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TOBACCO REGION REVITALIZATION COMMISSION

701 East Franklin Street, Suite 501
Richmond, Virginia 23219

Southwest Economic Development Committee Meeting

Wednesday, June 5, 2019
4:30 o'clock p.m.

Institute of Advanced Learning and Research
150 Slayton Avenue
Danville, Virginia

1 APPEARANCES:

2 The Honorable Charles W. Carrico, Sr., Chairman
3 The Honorable A. Benton Chafin, Jr., Vice-Chairman
4 Mr. Ed Blevins
5 The Honorable James W. (Will) Morefield
6 Ms. Sandy Ratliff
7 Mr. Richard L. Sutherland

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9 COMMISSION STAFF:

10 Mr. Evan Feinman, Executive Director
11 Mr. Andy Sorrell, Deputy Director
12 Ms. Stephanie S. Kim, Director of Finance
13 Ms. Sara Williams, Grants Program Administrator
14 Southwest Virginia
15 Ms. Jessica Stamper, Grants Assistant
16 Southwest Virginia

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18 COUNSEL FOR THE COMMISSION:

19 Ms. Elizabeth B. Myers
20 Assistant Attorney General
21 Richmond, Virginia 23219

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1 June 5, 2019

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SENATOR CARRICO: All right, I'm going to call the meeting of the Southwest Economic Development Committee to order and ask Evan to please call the roll.

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MR. FEINMAN: Senator Carrico.

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SENATOR CARRICO: Here.

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MR. FEINMAN: Senator Chafin.

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SENATOR CHAFIN: Here.

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MR. FEINMAN: Mr. Blevins.

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MR. BLEVINS: Here.

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MR. FEINMAN: Ms. Coleman, she's not here.

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Delegate Morefield.

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DELEGATE MOREFIELD: Here.

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MR. FEINMAN: Ms. Ratliff.

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MS. RATLIFF: Here.

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MR. FEINMAN: Mr. Sutherland.

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MR. SUTHERLAND: Here.

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MR. FEINMAN: You have a quorum, Mr. Chairman.

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SENATOR CARRICO: I'd like to get approval of the

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January 8th, 2019 minutes.

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DELEGATE MOREFIELD: So moved.

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SENATOR CHAFIN: Second.

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SENATOR CARRICO: Have a motion and a second to

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approve the minutes. All those in favor, say aye. (Ayes).

1 Opposed? (No response). The minutes are approved.

2 Next on the agenda is Back of the Dragon Welcome
3 Center, and it's on page 96. There's a loan request for
4 \$450,000.

5 MS. WILLIAMS: This application is submitted by the
6 Tazewell County IDA on behalf of the developers of the Back of
7 the Dragon Welcome Center, which is in Tazewell County. It
8 says it's a \$450,000 request, but it's been increased to
9 \$650,000, and we'll talk about that in just a minute.

10 The Welcome Center is currently under construction.
11 It's a total of almost a \$1.7 million project with over a million of
12 that provided by other financing. It'll serve as a retail point
13 along the entrance to Back of the Dragon route. It'll also have
14 photo opportunities and other services, and this is a very good
15 opportunity. This is a tourist route of roughly 32 miles.
16 Everyone hopefully will visit this route. The application includes
17 a study from Chmura Economics and Analytics and there's a big
18 potential for this and a lot of money can be realized from it and
19 certainly will impact the county.

20 They will also pursue a \$150,000 loan funding from
21 VCEDA, and they plan to submit that application this month or
22 this summer. Approximately \$867,000 has already been spent to
23 date. The Tobacco Commission funds and VCEDA funds will be
24 used to complete an interior build-out. The building is pretty
25 much a shell.

1 When the applicant met with Staff and conversations
2 were had with VRA, they identified an additional \$200,000 line of
3 credit that is currently on the project and they'd like to refinance
4 that with the Tobacco Commission. That's why the request is to
5 raise it to \$650,000, and raising this and doing one loan for the
6 entire amount, it will allow VRA the first, and VRA will have the
7 first lien position on the project. That's why the requested
8 amount has been increased.

9 So, the Staff recommends the project be referred to
10 VRA for loan consideration, for the \$650,000 loan. It should be
11 noted though that if VRA recommends a loan for this project,
12 that would not come from this committee balance, which the
13 balance is about \$1.2 million. It would be funded instead from
14 the VRA loan set-aside fund, and I think that balance is about
15 \$1.68 million.

16 That's a very quick rundown of the project. I'd be
17 happy to answer any questions.

18 DELEGATE MOREFIELD: Where is the exact location
19 of this?

20 MS. WILLIAMS: It's in Tazewell County.

21 SENATOR CHAFIN: I would point out, Mr. Chairman,
22 this is in Tazewell, and, also, people go in both directions and it
23 gives them something to do when they get there. We're trying
24 to take advantage of all the country roads. We feel there's more
25 advantages. You don't have the ATV trails, you don't have to

1 build anything.

2 What we'd like to do is and we think this project, and
3 we know it has substantial private investment, and this will
4 stimulate the growth of the other amenities, such as restaurants
5 and hotels and other economic development. We feel this will
6 have a great indirect benefit to our area.

7 SENATOR CARRICO: Any questions?

8 SENATOR CHAFIN: I move that we approve this
9 project.

10 SENATOR CARRICO: There's been a motion that we
11 approve Project Number 3548. Is there a second?

12 MS. RATLIFF: Second.

13 SENATOR CARRICO: There's been a motion to
14 approve this project and a second. All those in favor, say aye.
15 (Ayes). Opposed? (No response). All right, thank you.

16 Next is other business. Look on page 98. There's an
17 extension request for the Scott County Economic Development
18 Authority, Daniel Boone Interpretive Center Exhibits (Grant
19 Number 2117, request for an additional time extension. And
20 that's an extension for one year, May 31, 2020, to allow
21 additional exhibits to be purchased and sufficient time for final
22 invoicing and grant closeout.

23 Sara, do you have anything to add?

24 MS. WILLIAMS: This is a project that I know a lot of
25 you have seen many times for the past ten years. Our funds

1 have provided a 20 percent match for VDOT. There's money in
2 the Tobacco Commission grant and the VDOT grant, and a lot of
3 us were there that day this spring to see the facility. They asked
4 if they could hold on to some of the funds to purchase some
5 additional exhibits, and we felt that was reasonable, so we
6 recommended that they file for a one-year extension to allow
7 them to do that.

8 MS. RATLIFF: I make a motion that we approve that.

9 SENATOR CARRICO: We have a motion and a second
10 we approve the extension until May 31, 2020. All in favor, say
11 aye. (Ayes). Opposed? (No response).

12 All right, that takes care of our business.

13 Is there any public comment? Hearing none, we're
14 adjourned.

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17 **PROCEEDINGS CONCLUDED.**

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the Court Reporter who took down and transcribed the proceedings of the **Tobacco Region Revitalization Commission, Southwest Economic Development Committee Meeting**, when held on Wednesday, June 5, 2019, at 4:30 o'clock a.m., at the Institute of Advanced Learning and Research, 150 Slayton Avenue, Danville, Virginia.

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

Given under my hand this 20th day of June, 2019.

Medford W. Howard

CCR