Foodservice CSC
- Culinary Arts: Baking and Pastry CSC
- Culinary: Cake Production and Decorate CSC

Staff Comments: VWCC serves Franklin and Bedford counties at its Roanoke location. A detailed list of programs to be supported was provided for each category.

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

Southwest Virginia

Mountain Empire Community College

MECC WORKS (#4344)

\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$20,000.00	20	0	0	0	0	0
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$40,000.00	20	15	0	0	0	15
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$146,000.00	130	50	35	0	35	120
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$10,000.00	24	10	0	0	10	20
Testing Fees	\$24,000.00	50	10	20	0	20	50
Total	\$240,000.00	244	85	55	0	65	205

Match: \$2,782,025.15 from other state and federal sources.

High-Demand Occupations:

- Education Career Pathways
 - Early Childhood Development – Early Childhood
 - Early Childhood Development – Special Needs
 - 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 majority of funding (\$216,000) will be used to provide tuition assistance for 194 students. The application also allocated \$24,000, the maximum allowed for Priority 6, to support testing fees for 50 students.

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

New River Community College Educational Foundation
Floyd County - Access to Community College Education (ACCE) (#4345)
\$90,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	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	\$35,000.00	20	0	5	0	15	20
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$35,000.00	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)	\$20,000.00	10	0	3	0	7	10
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$90,000.00	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 and Administration

Staff Comments: All required information, including a list of programs to be supported under each category, was provided. All funds will be used to provide tuition assistance to recent graduates of Floyd County High School (classes of 2024 and 2025). Floyd County is the only TRRC region county included in NRCC's service region.

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

Southwest Virginia Community College
2025-2026 Tobacco WFA Scholarship Grant (#4357)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$35,000.00	24	0	13	11	0	24
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$54,500.00	28	12	0	0	16	28
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$126,500.00	52	32	9	0	11	52
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	\$24,000.00	358	120	50	10	178	358
Total	\$240,000.00	462	164	72	21	205	462

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 \$75 to \$506. Tuition assistance will be provided to 104 students enrolled in Priority 1-3 programs.

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

Virginia Highlands Community College Educational Foundation
Virginia Highlands Community College Workforce Financial Aid Program (#4367)
\$240,000.00 Requested

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$36,000.00	48	0	48	0	0	48
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	\$142,610	100	60	0	0	40	100
Dual Enrollment Programs in IT and Advanced Manufacturing	\$0.00	0	0	0	0	0	0
High-demand occupations (to be approved by TRRC)	\$61,390	92	60	0	0	32	92
Testing Fees	\$0.00	0	0	0	0	0	0
Total	\$240,000.00	240	120	48	0	72	240

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

High-Demand Occupations:

- Education Career Pathways
 - Education
 - Early Childhood Development
 - Early Childhood Development – Infant and Toddler
 - Early Childhood Development – Special Needs
- Law Enforcement Career Pathways
 - Corrections
 - Foundations of Criminal Justice
 - Law Enforcement
 - Criminal Justice

Staff Comments: The VHCC service area includes the City of Bristol, Washington County, and part of Smyth Counties. The applicant provided all required information, including a list of programs to be supported under each category.

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

Wytheville Community College**Wytheville Community College Forging Futures Scholarship Program (#4368)****\$240,000.00 Requested**

Anticipated Results							
Program Summary			Unduplicated # of Students Completing in School Year:				
TRRC Priority	TRRC \$ Requested	# of Students Served	Career Studies Certificates (CSC)	Certificates (CERT)	Diplomas (DIPL)	Associates (AAS)	Total
Workforce Credentials	\$36,000.00	30	0	30	0	0	30
Non-G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$45,000.00	30	10	5	5	10	30
G3 Eligible Programs in STEM-H and Advanced Manufacturing	\$75,000.00	55	30	3	2	20	55
Dual Enrollment Programs in IT and Advanced Manufacturing	\$10,000.00	10	10	0	0	0	10
High-demand occupations (to be approved by TRRC)	\$50,000.00	25	5	0	0	20	25
Testing Fees	\$24,000.00	80	0	80	0	0	80
Total	\$240,000.00	230	55	118	7	50	230

Match: \$276,000 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 enrolled in Industrial Maintenance and Welding programs. The application allocates \$216,000 for tuition assistance serving 150 students and \$24,000 for testing fee assistance for 80 students. Support for testing fees will be limited to students enrolled in 8 healthcare programs. The cost of exams for these programs ranges from \$145 to \$1,815.

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

**FY25 Competitive Education
Staff Summaries & Recommendations
May 20, 2025**

The Commission received 3 applications for the February 19, 2025, application deadline of the FY25 Competitive Education Program – 2nd Round. The Education Committee will act on these applications at its meeting scheduled for May 20, 2025, at 12:30 p.m. The applications are grouped by category.

Req #	Organization	Project Title	Request Amount	Staff Rec.
Post-Secondary Programs with a focus in STEM-H				
4327	Medical Solutions Academy	Medical Solutions Academy LPN to RN Expansion Project	\$222,222	\$160,000
Workforce Training Programs				
4331	Danville Church & Community Tutorial Program	Empowering Students Through Tutoring for Academic Growth	\$202,950	No Award
4326	Southwest Virginia Higher Education Center Foundation	Southwest Virginia Registered Apprenticeship Expansion Program	\$252,000	\$252,000

TOTAL (3 requests) \$677,172

**FY25 Competitive Education (2nd Round)--
Amount Available & Award Recommendations \$500,000 \$412,000**

Post-Secondary Programs with a focus in STEM-H

Medical Solutions Academy

Medical Solutions Academy LPN to RN Expansion Project (#4327)

\$222,222 Requested

Project Summary: Medical Solutions Academy seeks funding through the FY2025 Competitive Education Program to support the immediate implementation of its LPN to RN Expansion Project. With the increasing demand for registered nurses and the limited availability of accessible educational pathways, this project will bridge the gap by equipping a new facility under construction with the necessary resources to launch an LPN-to-RN transition program. The requested funding will facilitate essential classroom and lab equipment purchases, faculty hiring, and curriculum implementation to ensure the program is operational within the next 6-12 months. This project will directly address regional healthcare workforce shortages and provide career advancement opportunities for Licensed Practical Nurses (LPNs) seeking to become Registered Nurses (RNs).

Matching Funds:

- \$222,222 Medical Solutions Academy – tuition revenues or grant funder contributions
- \$350,000 Bank loan for purchase of building in 2024

Project Outputs:

- 30 Licensed Practical Nurses enrolled and 22 to attain Registered Nurse certification annually

Staff Comments:

Medical Solutions of America Inc (dba: Medical Solutions Academy) is a vocational school in Danville established in 2011 that received its IRS determinations as a nonprofit the following year. Medical Solutions Academy (MSA) serves students in the City of Danville, and in Pittsylvania, Halifax and Henry Counties.

Grant funds are requested by MSA to support start-up costs for a LPN to RN transition program providing accelerated and flexible options including hybrid learning (online and in person). MSA has a track record of delivering healthcare programs graduating between 100 and 150 students annually. Their curriculum has expanded over the years with programming including Medication Aide, Practical Nursing, Medical Office Assistant, Medical Assistant, and Patient Care Technician. MSA is accredited by the Council on Occupational Education and has received conditional approval from the Virginia Board of Nursing for its Practical Nursing Program. The academy's commitment to excellence is reflected in its NCLEX pass rates, achieving a 100% pass rate in both 2023 and 2024. (NCLEX is the standardized exam developed for nursing students by the National Council of State Boards of Nursing.)

Addressing the shortage of healthcare professionals in the region has been a longstanding priority of the Tobacco Commission's Education Committee. MSA provides a strong application for the proposed LPN to RN transition program tailored to non-traditional students, with the goal of creating workforce opportunities for existing Licensed Practical Nurses to expand their education credentials for addressing the healthcare shortage in the region's workforce. The modest budget for the new program includes an equal amount of TRRC funding and match across multiple budget categories and is significantly less than start-up costs for other RN programs in the tobacco region footprint. The TRRC funding request includes \$100,000 in personnel cost for a program director, lead nursing

faculty, and adjunct instructors; \$16,500 for continuous charges; \$25,500 for equipping including mannequins, computers, hospital beds, desks and chairs; \$11,000 for materials and supplies for building improvements and \$69,000 for required building renovations. An Affiliation Agreement between Danville Regional Medical Center (Sovah Health with locations in Danville and Martinsville), with Sovah Physician Practices (hospitals) and Medical Solutions Academy was included with the application providing a commitment from essential clinical practice sites.

A financial feasibility assessment was provided. The milestone chart includes a schedule with plans for launching the program in September 2025. Letters of support from employers validate the demand for RN's and include ones from Riverside Health & Rehabilitation Center (four open RN positions), Stratford Rehabilitation Center (need to hire 6 RN positions in next 6 months), and Prince Charles Home Healthcare Agency (anticipate hiring 5-7 RNs within next few years). A building acquired in 2024 by an affiliated LLC will serve as the home for the academy's expanded healthcare education programs. A building schematic included with the application provides a layout with identified improvements including new ceilings, replacement of doors to meet code, sealing concrete floors, updating plumbing and mechanical equipment, and reworking electrical. As a standard rule, the Commission does not normally make investments in privately owned property except in cases where there is a clear public benefit. MSA will be under a long-term lease agreement (10 years) for the building which makes them responsible for these building improvements. The project budget includes a modest amount of funding under supplies and materials for renovations that MSA will handle directly for making necessary improvements to the building, which staff believes are reasonable to be supported with grant funds.

An analysis of funds requested identified a very modest budget for the program. Staff reviewed \$47,142 in estimates for mobile training tables, a mail sorter and a patient simulator, and noted an additional \$26,000 estimated to be needed for other equipment costs including computers, hospital beds, and chairs. Of the original funds requested, staff is supportive of providing start-up costs including personnel, equipment, supplies and materials and related contractual services for basic and aesthetic renovations (doors, wood, paint, sheetrock) that will be the responsibility of MSA under the lease agreement. Costs for mechanical system upgrades to the building and other major renovations are not recommended for grant funding. While continuous charges are an eligible expense under the TRRC grants, staff suggests that requested funding for insurance and utilities be supported from program revenues. MSA has reached out to the Danville Regional Foundation to evaluate if they may be able to contribute to the program. Excluding continuous charges and plant and improvement expenses, staff estimates approximately \$320,000 in critical funding needed. Staff is recommending approval of a grant award for up to \$160,000 contingent on at least 1:1 matching funds for start-up costs for personal, contractual services, supplies and materials, and equipment, contingent on a final project budget being approved.

Financial Viability Assessment:

A review of key viability criteria for this project demonstrates several strengths, including its direct response to local workforce needs, as the region has a chronic shortage of healthcare professionals and without question nontraditional programs are needed to help fill this gap. The applicant has a proven track record for delivering healthcare training programs with high completion rates. The project's focus on industry recognized certifications puts in line with program goals. Matching funds and detailed budget will be required as a contingency to the grant award. These conditions and the project's alignment with demonstrated industry demand for the program's graduates make this project a strong candidate for funding.

Staff Recommendation: Staff recommends a grant award of \$160,000 for 50% of eligible expenses for personnel, contractual services, supplies and materials, and equipment to address start-up costs for the new LPN to RN program, and contingent on a final project budget being approved by the Commission's Executive Director.

Workforce Training Programs

Danville Church & Community Tutorial Program

Empowering Students Through Tutoring for Academic Growth (#4331)

\$202,950 Requested

Project Summary: Danville Church and Community Tutorial Program (DCCTP) seeks funding to assist its Homework and Tutorial Program, which provides K-12 students with free academic support, character development, and activities including summer enrichment programs, and reading labs. Additionally, career exploration and STEM activities are provided, with support from Danville Community College (DCC), Danville Science Center (DSC), and the Institute for Advanced Learning and Research (IALR). This comes in the form of activities related to robotics, building computers, and exploring career opportunities at IALR. To support these efforts and engage more high school students, DCCTP's funding request includes stipends for tutors and Math and Reading Specialists at DCCTP's tutoring sites throughout Danville and Pittsylvania County.

Matching Funds:

- \$50,000 Danville Regional Foundation, commitment towards organization administrative costs
- \$30,000 J.T. Minnie Maude Charitable Trust, application to be submitted in February 2025 for tutor stipends, educational supplies and STEM/career readiness support
- \$30,000 United Way Danville Pittsylvania, application intended to support tutor stipends

Project Outputs:

- 30 new high school students participating in DCCTP programs exploring careers in STEM fields- robotics, coding, and manufacturing.
- 400 students to be provided with tutorial and homework assistance.
- Hire 3 additional Math & Reading Specialists
- 80% of participating students pass Math and Reading SOLs.

Staff Comments:

The Danville Church and Community Tutorial Program provides free academic support for K-12 students in Danville and Pittsylvania County and in Caswell County, NC. DCCTP's emphasis is on students with academic needs and those at risk of dropping out of high school. Grant funds are requested for one year of stipends to pay fifteen qualified tutors (\$129,150) and six Math and Reading Specialists (\$73,800) to staff approximately 30 after-school locations hosted by churches or community groups. After-school services are offered during the school year and in for a summer enrichment program. DCCTP works closely with Danville Community College, Danville Science Center and the Institute for Advanced Learning and Research to engage students in STEM experiences, including robotics, building computers and exploring career opportunities. The program has been in operation for 25 years and celebrates the success of 100% of high school seniors

graduating and continuing to higher education; and 96% matriculation between grades. All of the after school and summer enrichment are staffed by the tutors or specialists. There are 104 tutors who were previously paid stipends with Federal funding from the Elementary and Secondary School Emergency Relief Funds (ESSER). No tutors are currently paid, so the organization is pursuing grant funding from the Commission and regional funders to fill this gap. Three existing Math and Science Specialist are currently paid and the request to the Commission would support these three existing specialists, as well as hire three additional positions to be paid stipends.

The outcome measures for the Commission's Competitive Education program are focused on training the workforce for nationally recognized workforce certifications and credentials; and does not currently include a K-12 focus, though STEM has always been a priority interests. Everyone can agree that there is a need for after-school enrichment activities, and testing scores, particularly those in the City of Danville need significant improvement. The current pass rate in Danville for SOLs is 53% on Reading and 49% Math. What is unclear is what the best approach is for addressing these shortcomings. The program is spread across 30 sites requiring significant staffing/volunteer resources and sustainability of the effort will always be a challenge. If the committee were to consider funding support for a project, raising the Danville SOL scores would be the priority—DCTP requested \$73,800 for six math and science specialists. Danville Regional Foundation has done some research on what makes an excellent after school program, and staff suggests DCCPT continue to partner with DRF and work to identify the best community approach for addressing this issue. While the proposal has merit and the applicant has a long history of serving the community, K-12 is a stated low-funding priority for the Commission and as such does not receive a staff recommendation.

Financial Viability Assessment:

A review of key viability criteria for this project shows a long-standing program with successful outcomes for supporting at risk students. The applicant has a proven record of accomplishment with high completion rates. The budget was detailed and match is committed. The applicant utilizes a distributed model spreading the delivery of after school enrichment services across many sites which means that sustainability will always be a concern. While a the applicant does good and important work, it is not a funding priority of the Commission.

Staff Recommendation: Staff recommends no award.

Southwest Virginia Higher Education Center Foundation

Southwest Virginia Registered Apprenticeship Expansion Program (#4326)

\$252,000 Requested

Project Summary: Commission funds are requested to support the development of a region wide apprenticeship expansion program. This funding will support salary and benefits for a newly created Apprenticeship Coordinator position. The Coordinator will work with businesses in the region to create employer sponsored apprenticeship opportunities. The grant will be used to support the salary and benefits of the Coordinator position as well as office supplies and travel to visit with industries and employment partners. The grant would also support employer-related technical instruction costs up to \$2,700 per apprentice. These expenses include the classroom (in-person or virtual) component of the program, such as tuition, books, class fees and instructors.

Matching Funds:

- \$377,000 – Wellspring Foundation of Southwest Virginia (committed)

Project Outputs:

- Establishment of regional apprenticeship expansion program
- 25 new apprenticeship programs (by end of year 3)
- 50 apprentices enrolled in programs (by end of year 3)

Staff Comments:

The Competitive Education Program RFP lists support for industry led, work-based learning opportunities such as apprenticeships as a key funding priority. Although there are limited existing apprenticeship opportunities in the SWVA region, there has not been a targeted effort to increase the number of programs. This proposal, which is modeled after a similar program established in Southern Virginia through the Institute of Advanced Learning and Research, will provide support to area industries interested in establishing apprenticeship programs. The application notes that there are currently 12,631 active apprentices in Virginia, yet only 4% of these are located in the SWVA region. The majority of these apprenticeships in the region are in fields such as optician dispensing, cosmetology, construction laborer, and line repair maintenance. The program created to be created by this request will focus on expanding opportunities in the manufacturing, information technology, and energy sectors. This includes electromechanical, industrial maintenance, mechanics, plumbing, pipefitting, and welding.

Due to the stringent requirements and extensive paperwork associated with apprenticeships, many businesses are reluctant to pursue public sector supported programs or do not have the capacity to pursue this on their own. Registered apprenticeship programs must comply with U.S. Department of Labor and/ or Virginia Department of Workforce Development and Advancement (Virginia Works) standards. The creation of an Apprenticeship Coordinator position will provide the additional capacity required to guide industries through the process of establishing a formal apprenticeship program.

The majority of Commission funds will go to supporting 50% of the Coordinator position including salary, supplies, travel, etc. for a three year start up period. The grant will also support employer-related technical instruction costs of up to \$2,700 per apprentice. These expenses include the classroom component of the program such as tuition, books, class fees and instructors. Registered apprenticeship programs require a minimum of 2,000 hours of on-the-job training and 144 hours of technical instruction. This instruction can be provided by educational providers, including in-house instructors. The grant (#4082) provided to IALR to assist with the establishment of the Southern Virginia apprenticeship program requested support for similar expenses. The approval of that grant required that the program be designed to include parameters to make certain that apprentices who are eligible for federal or state financial aid programs (Pell, Fast Forward, G3, etc.) utilize those funds prior to TRRC funds to support technical education expenses. Additionally, use of Commission funds should be limited to costs associated with utilizing third party educational providers (rather than in-house instruction).

The establishment of this program is essential to increasing the number of registered apprenticeship programs in Southwestern Virginia. These programs require substantial commitment from both the apprenticeship and associated business. Although grant funds will support the program's operating costs, each business will be responsible for paying the wage and fringe of the apprentices they employ. Over \$1.6M of private funds will be used for this purpose.

The original project scope included PDCs 1, 2, and 3 and GOVA Region 1. Unfortunately, these areas do not include Floyd County. At Staff's request, the HEC agreed to add Floyd to the service area. This will ensure that all of the Commission's SWVA footprint will benefit from the project.

Financial Viability Assessment: A review of financial viability criteria for this proposal shows a project with strong potential to increase the number of apprenticeship opportunities in the region. Matching funds have been approved, and the project will be able to proceed immediately following the approval of Commission funding. This will allow the initiative to capitalize on the significant interest demonstrated by local employers through numerous letters of support. The SWHEC intends to assume responsibility for the Apprenticeship Coordinator position at the end of the grant period. This application indicates a high probability for both the successful implantation and long-term sustainability of the initiative

Staff Recommendation: Staff recommends a grant award of \$252,000 conditioned upon the inclusion of Floyd County to the program service area. Additionally, Commission funds supporting technical instruction will be limited to only third-party instruction costs. Apprentices eligible for other federal and/ or state financial aid must use these sources prior to Commission funds.

OTHER BUSINESS:

Central Virginia Community College Educational Foundation, Inc.

New Radiography Overhead X-Ray System (#3629) – Current Project End Date: 5/31/2025 – 2 Year Extension Requested

Staff Comments: This grant award for \$91,667 was approved in May 2020 to support 50% of acquisition costs for a new X-Ray machine. This was at the start of the COVID-19 pandemic, which caused both fundraising and state capital improvement projects to be put on hold. Meanwhile cost of construction materials significantly increased, further extending the timeline for completion. CVCC has secured the match for the X-Ray equipment from Centra Health. The Commission approved a two-year extension in May 2023, to the current end date of May 21, 2025. Whereas state appropriations were not approved for the previous VCCS requests for the renovations to the CVCC building where the Radiology Technology Program will be housed, it was included in the Governors proposed budget for FY26. The Governor has decided to postpone the state's commitment for the Higher Education Capital Outlay Pool until later in 2025, once the uncertainty over the economy and projected tax revenues is resolved. CVCC is requesting an additional two-year grant extension to allow time for facility renovations to be completed and for the equipment to be purchased and installed. CVCC has the only regional Radiologic Technology Program and is the sole provider of radiologic technologists for a majority of the Tobacco Region footprint. Construction is estimated to begin in Fall 2026. The additional two-year extension will allow time for the renovations necessary to accommodate the new X-Ray equipment in its permanent location.

Staff Recommendation: Staff recommends approval of an extension to May 31, 2027, contingent on the state's approval of the funding for the renovations in the FY26 "Caboose" budget.

Revised TRRC Large Animal Veterinary Incentive Program

Executive Summary:

To address a shortage of veterinarians serving livestock producers in the Commission footprint, staff is proposing:

- a program of annual, increasing incentive payments (\$150K over five years) to new veterinarians serving the region, and
- funding for a support position at Virginia Tech,
- that will incentivize nine new vets to serve the region and cost a total \$1.5 million.

Background:

Beginning in the summer of 2024, Deputy Director Versen began attending a series of meetings on behalf of the Commission that were organized by the Board of Veterinary Medicine and the State Veterinarian at the direction of the General Assembly to address the Large Animal Veterinarian Shortage in the Commonwealth. A primary outcome of that participation was the development of a Large Animal Veterinarian Incentive Program. The program was based on the workgroup's feedback and created in partnership with Virginia Tech's School of Veterinary Medicine and Lincoln Memorial University's College of Veterinary Medicine.

The program was to be modeled somewhat on the Commission's Talent Attraction Program. In short, the Commission would invite recent vet school grads from Virginia Tech (VT) and Lincoln Memorial University (LMU), as well as other new and practicing vets, to apply to the program, selecting two or three individuals to receive five years of increasing incentive payments for working in large animal and food animal veterinary medicine in the Commission footprint. Payments would grow from \$10,000 at the end of Year 1 to \$50,000 by the end of Year 5, for a total of \$150,000. Given that the program's primary goal was to incentivize veterinarians who had the greatest likelihood of continuing to work in the footprint after the payments end, a strong preference would be given to residents of the footprint or similar rural communities. The program also called for \$50,000 in annual funding for a position to coordinate and administer the program, network with large animal veterinary practices in the footprint to connect them with prospective students, and work with participants to provide guidance, encouragement, and other assistance as needed. The total program cost was \$1.5M to support nine new vets and three years of a coordinator position. Staff presented the program at the Commission's Winter 2025 meeting, where it was well received and garnered strong support for moving forward.

New Developments:

Since that meeting, two important developments have occurred that will strengthen and elevate the program:

- The General Assembly created and funded a Large Animal Veterinary Grant Program with an annual appropriation of \$450,000 to be administered by the State Veterinarian at VDACS.
- Virginia Tech has identified resources to put towards a position that focuses on serving the state's large animal veterinarian community.

Large Animal Veterinary Grant Program:

Created by the 2025 General Assembly through Senate Bill 921/House Bill 2303 and strongly supported by the Virginia Farm Bureau Federation, the program states in § 3.2-5901.2. B: "The State Veterinarian shall establish a large animal veterinary grant program to provide grants to increase or stabilize the number of large animal veterinarians practicing in areas of the Commonwealth that have been identified by the State Veterinarian as having a shortage of such veterinarians. The State Veterinarian shall annually select from a pool of applicants no more than four large animal veterinarians to participate in the program." The Code goes on to list the stakeholders with which the State Veterinarian will work to develop the program.

The program has \$450,000 allocated to it; the State Veterinarian will select four recipients to receive a total of \$110,000 each in annual payments over a 3 to 5 year period (exact timeline and schedule of payments TBD), although the group has also discussed a four-year payout of \$25K, \$25K, \$25K, \$35K. It is the hope and expectation that this will be annual funding for the program, although that is not guaranteed. The State Veterinarian is moving expeditiously with the program and has scheduled a kick-off meeting with key stakeholders, one of which is the Tobacco Commission, for May 16 with a goal of announcing the program and being ready to accept applications on July 1 with a deadline of August 30. A review committee will evaluate the applications, and award announcements are targeted for October.

New Large Animal Veterinary Cooperative Extension Position: Coordinator to Support Virginia's Large Animal Veterinary Workforce

For many years, Virginia Tech had a professor in their College of Veterinary Medicine that played an important role in serving the large animal veterinary industry. When that individual retired and the position was not replaced, a void was left. Virginia Tech is in the process of identifying and securing funding through a special program to support a similar position whose primary responsibility will be helping to coordinate support of Virginia's large animal veterinary workforce, specifically through the new VDACS and proposed TRRC incentive programs. There is an annual commitment of \$100,000 from Cooperative Extension, with the hope that matching funds can be secured.

The funding for this position is crucial, as a consensus has been growing within the group working on this initiative that the success of the program will in large part lie with the individual serving in the coordinator position. The individual will need to have the respect and trust of the state's large animal veterinarian community, the state's two veterinary schools, and the State Veterinarian, and will need to be someone who can interact effectively with producers. The

preference will be for an established, perhaps late career, large animal veterinarian who has a long history of work in the state and a desire to give back to the industry and to support the next generation of veterinarians. Ideally this person will be a woman, given that over 80% of veterinarians graduating today are female.

The position, which would operate out of Virginia Tech Cooperative Extension and enjoy the credibility and support that comes from being part of that institution, would have three primary responsibilities:

1. Support the successful implementation and administration of the VDACS and TRRC Large Animal Veterinary Incentive Programs. This includes:
 - Working with existing vet practices to place graduating and practicing veterinarians in the region;
 - Connecting entrepreneurial veterinarians with validated advisors in establishing, operating, and maintaining a sustainable veterinary practice with a large animal focus in the region;
 - Connecting interested pre-veterinary and veterinary students with experiential learning opportunities working with producers and veterinarians in the region;
 - Assisting individual veterinarians who are selected for incentives in completing the reporting and other administrative requirements; and
 - Promoting the program to relevant stakeholders, particularly prospective veterinarians and veterinarians in the region.
2. Build a community of practice and a network of support among Virginia's large animal veterinarians. This includes:
 - Coordinating coverage for clients when veterinarians take extended leave because of injury, illness, or growing families;
 - Helping practitioners stay connected with the latest research and resources that can help their clients and their practices flourish; and
 - Serving as a knowledgeable third-party resource when variance in perspectives or conflicts inevitably arise between veterinarians and their clients.
3. Grow the market for non-emergency veterinary services. This includes:
 - Connect with producers in defined areas of veterinary need to learn their specific perceived needs for veterinary services;
 - Working with producers to encourage the use of validated herd health and reproductive care practices that are demonstrated to improve a producer's bottom line;
 - Attending industry and continuing education events to evaluate new products and services and stay abreast of developments that are relevant to the market for veterinary services; and
 - Helping to organize and attend producer-focused events on the economically beneficial use of veterinary services. These events are also targeted to more securely connect producers and veterinarians providing services.

Items 2 and 3 are central to addressing the long-term challenges of insufficient large animal veterinary services. An exploration of the issues shows that the problem is not that there are not enough young vets entering large animal practice, but rather that most of these vets leave after six years of practice. For incentive programs to be successful, we must not only get more

individuals into practice, but we must also address the environment in which they operate. This will include helping new vets feel supported and part of a larger community, which is especially important because of the often isolating nature of their work. Large animal vets also need steady work, which includes consistent relationships with livestock producers, and work that allows them to have work-life balance to be happily employed in the profession. Lastly, if the state intends to incentivize new practitioners to enter the market, it must also invest in ways to grow the market for services that will add to producers' bottom-lines and that will keep new and established veterinarians engaged. A position description has been prepared by Virginia Tech and is attached below.

Opportunity for the Commission:

The Commission has long recognized that the shortage of large animal veterinarians in the tobacco footprint is a barrier to the success of the livestock sector, which is the largest sector of the region's largest industry, agriculture. Therefore, the Commission was strongly supportive of the proposed initiative in January, with some members eager to move forward immediately. However, the Commission wisely decided to wait and see how the State Veterinarian program would develop in the 2025 General Assembly, as well as to see which other partners might join in.

Now that there is growing clarity on those resources, minor revisions to the proposed program will allow the Commission to move forward with an improved program that has strong support from major partners. This approach will allow for the Commission to support the same number of new veterinarians in the regions as originally proposed (nine over three years), while offering higher levels of support to the grant recipients and existing veterinary practices, greater legitimacy and institutional support for the program, and closer ties to the industry, all at the same, or lower, total cost than was initially proposed.

An Integrated Approach:

Staff proposes integrating certain aspects of the Commission's incentive program with the State Veterinarian's new Large Animal Veterinary Grant Program, specifically: marketing the program; applicant review and assessment; and working with the program's oversight committee to improve its administration as needed. In practice, this means that Commission staff would coordinate with our partners to market the program to relevant individuals and will serve on the review committee that assesses applicants to select four veterinarians and the regions they will serve. The Commission has received a commitment that at least one of the four vets will be located in the Tobacco Commission footprint. Once the initial four vets are selected, Commission staff will seek additional recommendations from the review committee for up to two more vets from the pool of applicants to serve the Commission footprint. Commission staff will then report back to the Education Committee about the selection process and the individuals recommended to serve the Tobacco Region, giving the Committee the opportunity to review and approve the selections that the Commission will support. Staff will also share input regarding changes to the state program's administration, along with recommendations on whether the Commission should adopt those changes.

The state program is still determining the payout structure, in terms of the timing and amount of each payment, for the \$110,000 incentive payments to each selected vet. Depending on the final decision, staff may recommend using the same payout structure, along with keeping the \$40,000

additional payment, thus providing an added incentive for each vet to continue working in the footprint for five years. However, staff will recommend that eligible uses of these final funds be expenses related to that individual expanding their financial stake in serving the region, e.g., buying a share of an existing practice or purchasing their own practice.

In order for the final payments to be as impactful as possible, they must be tailored to the specific circumstances of the recipient; therefore, the Commission should consider allowing these funds to be put towards whatever eligible need the vet identifies. This might include payment to the veterinary practice where they are working or the purchase of a vehicle or equipment needed for their job. This flexibility may play an important role in making the placement work with the host veterinary practice, and it may also help the recipient avoid income taxes on the payment. To ensure proper use of these funds, all final payments will first be screened by the program coordinator and shared with the Committee for approval.

Coordinator to Support Virginia's Large Animal Veterinary Workforce:

This position will be hired by Virginia Tech and will meet the requirements described in this document. Total position costs, inclusive of salary, benefits, and transportation costs, will likely be in the \$200,000 to \$240,000 range. The details of this are being confirmed with Virginia Tech. At this point, staff is proposing an annual payment of \$100,000 to support the position for three years, after which the funding commitment will be the responsibility of Virginia Tech. The additional funding has been made available because of the contributions of the state-level incentive program. If the program is funded beyond one year, which is expected, the additional savings could be put towards supporting the position in the out years. Appendix A outlines possible budget scenarios over time, based on the number of years of state funding; these scenarios may change depending on changes to Virginia Tech's funding or to the level of state incentives. Staff would request that the Commission defer to the Executive Director to negotiate the final agreement, provided that: 1) the total budget to incentivize at least nine veterinarians does not exceed \$1.5M, and 2) the veterinarians receive meaningful support from the Program Coordinator for at least three years.

Next Steps:

Commission staff will work closely with the State Veterinarian's team over the next few months on the development of that program's guidelines, with the goal of making the TRRC program and VDACS program as similar as possible for ease of administration, while also ensuring Commission priorities are met.

Present final guidelines and program documents for both programs to the Education Committee for review and approval, likely in June.

Once approved, staff will implement the program in coordination with the State Veterinarian, Virginia Tech, LMU and Commission leadership, providing regular updates to the Education Committee and Commission.

Staff Recommendation:

Staff recommends that the Commission approve the Revised TRRC Large Animal Veterinary Incentive Program as described on pages XX and XX of the board and appropriate \$1.5 million from the Talent Attraction Program budget to fund its implementation.

TRRC Large Animal Veterinary Incentive Program

Budget Scenarios

Original Budget - As presented in January - no additional assistance

Year	Ombudsman	Incentive Payout - Cohort 1	Incentive Payout - Cohort 2	Incentive Payout - Cohort 3	Total
Yr 1	\$ 50,000	\$ -			\$ 50,000
Yr 2	\$ 50,000	\$ 30,000			\$ 80,000
Yr 3	\$ 50,000	\$ 60,000	\$ 30,000		\$ 140,000
Yr 4	\$ -	\$ 90,000	\$ 60,000	\$ 30,000	\$ 180,000
Yr 5	\$ -	\$ 120,000	\$ 90,000	\$ 60,000	\$ 270,000
Yr 6		\$ 150,000	\$ 120,000	\$ 90,000	\$ 360,000
Yr 7			\$ 150,000	\$ 120,000	\$ 270,000
Yr 8				\$ 150,000	\$ 150,000
					\$ 1,500,000

New Budget - Revised payout, Includes Yr1 VDACS incentivized vet, \$100K for Program Coordinator

Year	Ombudsman	Incentive Payout - Cohort 1 (2 not 3 vets)	Incentive Payout - Cohort 2	Incentive Payout - Cohort 3	Total
Yr 1	\$ 100,000	\$ -			\$ 100,000
Yr 2	\$ 100,000	\$ 50,000			\$ 150,000
Yr 3	\$ 100,000	\$ 50,000	\$ 75,000		\$ 225,000
Yr 4	\$ -	\$ 50,000	\$ 75,000	\$ 75,000	\$ 200,000
Yr 5	\$ -	\$ 70,000	\$ 75,000	\$ 75,000	\$ 220,000
Yr 6		\$ 80,000	\$ 105,000	\$ 75,000	\$ 260,000
Yr 7			\$ 120,000	\$ 105,000	\$ 225,000
Yr 8				\$ 120,000	\$ 120,000
					\$ 1,500,000

	Revised Payout	
Yr 1	\$ 25,000	
Yr 2	\$ 25,000	
Yr 3	\$ 25,000	Total VDACS
Yr 4	\$ 35,000	\$ 110,000
Yr 5	\$ 40,000	TRRC Bonus

Position Description

Coordinator to Support Virginia's Large Animal Veterinary Workforce Virginia Tech Cooperative Extension

The Coordinator to Support Virginia's Large Animal Veterinary Workforce, a Virginia Cooperative Extension Position, will strategically support developing, existing and career-entering large animal veterinarians in the Commonwealth of Virginia. The position will be a non-tenure, Professor of Practice, calendar-year (12 month) appointment to the faculty of the Department of Large Animal Clinical Sciences of Virginia-Maryland College of Veterinary Medicine at Virginia Tech.

Responsibilities will consist of 75% extension, 15% teaching, and 10% applied research.

In this extension role, the Coordinator to Support Virginia's Large Animal Veterinary Workforce (CSVLA VW) will help fulfill Virginia Tech's land-grant mission through serving large animal producers and veterinarians. This service will not be the provision of clinical veterinary services but strategic support to achieve the placement and long-term retention of large animal veterinarians in specific areas that demonstrate (a) the need for available veterinary services and (b) the ability and commitment to support the career success of a large animal veterinarian.

In their teaching role, the CSVLA VW will bring a holistic private practice perspective to the classroom. The individual's teaching is expected to develop the professional skills needed for large animal veterinarians to flourish in private practice in Virginia and connect prospective veterinarians with logistically sustainable opportunities in the state. This individual is expected to be a valuable contact resource for veterinary students from Virginia Tech, Lincoln Memorial University, and across the nation that are interested in large animal veterinary opportunities in the state.

In their research role, the CSVLA VW will be expected to be a successful contributor to knowledge discovery efforts by collaborating with colleagues in applied veterinary medicine, business, and community building. Applied research efforts are anticipated to emphasize topics of relevance to Virginia's large animal industries and the veterinarians that serve those industries with a focus on catalyzing the long-term career success of private-practice veterinarians in underserved areas.

Responsibilities:

1. Support the successful implementation and administration of the Virginia Department of Agriculture and Consumer Services (VDACS) and Virginia Tobacco Region Revitalization Commission (TRRC) Large Animal Veterinary Incentive Programs. This includes:
 - Working with existing vet practices to place graduating and practicing veterinarians in the defined areas of need (for the TRRC program this is within the defined revitalization region);

- Connecting entrepreneurial veterinarians with validated advisors in establishing, operating, and maintaining a sustainable veterinary practice with a large animal focus in the region;
 - Connecting interested pre-veterinary and veterinary students with experiential learning opportunities working with producers and veterinarians in the region;
 - Assisting individual veterinarians who are selected for incentives in completing the reporting and other administrative requirements; and
 - Promoting the program to relevant stakeholders, particularly prospective veterinarians and veterinarians in the region.
2. Build a community of practice and a network of support among Virginia's large animal veterinarians. This includes:
- Coordinating coverage for clients when veterinarians take extended leave because of injury, illness, or growing families;
 - Helping practitioners stay connected with the latest research and resources that can help their clients and their practices flourish; and
 - Serving as a knowledgeable third-party resource when variance in perspectives or conflicts inevitably arise between veterinarians and their clients.
3. Grow the market for non-emergency veterinary services. This includes:
- Connect with producers in defined areas of veterinary need to learn their specific perceived needs for veterinary services;
 - Working with producers to encourage the use of validated herd health and reproductive care practices that are demonstrated to improve a producer's bottom line;
 - Attending industry and continuing education events to evaluate new products and services and stay abreast of developments that are relevant to the market for veterinary services; and

Required qualifications include:

- A Doctor of Veterinary Medicine (DVM) degree or equivalent
- At least two years of clinical veterinary practice experience
- At least four years of veterinary experience working with one or more of Virginia's large animal species
- At least four years of experience mentoring veterinary students or veterinarians
- The ability to effectively function as a program coordinator and key communicator with various stakeholder groups

Preferred qualifications include:

- Documented ability to develop, implement, and coordinate a service program that impacts various stakeholder groups

Salary will be commensurate with qualifications and experience.

INCENTIVES AND LOANS COMMITTEE



·In-Person Meeting ·

A G E N D A

INCENTIVES & LOANS COMMITTEE

The Bristol Hotel

115 Country Music Way, Bristol, VA 24201

Tuesday, May 20, 2025

1:30 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **800 384 124#**.

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: **Warren Bryson** at (804) 894-9659, wbryson@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 1/6/2025 Minutes (published on website)

The Honorable Daniel "Danny" Marshall, Chair

Public Comment

Project Updates and Modifications

Mr. Jordan Butler, TROF Program Manager

Economic Development Housing Incentive Pilot Program Updates

*The Honorable James Campos, Executive Director
Mr. Stephen Versen, Deputy Director*

Pending Projects and Loan Negotiations

Closed Session

Other Business

The Honorable James Campos, Executive Director

Adjournment

Incentives & Loans Committee

May 20, 2025

The Incentives and Loans Committee is meeting on May 20, 2025 at 1:30 pm to consider modifications to several TROF program awards and receive updates on a number of programs. The following summary provides staff overview and comment on each item.

1. Danville-Pittsylvania RIFA

Harlow Fastech, LLC. (3482)

Request for performance period extension and modification of loan agreement

Staff Overview and Comments: This project includes a Tobacco Region Opportunity Fund (TROF) grant for \$315,000 as well as a TROF loan for \$630,000 that was awarded to the Danville-Pittsylvania Regional Industrial Facility Authority (the “RIFA”) and Harlow Fastech, LLC. (the “Company”). The performance period was September 2018 through September 2022 and was subsequently extended through September of 2023. The performance agreement requires the Company to employ 49 individuals with an average annual wage of \$55,000 and provide new private taxable investment of \$8,000,000. The grant and loan were disbursed pre-performance. The Company and locality are optimistic that the company will ultimately meet all or most of its performance targets.

As noted in letters provided by the company and locality, the company is doing well and is currently in the process of expanding its operation beyond the initial scope of this TROF award via a move into the former Kyocera building at IALR. Due to that move, and the related costs, the company is requesting modifications to their loan agreement that would extend the time they have to repay the loan while also earning the Commission interest. Specifically, the company and locality are requesting that:

- The zero-interest TROF loan repayments due in 2024-2026 be converted to a 5% interest, interest-only loan, with the first interest-only payment to be made August 2025, with the last two payments to be made in Feb. and Aug of 2026.
- From 2027 - 2029, the company must repay the entire balance in six equal, bi-annual installments, plus the corresponding interest. There will be no penalty for prepayment.
- Interest will be calculated simply at the end of each month, with no compounding interest.
- The TROF grant performance period be extended a final time to bring the performance period out to September 30, 2024 to allow for the inclusion of additional performance data.

Staff notes that under these revised terms, the City of Danville, Pittsylvania County, and RIFA collectively acknowledge they will continue to assume responsibility for any potential repayment shortfalls should the company not meet its performance milestones or defaults on its loan payments. Additionally, the locality is requiring the following from the company in relation to the requested changes:

- Harlow Fastech must become current on all local tax obligations, including an outstanding balance of \$9,766.83 to the City of Danville.
- The company is expected to make a 10% good-faith payment (\$63,000) toward its loan obligation prior to the May Commission meeting.
- They will also pursue an extension of the Local Performance Agreement to align with the revised grant and loan terms.

Staff Recommendation: Staff recommends a final sixth year performance period extension for TROF project #3482, carrying the performance period out to September 30, 2024, to allow for the inclusion of additional performance data. Additionally, staff recommends that the Commission allow staff to modify the loan agreement to convert the remaining principal of the interest-free TROF loan into an interest-bearing loan at a 5% interest rate, as outlined above.

2. Pittsylvania County

Just Greens/AeroFarms (3612)

Request for performance period extension

Staff Overview and Comments: This project includes a Tobacco Region Opportunity Fund (TROF) grant for \$190,000 that was awarded to Pittsylvania County (The “Locality”) and Just Greens, LLC. (the “Company”). The performance period was September 2019 through September 2022 and was subsequently extended through September of 2023. The performance agreement required the Company to employ 92 individuals with an average annual wage of \$34,945 and provide new private taxable investment of \$41,836,000. The grant is to be disbursed post-performance.

The company was confronted with covid-related challenges and went through a Chp. 11 restructuring but has since emerged stronger and delivered on the original promise of the project. Staff notes that ownership of the company, as well as the company name, did change as a result of this restructuring, however the project remained the same. Staff is in receipt of a Commonwealth Opportunity Fund report that, once verified, makes it clear that the company has created more jobs than originally promised. Both the company and locality believe the company has met the capital investment goal as well.

Considering this, TRRC staff recommends two actions:

Staff Recommendation: Staff recommends a fifth-year performance period extension for TROF project #3612, carrying the performance period out to September 30, 2024. Staff also recommends that the Commission allow staff to modify the grant agreement as necessary to apply all provisions of the current agreement to the new owners and move forward with releasing funds and closing the grant in the usual fashion.

3. Industrial Development Authority of the County of Pittsylvania, Virginia (“Pittsylvania IDA”) RealtyLink USA, LLC. (3352)

Request for modification to loan agreement

Staff Overview and Comments: In January 2018, the Commission approved a \$1.5 million grant to Pittsylvania County (the "County") that it planned to use to construct a 40,000 sq. ft. shell building designed for advanced manufacturers in the aerospace and automotive industries at the Cane Creek Industrial Park. The County identified a private developer, RealtyLink USA, LLC. (the "Company") that went on to construct a 100,000 sq. ft. shell building. The County then sold the property to Realty Link. The County subsequently requested, and the Commission approved in September of 2020, that the previous \$1.5 million grant be converted into a partially forgivable \$1.15 million loan at 0% interest for five years. Under this arrangement funds were disbursed to the IDA and provided to the company with the Commission protected by a moral obligation from Pittsylvania County. The loan term, including one extension, currently runs from January 9th, 2018, to July 31st, 2025. Under the loan agreement if, by the end of the term, RealtyLink had constructed a 100,000 sq. ft. shell building at Cane Creek, and an A&E had issued a certificate of substantial completion related to that building, then \$400K would be forgiven (leaving \$750K to be repaid). If the shell building is sold or a tenant leases it during the term, the \$750K balance would be due immediately. If the shell building is not sold or leased by the end of the term, then the County must repay the \$750K balance in a balloon payment. The building has been satisfactorily completed, so \$750k remains due to the Commission.

Currently, the company is in the midst of investing ~\$2M into the building to add flooring and office space to make the building more attractive to potential buyers. As it currently stands, the IDA is expected to repay the full \$750,000 loan to the Commission no later than the date originally agreed upon in the initial loan terms, July 16th, 2025. Staff was approached by the locality in late 2024 regarding a possible extension of the loan and responded shortly thereafter in January of 2025 with a proposal to extend the loan term and adjust the interest rate from its current 0% to 5.79%. Given the ongoing investment, the company and IDA would like to extend the loan term past the July 2025 maturity date to provide more time to market the building.

Staff was approached by the locality and has worked with the Virginia Resources Authority (VRA) on the following proposed new terms:

- The maturity date of the loan is extended by 3 years to July 16th, 2028;
- The interest rate on the loan is adjusted from 0% to 5.79% to better reflect current market conditions.

Staff Recommendation: Staff understands that the IDA and company are in agreement with the proposed changes and recommends that the Commission authorize staff to adjust the loan terms as stated on the term sheet provided by VRA.

Economic Development Workforce Housing Incentive Pilot Program

Background:

In early 2024, in response to the growing recognition that the tobacco region's lack of middle-income housing was negatively impacting its ability to win big projects, Director Campos directed staff to develop a new workforce housing incentive program. With input from Virginia Housing, DHCD, and others, staff drafted guidelines for the new Economic Development Housing Incentive Pilot Program. The program was presented to the Executive Committee for feedback on April 16, 2024, and then recommended by the Commission's Incentives & Loans Committee for approval at the 2024 Spring Commission meeting. Since then, the program has been promoted widely, including through an Op-Ed in Cardinal News by Delegate Marshall, a new brochure, and presentations at the Southern Virginia Housing Conference and before Virginia Housing Commission's Local Land Use and Community Living Workgroup. The program has received strong interest.

Interest in the Commission's program was further bolstered by Governor Youngkin's November announcement of a major new workforce housing program from Virginia Housing, bringing \$15M annually for the next five years for the development of workforce housing. Commission and Virginia Housing staff began collaborating on prospective projects in the tobacco region, identifying several promising opportunities. Ultimately, three projects are being recommended for funding, which, together, are requesting a total of \$1.4 million, from a total \$2 million budgeted for the program this year, and will create a total of 99 new workforce housing units.

Halifax County Workforce Housing Initiative

Overview: Halifax will donate ~10 acres of land to Community Housing Partners Corporation (CHP) to construct 72 affordable townhomes and three 24-unit apartment complexes, creating a total of 112 affordable, workforce housing units targeting households earning 120% - 150% AMI.	
Applicant	Industrial Development Authority of Halifax County
Grant amount requested from TRRC How these funds will be used	\$ 1,000,000 – site improvements
Other Matching Funds	<ul style="list-style-type: none"> Assessed Value of Land Donation: \$190,338 Virginia Housing's Workforce Housing Investment Program (requested): \$3,000,000 Home Sales Proceeds (Funded with Construction/Bridge Loan): \$10,840,000 Community Housing Partners: \$400,000
New Housing Units	Phase I: 40 townhomes for purchase at 120-150% AMI Phase II: 72 apartments for rent at 120-150% AMI
Total new investment	\$14,430,338
Economic Project Announcement Supported by New Housing	Hitachi Corporation – electric transformer manufacturer. Recently announced \$26M cap ex, 100 new jobs

Local support for project	IDA donated commercially attractive land to CHP; County created Halifax Opportunity Fund that grants housing developers 50% of new real estate taxes to reimburse infrastructure costs.
Support of housing community	CHP developing project and committing \$400,000 to project; Virginia Housing awards \$3M
Presence of Local Housing Plan	Completed
How will affordability to assured	CHP has used the Community Land Trust (CLT) model to ensure the long-term affordability.

140 South 1st Street, Wytheville

Overview: The Joint IDA of Wythe purchased and is now redeveloping a blighted and uninhabitable building in its historic downtown, creating 10 affordable apartments targeted at households earning 80% - 120% AMI. The project will also create 3,000 square-feet of commercial space that can support two new businesses.	
Applicant	Joint Industrial Development Authority of Wythe
Grant amount requested from TRRC How these funds will be used	\$100,000 – construct two additional apartments on part of the first floor, to bring total project to ten units
Other Matching Funds	<ul style="list-style-type: none"> • DHCD IRF: \$750,000 • Virginia Housing Stabilization Funds: \$150,000 • Study funds from VA Housing, TRRC, Mt. Roger's PDC, VA Dept of Historic Resources: \$130,000 • Virginia Housing's Workforce Housing Investment Program (requested): \$400,000
New Housing Units	Eight apartments for rent at 120-150% AMI Two apartments for rent at 80-120% AMI
Total new investment	\$1,530,000
Economic Project Announcement supported by new housing	Camrett Logistics - third-party logistics provider Recently announced \$2M cap ex and 58 new jobs
Local support for project	Major investment from IDA; Town of Wytheville to support with building permit fee rebates, water and sewer connection fee waivers, sign improvement grant, and façade improvement program cost-share
Support of housing community	Established housing non-profit Open Door Community will serve as property manager for rental units.
Presence of Local Housing Plan	Completed
How will affordability to assured	Open Door Community will manage property rentals to ensure affordability.

320 Main Street Tazewell Historic Revitalization Project

Overview: Redevelopment of major historic building in downtown Tazewell by private developer creating 11 new affordable apartments and energy-efficient renovations of six existing apartments, all targeting households earning 80% - 150% AMI. Rents will be structured to ensure housing costs remain below 30% of gross household income. Project features 2 ADA units and three existing rented commercial storefronts.	
Applicant	Town of Tazewell
Grant amount requested from TRRC How these funds will be used	\$300,000 – hard construction costs for buildout of 11 new units
Other Matching Funds	<ul style="list-style-type: none"> • USDA -Rural Development 538 loan: \$1.583M • State & Federal Historic Tax Credits: \$769,000 • DHCD Enterprise Zone Grant: \$50,000 • Town of Tazewell EZ grants: \$12,000+
New Housing Units	Eleven new apartments for rent at 120 - 150% AMI Six energy-efficient apartment rehabs for rent at 80 - 120% AMI
Total new investment	\$1,992,425
Economic Project Announcement supported by new housing	Simmons Equipment Co. – Tazewell-based mining equipment manufacturer Recently announced \$8.5M cap ex, 75 new jobs.
Local support for project	Fee waivers and property tax rebates from the Town of Tazewell; approvals from Town Council, Planning Commission, and Historic Review Board
Support of housing community	Strong team of private developers with experience in historic rehabs, construction, and property management
Presence of Local Housing Plan	Under development; project to serve as a pilot initiative aligned with the forthcoming strategy
How will affordability to assured	Property management will conduct background and income checks. Rents structured to ensure housing costs remain below 30% of gross household income.

Project Implementation and Timeline:

If approved, Commission staff will develop a grant agreement for each project to ensure it complies with program guidelines, submitted application, Commission funding policies, and that it includes other best practices as needed, including pay-for-performance and requirements for the maintenance of long-term affordability. All three projects are expected to begin construction this year, with units available for sale or rent in 2026.

4/23/25

Corrie T. Bobe
Director of Economic Development and Tourism
Economic Development & Tourism
corrie.bobe@discoverdanville.com
427 Patton St | Danville, VA 24541

Dear Corrie

Subject: Fastech - Loan and Performance Agreements

Re: Project status or the importance of the project to the locality and the region.

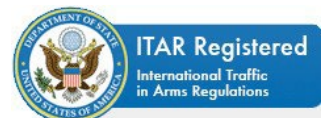
Fastech has consistently grown both regionally and internationally, winning contracts with clients such as Siemens, Airbus, Rolls Royce, NASA, and now the U.S. Navy, including organizations like Huntington Ingalls, Electric Boat, General Dynamics, and Austal. The company has strengthened its commitment to capital execution, investing nearly \$8 million by the end of 2025, exceeding its original targets. This investment includes substantial funding for the 3rd-year machining program, employing graduates, as well as three ATDM graduates to date, and sponsoring internships for 2-3 students annually, all of whom are employed full-time upon graduation.

Fastech has also contributed to the success of the ATDM additive manufacturing program, providing equipment and supporting training initiatives in collaboration with the Institute for Advanced Learning and Research (IALR). Since arriving in Danville, we have employed the highest rate of engineers from the 3rd-year student group every year, with a steady increase each year.

Notably, Fastech introduced and pioneered additive manufacturing technology in Danville. Admiral Pompano's visit four years ago sparked the Navy's interest in additive manufacturing, leading to the creation of an additive training curriculum in the region. This initiative laid the foundation for the growth of the Additive Technology Development & Manufacturing (ATDM) program and the success of the Centre for Manufacturing Excellence, where additive manufacturing is a core focus. Fastech has exceeded its promised capital investment targets and is paying higher-than-expected wages, nearly 25% above the initial commitment. In addition, Fastech is now finally looking towards a further building capital investment of approximately \$7.5Mn in the original agreed-upon location given to Fastech on the Cyberpark.

All that said in the past, challenges have arisen, particularly around additive manufacturing qualification timelines. Key customers, including Siemens, Airbus, and the Navy, have required longer lead times to qualify and fully embrace the technology. Fortunately, this has resulted in long-term contracts that will continue to grow in 2025 and beyond. Another challenge has been the limited space in our facility. We have reached full capacity for equipment, but with the availability of additional space in the second high bay in this year, we've doubled our lease to 10,000-12,000 sq. ft., allowing us to meet our 100% growth target.

FasTech LLC, 232 Slayton Ave, Danville VA 24540
Tel: +1 (434) 766 6632
Email: askus@fastech-engineering.com
Website: www.fastech-engineering.com

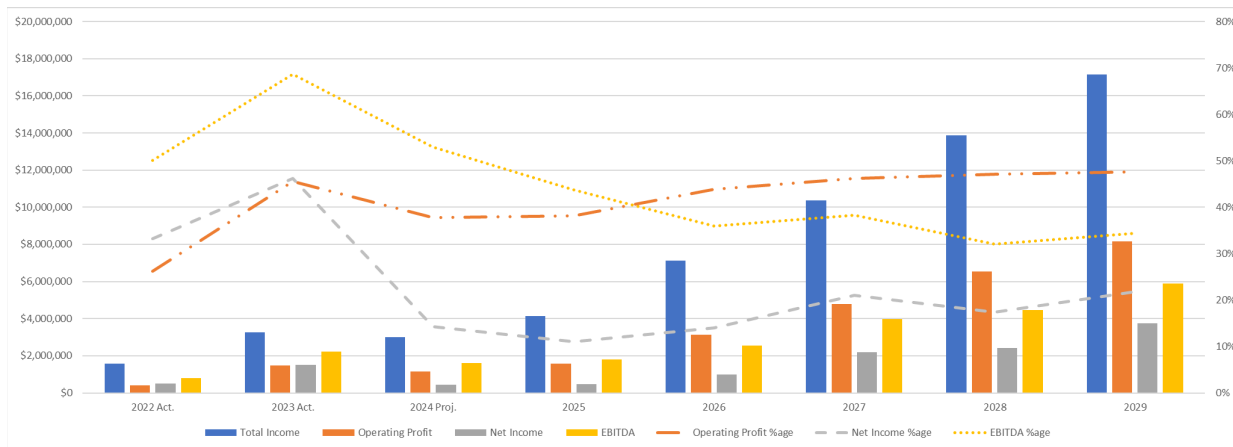


With an order book of over \$2.65 million, as already highlighted Fastech is planning further investment into a new 30,000 sq. ft. building, pending financing negotiations with Stifel and Mid Atlantic Bank. The estimated cost for this expansion is \$7.5 million, bringing our total capital investment by the end of 2025 to a projected \$15.5 million—surpassing our original \$8 million target. Over the next five years, our capital investment plan includes:

- \$11.4 million in capital equipment
- \$7.5 million in building and fixtures

Totalling \$18,900,000 by 2029. FasTech still hope and plan to Employ 50 people by 2028.

Our financial plan looks like this :



In the light of situation may I please confirm acceptance of the Proposal to revise our Loan and Incentive agreement with following conditions:

Fastech has requested to restructure its 0% interest TROF loan with the Tobacco Commission. Originally, the loan amount was \$630,000 for equipment purchases, with repayments of \$105,000 every six months, starting February 2024. However, no payments have been made to date. In response to this, Commission staff has proposed a solution to extend the loan term and transition it to an interest-bearing loan. The revised repayment terms are as follows:

- 2024-2026: The original 0% interest loan will convert to a 5% interest, interest-only loan, with the first payment due in August 2025 and subsequent payments in February and August 2026.
- 2027-2029: The full balance will be repaid in six equal bi-annual installments, including interest. Prepayment will be allowed without penalty.
- Interest Terms: Interest will be calculated at a simple rate, assessed monthly, with no compounding.

The Commission also requires the City, County, and RIFA to assume responsibility for any repayment shortfalls. In light of this, RIFA is asking Fastech to make a 10% payment (\$63,000) before the May meeting to demonstrate good faith toward repaying the loan.

At the May meeting, the Commission staff will also request a one-year extension of Fastech's TROF grant agreement, extending the performance period to 9/30/24. This extension is contingent on Fastech either settling its TROF payments (totaling \$315,000) or agreeing to the revised loan terms under RIFA's direction.

Additionally, Fastech has \$278,707.39 in previously disbursed grant funds that can be recaptured based on performance. If the one-year extension is granted, this liability will be reduced further. Fastech may also be eligible for up to \$94,206 from their COF grant, which could offset its liability to the Tobacco Commission and RIFA. RIFA staff will also request an extension of the Local Performance Agreement to support achieving the full value of the grants previously awarded.

Please note that Fastech must also bring their 2024 taxes to the City of Danville current, as you are currently delinquent by \$9,766.83, according to the Commissioner of Revenue.

In summary Fastech agree to:

1. Fastech must become current on all taxes owed to the City (\$9,766.83) and make a 10% payment toward its TROF loan (\$63,000).
2. RIFA staff will work with VEDP to calculate any payments from the COF grant to be used for repaying unearned funds.
3. Once both the Company and Localities/RIFA confirm these terms in writing, Commission staff will place these items on the May board agenda for approval.

We appreciate your support since Fastech Invested in Danville, we will become the promises we made

Yours faithfully,

Alan Pearce, CEO



April 29, 2025

Virginia Tobacco Region Revitalization Commission
Attn: Mr. Jordan Butler
Tobacco Region Opportunity Fund Manager & Public Relations Director
701 E. Franklin Street, Suite 501
Richmond, VA 23219

RE: Restructuring of Fastech TROF Grant and Loan

Dear Mr. Butler,

On behalf of the City of Danville and Pittsylvania County, through the Danville-Pittsylvania Regional Industrial Facility Authority (RIFA), we write to express our support for the proposed restructuring of the Tobacco Region Opportunity Fund (TROF) loan awarded to Fastech (previously known as Harlow Fastech), and to formally request an extension of the associated TROF grant agreement to September 30, 2024.

Fastech remains a strong and valued partner in our regional economy. In addition to its local presence and job creation efforts, the company has recently secured certifications to serve as a supplier to the U.S. Department of Defense (DoD). This designation aligns closely with regional strategic priorities and ongoing initiatives led by the Institute for Advanced Learning and Research (IALR)—including its partnership with the DoD and the U.S. Navy, as well as opportunities through the Navy's Center of Excellence for Additive Manufacturing and Accelerated Training in Defense Manufacturing (ATDM) program. Fastech's participation in this defense manufacturing ecosystem strengthens the region's competitive positioning and innovation capacity in high-value sectors.

The City, County, and RIFA fully support and accept the Commission's proposed loan restructuring terms, which modify the original \$630,000, 0% interest loan as follows:

- 2024–2026: Loan will convert to a 5% simple interest, interest-only repayment structure. Payments will begin in August 2025 and continue semi-annually in February and August 2026.
- 2027–2029: The full principal balance will be repaid in six equal bi-annual installments, including interest, with no prepayment penalty.
- Interest will be calculated on a simple, non-compounding basis, assessed monthly.



DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

We acknowledge the requirement that the City of Danville, Pittsylvania County, and RIFA collectively will continue to assume responsibility for any potential repayment shortfalls should the company not meet its performance milestones or defaults on its loan payments.

We also request an extension of the TROF grant performance period, through September 30, 2024. This additional time will allow the company to further its progress toward the required job creation and capital investment milestones and reduce its grant liability.

While supporting the Commission's proposed loan and grant modifications, RIFA has also placed additional local stipulations on the company to further demonstrate its commitment:

- Harlow Fastech must become current on all local tax obligations, including an outstanding balance of \$9,766.83 to the City of Danville.
- The company is expected to make a 10% good-faith payment (\$63,000) toward its loan obligation prior to the May Commission meeting.
- We will also pursue an extension of the Local Performance Agreement to align with the revised grant and loan terms.

We thank you and the Commission for your continued leadership and commitment to revitalizing Southern Virginia's economy. With Fastech's recent federal certifications and its alignment with key defense manufacturing initiatives in our region, we remain confident in their long-term value as an employer, partner, and contributor to regional industrial growth.

Should you require any additional documentation or clarification, we would be pleased to provide it in advance of the May meeting.

Sincerely,

Ken Larking, City Manager
City of Danville

Vincent E. Shorter, Interim County Administrator
Pittsylvania County



**Virginia Tobacco Region Revitalization Commission
Amendment Term Sheet
Industrial Development Authority of the County of Pittsylvania, Virginia**

The following is an outline of the proposed terms and conditions for a loan amendment approved by the Virginia Tobacco Region Revitalization Commission (the “Commission”). This term sheet is merely a summary of loan amendment terms and conditions and is not intended to constitute a legally binding commitment by the Commission to execute the amendment described herein. The final terms and conditions will be set forth in an Amendment to the Financing and Security Agreement, dated as of March 1, 2021 (the “Agreement”), and other closing documents. It is understood that the Industrial Development Authority of the County of Pittsylvania, Virginia will be a conduit borrower.

Lender	Virginia Tobacco Region Revitalization Commission
Conduit Borrower	Industrial Development Authority of the County of Pittsylvania, Virginia (“Pittsylvania IDA”)
Obligor	VA DANVILLE CC L6, LLC (“Obligor LLC”)
Note Guarantor	RealtyLink USA, LLC
Credit Enhancement	Moral obligation of Pittsylvania County, Virginia (“County”)
Loan Servicer	Virginia Resources Authority (“VRA”)
Amendment Purpose	To extend the maturity date and increase the interest rate
Current Principal Balance	\$750,000
Interest Rate	5.79% (30/360)
Maturity Date	July 16, 2028
Payment Schedule	Principal shall be due in full upon the maturity provisions in the Obligor LLC notes held by Pittsylvania IDA. Interest shall be due semi-annually commencing January 16, 2026 and continuing each January 16 and July 16.
Security	Assignment of two <u>amended</u> notes from Obligor LLC and moral obligation of the County, as evidenced by an amended Support Agreement

May 2025



**Virginia Tobacco Region Revitalization Commission
Amendment Term Sheet
Industrial Development Authority of the County of Pittsylvania, Virginia**

Legal Opinions	Customary opinions from counsel to Pittsylvania IDA and recognized bond counsel as to authorization, validity, no litigation, and other matters as requested by Commission
Legal Costs	Legal costs incurred by the Commission and VRA, expected to be approximately \$3,500, will be passed on to Pittsylvania IDA
Expiration	If the Loan amendment execution shall not have occurred by July 16, 2025, it is understood that the Commission reserves the right to modify any of the conditions of this term sheet or to withdraw the offer to amend the Agreement

OFFER:

The foregoing terms and conditions are hereby offered by the Virginia Tobacco Region Revitalization Commission, on this ___ day of _____, 2025.

By: _____
James Campos
Executive Director

ACCEPTANCES:

The foregoing terms and conditions are hereby accepted by the Industrial Development Authority of the County of Pittsylvania, Virginia and acknowledged on this ___ day of _____, 2025.

By: _____
Its: _____

May 2025

ENERGY INGENUITY COMMITTEE



• In-Person Meeting •

A G E N D A

ENERGY INGENUITY COMMITTEE

The Bristol Hotel

115 Country Music Way, Bristol, VA 24201

Tuesday, May 20, 2025

2:30 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 800 384 124#**.

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: **Warren Bryson** at (804) 894-9659, wbryson@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order	<i>The Honorable Thomas A. Garrett, Jr., Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Introduction	<i>The Honorable James Campos, Executive Director</i>
Approval of <u>1/6/25</u> Minutes <i>(published on website)</i>	<i>The Honorable Thomas A. Garrett, Jr., Chair</i>
Public Comment	
Grant Projects	<i>Mr. Jerry Silva, Director of Regional Energy Development and Innovation</i>
Project Update	<i>Mr. Jerry Silva, Director of Regional Energy Development and Innovation</i>
Other Business	<i>Mr. Stephen Versen, Deputy Director</i> <i>Mr. Jerry Silva, Director of Regional Energy Development and Innovation</i>
Adjournment	

FY25 Energy Ingenuity Program (3rd Round)
Staff Summaries and Recommendations
May 20, 2025

The Commission received 3 applications for the March 10, 2025, deadline of the FY25 Energy Ingenuity Program. The Energy Committee will act on these applications at its meeting scheduled for May 20, 2025, at 2:30-3:30 p.m. All three applications were in the Energy Execution - Implementation category.

Req #	Organization	Project Title	Requested Amount	Staff Recs
Energy Execution – Implementation Grants				
4378	Greensville County	Reformed Energy Industrial Gasification Plant	\$1,739,504	\$1,000,000 grant \$740,000 loan
4379	Old Dominion Electric Cooperative	Old Dominion Electric Cooperative’s Manufactured Home Weatherization Program	\$500,000	No Award
4377	Tazewell County IDA	FIND	\$2,000,000 \$500,000	No Award

TOTAL FY25 Energy – 3 rd Round	\$4,239,504 \$2,739,504
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Southern – Available Funding / Staff Recommendations	\$2,501,190	\$1,000,000
Southwest - Available Funding / Staff Recommendations	\$1,850,000	\$0
Loan – Refer to Virginia Small Business Financing Authority		\$740,000

Energy Execution – Implementation Grants

Greensville County

Reformed Energy Industrial Gasification Plant (#4378)

\$1,739,504 Requested

Executive Summary: Reformed Energy is addressing a set of critical, interrelated challenges that have global environmental, economic, and energy security implications. At the heart of its mission is the development and deployment of plasma-assisted gasification technology to convert non-recyclable waste into clean, sustainable energy. This solution tackles three major problems: the escalating global waste crisis, the environmental damage caused by landfilling, and the need for decentralized, renewable energy generation. The company's first commercial gasification plant in Skippers, Virginia, will serve as a vital demonstration of how waste-to-energy technology can mitigate greenhouse gas emissions, create economic opportunities, and provide a scalable model for sustainable industrial energy production.

Matching Funds:

The line-item detailed budget presents a total estimated project cost of \$8,993,135 including \$7,223,712 capital costs and \$1,769,425 start-up operating costs. Match contributions include:

- \$2,289,538, Reformed Energy, Inc. private investment money in hand
- \$1,500,000 DEQ loan Virginia Clean Energy Innovation Bank
- \$1,694,670 Private investment, other – TBD

An additional \$1,769,425 Match from Revenues will support start-up operating costs.

Milestones:

- 1) Finalize permitting and approvals – June 30, 2025
- 2) Begin site preparation and infrastructure build out – August 1, 2025
- 3) Gasifier fabrication and delivery – January 31, 2026
- 4) Commissioning and pilot operations – March 31, 2026

Project Outputs:

- Complete construction and installation of a 2nd generation L50 Gasifier to demonstrate viability of plasma-assisted gasification to transform waste into energy production.
- Phase 1 is expected to result in at least a \$8.5 million private capital investment, create 11 full-time and 4-6 part-time jobs, and produce 2 megawatts or more of continuous energy.
- Commitment to build Phase 2 following successful operation of Phase 1, resulting in an additional \$20.8 million investment and creation of 28 new full-time jobs.

Staff Comments: Greensville County is sponsoring this application on behalf of Reformed Pilot LLC (dba Reformed Energy) a Texas corporation who plans to build a self-contained waste-to-energy generation system at the former Georgia Pacific site in Skippers. Reformed Energy's 2nd generation L50 Gasifier is a thermal treatment recycling facility that uses their proprietary plasma-assisted gasification to transform waste into syngas at 1000 to 1300 degrees Celsius producing energy without

harmful emissions. The system converts non-recyclable waste and does not require grid interconnection for generating carbon neutral power. The process invokes molecular dissociation using a plasma torch, powered by an electric arc of ionizing gas and generating very high temperatures, in an oxygen-deficient environment causing waste to break down. The resulting syngas can be used for power generation, and the remaining inorganic components (toxic materials) bind and are converted into a molten slag. The manufactured gas is pumped into power-generating equipment to produce cheap, sustainability electricity that can be used on or off-site. The only emissions from the closed-loop system are released with the power generation technology.

The Greenville County board of supervisors approved the request by Reformed Energy to construct the thermal recycling facility in August 2024. The former Georgia Pacific property offers multiple benefits including access to rail service, access to route 301 and I-95, access to utility infrastructure including water, gas and electric, and compatibility with other uses of the site. Existing uses includes a multi-modal waste transfer station permitted to process ~ 4,000 tons per day of municipal waste, providing a long-term waste supply through a partnership with the waste company. The plasma assisted recycling plant will be co-located with a new industrial composting facility and a coal ash storage facility, which are both projects by ERI Development/Synagro LLC, a green energy biosolids recycling company and owner of the property.

The Skippers location will be Reformed Energy's first commercial gasification plant. Phases 1 and 2 are estimated to result in a \$29 million investment and allow for 150 tons of waste per day to be processed producing up to 14 megawatts of continuous power generation. The focus of this proposal is funding for Phase 1 which will include one L50 Gasifier with the capacity to process up to 50 pounds of solid waste per day and estimated to produce 1.75 mw or up to 3.5 mw depending on the materials. The \$1,739,504 requested from the Commission would be used towards the Phase 1 pilot, in order to validate the technical performance, operational efficiencies, and economic feasibility of the system. The \$8.5 million estimated cost includes \$2.5 million in site development and \$6 million in equipment. Phase 1 is expected to employ 11 FT and 4 to 6 PT employees. Phase 2 of would include the addition of two additional L50 Gasifiers, and would have the ability to process up to 150 tons of waste per day, and generate approximately 14 megawatts of continuous power production. Phase 1 and 2 combined are expected to result in 31 new full-time jobs with an average annual salary/wage of \$70,000.

The primary objective is to demonstrate the feasibility and scalability in what is referred to as a first of its kind project validating plasma-assisted gasification technology. As an indication of the valuation and expected ROI from the plasma-assisted gasifier, Reformed Energy has solidified a partnership with Riot Platforms under an off-take agreement for the power generation. Riot Platforms is the world's leading public bitcoin mining company with a specialization in data centers that support Bitcoin mining facilities development. If the gasifier is successful, a significant additional private capital investment for data centers would result from this partnership. Technical documents include design-build contracts, estimates, preliminary load calculations were provided. The applicant indicates that emissions testing on Reformed Energy's predecessor gasifier technology, the CEZ5, demonstrated compliance with stringent environmental standards, suggesting the company is prepared to satisfy permitting requirements. Once the system is up and running, it will power the company's own operations.

The Commission's Funding Policies do not allow investments in privately owned assets, unless there is a clearly defined and documented public purpose met by the project, to create new jobs and new taxable private capital investment. The applicant affirms the public benefits through the proposal. Also,

per statute projects with a recurring revenue stream are evaluated to receive a recommendation for consideration of financing through the TRRC Loan Fund. The business plan for the facility identifies significant annual revenues by 2027, suggesting the project would have the ability to pay off a loan if successful. The company is requesting grant funding in order to validate the technology and to continue to build-out power generation facilities at the site. A performance agreement between the county and the company would be required. It is also noted that if approved for grant funding, the Commission's security interest will be in specialized, customized equipment that would not likely be saleable to other markets/producers

All match would come from the company or a \$1,500,000 loan to be requested from the Virginia Clean Energy Innovation Bank managed by DEQ. A portion of the match presented in the application may have been spent already; however, the application presents a limited \$4,029,041 total project budget (with \$2,289,537 match); whereas, the total estimated costs for Phase 1 is estimated at \$8.5 million.

Financial Viability Assessment:

A review of key financial viability factors shows that several steps have been taken to mitigate the risk inherent to pilot projects. These include taking a phased approach to reduce risk and demonstrate viability, as well as relying on older technology, the viability of which was validated with staff at DOE, for base functionality. Reformed Energy states that it has solved the energy efficiency challenges of this technology and that demonstrating these efficiency improvements to the technology is the focus of this pilot. The project's location allows it to be part of a cluster of recycling and waste management solutions companies, which could provide important support. Protections to the Commission award include funding contingencies related to the requirement of full project financing and permitting approvals, as well as the requirement for a performance agreement to satisfy the public benefit, as described in the Energy Ingenuity RFP and Commission funding policies. The success of the pilot will exponentially increase private capital investments at this property.

Staff Recommendation: Staff is recommending a \$1,000,000 grant award to support no more than 15% of capital costs for construction of the facility, contingent on approval of the following by the Commission's Executive Director:

- Performance agreement between the county and the company;
- Execution of letters of agreement for off-take of the energy and by-products;
- An approved project budget for the capital costs for the Phase 1 pilot, with evidence of secured financial commitments confirming all financing to complete the project.
- Confirmation of approval of all required permits prior to release of grant funds.

Staff is also recommending a \$740,000 loan from the Commission's Lending Partnership program, contingent on loan approval by the Virginia Small Business Financing Authority.

Old Dominion Electric Cooperative
ODEC's Manufactured Home Weatherization Program (#4379)
\$500,000 Requested

Executive Summary: Manufactured homes, which are prolific in Southern Virginia, often lack energy efficiency and reliability for residents due to the quality of construction, the materials used to build the homes, less effective sealing and insulation, and rapid deterioration. To enhance energy efficiency and reliability, and in line with the Old Dominion Electric Cooperative's (ODEC) mission to provide member-owned distribution cooperatives with competitively priced and reliable energy, ODEC established its Manufactured Home Weatherization Program. This program provides energy efficiency solutions for qualified residents, including insulation upgrades, HVAC system improvements, air sealing and weather stripping, and energy-efficient appliance upgrades. ODEC's initiative is focused on manufactured homes in the southern region of Virginia, specifically within the Tobacco Region Revitalization Commission's (TRRC) footprint due to the significant number of manufactured homes in Southern Virginia, combined with the high cost of weatherization for these types of homes. The program will focus on utilities serving rural and disadvantaged communities, including Southside Electric Cooperative, Mecklenburg Electric Cooperative, Community Electric, and Prince George Electric Cooperative. ODEC is seeking \$500,000 in grant funding through the TRRC's Energy Ingenuity Fund to help launch a targeted weatherization and energy efficiency program in Southern Virginia. One of the many benefits of this program is the energy bill savings of up to \$50 per month per household for families who need it the most, meeting some of TRRC's key funding priorities to develop innovative solutions and provide access to affordable, reliable, renewable, and clean energy resources in this region. This weatherization and energy efficiency program is part of an overarching program in which ODEC is investing \$13 million over five years in energy efficiency initiatives. The TRRC grant serves as a catalyst to jumpstart a Year One Launch within the TRRC footprint. ODEC recognizes the long-term benefits of voluntary, high-impact solutions that reduce energy costs, improve grid reliability, and enhance economic resilience. In addition to energy efficiency, the program has a workforce development component, creating local jobs for energy auditors and contractors who will install energy-saving measures.

Matching Funds:

- \$500,000 Old Dominion Electric Cooperative, money in hand

Project Outputs:

- Energy efficiency renovations to 75-100 homes (15 homes supported with ODEC funding, and an additional 50-75 would be supported with grant), averaging \$6,000 - \$7,000 per home

Staff Comments: Old Dominion Electric Cooperative is requesting \$500,000 of grant funds to be matched by an equal amount of Match to be used towards the ODEC Manufactured Home Weatherization Program targeted to homeowners in 17 Southern Virginia counties. ODEC indicates that they have committed to provide \$13 million over 5 years to support this initiative focused on improving energy efficiency and cost savings for residential manufactured homes. This program appears to emulate the state funded Weatherization Assistance Program (WAP) that is administered by the Virginia Department of Housing and Community Development. The DHCD program, which is federally funded by US DOE, receives ~ \$6,000,000 annually and will cover manufactured housing. The FY2025 budget is \$6.2 million which is available to support housing renovations in the upcoming year.

The proposed ODEC program does not appear to be income based, so TRRC funds are proposed to be spent on weatherization for owners of manufactured homes who could potentially pay for these improvements themselves. Eligibility for DCHD's WAP program is based on 60% of the medium state income (\$80,403 for a family of four) or 200% of federal poverty income (\$62,400 for a family of four), whichever is higher. A large majority of Southern Virginia localities targeted by the ODEC program have a medium household income that is well within the 60% eligibility, which means that most of the Southern Virginia residents are already eligible for the DHCD WAP program. The Bipartisan Infrastructure Law plan for 2022-27 Virginia Weatherization Assistance identifies six service provides receiving awards amounts for a hundreds of housing units to be served for FY22-27. The applicant does not provide any evidence of the need for weatherization assistance for homes that do not already qualify for WAP.

The application presents conflicting information on the use of grant funding. The line-item details budgets list an equal amount of TRRC and Match funding across three line items under Contractual Services: \$205,430 for administration (\$410,860 total), \$62,290 for marketing (\$124,580 total), and \$232,280 for contractor network including weatherization measures (\$464,560 total). Contrary to this the budget narrative in the project description suggests that the \$500,000 match from ODEC will be used to cover the program and administrative support and the TRRC funding of \$500,000 will be used for measures and incentives towards home energy assessments, contractor fees, and materials updates such as insulation and HVAC improvements. Each home is estimated to require \$6,000 to \$7,000 for improvements. The applicant indicates that the Commission funding will be used for "set-up" of the program and staff notes that administrative costs to administer a program are not eligible under the Commission's funding policies. Additional staff points out that DHCD's website already identifies a large number of existing providers for identical services area. This includes Central Virginia Alliance for Community Living, Lynchburg Community Action Group, Pittsylvania County Community Action Agency, Support to Eliminate Poverty, (STEP) Tri County Community Action, and Project: Homes.

This project is targeted to residential housing which is not a funding priority for the Commission. While the project will result in energy savings for the residential houses, it does not provide for objectives that are a funding priority for the Commission's Energy program. This request will duplicate funding that is offered through the DCHD WAP program and the Commission's Funding Policies expressly state that supplanting of existing programs is as an ineligible use of grant funds. Staff recommends no award.

Financial Viability Assessment:

Based on the application, determining financial viability is impacted by an absence of evidence of need; further the project appears to duplicate an existing weatherization assistance program that is administered by DHCD. Grant requests that would supplant existing program funding are ineligible for funding. Additionally, future funds would be requested, which raises questions about sustainability. The project does not meet the objectives for this program.

Staff Recommendation: Staff recommends no award.

Tazewell County IDA

FIND (#4377)

~~\$2,000,000 Requested~~ \$500,000 Revised

Project Summary: Yard spotters are class 8 trucks that handle freight distribution at ports, warehouses and railyards. Trova's new e-Spotter truck, engineered with patented technology provides the ideal solution to decarbonize this segment of the heavy-duty commercial vehicle market. Trova's e-Spotter is in advanced stages of development and field testing. The next capital raise will move the product through final testing and into full production.

Matching Funds:

- Matching funds will be provided through a loan from the Virginia Coalfield Economic Development Authority. These funds will be utilized for the following purposes:
 - \$500,000 for Supplies and Materials (Product Materials to Finished Good)
 - \$500,000 for equipment purchases
 - \$1M for facility improvements
- Tazewell County IDA will provide a \$500,000 loan to Trova with a 5-year amortization. The funds may be used for either production materials or working capital needs of Trova.

Project Outputs:

- Establishment of e-Spotter manufacturing facility
- Creation of 23 new jobs (baseline 0)
- \$2M of new private capital investment (baseline \$2.6M)

Staff Comments: The Tazewell County IDA submitted this application on behalf of the private beneficiary, Trova Commercial Vehicles Inc. Trova, which currently lists a Dublin VA address, has been working with the IDA to establish a manufacturing facility in a shell building located at the Bluestone Business and Technology Park. This location will allow Trova to continue development of its electric yard spotter vehicle (e-Spotter) and begin pre-production models with a long-term goal of full production to also occur within the Bluestone Park. The request amount has been modified two times since submission of the application on March 10. Due to concerns about the amounts of the original requests (\$2M and \$2.3M respectively) which exceeded the Program's available balance, as well as the intended uses of Commission funds including debt retirement and the purchase of supplies and materials to be used in the production of e-Spotter vehicles, a third amended budget was required. Information related to the program's available balance and eligible uses of funds can be found in the Energy Ingenuity Funds Program RFP. This information includes language describing the Commission's General Non-Eligible Uses of Funds stating that funds cannot be used for debt retirement. The purchase of supplies/materials used in the production of products with the potential to be eventually sold are considered revenue generating. Support for this type of operating capital should only be considered under the Commission's loan programs. On April 30th the third budget, requesting \$500,000 for equipment purchases, was received.

Only vague details about the project, and the Commission's role in it, were provided by the applicant. Throughout the review process, multiple documents including GANTT charts, Machine & Tools and Production charts, financial models etc. were submitted by the applicant. Despite this

information, key project details remain unclear. The initial application included only a high-level Executive Summary to meet the application's requirement for a business plan. After a meeting between Commission staff and the applicant to discuss this and other application gaps, Trova finally provided a full business plan on April 30th. Although this document does provide more information, it appears to have been developed very recently and intended to align with the TRRC funding request. The Machine and Tools section of the business plan only includes the items to be purchased during months 1-3 with Commission funds. A separate document, not included with the business plan, provides information about how funds will be used during Trova's 18-month start-up period. This Source and Use of Funds document totals \$7.9M and includes additional equipment purchases (\$500,000 from VCEDA) in months 12-18. Private contributions, including \$500,000 of private investment and \$1.8M of sales revenue, will not be used until later in the development period. These funds, which also include \$1.6M listed as "Trova- Cash on Hand", were not incorporated into any of the TRRC application budget documents.

Despite the numerous questions related to the various budgets, financial information, Gantt charts and other documents received during the review period, Staff has been unable to identify how this project meets the requirements of the Energy Ingenuity Program. Support for private manufacturers is most appropriate for the Commission's incentive (TROF) or loan funds. According to the RFP, projects supported through the Energy Ingenuity Program should result in an increase in energy resiliency in the region. The RFP also states that the Commission will consider TROF-like incentives for energy manufacturing and supply chain companies. The Trova product, although a user of energy, does not contribute to the energy generation, grid resiliency, or supply chain. Ultimately this project is not eligible for support under this program because it does not achieve the primary goal of increasing energy production and resiliency in the Tobacco Region. For this reason, Staff is unable to recommend funding for this project.

Financial Viability Assessment: The evaluation of the financial viability of this project involved the review of multiple budgets, financial documents, Gantt charts, and information related to matching funds. These documents indicate that the initial deployment of funds required to establish the e-Spotter manufacturing facility will come from public funding sources. Private investment will either not be used until later in the process or appear to have already been spent. The "18 Month Sources and Uses of Cash" document shows that the company's \$1.6M "cash on hand" will be fully deployed by 5/23/25, although no details regarding how these funds have been used were provided. No additional private investment will be deployed until month 9, and sales revenue does not appear until months 12-18. This reliance on public funding sources, the majority of which are loans, appears to be very risky. This project, which does not meet the primary objectives of the Energy Ingenuity Program, does not appear to be a financially viable investment for the Commission.

Staff Recommendation: Staff recommends no award.

OTHER BUSINESS

Commonwealth Center for Advanced Logistics Systems (CCALS)
(CCALS & IVDA) Developing a UAS (Drone) Energy Center in the TRRC Region (#4322)
Approved for \$49,250 in January 2025 (\$49,560 funding recommendation)
Request for correction of grant award amount.

Staff Overview and Comments: This request, to assist with a planning project studying the development of an Unmanned Aerial Systems (UAS) Energy Center in the Tobacco Region, was approved in January 2025. The staff report recommended funding for the full request amount of \$49,560, however when the motions at both the Energy Committee and Full Commission meetings were approved, the project was mistakenly awarded \$49,250. Action is now required to correct the grant amount.

Staff recommends a change in award amount for grant #4322 from \$49,250 to \$49,560.

STRATEGIC PLANNING COMMITTEE



▪ ***In-Person Meeting*** ▪

A G E N D A

STRATEGIC PLANNING COMMITTEE

The Bristol Hotel

115 Country Music Way, Bristol, VA 24201

Tuesday, May 20, 2025

3:30 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **800 384 124#**.

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: **Warren Bryson** at (804) 894-9659, wbryson@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

Mr. Edward Blevins, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Introduction

The Honorable James Campos, Executive Director

Approval of 1/7/2025 and 5/8/2025 Minutes
(published on website)

Mr. Edward Blevins, Chair

Public Comment

Overview of Strategic Planning Process

Mr. Stephen Versen, Deputy Director

Strategic Planning Presentation

*Dr. Scott Tate, Associate Director, Virginia Tech
Center for Economic and Community Engagement*

Other Business

The Honorable James Campos, Executive Director

Adjournment

SOUTHERN VIRGINIA COMMITTEE



▪ In-Person Meeting ▪

A G E N D A

SOUTHERN VIRGINIA COMMITTEE

The Bristol Hotel

115 Country Music Way, Bristol, VA 24201

Wednesday, May 21, 2025

9:00 A.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 800 384 124#**.

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: **Warren Bryson** at **(804) 894-9659**, **wbryson@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 1/6/2025 Minutes
(published on website)

Mr. Walter “Buddy” Shelton, Chair

Public Comment

Grant Projects

The Honorable James Campos, Executive Director
Ms. Sarah Capps, Southern Regional Director

Extensions and Modifications

Ms. Emily Van Pelt, Grants Assistant-Southern

Other Business

Mr. Stephen Versen, Deputy Director

Adjournment

FY25 Southern Virginia Program – 2nd Round Staff Summaries and Recommendations

The Virginia Tobacco Region Revitalization Commission received fourteen applications for the March 6, 2025, application deadline of the FY25 Southern Virginia Program – 2nd Round. Applications are grouped by the four eligible investment categories. The Tobacco Commission’s Southern Virginia Committee will act on these funding requests at its meeting at **9:00 am on Wednesday, May 21, 2025**.

Req #	Organization	Project Title	Requested Amount	Staff Rec
Agribusiness				
4374	Mecklenburg County	Southside Agricultural Labor Housing Pilot Project	\$512,000	\$512,000
4370	Southside Virginia Fruit and Vegetable Producers Association	Increasing Value Added Food Infrastructure and Cooler Capacity in Southside Virginia	\$188,400	Withdrawn
4372	Southside Virginia Fruit and Vegetable Producers Association	Southside Virginia Fruit and Vegetable Producers Association Building Improvements	\$81,923	\$59,307
4369	Stone Ridge Foundation	Multipurpose Agriculture Complex Expansion	\$700,000 \$250,000	\$185,000
Business Development				
4363	ARCH Foundation (<i>applicant</i>) and Commonwealth Regional Council (<i>recommended grantee</i>)	The MILL Collective: Manufactory, Marketplace, Venue	\$750,000	\$25,000
4371	Commonwealth Regional Council	CRC Small Towns Characterization Initiative: BOOMS Study Pilot Project	\$132,500 \$143,000	\$143,000
4364	Commonwealth Regional Council	Branding Virginia's Heartland Regional Economic Development Alliance (VHREDA)	\$21,350	\$21,350
4366	George Mason University / Virginia Small Business Development Center	Virginia SBDC - ICAP 2025 Proposal	\$198,313 \$131,814	\$131,814
4376	Virginia's Gateway Region	Regional Economic Development Marketing Support for Virginia's Gateway Region	\$162,000	\$143,167

Sites and Infrastructure				
4373	Henry County	Patriot Centre Phase 3, Beaver Creek Drive Extension	\$1,500,000	\$1,500,000
4365	Franklin County	Site Improvements of Dogwood Site at Summit View Business Park	\$1,000,000	\$1,000,000
Tourism				
4362	Town of Stuart	Star Theatre Equipment & Production Improvements	\$154,556	\$154,556
4375	The Corporation for Jefferson's Poplar Forest	Poplar Forest Parkway Upgrades	\$85,000 \$79,250	\$79,250
Other Economic Development				
4325	Pittsylvania County	Southern Virginia Megasite Training Center	\$10,000,000	Table and refer to Incentives & Loans Committee

TOTAL (14 requests) \$15,485,742

**FY25 Southern (2nd)- Amount Available and
Award Recommendations \$6,000,000 \$3,954,444**

Mecklenburg County

Southside Agricultural Labor Housing Pilot Project (#4374)

\$512,000 Requested

Executive Summary: Mecklenburg County is requesting \$512,000 for a regional pilot project that will improve the availability of migrant housing for local producers. Mecklenburg County will be the lead applicant and fiscal agent for this initiative that will serve producers in six (6) southern Virginia counties: Mecklenburg, Halifax, Brunswick, Lunenburg, Charlotte, and Dinwiddie. The project will be executed as a cost-share program to serve approximately twenty-six (26) local producers that have diversified crop production to non-tobacco crops. Renovations to existing migrant labor camps will be eligible for up to 25%, for no more than \$10,000; and construction of new migrant labor camps will be eligible for up to 25%, for no more than \$50,000.

Matching Funds (with revisions): A total of \$1,500,000 in cost-share matching funds:

- \$600,000 in Migrant Labor Camp Renovations (75%)
- \$900,000 in Migrant Labor Camp New Construction (75%)

Project Outputs:

- Renovations – 20 producers participating in 25% cost-share up to \$10,000 for 20 migrant house camps renovated to address deficiencies for increasing certified bed units by at least one per camp
- New Construction – 6 producers participating in 25% cost-share up to \$50,000 for 6 new migrant house camps. Each smaller house constructed is estimated to add at least 4 certified bed units per camp; larger bunk houses are estimated to add at least 10 new certified bed units per camp.

Staff Comments: The objective of this project is to address the need for a sustainable workforce for farms in Southern Virginia by providing an incentive for the creation of new certified bed units at permitted agricultural housing labor camps. A pilot cost-share program is proposed for producers in six counties. Farmers are increasingly challenged to provide suitable housing for guest workers. Meanwhile, agricultural production in the region is increasingly reliant on temporary guest workers (ex. H-2A seasonal visas, migrant labor visas) to produce and harvest crops, assist in nurseries, and manage livestock and poultry. “Virginia Works”, the Virginia Department of Workforce Development and Advancement (formerly the Virginia Employment Commission) evaluates the demand for agricultural employees. The Virginia Department of Health (VDH) certifies that the migrant labor camps are safe and healthy for the migrant workers and their families while they are employed and living in Virginia. Once VDH provides the permit to operate the migrant camp facility with certifications for drinking water and septic systems, the US Department of Labor provides inspections and approval of the Employer Furnished Housing and Facilities by providing the certification of the number of bed units.

The Virginia Agricultural Growers Association, Inc. (VAGA) based in South Boston, is the state’s largest guestworker recruitment agency. VAGA estimates that 75% of its members’ camps need new housing or significant renovations to existing housing to increase the certified bed units. Increasing the total square footage of the housing, replacing windows, and expanding the septic system capacity are

common required renovations. Under the proposed project, a participant will be eligible if they are able to increase the number of new certified bed units at an existing, or to be, permitted labor camp, either through renovations or newly constructed housing. The program provides two tiers of funding-- up to 25% cost-share, not to exceed \$10,000 towards eligible renovation costs; and 25% cost-share, not to exceed \$50,000, for newly constructed and permitted migrant labor camps.

For each additional H-2A worker, it is estimated to allow a farm to increase labor intensive crops by ten (10) acres, increase grain and oilseeds by 200 acres, increase dairy by 50 head of cattle, and increase poultry by 50,000 head. The H-2A program mandates housing be provided at no cost to the workers and the Virginia Works program dictates required wages for the migrant workers, making the costs to producers significant. Development of a strong cluster of fruit and vegetable production in the region, along with the infrastructure to support it, grows an important avenue for achieving the Commission's goal of market diversification for the region's current and former tobacco growers. The Farm Service Agency's Form 578, Report of Acreage will be used as a measure by which producers document diversification of agricultural production. The applicant provided letters of support from the Southside Virginia Fruit and Vegetable Producers Association, the Southern Virginia Organic Growers Association, Virginia Agricultural Growers Association, VA FAIRS, the Virginia Farm Bureau Federation and from several individual producers.

Program guidelines allow expenses incurred from June 1, 2025, forward, or 120 days prior to approval of the application whichever is later, to encourage completion of renovations and construction to increase the available housing for this year's summer and fall growing seasons. The baseline for this project requires an assessment of the VDH permits for water and septic, as well as an evaluation of the number of certified bed units based on US DOL requirements. It was noted as an example, VDH may say that a camp is permitted for a maximum occupancy of 12 workers, based on the capacity of the septic system; while the US DOL inspector certification of the property may limit it to 10 bed units certified as available for migrant workers. A performance agreement between Mecklenburg County and the approved applicant will be required certifying their commitment to maintain and utilize the housing based on the certified number of bed units for at least 5 years. The Commission will be a party to this performance agreement.

Traditional agricultural cost-share funding from the Commission has been limited to a maximum of \$5,000 for up to 33% of eligible costs. This model has been used for the value-added beef initiative, hay storage, grain bins, livestock handling equipment and other eligible practices. An exception to this was made with an award in 2016, for a vineyard development and expansion project where the Commission approved cost-share funding for up to \$15,000 (for at least 5-acres) and up to \$20,000 (for at least 10 acres), providing the equivalent of approximately 10% of the capital investment. Staff notes that this funding request sets a precedent for a significantly larger investment, at up to \$50,000, to be made in a privately owned asset and has advised that this be limited to no more than 25% of eligible project costs. The intention of cost-share funding is to provide an "incentive" for a desired action, and not to replace funds that farmers would otherwise already be investing in their business. Finding this balance is important.

Financial Viability Assessment:

A review of key viability criteria indicates that while this is a very complex project and has taken more than a year to develop, strong due diligence has been performed on how this project will be implemented. As a pilot program, it will allow for testing of the program ability to accomplish its objectives, and then needed program adjustments before it expands to the broader regional area. With

the applicant's commitment that 3/4s of the required financing for the housing is borne by the farmers, the requirement for strong matching funds is met. The project team includes an appropriate representation from agriculture agencies and administration of the program by the county. Lastly, an increase in the number of certified bed units will be achieved prior to disbursement of cost-share funding guaranteeing project outputs are accomplished, ensuring program deliverables.

Staff Recommendation: Staff recommends a \$512,000 grant award to support the pilot cost-share program conditioned on approval of final program guidelines, and the required performance agreement, by the Commission's Executive Director.

Southside Virginia Fruit and Vegetable Producers Association (4370)
Increasing Value Added Food Infrastructure and Cooler Capacity In Southside Virginia
~~\$188,100 Requested~~ -- Withdrawn

Executive Summary: Vegetable production continues to increase in Southside Virginia as a high value crop that can be grown on small acreage. Cooler capacity at the farm level continues to be a limiting factor. Many growers from these counties are members of the Southside Virginia Fruit and Vegetable Producers Association, however distance for delivery is a limiting factor. With smaller walk-in coolers at the farm level, it allows growers to harvest more product, cool, and extend shelf life before transporting to an aggregation facility or buyer. Coolers would also give growers the ability to store and sell product from their farm location or hold shelf life until market day. This would increase direct to consumer sales and generate a higher profit margin for growers. Many producers are also finding value-added alternatives as another component to increase sales. The barrier to this adoption is the need for certified (inspected) kitchens and specialized equipment to process and create the value-added products.

Staff Comments: This application was Withdrawn.

Southside Virginia Fruit and Vegetable Producers Association (#4372)
SVFVPA Building Improvements
\$81,923 Requested

Executive Summary: The Southside Virginia Fruit and Vegetable Producer Association (SVFVPA) is based in Charlotte County and is made up of 28 independent small farm operations located in 8 underserved surrounding counties. The members of the Association work together to aggregate produce and market to larger wholesale buyers. Collectively, more than 100 acres of produce is grown including sweet corn, tomatoes, peppers, green beans, cabbage, Swiss chard, collards, potatoes, and squash.

The Association is seeking funds to finalize the aggregation facility, complete the parking lot for large trucks to receive produce, and funds to move a building from Farmville to be used for retail sale opportunity. This project will improve the Association's ability to accept, sort and store products. It will also pave a path for non -Good Agricultural Practices (GAP) certified growers to market their products through the Association. This will allow smaller, start-up farms an opportunity to enter production and for other farms to diversify into fruit and vegetable production. This will increase revenue for each participating farm and should add additional farm related employment opportunities to these farm operations in the Tobacco region. The requested generator will reduce stored produce spoilage loss during power outages. During peak season, the value of stored produce exceeds

thousands of dollars. The requested fuel tank and associated cover shelter would allow for bulk purchasing of diesel fuel for the Association delivery truck and provide cost savings to the Association.

Matching Funds:

- \$74,539 USDA Resilient Food Systems Infrastructure Program (RFSI), application filed
- \$7,384 Private cash contribution, money in hand

Project Outputs:

- Improvements to aggregation facility including leveling and expansion of parking lot and driveway area, and installation of automatic openers for large bay doors
- Installation of a back-up generator
- Relocation of 20' X 30' building to site
- Establishing diesel fuel tank and shelter for bulk purchasing

Staff Comments:

Grant funds are requested to support continued development of the SVFVP's 6,000 square foot aggregation facility in Cullen, VA. This includes completing interior improvements, leveling and expansion of the parking lot and driveway areas, installation of a backup generator, relocating a storage building to the site to provide for additional cold storage or storing wholesale products, and a diesel fuel tank and shelter to allow for bulk purchasing. Matching funds from the RFSI grant administered by VDACS will provide additional cooler space, an ice machine and a forklift. Cost estimates for all aspects of scope were provided. An updated Business Plan for SVFVPA from May 2024 was provided.

The Commission has awarded \$281,000 towards development of this aggregation facility: A \$176K grant in January 2020 for property acquisition and construction of the shell building; and a \$105K grant award from January 2024, initially included funding for purchase and installation of a third cooler to be used for retail sales (now proposed for the RFSI funding) and for the storage shed. Ultimately all funds were required for primary build-out of the main facility with two wholesale cooler areas. The 20' x 30' building that will be moved to the site was originally purchased by Virginia State University through a grant from the Tobacco Commission. This building can be converted for additional cold storage by adding a cool-bot or otherwise used for storage of materials used by the association and member operators.

The \$30,000 requested for "aggregation facility payment" is for work under the \$240,000 contract with Lipscomb Buildings which was part of the budget for the previous grant (TRRC #4210). This contract is now complete and has been removed from this funding request. This reduces the request to \$59,307, with all costs for the diesel storage tank and shelter now being requested from the Commission.

Financial Viability Assessment:

A review of key viability criteria indicates that multiple federal and state agencies including USDA and VDACS have supported establishment and growth of this nonprofit producer cooperative, each of which has performed their own due diligence of the project, and found it suitable for funding. The association continues to build on its track record of success, adding members and expanding sales revenue, which this new aggregation facility will facilitate. Grant and matching funds are to support the highest priorities of the members for continued development of the aggregation center. Financial viability of this project will be achieved by the applicant's securing required matching funds.

Staff Recommendation: Staff recommends approval of a \$59,307 grant award, contingent on at least 1:1 match towards approved project costs.

Stone Ridge Foundation

Multipurpose Agriculture Complex Expansion (#4369)

~~\$700,000 Requested~~ \$250,000 Revised Request

Executive Summary: The National Center for Healthy Veterans (NCHV) seeks \$700,000 from the Tobacco Region Revitalization Commission (TRRC) to expand its Multipurpose Agriculture Complex, a veteran-focused agribusiness and workforce development initiative that will support economic revitalization in Southern Virginia. This project will:

- Expand agribusiness and workforce training by integrating carpentry, welding, equine therapy, controlled environment agriculture (CEA), and greenhouse production into one hub.
- Provide economic opportunities for farmers, veterans, and rural workers through job training, market access, and stall rental programs.
- Enhance agritourism and community engagement through annual events, rodeos, job fairs, and the expansion of the Community Market.
- Strengthen the regional economy by attracting agricultural producers, small businesses, and new investment to Campbell, Pittsylvania, Halifax counties, and Lynchburg.

This investment will allow NCHV to expand operations, create sustainable revenue streams, and increase economic opportunities for disadvantaged and veteran farmers in the region.

Matching Funds:

- \$150,000 private contribution pledged as Match for TRRC funding
- \$100,000 private funding, grants, and/or donations and in-kind contributions

Project Outputs:

- Community Market feasibility study to assess outdoor market/food hub.
- Controlled Environmental Agriculture demonstration utilizing a shipping container upfitted with Agria Growing System installed and begin production of produce.
- Greenhouse size 35' X 168' installed and equipped for food production.
- Community Market interior expansion-- equipping for expanded direct-sales opportunities for the NCHV and for veteran agricultural producers
- Community Market exterior expansion- construction of an outdoor pavilion and creation of a farmers market/food hub to support agriculture and artisan vendor sales.

Staff Comments:

The Stone Ridge Foundation (dba: National Center for Health Veterans) is a nonprofit organization in Campbell County providing services to at-risk veterans called “Patriots” through a holistic approach aimed at addressing physical, mental, spiritual, emotional and relational wellness. Operated on Valor Farm, a working farm with horses, livestock, and agriculture production facilities, the farm provides a natural healing environment and utilizes farming therapy and agricultural vocational training. A one-year residential therapy program is offered that is focused on resilience, trauma recovery, and career preparation, as well as equine-assisted therapy programs. The NCHV opened in 2019 and has expanded to include on-site accommodations with a lodge and a new tiny house village that is under development.

A community market located on US Route 29 north of Altavista at the entrance to the property sells meats and eggs produced at the farm and is open to the public six days a week. A large equestrian barn is in the process of being rebuilt following a fire in 2024. The planned improvements that are the focus of the \$250,000 request to the Commission include a Controlled Environmental Agriculture facility, a large greenhouse, and expansion of both the indoor and outdoor direct sales areas at the Community Market.

The NCHV indicates that 20-25% of the veterans that they work with continue to be involved in agriculture production after graduating from their programs. This includes veterans from the tobacco region who will have the opportunity to sell products at the expanded community market, offering retail and wholesale outlets for Veteran-grown products. The combined greenhouse and CEA systems will enable year-round production strengthening the agribusiness training offered and further developing skills for veteran farmers, while also providing an increase in revenue to support operation of the center. With additional freezers and refrigerated cold storage, the existing community market easily has capacity to expand, creating new opportunities for agriculture producers to sell fruits, vegetables, meats, and value-added foods and products. Drawings were submitted for a 24' x 48' pavilion to be located behind the community market building. The applicant plans to create an outdoor farmers market with vendor spaces available. Collaborations include Campbell County, who has expressed interest in NCHV's serving as a local food hub, Virginia Cooperative Extension and Virginia State University's Agriculture Program.

An estimated 10-20 tobacco region producers/agriculture businesses will directly benefit with average direct sales revenue increasing by \$5,000-\$10,000 annually from the expanded community market. Direct sales revenue for NCHV is estimated to increase by \$140,000 and 5-10 new full- or part-time jobs will be created. Veterans participating in workforce training programs is estimated at 60 per year; and added income per farm because on the agriculture education workforce training is estimated at \$60,000 annually. NCHV is committed to implementing a comprehensive data tracking system to monitor producer participation and sales revenue growth through point-of-sale data from the Community Market and vendor reporting. The NCHV is working with Campbell County on an AFID grant application. The project schedule has installation of the CEA in October 2025, site preparation for the greenhouse to begin in November with installation targeted for February 2026, and expansion at the Community Market for interior and exterior expected to be completed by September 2026. Expansion of the Community Market will provide outlets both on the interior and exterior whereby producers can generate income through direct sales to consumers. Campbell County is evaluating the opportunity to utilize the market as a food hub. With options being considered for the best approach for maximizing the benefit to veteran agriculture producers and to the community, staff is recommending \$15,000 towards feasibility planning for the Community Market. NCHV have indicated that architectural and site planning for the project are all well underway, and they request the Commission consider approval of the requests to support the capital improvement costs at the May meeting to allow the project to stay on schedule.

A revised line-item detailed budget identifies an estimated \$360,265 of funded needed including \$90,000 for the CEA, \$155,000 for the greenhouse, \$40,000 for a utility terrain vehicle, and \$75,265.12 for the community market. In reviewing the vendor/contractor estimates, staff identified a estimated total project budget of approvement \$370,000 for the feasibility study and capital improvements. This includes \$60,000 for the CEA facility which will be supported from Match (cash and loan), \$118,500 for the greenhouse, \$30,000 for greenhouse site preparation, \$75,265 for

equipping costs at the community market, \$2,000 for painting and drywalling at the market, and an allotment of \$45,000 towards the outdoor pavilion. The NCHV is committed to providing the required Match for the project and has already secured a \$150,000 pledge through a private donation, they are working with the county to pursue AFID funding.

Financial Viability Assessment:

A review of key viability criteria indicates is anchored by applicant currently operating a farm business that also serves as the backdrop for a successful veteran recovery and training facility that has been in operation since 2019. The project builds on the current success and opportunity to expand the community market at its premium location on US 29 and provides a commitment for tracking results. Finalizing the project budget is a condition of the award and all funding will be required to be secured prior to the release of grant funding from the Commission.

Staff Recommendation: Staff recommends approval of a \$185,000 grant award allowing \$15,000 to be used towards feasibility planning for the outdoor market/food hub at the community market; and for the balance used towards no more than 50% of capital costs for eligible project expenses following approval of a final project budget by the Commission's Executive Director.

Business Development

ARCH Foundation

The MILL Collective: Manufactory, Marketplace, Venue (#4363)

\$750,000 Requested

Executive Summary: The ARCH Foundation seeks \$750,000 in funding from the Tobacco Region Revitalization Commission to support the redevelopment of a historic industrial mill in Farmville, Virginia, transforming it into The MILL Collective, a production-focused hub for skilled artisans and a cultural tourism destination. This project will provide dedicated workspace for artisans specializing in metalwork, printmaking, leathercraft, and textiles, allowing them to manufacture, showcase, and sell their work on-site. Commission funds will be used for interior renovations to create functional artisan studios, a limited retail marketplace, and event space improvements that support regional tourism and economic development. Modeled after successful artisan-driven economic hubs like the Southwest Virginia Cultural Center and Southern Virginia Food Hub, The MILL Collective will generate new jobs, attract visitors, and strengthen the regional creative economy by providing sustainable opportunities for skilled trades and heritage craftsmanship.

Matching Funds:

Originally Proposed

- \$750,000 ARCH Foundation, funding for acquisition and stabilization of the building

Revised

- \$20,000 ARCH Foundation, \$15K design plans and \$5K concept feasibility study
- \$10,000 Private contribution, consultant in-kind towards concept feasibility study

Project Outputs:

Originally Proposed

- Renovation of historic mill buildings to provide 8,000 sq. ft. of artisan studios and production spaces and retail marketplaces for selling their products- 4,000 sq. ft. on 3rd and 4th floors
- Recruit of at least 10 artisans in various trades working out of The MILL Collective

Revised

- Architectural and financial feasibility study for redevelopment of the Farmville Mill property

Staff Comments:

Grant funds are requested towards renovations to a historical industrial mill property in the heart of downtown Farmville to create The MILL Collective, which is envisioned as an artisan-driven manufacturing and production space for skilled artisans and craftspeople. Acquisition costs to purchase the building by the nonprofit ARCH Foundation are presented as Match. The building totals approximately 16,000 square feet across four main floors, each floor consisting of 4,000 square feet. The first floor is already in use as a wedding and events venue. The second floor is intended for rentable offices, meeting spaces and a coworking area. The third floor is designated for metals and ink production and the fourth-floor is designated for leather work and loom production. Each floor includes 2,800 sq. ft. of artisan production space and 1,200 sq. ft. of retail/showroom space. Architectural drawings by West Workshop Architects were provided.

ARCH Foundation is a recently formed nonprofit organization established in 2023, whose mission is centered on adaptive reuse, turning blighted properties into vibrant thriving spaces that serve as catalysts for economic and community revitalization. The applicant provides a well thought out plan for development of the building including schematics and a basic feasibility assessment and business plan. A \$750,000 cost estimate from Kindred Construction Co includes \$500,000 for interior renovations for the artisan studios and production space and \$250,000 for the event space restoration with an estimation that the work can be completed within 8 months. During the review process, the applicant clarified that the building is under a lease-to-own agreement with a purchase price of \$950,000; and title would be transferred to the ARCH Foundation when the purchase option is executed. The current owner of the building is involved with the creation of the nonprofit organization that is the applicant.

The vision for redevelopment of this property includes shared small scale production space for multiple beneficiaries and fits well within the Business Development investment strategy for the Southern Virginia Program RFP. The project will support current momentum in the Farmville community towards development of a more artisan-driven economy providing a foundation for niche businesses. The project would benefit from an independent third-party assessment of conceptual feasibility, and recommendations for the most viable and potential uses including a proforma based on preferred uses. Staff recommended the ARCH Foundation work with the Commonwealth Regional Council, a known entity, on the third-party feasibility assessment. The ARCH Foundation and CRC team agreed with this approach and reached out to Hill Studio for a proposal for this work. Staff is recommending a \$25,000 grant award to the Commonwealth Regional Council to provide \$20,000 towards the architectural and financial feasibility study and \$5,000 for CRC administrative costs. Investments in architectural design plans, and cash and in-kind contributions towards the conceptual feasibility study will be contributed as Match.

Financial Viability Assessment:

The project would benefit from an independent, third-party feasibility study as the first step towards assessing the financial viability of the proposed project. Recognizing that the application is a new nonprofit, and an unknown entity to the Commission, staff suggests engaging the local planning district commission in the project.

Staff Recommendation: Staff recommends approval of a \$25,000 planning grant to the Commonwealth Regional Council.

Commonwealth Regional Council (#4371)

CRC Small Towns Characterization Initiative: BOOMS Study Pilot Project

~~\$132,500 Requested~~ \$143,000 Revised Request

Executive Summary: Five towns/localities participate in Steps 1-2, enhancing capacity meaning 5 towns/localities will be newly designated as historic districts, boosting potential for tourism and development. These 5 towns/localities will become newly active in the Virginia Main Street program, enhancing capacity for tourism and development. These five towns/localities can potentially go on through step 5 of this project as well.

An additional 10 towns/localities participate in Steps 3-5, accelerating revitalization because these towns/localities have already achieved Steps 1-2. Two cohorts with a total of 10 towns/localities complete the BOOMS study, enabling each town/district to actively pursue strategic investment

priorities for real estate, housing, and economic development, laying the foundation for new business creation, job creation, and mixed-use (re)development including housing unit creation.

After a successful BOOMS Study Pilot Project, this Planning Grant could be repeated with additional cohorts of participating towns/localities.

Matching Funds: A total of \$177,125 in matching funds are presented from the following sources:

- \$25,000 DHCD Enterprise Zone
- \$14,265 DHCD Virginia Main Street
- \$40,000 Virginia Housing
- \$47,500 Towns/localities, VHR grant, or private contributions
- \$20,000 TBD- DCHD, Virginia Housing, private contributions
- \$30,000 Towns/localities – In-Kind contribution

Project Outputs:

- Five towns/localities participating in Steps 1-2 resulting in newly designated historic districts; and becoming active in the Virginia Main Street Program.
- Fifteen towns/localities participating in Steps 3-5 resulting in BOOMS Tracker being populated with properties data. Identification of 3-4 targeted buildings or sites as targeted investment opportunities for each of the participating towns/localities.

Staff Comments:

Commission staff in partnership with DHCD's Virginia Main Street program, initiated development of this proposal for the Southern Virginia region. This project is modeled after a Southwest Virginia initiative that is to begin a BOOMS Study with 10 towns through funding from the Appalachian Regional Commission. Recognizing that the BOOMS project presents an opportunity to identify economic development projects for Towns in the more rural counties in the region, staff approached the Commonwealth Regional Council (CRC) about sponsoring this application. Virginia Main Street program staff worked closely with CRC on development of project which is targeted to benefit up to 15 towns/communities across the Southern Virginia footprint. Following submitting the application, the project team identified a slightly higher amount as necessary, increasing the request to \$143,000.

A BOOMS study is a process to hire a consultant to collect and analyze data for the Building Opportunities on Main Street (BOOMS) Tracker—an interactive tool developed by Main Street America to support downtown and commercial corridor redevelopment. The BOOMS Tracker allows communities to map and track property details (vacancy, ownership, condition); to visualize real-time data on a local dashboard; and identify redevelopment and housing opportunities, such as mixed-use development. The study results are expected to help guide strategic planning, attract investment, and drive economic growth.

Towns/localities participants in this initiative will enter either at Step 1 for working with a consultant for their historic district designation (estimated to cost \$12,875/town); or at Step 3 which will involve working with a BOOMS consultant to begin populating the BOOMS Tracker. Step 1 will identify historic district boundaries and work with the Virginia Department of Historic Resources to gain Historic District Designation. Step 2 is the addition of the historic district to the Main Street America database. Step 3 is contracting with a BOOMS consultant who will visit properties and populate data to the BOOMS Tracker. Step 4 involves a site visit by the consultant and a walk through with the community to identify and prioritize opportunities for real estate, housing, and economic development. Step 5 is focused on identifying 3-4 buildings or sites to give recommendations to the local governments on incentive options to inspire development opportunities, and to be used for matching resources and development partners.

Grant funding will be used for professional service contracts- \$23,000 towards Step 1, allowing for up to 5 towns to participate; \$90,000 for Steps 3-5, providing support towards participation by up to 15 towns; and \$30,000 for project administration. While the Southern Virginia Program RFP limits administrative costs to \$10,000; the \$30,000 administrative fee for this project was recommended by staff based on the Commission's request to the CRC to administer the program on behalf of the Southern Virginia region and given the project complexity based on the number towns/localities expected to be involved and the related coordination with various funders and consultants. This is a well-designed proposal with direct involvement of state agency funders that addresses a significant gap in planning work to identify economic opportunities in the towns/localities in Southern Virginia. The result of the project is expected to enable each town/locality to actively pursue strategic investment priorities for real estate, housing and economic development, laying the foundation for new business creation, job creation, and mixed-use development.

Financial Viability Assessment:

A review of key viability criteria shows that the project design is based on a proven national program model, applicant match is appropriate, clear and strongly leveraged. Program participants have an established track record of carrying out this work. Program structure requires all funding to be secured prior to contracting with consultants, further underscoring project viability.

Staff Recommendation: Staff recommends approval of a \$143,000 grant award.

Commonwealth Regional Council (#4364)

Branding Virginia's Heartland Regional Economic Development Alliance (VHREDA); \$21,350 Requested

Executive Summary: The Scope of Work for this project is the creation of a logo and a brand, messaging communications guide as well as a website for the Virginia's Heartland Regional Economic Development Alliance (VHREDA). This is a two-phase project. The first phase is the Visual Brand development which means creating a logo for VHREDA. Also, included in the first phase is the creation of a Brand, Messaging, and Communications Guide. This will help guide those affiliated with VHREDA to deliver the same concise outreach message. Phase-two of the project is the discussion, collaboration, and development of a website for VHREDA. This will include a site map, engaging content, and use the best practices to enhance search engine visibility to drive traffic to the site and thus to the region.

Matching Funds:

- \$21,350 from Virginia's Heartland Regional Economic Development Alliance, money in hand

Project Outputs:

- Visual brand development- creation of a logo and a brand messaging & communications guide
- Website design planning, development, and launch

Staff Comments: This request is to provide start-up marketing and promotional support for the recently formed regional economic alliance VHREDA serving six rural counties in Southern Virginia – Buckingham, Cumberland, Charlotte, Lunenburg, Nottoway, and Prince Edward Counties. Go Virginia provided a grant to study and assess the feasibility of creating the new regional alliance. A five-year agreement is in place and all county administrators are on the Board of Directors with funding contributions based on per capita. Longwood University and Southside Virginia Community College

are also parties to the agreement. Grant funds are requested for 50% of the \$37,700 estimated costs for development of a logo and brand, and creation and launch of a website, and for 50% of the \$5,000 administrative fee for CRC. Cost estimates were provided.

VHREDA fills a gap for five of their six localities who previously were not represented by a regional economic development marketing organization. VHREDA has recently hired an executive director who will be focused on implementing the organization's 5-year strategic plan with goals for recruiting new employers to the region and growing existing businesses. Attention will be directed to traditional industries, as well as satellite and back-office locations. The majority of localities participating in this alliance do not have dedicated economic development staff. Having a regional staff person will provide technical assistance for accessing required resources and add capacity for various economic development functions. Key measurements for the alliance include 25 new projects in the pipeline and working with 50 existing businesses annually. Goals by year 3 include hosting an annual forum for the region; facilitating networking and coordinating workshops to support entrepreneurs and existing business. Projected outcomes are based on the 5-year plan and pro-rated to the 3-year TRRC grant period and will support recruitment and expansion of 15 businesses creating 150 jobs.

Financial Viability Assessment:

A review of key viability criteria indicates that the applicant has successfully received Commission awards before and has presented a detailed budget. The feasibility assessment for the new marketing alliance was completed under a grant from Go Virginia, further demonstrating the due diligence review this project has received from key partners and the strength of the matching funds and partnerships behind this project. The applicant's commitment to moving forward can also be seen by having just hired a new director. This request is for essential start-up marketing funds, cost-estimates for which have been provided, and with approval of the grant all funding will be in place and project is ready to proceed.

Staff Recommendation:

Staff recommends approval of a \$21,350 grant award to support 50% of project costs.

George Mason University / Virginia Small Business Development Center Virginia SBDC – ICAP 2025 Proposal (#4366) ~~\$198,313 Requested~~ \$131,814 Revised Request

Executive Summary: The Virginia SBDC is seeking Tobacco Commission funding to increase capacity and awareness to support a greater number of technology and innovation-driven startups in the Southern Virginia region. This project will include all of the regional entrepreneurship support stakeholders, including GO Virginia, The Launch Place, IALR, SEED Hub, SOVA Innovation Hub, Virginia's Heartland Regional Economic Development Alliance, and others. These are existing partnerships and will allow for a strong foundation as additional partners are sought. These networks will be leveraged to identify new partners and entrepreneurs.

Matching Funds: Revised total of \$131,814 in matching funds:

- \$64,636 Longwood Small Business Development Center, cash for part-time advisor(s)
- \$58,167 George Mason University, allocation of \$26,148 match from existing SBA funding for ICAP director and \$32,019 for administrative support and program management
- \$9,011 Virginia Innovation Partnership Corporation funds committed for mentors

Project Outputs:

- Support 30 new business ventures
- Assist in securing at least \$1,000,000 in capital
- Assist in creating at least 10 new jobs

Staff Comments:

Virginia's Innovation Commercialization Assistance Program (ICAP) is a program within the Virginia Small Business Development Center (SBDC) network led by George Mason University. The original request for \$198,313, was reduced by the applicant to \$131,814. Entrepreneurs in rural areas often do not view themselves as launching technology-based vendors or engaging in innovation and therefore do not seek out this type of support. The goal of this project is to establish awareness of ICAP services and to spur and support innovation and entrepreneurship in the Southern region. ICAP helps inventors and entrepreneurs in Virginia bring new technologies and innovations to market by offering free training, counseling and mentorship. ICAP supports early-stage technology ventures in four stages: initial review and assessment, the Lean Start-Up education program, assistance with preparing for federal funding opportunities, and long-term mentorship to guide teams with execution of the business models that have been validated.

Development of this project was initiated by the Commission's executive director. The intention is to leverage an existing state program to provide a more focused effort that actively drives programmatic success. Historically, ICAP has served a total of 33 clients in the Tobacco Region since their inception in 2018 (13 clients in the Southern Region). By comparison, the outcomes of this project, are intended to reach 30 businesses in Southern Virginia during the 3-year project period. The project is sponsored in partnership with Longwood SBDC. A strong list of regional entrepreneurial stakeholders that are expected to be involved in the program was provided. Longwood University is mentioned as actively working to increase commercialization efforts of their faculty. Letters of support were provided by Go Virginia Region 3 and IALR's Applied Research division.

The project milestones provide for five cohorts of the Lean Start Up program which include educational sessions and discovery presentations. This is a virtual program offered to participants across the Commonwealth and is designed to help early-stage technology entrepreneurs test and validate their business ideas in a structured, mentor-supported environment. Each participating team will receive a customized roadmap outlining recommended next steps for business development.

All of the requested TRRC funding and Match will be used for direct costs to support companies in the Southern Virginia footprint. Grant funds will pay part-time mentors for time working with companies and for their travel to the region (\$76,178); and will support Longwood SBDC hiring of a new contractor to serve a part-time advisor for the program (\$55,636). Match contributions from George Mason University include support for mentors and dedicated time by the ICAP director to provide the focused effort on the Southern Virginia program. Time spent working with clients will be recorded and tracked in the Virginia SBDC Network Customer Relationship Management software program. Staff inquired about the ability of the applicant to report on individuals/companies being served by the project with reimbursement requests. The SBA prohibits SBDC/ICAP from sharing specific client name, business name or contact information details and indicated that aggregate data can be reported. An example staff report was provided. Staff is recommending that ICAP request voluntary release of participant information to the Commission, to help validate success of the program and for evaluation if there is a future funding request.

Financial Viability Assessment:

Atop the list of a review of key viability criteria for the project is that it is based on a proven model by a known and trusted applicant. The applicant has confirmed that all TRRC and matching contributions will support a direct and focused effort on serving companies in the Southern Virginia footprint and with approval of grant funding all funding for the project will be in place.

Staff Recommendation: Staff recommends an award of \$131,814 contingent on the applicant requesting voluntary release of participant information, for reporting to the Commission.

Virginia's Gateway Region (#4376)

Regional Economic Development Marketing Support for Virginia's Gateway Region; \$162,000 Requested

Executive Summary: Virginia's Gateway Region is requesting \$162,000 over three years (\$54,000 each year) for assistance in marketing the City of Emporia and Brunswick, Dinwiddie, Greensville, Mecklenburg, and Sussex Counties to attract new businesses to the area. These funds will be matched by \$162,000 over three years (\$40,500 in kind and \$121,500 cash in hand) from county contributions. TRRC funds will be used for lead generation, travel, and marketing activities.

Matching Funds: Revised total of \$162,000 in matching funds:

- \$121,500 Virginia's Gateway Region, private contributions, application intended
- \$40,500 Virginia's Gateway Region, in-kind staff contributions

Project Outputs:

- Documentation of leads generated, and companies met with as a result of lead generation contracts
- Updated marketing materials and website incorporating three additional localities
- Outcome estimates during the grant period are for the attraction of two new businesses to the region, creating 50 new jobs and resulting in \$35 million private capital investments.

Staff Comments:

Grant funds are requested to support expenses over three years to support business attraction activities of the regional economic alliance, Virginia Gateway Region (VGR), based in Colonial Heights, VA. The Commission approved a \$75,000 grant (#4276) in September 2024 to VGR to be used towards lead generation and marketing costs for business attraction. No funds have been drawdown down on this grant based on VGR's interest in requesting this larger grant award. (If this request is approved the previously awarded grant would be closed and de-obligated.) The VGR representation of localities is increasing to include three additional tobacco region localities (City of Emporia, and Brunswick and Greensville Counties) as a result of the dissolution of the Virginia's Growth Alliance. VGR already serves Dinwiddie and Sussex Counties in the tobacco region, as well as the Cities of Petersburg, Hopewell, Colonial Heights and Prince George County which are outside the tobacco region footprint. Since the time of application, Mecklenburg County decided to not join VGA.

The original proposed budget requested \$134,000 for 50% of the pro-rata share (60%, 6/10 localities) of direct costs for lead generation contracts, as well as \$25,380 towards travel and \$2,520 marketing materials. VGR provided an updated Marketing Calendar for 2025-2026 fiscal year with modifications to targeted industries based on the new localities and sites to be served. Similar to the staff

recommendations for the award in September 2024, in order to simplify administration of a grant award, staff suggests TRRC funding be used towards lead generation contacts with match contributions covering all registration fees and travel expenses for events. Virginia Gateway Region has agreed to these changes and revised the budget to reflect the updated pro-rata share of tobacco region localities to 56% (5/9) resulting in \$124,157 requested from TRRC towards lead generation. Recognizing that VGR will need to update their marketing materials and website based on the addition of the three tobacco region localities to their service region, staff inquired about assisting with these costs. A revised project budget requesting \$143,167 from the Commission and \$162,000 in matching funds, consistent with these recommendations, was provided and includes \$19,000 for updating VGA's marketing materials and website based on the new regional area.

Financial Viability Assessment:

A review of key viability criteria shows this to be a reasonable approach to assisting a regional marketing organization where only a portion of their service territory is within the Commission's geographical footprint. The project budget was modified to create efficiencies for both the applicant and commission staff during administration of a grant award. Matching funds to be contributed by participating localities and required to be in place based on award contingency. The project will result in lead generation contracts, which will be reported, and are an eligible purpose for funding.

Staff Recommendation: Staff recommends a grant award of \$143,167 to support up to 50% of the pro-rata share of lead generation expenses (allowing match contributions towards travel, and registration fees for events), and allowing \$19,000 towards updating marketing materials and website; and finally, with the new grant award contingent on de-obligation of grant #4276.

Sites & Infrastructure

Henry County

Patriot Centre Phase 3, Beaver Creek Drive Extension (#4373)

\$1,500,000 Requested

Executive Summary: Henry County seeks TRRC support for an extension to and upgrade of Beaver Creek Drive/SR 1181, an access road providing service to the Patriot Centre, home to 3,000 employees with the potential for adding a significant number of additional employees as part of continued expansion phases. The proposed roadway improvements serve five commercial sites and can also be extended for future expansion to additional lots. Four of the five sites represent top priorities for recruitment by the regional Economic Development Corporation. The project involves constructing approximately 2,000 linear feet of the northbound lane, 2,733 linear feet of the southbound lane, and 389 linear feet of the median lane. Each proposed roadway is 24 feet wide and includes curb and gutter. In addition, the project includes partial grading of an adjacent lot for fill material, implementing erosion and sediment control measures, and improving stormwater management. As new industries are attracted, improvements to Beaver Creek Drive are needed to accommodate the increase of traffic throughout the industrial park. The Patriot Centre is a shared revenue facility benefiting Henry County and the City of Martinsville.

Matching Funds: A total of \$2,815,000 in matching funds from the following sources:

- \$2,150,000 in Congressionally Directed Spending through FHWA/VDOT, approved
- \$665,000 in ARC Local Access Program, application intended

Project Outputs:

- 5,122 linear feet of roadway that includes curb and gutter (2,000 LF northbound lane, 2,733 LF southbound lane, and 389 LF median lane)

Staff Comments: The Patriot Centre Industrial Park is a highly successful revenue-sharing business park home to 16 companies and one of the primary sites marketed by the Martinsville-Henry County EDC. This request supports the next phase of development for this site. The access road is required to accommodate the increase in traffic through the industrial park as new industries are attracted, and as a result of the recent sale of the industrial building on this end of Beaver Creek Road. The \$1.5 million request includes \$132,500 engineering and \$1,367,500 construction towards the \$4,314,497 estimated project costs. Engineering design and permitting is scheduled to begin in June 2025, with construction targeted for completion in November 2026. The roadway extension will provide immediate access to Lots 11 (23 acre, 15 acre pad site), Lot 12 (29 acres) and Lot 13 (10 acres); and with further extension eventually providing access to Lots 14 and 15. The Patriot Center is marketed to advanced manufacturing companies and benefits from a high-quality workforce training center at the entrance. The project is estimated to result in four new companies with 1000 employees and \$250 million private investment.

Financial Viability Assessment: A review of key viability criteria indicates a very promising opportunity for the development of a strategically located site for new business development. The proposal has a well-developed budget with appropriate documentation of costs. All match funding is in hand. The applicant has a strong record of accomplishment in site development. To minimize the commitment's impact on Commission resources, a contingency on a relatively quick purchase would be in order staff feels this project is a sound investment for the Commission at the recommended amount.

Staff Recommendation: Staff recommends a \$1,500,000 grant award.

Franklin County

Site Improvements of Dogwood Site at Summit View Business Park (#4365)

\$1,000,000 Requested

Executive Summary: The project aims to expand the development-ready pad at the Dogwood Site within Summit View Business Park in Franklin County, Virginia. The site currently has 97 acres of developable land, as identified in the park's 2024 updated master plan. Previous work, funded through the FY 22 Tobacco Region Revitalization Commission (TRRC) Grant, prepared 33 acres for development and cleared all existing structures. This next phase will further enhance the site's competitiveness by increasing its capacity for future business investment and economic growth.

Matching Funds:

- \$1,000,000 from Franklin County, approved

Project Outputs:

- 10 acres graded increasing the graded pad from 33 acres to 43 acres

Staff Comments: This request is to support 50% of estimated costs for expansion of the existing 33-acre graded pad on the Dogwood Site in the South region of the Summit View Business Park in Franklin County. An additional 10 acres will be added. Summit View is a 550-acre industrial park located adjacent to U.S. 220. The VBRSP site certification for the Dogwood Site reflects ~ 158 total developable area. 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 provided over \$3 million under five grants to support the development of the Summit View. A \$1.5 million award from May 2022 (TRRC #3957) is in the process of being closed, supported grading the 33 acres and removal of existing structures.

The connector road within the park between the North and South areas is now complete, improving transportation and site logistics. The county was recently awarded a \$5.5 million grant from the VBRSP to address the wastewater capacity limitation at the park, thus further solidifying the ability to attract a larger industrial and commercial development. Summit View hosts Stik-Pak Solutions, ValleyStar Credit Union's Administrative Campus, and Foothills Produce Auction; and Traditional Medicinals is scheduled to break ground on their East Coast herbal tea facility later this year. Attraction of a prospect is estimated to add 500 jobs at \$53,000 average salary/wage. Summit View offers multiple sites presenting options for manufacturing, food and beverages, office and technology headquarters. The grading costs at \$200,000 per acre is high and the engineering firm explained that an estimated 168,000 cubic yards of material will need to be moved. This is a highly marketed site by the county, VEDP and the Roanoke Regional Partnership.

Financial Viability Assessment: A review of key viability criteria indicates an opportunity for the upgrading of a strategically located, publicly owned economic development site. The proposal had a well-developed budget with appropriate documentation of cost estimates. All match funding is in hand from the locality. Significant investments have been made by the county and by the Commonwealth to develop the site. This is a highly marketed business park by the economic developers serving the region, offering one of the only large sites in the Roanoke Regional Partnerships service area. The Dogwood Site is marketed by VEDP as a mega site. All funding will be secured when the construction contract is initiated.

Staff Recommendation: Staff recommends a \$1,000,000 grant award for 50% of the site development costs.

Tourism

Town of Stuart

Star Theatre Equipment & Production Improvements (#4362)

\$154,556 Requested

Executive Summary: This application seeks funding from the Tobacco Region Revitalization Commission to enhance the Star Theatre in Stuart, Virginia, as a cultural tourism destination and economic driver. Commission funds will be used to install a new HVAC system, remediate condensation issues, and upgrade the theatre's production capabilities with professional stage curtains, acoustic panels, a video projection system, and a movie screen. These improvements will preserve the historic integrity of the Star Theatre, enhance the visitor experience, and expand programming opportunities. This project aligns regional economic development priorities, supports revitalization efforts in downtown Stuart, and positions the Star Theatre as a major venue on the Crooked Road Music Trail, attracting tourists and boosting the regional economy.

Matching Funds:

- \$376,968 purchase of the Star Theater by the Town of Stuart

Project Outputs:

- Star Theater improvements to address deficiencies with HVAC systems; and equipping the theater with a new projections system and screen, stage curtains and acoustic panels.

Staff Comments:

The historic Star Theater first opened in 1947. It is the center piece for downtown revitalization serving as an anchor for the recently designated Downtown Stuart Historic District. The Commission provided \$7,500 towards a feasibility study to assess the viability of purchasing and operation of the facility as a music venue/theater/community space. This led to the Town of Stuart acquiring the theater and putting it into public ownership allowing for continued development of the property. The \$154,556 request to the Commission includes \$20,000 for A&E services, \$65,000 towards ventilation, humidity, and HVAC improvements, and \$69,556 for projection and screen, stage curtains and acoustic panels. Match contributions include the Town's acquisition costs, branding and façade improvements, and annual operating support including a contract with One Family Productions. The 4,725 sq. ft. property can accommodate 260 seated patrons for performances and provides an opportunity to attract visitors to downtown Stuart.

Building on the momentum of the acquisition of the Start Theater, DHCD awarded two grants to the Town of Stuart, a \$990,273 Community Development Block Grant supporting nine commercial facades and improvements to the adjacent Stuart Farmers Market property; and \$700,000 in ARC funds which will replace a multi-property deck structure connecting five businesses in the historic district and providing emergency egress to the back of the Star Theater. The theater is marketed as part of larger regional marketing efforts that include The Crooked Road Music Trail, Life in SOVA, and Virginia is for Music Lovers. The theater attracted 2,600 visitors in 2024. Based on increasing annual attendance by 30%, the Start Theater is projected to attract 10,400 visitors in the next 3-years including 3,200 new attendees and will provide an estimated \$632,000 economic impact during the project period. The Town provides a commitment to track visitor attendance including zip code analysis of ticket sales and in-person surveys to measure the economic impact.

With its location near the North Carolina border and with Patrick County serving as Virginia's southern gateway to the Blue Ridge Parkway, the nation's highest visited national park, the Town of Stuart and its Star Theater can attract national and international visitors making it a priority for the Commission's tourism infrastructure investments. Redevelopment of Stuart's Historic downtown district is centered on the Star Theater. This project builds on recent momentum and investments providing an opportunity to continue expanding on this success.

Financial Viability Assessment:

A review of key viability criteria indicates a well-studied and prepared project. Match is appropriate and in-hand, with approval of grant, all funding is in place. Additionally, an agreement is in place with an operator. The budget is appropriately scaled and supported by current construction quotes. Staff feels that this project is financially viable given it is supported by regional partners including the county economic development office, builds upon a current track record of success, and will have project result tracked by the town.

Staff Recommendation: Staff recommends a grant award of \$154,556.

**The Corporation for Jefferson's Poplar Forest
Poplar Forest Parkway Upgrades (#4375)
~~\$85,000 Requested~~ \$79,250 Revised Request**

Executive Summary: Poplar Forest requests \$85,000 to add another layer of paving to the 2.2 mile entrance roadway and pave the steep sections of the 1.6 mile trail. The construction design for the Parkway dictates building up the layers of paving over time, in order to provide ongoing stability and to periodically renew the surface appearance. Specifically, Poplar Forest's landscape architects suggested adding another layer of pavement one-year after the initial opening of the road, and then again at five and ten years. Poplar Forest plans to work with R. Ashby Templeton, Inc. (Lynchburg, VA) to pave the road again this year, as soon as funds can be secured. The cost to repave the road, parking areas and steep sections of the trails is \$143,200. As detailed in the budget document, non-TRCC funds will support the additional \$58,200 to address the paving, cover staff salaries for time devoted to project oversight and complete landscaping at the bus turnaround. The paving is critical to sustaining the integrity of the road and trails for future use. Poplar Forest has already invested in maintenance needs, including the addition of water diversion bars to slow the movement of water down steep sections of the trails, and the creation of new ditches and swales to carry water off the road during unexpected heavy rain events which impact the road and trails.

Matching Funds: Revised from original request.

- \$79,250 private contributions towards capital improvements

Project Outputs:

- Paving of 2.2-mile Poplar Forest Parkway entrance road and parking areas
- Improvements to bus turnaround- 95 linear feet of granite cobble edging and landscaping

Staff Comments:

Thomas Jefferson's Bedford County Retreat known as Jefferson's Poplar Forest is recognized as an award-winning historic restoration in progress. With 24,897 visitors in 2024, Poplar Forest is one of the highest visited tourism destinations in Southern Virginia. Grant funds are requested to support a portion of the \$143,200 cost estimate for resurfacing the new entrance road and parking areas and for the bus turnaround edging. Matching funds will be used towards these costs, as well as for paving steep trail segments, and toward landscaping. The four cost estimates submitted with the application total \$158,500 for capital cost improvements. The applicant has agreed to a reduced funding request of \$79,250 to support 50% of these eligible project costs

The Commission has invested in Poplar Forest since 2006 when funds were provided towards the acquisition of the property where the new entrance road is located. The two most recent grants were closed in 2023 providing \$603,468 towards the \$3.86 million contract for construction of the 2.2-mile Poplar Forest Parkway. Construction of the Parkway has transformed the visitor experience at Poplar Forest (visitors previously entered the back of the property through a labyrinth of secondary residential roads); opening the 617-acre property to the public and extending the stay of visitors increasing the economic impact from visitor spending in the region.

This is a modest request that prepares one of Southern Virginia's main historic sites for an increase in visitation that is expected to result from Virginia's 250th celebration, the statewide initiative to commemorate the 250th anniversary of the Declaration of Independence and the American Revolution. An economic impact study was provided validating regional visitation impact and spending from visitors to Jefferson's Poplar Forest. Letters of support were included from the County Administrators in Bedford and Campbell Counties.

Financial Viability Assessment:

A review of key viability criteria presents a straight forward project with a clear timeline (project to be completed by the end 2025), that has cost estimates provided. The applicant has a long history of working with the Commission. The project helps preserve a previous major investment by the Commission and will enable the region to benefit from tourism to one of its most significant historical sites. Applicant has a documented ability to attract national and international visitors to the region, which is in-line with the goals of this program.

Staff Recommendation: Staff recommends an award of \$79,250 for 50% of project costs, with Commission funds being used toward costs for paving the Parkway and parking areas, and towards the granite cobble edging for the bus turnaround.

Other Economic Development

Pittsylvania County

Southern Virginia Megasite Training Center (#4325)

\$10,000,000 Requested

Executive Summary: The Danville-Pittsylvania Regional Industrial Facilities Authority requests a \$10 million grant to be utilized towards the construction of a 36,500 sq. ft. training facility that will be matched by a \$10 million grant from the Danville Regional Foundation. The RIFA committed to providing the training center in an incentive package for Microporous LLC to establish a \$1.35 billion battery separator manufacturing campus on 212-acres within the Southern Virginia Megasite. The project is expected to create over 2,015 direct jobs with average wages of \$58,091 per year before benefits (\$117 million per year direct payroll impact). The first phase of the production facility (500,000 square feet) is expected to be operational by 2027, with equipment and machinery testing beginning in October 2026. The training center is intended to initially serve Microporous and will be used to train between 200-700 new employees per year. This facility would be owned by the RIFA and leased and operated by the Institute for Advanced Learning and Research.

Matching Funds:

- \$10 million Danville Regional Foundation

Project Outputs:

- 36,500 square foot training facility constructed at the Southern Virginia Megasite

Staff Comments: This funding request is to provide funds for an on-site training center at the Southern Virginia Megasite to accommodate specialized training needs of larger employers at the megasite as they ramp up hiring. The ten-year hiring and investment ramp-up schedule for Microporous Virginia reflects plans to begin construction in 2025 with \$110 million private investment followed by \$144 million and \$253 million respectively for 2026 and 2027. The ramp-up for hiring new employees includes 244 in 2027, 208 in 2028, and the highest need at 728 is in 2029.

A preliminary cost estimate for \$20 million was included with the application including \$17 million for building construction (sitework, building, contingencies), \$1.78 million for building ancillary costs (audio visual, IT/data/security, two 10-ton cranes, stormwater nutrient credits, and furniture, fixtures and equipment). Danville Regional Foundation confirmed their approval of the \$10 million in match, which was projected to be paid out at \$7 million in 2025 and \$3 million in 2026. Equipment and staffing costs for delivery of training at the center was not included in this estimate and it is unclear what the sources of funding would be for this. Development of construction documents was expected to occur between February and June 2025, with a plan to bid the project in July, and for construction to begin in August 2025. Staff inquired about an update on the timeline for final design plans and availability of a more detailed cost estimate for construction of the training center. Final design plans are currently delayed. The RIFA is working with another large project interested in the site. This could impact the development of this facility, which is intended to serve the entire park.

An operational business plan for the facility is being development with a plan for the RIFA to own the facility which will be leased and operated by the Institute for Advanced Learning and Research. The RIFA is working with the Virginia Talent Accelerator Program, DCC and IALR staff on the operating plan. A preliminary operational budget estimates operating expenses of \$460,000 in year 1 increasing to

\$663,146 in year 10 (\$565,383 average annual operating costs); with total income averaging \$220,949 annually (the primary income is from having a tenant in a second highbay). This leaves a gap in operating funds of approximately \$344,403 annually which would need to be provided by additional local contributions (listed in the application as IALR, DRF or RIFA).

There is no question that the Micropouros announcement when fully implemented will be transformational for the region. The commitment to include the training facility in the incentive packages appears to have been made without a clear plan or business model for how operating costs for such facility would be supported. Staff has concerns about the ultimate cost of this facility recognizing that construction estimates were only preliminary, the operating budget did not include costs for acquisition of machinery or equipment for delivery of training programs, and most importantly the uncertainty of how the gap in funding needed for on-going operating costs would be supported. Additional time is needed to work through these details. The RIFA has asked that the Commission Table this proposal until the September 2025 Commission meetings, which will allow time for the training needs of the other Mega project to be sorted with the training needs of Microporous and for development of the operational business plan.

Financial Viability Assessment:

A review of key viability criteria shows a major project that has been presented as an integral part of a transformative project for the region. Matching funds has been secured. The applicant is wisely waiting for additional developments to occur before proceeding with final design plans, a detailed cost estimate, a written commitment from operator (IALR) and a viable operating plan, all of which are needed to make this a viable project.

Staff Recommendation:

Southern Virginia Committee

Staff recommends this project be Tabled and referred to the Incentives and Loans Committee for consideration under the Megasite Incentives program.

Staff is recommending that consideration of an award for up to \$10 million will need be conditioned on the Commission's confirmation from bond counsel that the project can be supported from Restricted Funds, and the RIFA and its training partners agreeing to all necessary requirements and parameters pertaining to the use of Restricted Funds.

Based on the information available at this time, further conditions on funding consideration would be similar to those required by DRF's board including:

- 1) Matching funds from the Danville Regional Foundation.**
- 2) The project remaining the same size related to company investment, jobs created, and average wages. Any deviation from the announced (\$1.3 billion investment, 2,015 jobs, average wage of \$58,000) would justify a review by the Tobacco Commission regarding the investment commitment.**
- 3) Review and approval of the business/operations plan for the facility.**

OTHER BUSINESS:

County of Bedford

Grading Lots 10a and 12a in New London (#3750)

Current Project Period: 5/27/2021 – 5/31/2025 – Extension Request

Staff Comments: In May 2021, the Commission approved an award to Bedford County for grading Lots 10a and 12a in the New London Business and Technology Center. Grant funds were requested to support 50% of the estimated costs and grade two 1.7 acre pads, one on each lot. This work was delayed as a prospective company expressed interest in the sites but that did not materialize. The Commission approved a 4th year extension in April 2024 and at that time engineering was complete. Bedford County's EDA voted to proceed with the original scope of the project in April 2024, and at that time the Commission approved a 4th year extension for the grant. In February 2025, the county entered into a construction contract for the grading. While this work was expected to be completed by the current project end date of May 31, 2025, a few additional months are needed based on weather conditions and supply chain delays. Bedford County requests an extension to allow time for the work to be completed. \$70,000 remains in the project account for Property Improvements. \$10,000 was spent in Spring 2022 on Contractual Expenses related to the project.

Staff Recommendation: Staff recommends an extension through September 30, 2025.

West Piedmont Planning District Commission

Regional Outdoor Recreation Economy Program (#4156)

Request to Remove Contingency and Reduce the Scope

Staff Comments: In October 2023, the Commission approved an award to the West Piedmont Planning District Commission to complete an outdoor recreation economy master plan and impact study for their service region, providing an asset inventory and a marketing strategy with brand and logo. Matching funds were intended from the Appalachian Regional Commission and US DOC Economic Development Administration. While the ARC funding was secured, the EDA funds were not. A lack of these matching funds changed the scope of the project to limit the Outdoor Recreation Plan to the city of Martinsville and the counties of Henry and Patrick as they are part of the Appalachian Regional area. Original localities in the application included the counties of Franklin, Pittsylvania and the city of Danville. The original Economic Impact Study will not be completed due to lack of EDA funds, but this assessment will be in the Master Planning document. Reduced funding is available to support marketing, however, branding and logo development, and a modest amount for website development will be part of the Master Planning. A contract was signed by Friends of Southwest on behalf of West Piedmont PDC with Destination by Design to complete the work. To date, 70% of the work has been completed and it is estimated to be finished by June 2025. No grant funds have been expended towards the project.

A request came to the Commission to reduce the scope of the project, reduce the budget of the project to \$86,000, and remove the contingency related to required matching EDA funds. The second contingency placed on the grant was for TRRC staff to approve tourism economic outcome projections prior to the launching of the marketing campaign. This work is expected to be completed in June 2025 and can be satisfied at that time.

Staff Recommendation: Staff recommends the contingency for EDA matching funds to be removed and to accept the reduction in scope and in budget for a reduced award of \$86,000.

FULL COMMISSION



·In-Person Meeting·

A G E N D A

FULL COMMISSION

The Bristol Hotel

115 Country Music Way, Bristol, VA 24201

Wednesday, May 21, 2025

10:00 A.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 800 384 124#**.

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: **Warren Bryson** at (804) 894-9659, wbryson@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 1/7/2025 Minutes (published on website)

The Honorable James “Will” Morefield, Acting Chair

Public Comment

Executive Director Report

The Honorable James Campos, Executive Director

Executive Committee Approval of FY2026 Budget

The Honorable James “Will” Morefield, Chair

Southwest Virginia Committee

The Honorable James “Will” Morefield, Chair

Education Committee

Ms. Amanda Cox, Chair

Energy Committee

The Honorable Thomas A. Garrett, Jr., Chair

Incentives & Loans Committee

The Honorable Daniel “Danny” Marshall, Chair

Strategic Planning Committee

Mr. Edward Blevins, Chair

Southern Virginia Committee

Mr. Walter “Buddy” Shelton, Chair

Fishing Lodge Update

Closed Session

Other Business

Mr. Stephen Versen, Deputy Director

Adjournment

Tobacco Region Revitalization Commission Proposed FY2026 Budget

	FY2025
Endowment Balance July 1, 2024	\$ 103,772,888
Minus June corpus invasion	-
Ending Endowment Balance June 30, 2025	\$ 103,772,888
Corpus Invasion-->	0.0%

SOURCES of Funds	FY2025 Budget		Proposed FY2026	% of Budget
Interest Earnings	\$ 7,594,677		\$ 8,327,979	
TICR Endowment	18,312,863		-	
Carryforward	2,640,440		15,402,934	
Total Sources	\$ 28,547,980		\$ 23,730,913	
USES of Funds				
Administration				
Salaries, Benefits, Per Diems	\$ 1,819,995		\$ 1,964,950	
Contractual Services, Travel	358,600		360,400	
Supplies and Materials	10,000		9,000	
Transfer Payments	323,800		263,800	
Rent, Insurance, Agency Svc Charges	340,050		296,750	
Furniture and Equipment	6,000		4,500	
Total Administration	\$ 2,858,445		\$ 2,899,400	12.2%
Tobacco Region Opportunity Fund	\$ -	Unobligated Balance as of 3/31/25 \$ 22,975,137	\$ (8,168,487)	-34.4%
Education				
Competitive	\$ -	\$ 3,073,719 *	\$ 2,000,000	
Talent Attractions Programs	-	4,162,950	(2,000,000)	
Workforce Financial Aid	2,200,000	6,768,153 *	-	
	\$ 2,200,000	\$ 14,004,822	\$ -	0.0%
Economic Development				
Southern Va Committee	\$ 6,000,000	\$ 30,486,243 *	\$ 4,000,000	
Southwest Va Committee	6,000,000	3,737,707 *	4,000,000	
Total Economic Development	\$ 12,000,000	\$ 34,223,950	\$ 8,000,000	33.7%
Megasite Prospect Incentive Fund	\$ -	\$ 15,210,642	\$ -	0.0%
Lending Program	\$ (3,500,000)	\$ 22,020,577	\$ -	0.0%
Energy Ingenuity Fund	\$ -	\$ 6,651,190 *	\$ 7,000,000	29.5%
Agribusiness	\$ 1,500,000	\$ 2,015,148	\$ 1,000,000	4.2%
Economic Dev Housing Pilot	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	12.6%
Rural Investment Accelerator			\$ 10,000,000	42.1%
General Account	\$ -	\$ 15,402,934	\$ -	0.0%
Total Uses	\$ 17,058,445	\$ 134,504,400	\$ 23,730,913	100.0%

*Awards anticipated in May 2025

Proposed FY26 Budget

- Sources of Funds
 - \$8.3 million from investment earnings
 - \$8.2 million from TROF unobligated balance
 - \$2.0 million from Education TAP unobligated balance
 - \$15.4 million in carryforward
 - NO corpus invasion
- Uses of Funds
 - \$8 million for regional economic development
 - \$7 million for Energy Ingenuity Fund
 - \$1 million for Agribusiness
 - \$3 million for Housing
 - \$10 million for Rural Investment Accelerator Fund

1

FY2026 Proposed Budget – Grant Programs

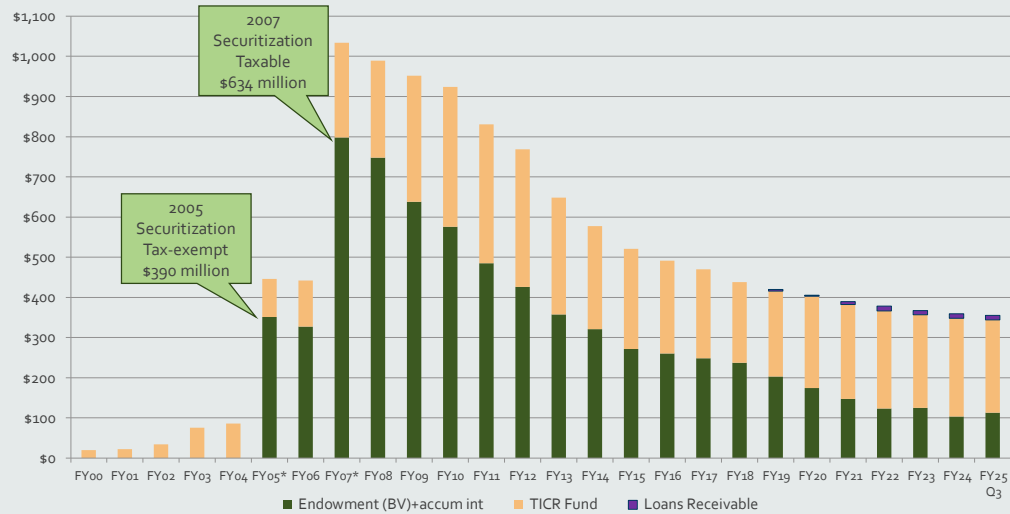
Program Area	3/31/25 Unobligated Carryforward	FY2026 Proposed Budget	Total Available in FY2026
TROF	\$ 23.0	\$ - 8.2	\$ 14.8
Education			
Competitive	* 3.1	2.0	5.1
Talent Attraction Programs	4.2	- 2.0	2.2
Workforce Financial Aid	* 6.8	-	6.8
Southern Va Econ Dev	*30.5	4.0	34.5
Southwest Va Econ Dev	* 3.7	4.0	7.7
Megasite Prospect Incentive	15.2	-	15.2
Energy Ingenuity	* 6.7	7.0	13.7
Lending Program	22.0	-	22.0
Agribusiness	2.0	1.0	3.0
Economic Dev Housing Pilot	2.0	3.0	5.0
Rural Investment Accelerator	-	10.0	10.0

*Funding awards anticipated in May 2025

2

Total Assets at June 30

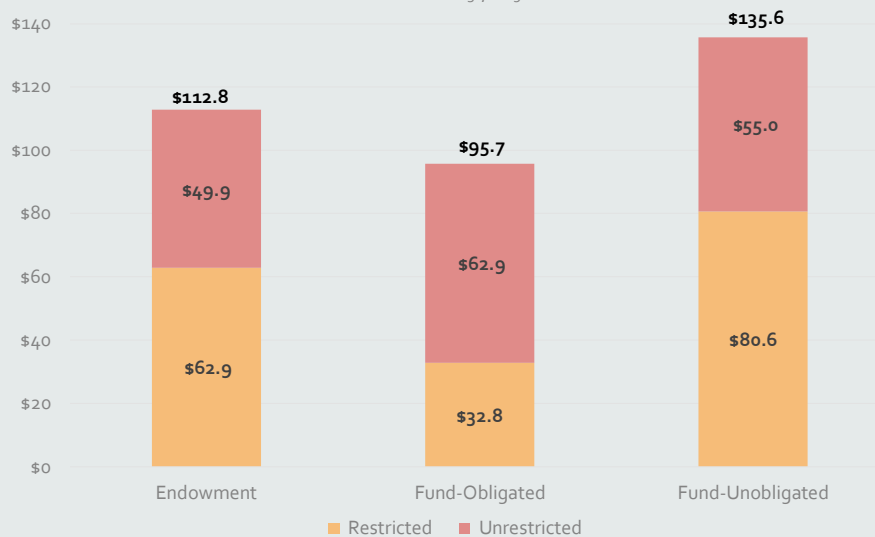
Endowment, Fund, Loans Receivable in \$ million



3

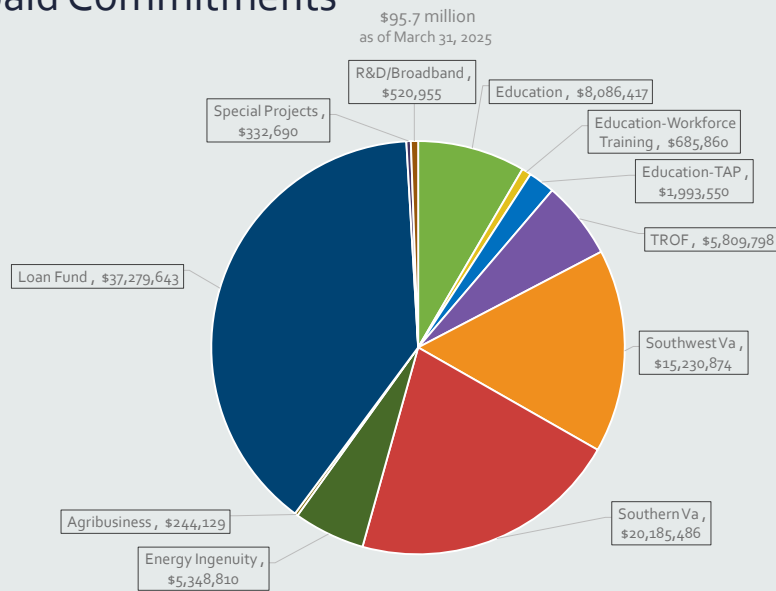
TICR Endowment & Fund

Cash Balances (BV) = \$344.2M
As of March 31, 2025



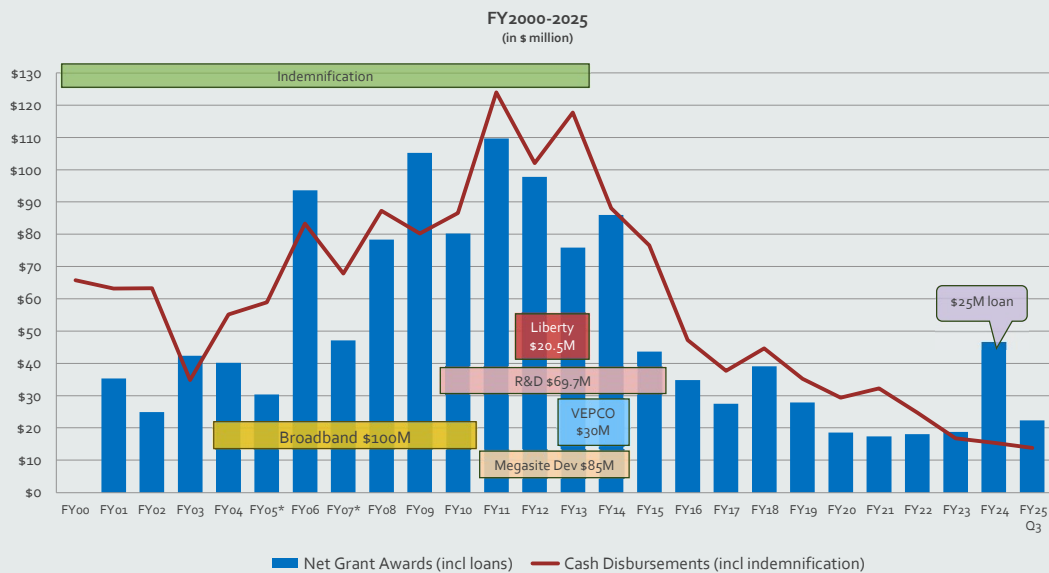
4

Unpaid Commitments



5

Net Grant Awards and Disbursements



6

Tobacco Region Revitalization Commission

Financial Summary

As of March 31, 2025

TICR Fund Balance	\$ 231,359,479
Restricted Endowment Balance	\$ 57,663,578
Unrestricted Endowment Balance	\$ 46,109,311
Restricted Endowment Accum Interest	\$ 5,224,800
Unrestricted Endowment Accum Interest	\$ 3,851,183
Total Cash & Investments	\$ 344,208,351

Cash Disbursements - this month	\$ 1,693,171
Cash Disbursements - FYTD	\$ 14,035,377

Fund	Unobligated Balances
Special Projects	\$ 20,750
Education	\$ 3,073,719
Education-Workforce Training	\$ 6,768,153
Education-TAP	\$ 4,162,950
TROF (Deal Closing)	\$ 22,975,137
Southside Economic Development	\$ 6,752,936
Southern Va Committee	\$ 23,733,307
Southwest Va Committee	\$ 3,737,707
Agribusiness	\$ 2,015,148
R&D/Broadband	\$ 305,785
Energy Ingenuity	\$ 6,651,190
Housing Pilot Project	\$ 2,000,000
Megasite Development	\$ 2,165,247
Megasite Prospect Incentive	\$ 15,210,642
Lending Program	\$ 22,020,577
Administration	\$ 1,136,868
TICRC General Account	\$ 12,911,152
FY2025 Budget Balance	\$ 135,641,267

Tobacco Region Revitalization Commission
Statement of Revenues, Expenditures, and Changes in Fund Balance (Cash Basis)
As of March 31, 2025

	<u>FY25 Budget</u>	<u>YTD Actual</u>	<u>YTD Actual as % of Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>				
Other Revenue (all cost codes)	\$ -	\$ 1,245,271.65		1,245,271.65
Total Revenues	\$ -	\$ 1,245,271.65		\$ 1,245,271.65
<u>EXPENDITURES</u>				
Administration				
Salaries, Fringe Benefits, Per Diems	\$ 1,819,995	\$ 1,395,971.03	76.7%	\$ 424,023.97
Contractual Services	358,600	184,787.98	51.5%	173,812.02
Supplies and Materials	10,000	5,128.85	51.3%	4,871.15
Transfer Payments	323,800	120,000.00	37.1%	203,800.00
Rent, Insurance, Agency Svc Charges	340,050	305,971.13	90.0%	34,078.87
Furniture and Equipment	6,000	3,549.44	59.2%	2,450.56
Subtotal - Administration	\$ 2,858,445	\$ 2,015,408.43	70.5%	\$ 843,036.57
Community Revitalization	17,700,000	12,019,968.54		
Total Expenditures	\$ 20,558,445	\$ 14,035,376.97		
Revenues Over (Under) Expenditures	\$ (20,558,445)	\$ (12,790,105.32)		
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In (endowment and earnings)	\$ -	\$ -		
CASH BALANCE, June 30, 2024	\$ 244,149,585	\$ 244,149,584.70		
CASH BALANCE, March 31, 2025	\$ 223,591,140	\$ 231,359,479.38		

Active TROFs with Concluded Performance Periods May 2025

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	Revenue Sharing Only	\$460,000.00	\$29,550.00	Staff is working to collect final clawback payments and close.
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	TBD	TBD	Gathering performance data and working to close.
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		Gathering info from locality to determine final performance and close file.
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. Gathering performance data and working to close.
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	\$80,000.00	\$32,000.00	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 to establish performance.
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	Performance Not Met	Repayment Due	\$55,000.00	\$55,000.00	Clawback due. Working with locality to set up clawback arrangements.
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	Full Performance Not Met	Repayment Due	\$17,062.50	\$17,062.50	Clawback due. Working with locality to set up clawback arrangements. Locality is continuing to work to recover funds from the company.
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	\$0.00	Clawback fully repaid. Working to close.
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	Earned portion of grant disbursed. Next loan payment due 7/1/25.
3451	7/17/2018	6/30/2018	6/30/2023	Smyth County Economic Development Authority	Speyside Bourbon Cooperage, Inc.	Performance Period Ended	Disbursed payment based on performance.	Disbursed payment based on performance.	n/a	n/a	Payment disbursed. Open only for revenue sharing.
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 2025

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	Full Performance Not Met	Repayment Due	TBD	TBD	Working with locality on clawback to be due.
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			Requesting extension & modification at May' 25 meeting.
3483	10/15/2018	9/30/2018	9/30/2023	Prince Edward	Yak Attack	Performance Period Ended	Earned Funds Disbursed	Open only for rev sharing.			Funds disbursed. Moving to revenue sharing only status.
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			Gathering data to determine 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			Gathering info from locality to determine final performance and close file.
3506	2/12/2019	12/31/2018	12/31/2023	Smyth County Economic Development Authority	Scholte IPN	Performance Period Ended	Award disbursed	Open only for rev sharing.	n/a	n/a	Award disbursed. Open only for rev sharing.
3507	6/6/2019	3/31/2019	3/31/2023	Russell County IDA	PolyCap	Performance Period Ended	Full Performance Not Met	Repayment Due	TBD	TBD	Working to arrange clawback payments with locality.
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. Next loan payment due 8/1/25.
3545	4/30/2019	03/31/19	3/31/2022	Carroll IDA	Blue Ridge Designs, LLC	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	\$0.00	\$0.00	Only loan repayment remaining; Several payments are 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.
3608	10/25/2019	09/30/19	9/30/2024	Pittsylvania County	Morgan Olson, LLC	Performance Period Ended	Award disbursed	Open only for rev sharing.	n/a	n/a	Open only for revenue sharing purposes.
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	Extension request at May '25 meeting. Company and locality believe full performance has been met. Staff will verify.
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	5/1/2025	Smyth County EDA	Woodgrain Millwork, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data to determine final performance.
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.

Active TROFs with Concluded Performance Periods May 2025

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Remaining	Notes
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	Working with locality on disbursement based on performance. Funds to be disbursed soon and will move to rev sharing only.
3734	7/28/2021	7/28/2021	7/28/2024	City of Danville	Kegerreis Digital Marketing, LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data to determine final performance.
3735	4/5/2021	4/15/2021	4/15/2024	Pittsylvania County	J&J Truck Sales, Inc.	Performance Period Ended	Disbursement Requested	Disbursement Requested	n/a	n/a	Earned portion of award disbursed. Moving to revenue sharing only status.
3774	6/15/2021	6/15/2021	6/15/2024	Pittsylvania County	Staunton River Plastics, LLC.	Performance Period Ended	Performance Period Ended	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3892	9/22/2021	9/22/2021	9/22/2024	Joint IDA of Wythe County, VA	Blue Star NBR, LLC.	Performance Period Ended	Performance Period Ended	Reaching out to locality. Working to close as DNM.	n/a	n/a	Will be closed under "Did Not Materialize".
3912	9/22/2021	9/22/2021	9/22/2024	Danville-Pittsylvania RIFA	Tyson Food Inc.	Performance Period Ended	Performance Period Ended	Awaiting Disbursement Request	n/a	n/a	Gathering data to determine final performance.
TOTALS									\$661,635.67	\$133,612.50	

TROF Awards FY 2019 - FY 2025 YTD

Project #	Date Approved	Status	Organization	Project Title	Jobs Promised	Capital Investment Promised	Approved Grant Amount	Approved Loan Amount	Total Approved Amount
4247	2/25/2025	Approved - active	Russell County IDA	Simmons Equipment Co. Inc	75	\$7,490,000	\$66,500	\$66,500	\$133,000
4333	1/7/2025	Approved - Pending Award Documents	Lee County EDA	Project Maggie	27	\$1,505,000	\$50,000	\$0	\$50,000
	FY 2025		# of Projects	2	102	\$8,995,000	\$116,500	\$66,500	\$183,000
4228	3/25/2024	Approved - Pending Award Documents	Town of Blackstone	JKOZ Engineering/ Proj. J.E.T.	16	\$1,300,000	\$10,000	\$10,000	\$20,000
4182	10/25/2023	Approved - Pending Award Documents	Russell County IDA	Tate Access Floors Inc	170	\$11,300,000	\$146,000	\$0	\$146,000
	FY 2024		# of Projects	2	186	\$12,600,000	\$156,000	\$10,000	\$166,000
4078	9/24/2022	Approved - active	Halifax County IDA	IperionX Technology LLC	108	\$82,135,431	\$570,000	\$0	\$570,000
3965	9/19/2022	Approved - active	Halifax County IDA	Skip Barber Racing School	24	\$8,900,000	\$32,500	\$0	\$32,500
3976	8/11/2022	Approved - active	Dinwiddie County	DroneUp, LLC	145	\$18,850	\$111,000	\$0	\$111,000
3943	7/18/2022	Approved - active	Halifax County IDA	Hitachi Energy USA	165	\$37,000,000	\$220,000	\$0	\$220,000
	FY 2023		# of Projects	4	442	\$128,054,281	\$933,500	\$0	\$933,500
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	2	438	\$296,952,718	\$752,000	\$44,500	\$796,500
	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

TROF Loans May 2025

Project #	Date Approved	Organization	Project Title	Status	Loan Amount Approved	Remaining Loan Amount to be Repaid	% Loan Repaid	Notes
4247	2/25/2025	Russell County Industrial Development Authority	Simmons Equipment Company, Inc.	Disbursed 3/27/25	\$66,500	\$66,500	0%	Loan Disbursed
4228	3/25/2024	Town of Blackstone	JKOZ Engineering Inc./Proj. J.E.T.	Disbursed 10/23/24	\$10,000	\$10,000	0%	Loan Disbursed
3754	4/30/2021	Danville-Pittsylvania Regional Industrial Facility Authority	Walraven, Inc.	Working to deobligate	\$48,000	\$48,000	0%	Loan has not been disbursed, looking to deobligate.
3734	7/28/2021	Danville, City of	Kegerreis Digital Marketing, LLC	Working to deobligate	\$45,500	\$45,500	0%	Loan has not been disbursed, looking to deobligate.
3674	5/3/2021	Blackstone, Town of	Blackstone Hotel Partners, LLC	Disbursed - 8/27/21	\$44,500	\$17,800	60%	Next payment due 8/1/25
3556	8/6/2019	Danville-Pittsylvania Regional Industrial Facility Authority	MEP, Ltd.	Disbursed - 9/28/21	\$270,000	\$270,000	0%	Payments 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 & subsequent payments - 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	\$1,500	90%	Next payment due 8/1/25
3507	6/6/2019	Russell County Industrial Development Authority	Polycap LLC	Disbursed - 8/30/19	\$140,000	\$84,000	40%	8/1/23 & subsequent payments - 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%	Requesting modifications to loan at May '25 meeting.
3448	6/6/2018	Nottoway County	UAV Pro, Inc.	Disbursed - 7/6/22	\$144,000	\$64,052	56%	Next payment due 7/1/25
3340	9/12/2017	Appomattox County EDA	Innovatio Sealing Technologies, LLC.	Disbursed - 2/16/18	\$40,000	\$4,800	88%	Next loan payment due 1/1/26
TOTALS					\$1,503,500	\$1,257,152		

VSBFA Loan Summary May 20, 2025

Borrower	Use of Funds	Amount	Loan Term	Interest Rate	VSBFA Rec	Commission Action	Status
Grayson Natural Farms	Working capital for meat stick production	\$600,000	5 years	5.50%	Approve	I&L Consent 4/11/24	Closed, all funds released; repayments coming in
Roses Creek Farm, LLC	New hydroponic greenhouse	\$2,300,000	10 years	5.00%	Decline	I&L Consent 5/21/24	Company working to secure needed equity for deal
Brunswick County IDA	Construct produce processing facility	\$2,000,000	10 years	5.00%	Approve	I&L Vote to approve 5/21/24	Awaiting final construction pricing before moving to close
IALR	Purchase Kyocera Building in Cyber Park	\$5,900,000	10 years	5.00%	Decline	I&L Consent 5/21/24	Strong commercial lending options available
Harris Ranch, Inc.	Purchase building & equipment for hay processing	\$1,000,000	10 years	5.50%	Decline	I&L Consent 1/6/25	Declined due to insufficient cash flow; invited to reapply when 2024 tax returns complete
City of Danville	Battery storage project for City utility	\$750,000	10 years	5.50%	Approve	I&L Consent 1/6/25	Approved, waiting for fund request
Town of Richlands	Install 5MW Gas Turbine to supply town electricity	\$2,000,000	10 years	5.50%	Approve	I&L Vote to approve 1/6/25	Approved, waiting for fund request
Summerfield Heritage Farm, LLC	Hurricane debris removal from farm; Fence Repair	\$200,000	5 years	1.50%	Approve	I&L Consent 1/6/25	Closed, all funds released

Virginia Tobacco Region Revitalization Commission

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rev. 5/16/2025

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