# Virginia Tobacco Region Revitalization Commission

# **Spring Meeting**

# MAY 27, 2021



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# Virginia Tobacco Region Revitalization Commission

Spring Meeting ELECTRONIC CONFERENCE CALL May 27, 2021 9:00 A.M. - 5:00 P.M.

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# ITINERARY

If accessing the meeting from the internet via a computer or smartphone, use this link to access the meeting:

https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?M TID=m283fbcd20331140a62c1b5d19fd50646

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number <u>132 596 4686#</u> and meeting password: <u>cP2SpTizF73 (27277849</u> from phones and video systems).

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: <u>JButler@revitalizeva.org</u> or call 804-894-9652.

Virginia Tobacco Region Revitalization Commission Spring Meeting Electronic Conference Call Thursday, May 27, 2021 9:00 am - 5:00 pm		
9:00 - 10:30 am	Southern Virginia Committee Meeting	
10:30 - 11:00 am	BREAK	
11:00 am - 12:00 pm	Incentives & Loans Committee Meeting	
12:00 - 1:30 pm	LUNCH BREAK	
1:30 - 2:30 pm	Education Committee Meeting	
2:30 - 4:00 pm	Southwest Virginia Committee Meeting	
4:00 - 5:00 pm	Full Commission Meeting	

# Stay Healthy and Stay Safe!!!



# **SOUTHERN VIRGINIA COMMITTEE** Electronic Conference Call Meeting

Thursday, May 27, 2021 9:00 A.M.

If accessing the meeting from the internet via a computer or smartphone, use this link to access the meeting:

https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?M TID=m283fbcd20331140a62c1b5d19fd50646

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Welcome and Call to Order	Mr. Walter "Buddy" Shelton, Chair
Items Related to Remote Meeting	Andy Sorrell, Deputy Director
Call of the Roll	Evan Feinman, Executive Director
Approval of the <u>1/8/21</u> Minutes	(published on website)
Public Comment	
Spring 2021 Funding Applications	Sarah Capps, Southern Regional Director
<b>Extensions and Modifications</b> 3102 - Pittsylvania County and 3391 - Pittsylvania County	Sarah Capps, Southern Regional Director
Other Business	Evan Feinman, Executive Director
Public Comment	
Adjournment	

# FY21 Southern Virginia Program Pending Applications May 27, 2021

The Commission received 11 proposals for funding for the March 9, 2021 application deadline for the FY21 Southern Virginia Program. Two applications were withdrawn. One application associated with an active prospect was solicited after the application deadline. The active applications are grouped below by investment category. This was the first grant cycle utilizing the new Guidelines & Request for Proposals for the Southern Virginia Program. The Southern Virginia Committee and Full Commission will act on these applications at 9:00 a.m. on May 27, 2021.

Agribusiness				
Req #	Organization	Project Title	Requested	Staff Rec.
3756	Buckingham Cattleman's Association	BCA BEEF Hub	\$ 186,000	\$ 186,000
3759	Halifax County	Expanding Marketing and Sales Opportunities for Livestock Producers in Southside Virginia	\$ 45,000	\$ 45,000

Broad	band			
Req #	Organization	Project Title	Requested	Staff Rec.
3761	Franklin County	Franklin County Broadband Authority Shantel Network Expansion - Mountain Cove	\$ 42,679	\$ 42,679 (Loan)
3752	Mecklenburg County	Mecklenburg County/EMPOWER Broadband Fiber Extension	\$ 880,643	\$ 880,643 (Loan)

Busine	ess Development			
Req #	Organization	Project Title	Requested	Staff Rec.
3749	SOVA Innovation Hub Corporation (MBC)	A&E for SOVA Innovation Labs	\$ 85,300 (revised)	\$ 85,300

Sites and Infrastructure									
Req #	Organization	Project Title	Requested	Staff Rec.					
3750	Bedford County	Grading Lots 10A and 12A	\$ 80,000	\$ 80,000					
3760	Institute for Advanced Learning and Research	Expanding Southern Virginia's Inventory of Shovel Ready Sites	\$ 999,900	\$ 247,600					
3757	Mecklenburg County	Kinderton Technology Campus Due Diligence	\$ 28,000	\$ 28,000					
3740	Greensville County	Off-Site Utility Engineering	\$ 785,906	\$ 785,906 (Loan)					
3775	Sussex County	Sussex Megasite Water Tank Project	\$ 2,800,000	\$ 2,800,000					
		TOTAL (10 requests):	\$ 5,933,428	\$ 5,181,128					
Total Loans:				\$ 1,709,228					
	\$ 3,471,900								

## Agribusiness

# Buckingham Cattlemen's Association BCA BEEF Hub (#3756) \$186,000.00 Requested

#### Project Summary:

The Buckingham Cattleman's Association proposes to create the BCA BEEF hub at the Buckingham Agriculture Resource Network (BARN) facility, expanding on services available to cattle producers at the agriculture center. The project directly addresses limitations at regional meat processing facilities, which have caused substantial lost revenues for cattle producers (estimated at \$132,240 annually based on respondents to a BCA survey) and facilitates creation of new market opportunities for cattle to be finished and processed for direct sale to consumers. The BCA BEEF hub operations will include development of a program for grouping multiple producers' finished cattle and coordination of access to current processors. Finished product will be delivered back to a central location for pickup or distribution. Project funding will be used to construct a metal building and for installation of a combination freezer/refrigerator unit with required back-up generator, purchase of a refrigerated trailer for transport and food packaging machines, as well as marketing and trademark cost for development of the BCA brand allowing for promotion of a high-quality beef product under a uniform label.

## Matching Funds:

A \$199,000 application has been submitted to USDA Rural Business Enterprise Grant program, \$10,000 is proposed from VDACS's AFID program, and \$5,000 from Buckingham County for in-kind services.

#### Project Outputs:

A 20' X 40' metal building with concrete pad will be constructed at the BARN facility that will house a 28' X 15' combination freezer/refrigerator unit. Expanded producer access to USDA-inspected meat processing facility. Development and marketing of BCA Beef brand.

Agribusiness outcome are estimated at \$292,000 aggregate increase to net farm income annually as a direct result of project. This is based on \$60,000 for reduced hauling costs to/from processor from shared transport; \$132,000 reduced losses due to unavailable and untimely processing dates; and \$100,000 for multiple animal discounts on processing. Additional revenues will accrue with increased number of cattle finished and processed, for sale to new and expanded direct to consumer sales.

#### Staff Comments:

This is a strong well developed application addressing a documented need with direct benefits to agriculture producers. As one of the oldest and largest cattlemen's association in the Commonwealth, BCA has  $\sim 235$  members, with the majority of farm operations located within 12 of the Tobacco Region's localities. The Commission provided two Agribusiness grants dating back to 2013, for a total of \$850K for creation of the BARN facility. This request builds on the success of this facility as a central coordination point for sales and educational activities. A survey sent to producers and outreach to local processing facility confirmed the need.

A critical aspect of the project is the relationship with Seven Hills Food Co., a meat-processing facility in Lynchburg, who has committed to increasing processing to serve this project with guaranteed timely processing dates and labeling services, as well as selling excess beef product under its Virginia branded beef product. Letters of support were provided from producers, VCE and Farm Bureau offices, and Lynchburg Livestock Market. As a result of this project BCA, will be able to assist local producers with increasing their finishing capabilities, coordination with processor, purchasing of inventory and distribution of finished product to other venues and directly to consumers.

#### Financial Viability Assessment:

The need and demand for this project has been clearly demonstrated. The applicant has performed thorough planning and has collaborated with an established private sector meat processor and other funders. The applicant plans to contract with a PR and marketing firm based in the region to create a brand and develop brand awareness so that there will be long-term success. There is a good likelihood that all identified matching funds will be obtained and, if so, the statutory requirement for 1:1 matching funds will be exceeded. Most importantly, his project will benefit a high number of producers across a broad area with quantifiable project outputs.

#### Staff Recommendation:

Staff recommends awarding a grant of \$186,000.

# Halifax County Expanding Marketing and Sales Opportunities for Livestock Producers in Southside Virginia (#3759) \$45,000.00 Requested

#### Project Summary:

Grant funds are requested for one-third of the \$135,986 estimated direct costs for expansion of facilities at the Agriculture Marketing Center (AMC) in the Scottsburg area of Halifax County off State Route 360. The AMC is owned and operated by Halifax County. The project will accommodate larger livestock sales

that will support of two regional agricultural producer membership associations that utilize the AMC for livestock related events and sales activities. Two new shed structures will be constructed and animal holding pens and corals will be purchased, along with additional lighting that will allow for expanded hours in evenings and early morning hours.

#### Matching Funds:

A \$90,986 application has been submitted to USDA's Rural Business Enterprise Grant program.

### Project Outputs:

Construction of two sheds off of existing structure and acquisition of holding pens and corrals for managing livestock. One shed will be 30' X 60' and the second will be 90' X 18'. At least 24 new producers will use the facility, with each expected to realize a premium of \$125/head for beef producers and \$20/head for goat producers.

#### Staff Comments:

The AMC supports two regional producer membership groups: Southside Marketing Group (beef cattle producers) and Southern Virginia Meat Goat Association. Their combined memberships include 96 producers from seven counties in Southern Virginia. The closest livestock market is identified as 60-85 miles away, with the AMC location being central at an average 25 miles from association members. The applicant credibly explained the AMC's current capacity limitations that have necessitated the beef alliance having to schedule multiple take-up days for calves and the goat association having to use an alternate market.

The upgrades and improvements are necessary to retain and support growth opportunities for these producers. The applicant indicated that buyers purchasing livestock at the AMC are willing to pay a premium because of the services provided and economies of scale. Producers will benefit from the resulting increased purchase prices that are expected to generate meaningful new income. Anecdotally, one producer indicated that once he began utilizing the AMC, he realized a 700% increase in the number of cattle sold and realized a premium of \$25,000 in just one year.

## Financial Viability Assessment:

This project involves the expansion of an existing facility with a strong track record of productive use. The applicant has documented strong demand for this project and solid evidence of the benefits that are likely to accrue if it proceeds. Beef and goat producers have expressed their strong support for the project and will benefit from the improved sales opportunities. The project budget is sound and based on recent cost estimates from the vendors/contractors who will provide the requested goods and services.

## Staff Recommendation:

Staff recommends awarding a grant of \$45,000.

(Broadband applications begin next page)

# Franklin County Franklin County Broadband Authority Shentel Network Expansion - Mountain Cove (#3761) \$42,679.00 Requested

#### Project Summary:

Funds are requested for 50% of the \$85,359 estimated cost for the internet service provider, Shentel Telecommunications to expand its coaxial cable/fiber network. Franklin County identifies the project will pass approximately 32 homes and 18 vacant lots in the Mountain Cover Drive area of Hardy.

#### Matching Funds:

Shentel will provide \$42,679.50 cash match for 50% of \$85,359 project costs.

#### Project Outputs:

Revised details from the County identify a total of 3,354 linear feet of new aerial coax cable and 2,505 linear feet underground fiber required to be installed. The project will serve 32 residents, 1 non-residential unit, and pass 18 vacant lots. Provision of broadband internet service with download speeds of up to 1 Gbps and upload speeds of up to 30 Mbps through the Docsis 3.0 platform.

#### Staff Comments:

The Commonwealth has taken a formal position against funding projects that target pockets of density in lieu of projects that are broader in scope to help achieve universal connectivity. It appears this project violates this principle. Franklin County benefited from a 2019 broadband grant for \$650,000 for a more comprehensive project covering six different project areas with four of those being with Shentel. While these grant funds have not been drawdown, the county has indicated that all but one of the Shentel projects has been completed. The application provided scant detail about this specific project area any why it was selected. The units that will be served appear to be a waterfront townhome development located on Smith Mountain Lake and available lots that are not yet developed. The line item detailed budget in the application was incomplete and an updated version received just recently lists a total project cost estimate of \$92,687.37—almost 10% higher than originally proposed—without any explanation.

This project was part of a VATI application for 2021 that was not approved. At \$2,667, the average cost per household/residential entity passed is not excessive (\$1,334/connection for TRRC funding based on 32 connections). The applicant submitted the required cash flow analysis just recently and it lists first year capital costs of \$51,343—well below the \$85,359 project costs. Nevertheless, it appears the project could support debt service.

#### Financial Viability Assessment:

The selection of such a small and dense project area plucks "low hanging fruit" at the exclusion of other parts of the county that surely could benefit from broadband expansion. In addition, more than half of the properties that will be served are vacant lots in a planned subdivision. The applicant submitted the required cash flow analysis more than two months after the application deadline and it appears the project can support debt service, however, the transaction costs of entering into a loan may be prohibitive for such a small project.

#### Staff Recommendation:

Because the application did not make a compelling argument for grant funding and staff has concerns about subsidizing broadband in a location that primarily benefits development of a future subdivision, staff recommends no award; however, if the Commission wishes to support this project, staff recommends awarding a loan of up to \$42,679 at an interest rate and for a term to be negotiated by the Executive Director.

# Mecklenburg County Mecklenburg County/EMPOWER Broadband Fiber Extension (#3752) \$880,643.45 Requested

#### Project Summary:

EMPOWER Broadband, in partnership with Mecklenburg County proposes to continue expansion of their Fiber-to-the-home (FTTH) broadband network with the capability of providing up to l Gigabit of Ultra-High-Speed broadband. The FTTH network architecture will provide customers of the proposed project areas with access to broadband data services, voice, and multimedia over one unified access network. The scope of this application includes the installation of 33.25 miles of mainline fiber cable, new substation FTTH electronics, optical network terminals at the customer locations and fiber mainframe equipment for fiber management. The project will pass 217 locations. The total cost including labor, installation costs and engineering is estimated to be \$1,761,286.90.

#### Matching Funds:

EMPOWER Broadband would provide \$880,643.45 of match for the project's 1:1 match requirement.

### Project Outputs:

The project will result in 33.25 miles of new fiber constructed. Broadband service would be made available to 217 residential units with an estimated 152 residents subscribing (70% take rate).

## Staff Comments:

The cost per connection averages \$8,116 (with TRRC's share being \$4,058 per unit) is exceptionally high considering the modest terrain in this area. This project was not submitted to VATI for funding, however, another project covering other areas of the county was submitted and approved. Given that all match is from EMPOWER without any contribution from the county and the county requested that its allocation not be used to fund this project if an award is made, staff infers that this project is not a high priority for the County.

The Commission has awarded nearly \$3 million for development of EMPOWER's fiber network, including a \$2.6 million grant to Mecklenburg County in March 2018 and a \$375,000 grant to in June 2019. More than 40% of funds remain available in the first award and the full balance remains on the second grant. In recognizing these active TRRC grants and other funding awards from VATI, it is premature to commit more funding until the previously funded projects are completed. EMPOWER has also been approved for a \$9.2 million line of credit from the National Rural Utilities Coop Finance Corp. at a very low interest rate suggesting there are substantial financing commitments already available to support current network buildout needs.

The applicant provided a cash flow analysis that appears to indicate the project can support appropriately structured debt service. In year 2, cash flow projections are at \$53,000 (without TRRC grant funding) and \$187,255 (with TRRC grant funding), which should be sufficient revenue to service debt.

#### Financial Viability Assessment:

The cost per connection for this project of \$8,116 is unusually high and for reasons that were not explained. Though EMPOWER has a solid track record of providing reliable internet service in the region, it has not completed the \$2.6 million 2018 project (December 2020 projected completion date) and it has yet to begin the \$375,000 2019 project (September 2020 projected completion date). Until the two existing projects are completed successfully, encumbering such a significant amount of Commission resources will prevent these funds from being put to more immediate use for projects that are more likely to result in project outcomes sooner.

#### Staff Recommendation:

Because significant work remains on existing grants and costs for this project are inexplicably high, Staff recommends no award; however, if the Commission wishes to support this project, staff recommends awarding a loan of up to \$880,643 at an interest rate and for a term to be negotiated by the Executive Director.

# **Business Development**

# SOVA INNOVATION HUB CORPORATION

# Architectural & Engineering Design for SOVA Innovation Labs (#3749) \$85,300.00 (Revised Request)

## Project Summary:

This request is for 50% of the \$170,600 estimated A&E design costs (reduced from original estimate of \$200,000) for the SOVA Innovation Labs building in South Boston. The planned facility will be adjacent to the recently opened SOVA Innovation Hub, a 15,000 square foot building that includes co-working space, meeting space and the Microsoft Experience Center that is expected to open in fall 2021. This second building is estimated to be approximately 13,000 square feet and will serve entrepreneurs, including start-ups and existing growing businesses in need of flexible modern office space.

## Matching Funds:

SOVA Innovation Hub will provide \$85,300 of cash match.

## Project Outputs:

A&E design services including schematic, design development and construction documents for the approximately 13,000 sq. ft. SOVA Innovation Labs as a 2<sup>nd</sup> building for the innovation Hub campus.

## Staff Comments:

SOVA Innovation Hub Corporation is a new 501(c)3 nonprofit created in 2020 by Mid-Atlantic Broadband in partnership with Microsoft TechSpark. The organization seeks to build digital skills and entrepreneurship to spur economic opportunity in Southern Virginia. This project supports aims to position the Town of South Boston as a rural technology hub for attracting technology workers and as a destination for starting and growing companies. The planned building is expected to include a marketspace and small office suites for new and existing business growth. The applicant indicates a plan to pursue federal EDA and other funding for the estimated \$3 million building construction costs. The applicant has indicated that it does not plan to approach the Commission for support beyond the design phase.

#### Financial Viability Assessment:

SOVA Innovation Hub Corporation is affiliated with Midatlantic Broadband Corp. (MBC) and benefits from MBC's competent leadership and financial resources. The organization is collaborating with GO Virginia Region 3's Entrepreneurship Training Pipeline and this project supports a broader initiative to increase entrepreneurship participation rates in the region. Costs will be contained by continuing to work with the A&E firm that designed the existing facility. In addition, the applicant will absorb any cost overruns in the event additional services are required to complete design.

#### Staff Recommendation:

Staff recommends awarding a grant of \$85,300 for 50% of the estimated \$170,600 design phase A&E costs.

Sites and Infrastructure

# County of Bedford Grading Lots 10a and 12a in New London (#3750) \$80,000.00 Requested

#### Project Summary:

Grant funds are requested to support 50% of the \$160,000 estimated costs to grade two 1.7 acre pads, one each on Lot 10A (10 acre site) and Lot 12A (7.5 acre site) at the New London Business and Technology Center in the Forest area of Bedford County. Once completed, both lots will be "shovel ready" with a Tier 5 site characterization. Bedford plans to market both sites to high wage manufacturing and professional services companies. Outcomes potential for each company that may locate is estimated at creating 10-25 new jobs with \$40-60K average salary, and \$1-2 million private investment.

## Matching Funds:

Bedford County will provide the \$80,000 match for 50% of \$160K total project cost.

## Project Outputs:

Two 1.7 acre sites on Lots 10A and 12A will be graded and raised from Tier 3 to Tier 5 site characterization. The A&E that completed the site assessment of the New London business park will provide a Tier 5 certification letter for VEDP's Business Ready Sites program.

#### Staff Comments:

The applicant submitted a strong and thorough application with solid output and outcome projections. This is a modest request to make two smaller lots available at a successful technology park where the inventory of small lots have all recently been sold. The funding request is based on recent estimates from Hurt & Profit for each lot for a combined total \$160,525, with \$20K for A&E and \$140K for grading/construction. In addition to a \$1.3 million investment in a shell building and a larger investment in construction of the CAER facility, the Commission has invested \$716,871 in due diligence and site development at New London. Approximately \$43,000 was spent for clearing and grubbing these lots under grant #3291.

The only remaining small pad-ready graded site in the park has been sold (Lot 3B) and the two lots in this request are identified as the most cost effective option for providing additional shovel ready sites for new

prospects. A 2017 letter from VEDP indicated that declined for a Site Development Grant due to VEDP's preference for larger sites, however, VEDP did provide a letter of support for the current application.

## Financial Viability Assessment:

This request is for a relatively modest grant to prepare two additional sites at a successful business park that has exhausted its inventory. The amount of the request is supported by recent cost estimates and appears reasonable and VEDP supports this project. The project will result in two sites obtaining Tier 5 characterization that is likely to lead to additional interest from prospects. Finally, that Bedford is planning to invest local funds into the project demonstrates its commitment to a successful project.

#### Staff Recommendation:

Staff recommends awarding a grant of \$80,000.

# Institute for Advanced Learning and Research Expanding Southern Virginia's Inventory of Shovel Ready Sites (#3760) \$999,900.00 Requested

#### Project Summary:

The Southern Virginia Regional Alliance (SVRA) requests \$999,900 to improve the marketability and VEDP Business Ready Site characterization of 11 sites within the City of Danville and the Counties of Pittsylvania, Halifax and Patrick. The selected sites were based on developability and sector marketing readiness, resulting respectively from 3<sup>rd</sup> party A&E assessments and a developability study by KPMG. Funding is requested for estimated A&E due diligence costs to raise six sites from Tier 2 to Tier 4 status and to raise five sites from Tier 2 to Tier 3 in preparation for future Tier 4 work. Of this second group, studies/assessments and site characterization analysis of one of the sites will be completed to raise the site from Tier 2 to Tier 3.

## Matching Funds:

The applicant's \$1.5 million application to GO Virginia is advancing. In addition, the applicant has indicated that it is also pursuing approximately \$999K from US EDA and \$200,000 from ARC.

## Project Outputs:

If fully funded, the Business Ready Site classification of six industrial properties will be raised from Tier 2 to Tier 4. An additional five sites will be raised from Tier 2 to Tier 3 status, with plans and site/infrastructure engineering requirements outlined for moving these sites to Tier 4. This project is estimated to lead to the attraction of four companies, each with an average of 400 jobs, \$42,000 average salary and \$40 million capital investments.

#### Staff Comments:

This project builds on the unprecedented data-driven review of Virginia's portfolio of sites by VEDP for its site characterization program. The 11 sites included in this application were narrowed from a list of 66 sites in SVRA's region. Sites must be a Tier 4 or Tier 5 to be marketed as part of VEDP's Virginia Certified Sites program. Only two of SVRA's larger sites are currently part of the Virginia Certified Sites program (Lot 9 at Cane Creek Centre and the Southern Virginia Megasite at Berry Hill). There is a need for certification of smaller sites and those that address the varying interests of recent prospect activity. Sites were selected based on their developability score and suitability for attraction of small scale distribution & logistics, light manufacturing and/or advanced manufacturing sector companies. The timeline provides for completion of the project in in two years—by March 2023.

If the goal of this project is to improve the marketability of the most attractive sites that prospects are most likely to select, Staff suggests the scope of this request be focused on 7 sites rather than the 11 proposed. Staff recommends narrowing the scope of the project (and its corresponding cost) to focus on the six sites that would advance from Tier 2 to Tier 4 status (Danville-3 sites, Halifax-1 site and Pittsylvania-2 sites) and a seventh site in Patrick County that will advance to Tier 3 status in order to address geographic distribution for workforce employment needs and opportunities within the SVRA region. The A&E estimates for these seven sites totals \$495,200. An award to fund 50% of the costs for the seven sites would be \$247,600.

The A&E estimates provided for all 11 properties plus a cost of \$5,000/site certification report totals \$1,115,000. Confusingly, the applicant submitted a project budget that totals \$1,999,800, which is well in excess of the amount needed to complete the A&E studies that have been identified for all 11 sites. Staff believes that the excess portion of the total project budget contemplates using funding for various improvements to raise these sites to Tier 4 status for which the applicant has only rough estimates that range from a total of \$11.2 to \$23.4 million. Staff feels it would not be appropriate for the Commission to commit funding until the specific needs/scopes of work are known. If the Commission were to support 50% of the cost of the entire 11-site scope of this project, the cost would be \$557,500.

*Financial Viability Assessment:* The seven sites Staff recommends for award require a relatively modest investment to be raised to Tier 4 status. If this narrowed scope is approved, six additional sites in the region will be included in VEDP's Virginia Certified Sites program. With respect to the four sites Staff is not recommending, these sites require significant additional investment. The Commission and its communities will realize economic benefits sooner by targeting resources to get existing sites over the finish line. If fully funded, the project budget includes an arbitrary amount beyond that needed to complete the known diligence activities, it is unknown for what activities Commission resources would be used and what outputs would result. Because of this, funding an amount in excess of 50% of known project costs cannot be justified.

#### Staff Recommendation:

Staff recommends awarding a \$247,600 grant for 50% of the estimated costs to perform due diligence on seven properties, including six that will advance from Tier 2 to Tier 4 status (Airside Drive, Cane Creek, Cyber Park, Ringgold East, Riverview and Southern Virginia Technology Park) and seventh site that will advance to Tier 3 status (Rich Creek).

# Mecklenburg County *Kinderton Technology Campus Due Diligence (#3757)* \$28,000.00 Requested

#### **Project Summary:**

Grant funds are requested to support due diligence for the Kinderton Technology Campus in order to obtain raise the site characterization from Tier 2 to Tier 4/5, positioning this park to be more heavily marked by the VEDP. This 121 acre industrial park with 80 acres identified as developable is located on Iron Gate Road and Kinderton Road in Clarksville area of Mecklenburg County. The industrial park includes two cleared pads (25 and 30 acres) and all utilities are already available, including electricity, natural gas, water, sewer and broadband. A potential site layout by Timmons shows a 450,000 sf building, two 250,000 sf buildings and three 100,000 sf buildings on the property.

#### Matching Funds:

A cash match of \$28,000 is committed by the County for 50% of the \$56,000 cost of A&E fees.

#### Project Outputs:

Completion of a topographic survey, wetlands delineation, COE confirmation of wetlands and waters of US, preliminary geotechnical services, Phase 1 Environmental Site Assessment, cultural resource review and rare, threatened and/or endangered species review. Tier 4/5 certification of the ~ 121 acre Kinderton Technology Campus property. The portion of the site that is "pad ready" will become Tier 5, and the remainder of the park will be certified as Tier 4.

#### Staff Comments:

The Commission provided a \$3.5 million grant to Mecklenburg County in 2009 for acquisition and for A&E, site development and provision of utilities to this park. This proposal is a modest request that will increase the marketability of the site. Due to other recent prospect activity, the County no longer has any industrial park properties with VEDP Business Ready Certification. A proposal from Timmons Group confirms the \$56,000 project cost. The Scope of services includes a topographic survey, wetlands delineation, COE confirmation of wetlands and waters of US, preliminary geotechnical services, Phase 1 Environmental Site Assessment, cultural resource review and rare, threatened and/or endangered species review. Targeted sectors for Kinderton are technology and manufacturing, and while the county indicates that prospect activity has been slow, the property has recently been included for consideration by several manufacturing companies. Median earnings in the county are at \$29,239, and the applicant indicates a conservative estimate for attraction of 300 jobs averaging \$35,838 salary.

#### Financial Viability Assessment:

This is a modest request to raise one portion of a Tier 2 site to Tier 5 status and another to Tier 4, generating additional marketing attention from VEDP. The community has seen meaningful prospect activity, but believes the delays associated with the diligence that would be completed with this current project has caused prospects to select other sites. The request is supported by a recent quote from Timmons. That Mecklenburg is planning to invest local funds into the project demonstrates its commitment to a successful project.

#### Staff Recommendation:

Staff recommends awarding a grant of \$28,000.

Greensville County Off Site Utility Engineering (#3740) \$785,906.00 Requested

#### **Project Summary:**

Grant funds are requested for 50% of the \$1.57 million engineering costs to design an expansion to the Jarrett Water Treatment Plant (JWTP). The JWTP's average daily demand of 1.1mgd plus a reservation of potable water for the Dominion Power Station (.6mgd) leaves no usable capacity in the JWTP for growth. As a result of the situation, the Greensville County Water & Sewer Authority is planning the expansion of the treatment plant to meet future water needs which will include expanding its service area to the Mid-Atlantic Advanced Manufacturing Center (MAMAC). The proposed 6mgd plant will produce an average treatment rate of 4.75 mgd, of which 1.55 mgd is identified as reserved for the site's future client use based average needs of prospects for the site over the past five years.

#### Matching Funds:

Greensville County Water and Sewer Authority will contribute \$789,906 for 50% of design costs.

## Project Outputs:

Design of a 6mgd expansion of the Jarratt Water Treatment Plant.

### Staff Comments:

This off-site utility infrastructure project is intended to serve various portions of Greensville County, and perhaps the MAMAC megasite. TRRC has invested over \$26 million in MAMAC. The representation in this application that this project is necessary to serve MAMAC is belied by information the applicant has provided in several previous applications and its current marketing materials. Starting in 2010 and through the most recent grant in January 2020, applications to the Commission have indicated that the City of Emporia would provide water to MAMAC. In 2010, the Commission awarded a \$932,000 grant to the City of Emporia specifically for engineering the expansion of its water treatment plant and distribution system in order to serve the megasite. In the 2012 RIFA agreement among Emporia, Mecklenburg and Greensville, Emporia committed to provide 0.5mgd to MAMAC. With its 2015 application, Greensville submitted a MAMAC business plan indicating that the "City of Emporia has committed 2.0mgd of capacity in its new water treatment plant for use by MAMAC."

Staff understood that Emporia's water treatment plant has capacity available to serve MAMAC and to serve any companies locating prior to the expansion of the JWTP. The change in the provision of water service to the megasite and the need for the expanded water treatment plant appears to be driven by obligations the county and city made for meeting water capacity requirements for the Greensville County Dominion Power Plant that began operation in 2018. In addition, Greensville projects that approximately 45% of the new capacity resulting from expansion of the JWTP would serve existing customers and new residential growth, with the remainder serving MAMAC and future commercial and industrial users. Consequently, this project is better likened to a routine utility expansion project rather than one that will primarily benefit new industrial development.

A Preliminary Engineering Report (PER) submitted with the application estimates construction of the JWTP and other upgrades will cost approximately \$21 million. The proposed project budget in this application totals \$1,571,812. The application did not include an estimate from an A&E for the design phase for which Commission funds are sought. Instead, the proposed project is based upon the estimated <u>construction phase</u> design fees included in the PER.

## Financial Viability Assessment:

This application raises several concerns. Because the applicant did not provide an estimate of the A&E fees associated with design, there may not be sufficient resources to complete the project. In addition, the need for this project is not apparent because the Commission has awarded grants that supported the availability of utility service to the megasite and the applicant has repeatedly confirmed adequate capacity is available in previous applications. Finally, the project will not serve a clearly defined economic development site as required by the Southern Virginia Program guidelines. Instead, it will serve nearly equal proportions of existing customers and new residential growth on one hand (46%) and new industrial development on the other (54%). I am concerned that MAMAC has been shoehorned into this application to overcome this restriction in order to obtain grant funding for a project better characterized as an ordinary utility expansion.

#### Staff Recommendation:

Given the level of the Commission's previous investments to ensure the availability of utilities to MAMAC, including A&E for expansion of the Emporia water treatment plant, staff recommends no award. If the Commission wishes to consider supporting this project, staff believes a loan for an amount up to the actual cost of A&E services to complete design for a term and at an interest rate acceptable to the Executive Director would be most appropriate.

# Sussex County Sussex Megasite Water Tank Project (#3775) \$2,800,000.00 Requested

<u>MAY 24, 2021 UPDATE</u>: After the information below was prepared, the prospect's utility requirements increased. Sussex seeks support to construct a 2M gallon tank rather than a 175K gallon tank. Total project costs will increase to approximately \$8 million from \$5.6 million. Staff will provide the most current information available at the May 27<sup>th</sup> meeting.

#### **Project Summary:**

Sussex is requesting funds for 50% of the estimated \$5.6 million cost to construct, test and commission a 750,000 gallon elevated water storage tank that will provide additional water capacity and pressure necessary for fire suppression and end user operations at the Sussex County Megasite. While construction of the storage tank is necessary infrastructure to improve the marketability of the megasite as a whole, the recent interest of a major economic development prospect has accelerated the need to complete this project.

#### Matching Funds:

Sussex will provide a cash match to satisfy the 1:1 matching funds requirement. Sussex and the Sussex Service Authority are considering issuing bonds to finance the construction of utility infrastructure, including significant water and sewer extensions and the installation of a sewer pump station. Sussex is also exploring US EDA funding. In addition, Sussex plans to seek funds from the Commonwealth's Opportunity Fund to be invested in site improvements, VDOT Economic Development Access Program funds for an industrial access road, and a grant from VDOT's Transportation Partnership Opportunity Fund for improvements to Beef Steak Road.

## Project Outputs:

Construction of a 750,000 gallon elevated water storage tank owed by the Sussex Service Authority that will serve the current prospect and other users at the megasite. Other funds will be used to construct other utility and road infrastructure that will support the current prospect. If this prospect locates at the megasite, the first phase is expected to result in more than 1,000 jobs and more than \$400 million of capital investment.

#### Staff Comments:

The Sussex County Megasite is a 1,130 acre site located on Route 460 near the Town of Waverly in Sussex County. The Commission has invested more than \$10 million into acquisition, diligence, master planning, A&E work and other activities related to this site. Very recently, a major economic development prospect has expressed serious interest into this site. At the Executive Director's request and invitation, Sussex withdrew a separate application and submitted this application.

Sussex is proposing a 250-300 acre portion of the megasite for this project, including future expansions. There are significant infrastructure gaps that must be closed in order to have the opportunity to recruit this prospect. These include construction of an industrial access road, widening a portion of Beef Steak Road, installing a significant amount of new water and sewer lines, constructing a sewer pump station, and extending a natural gas line.

Construction of this water storage tank will make the necessary water volume and pressure available for fire suppression and operational uses at the megasite. The tank is of a sufficient size that it will benefit multiple users at the site. In addition, the County has identified construction of the tank as a high priority at least since 2015. Previous grant funding was used in part to complete final design of the storage tank.

The amount requested is for 50% of the cost of construction and A&E fees associated with bidding, construction administration, inspection, and commissioning. The timeline for completion is estimated to be 18-24 months.

## Financial Viability Assessment:

A previous Commission award funded the A&E work to develop 100% complete plans. Consequently, the cost estimate submitted with this application is thorough and current. It includes a healthy 15% contingency that provides a reasonable assurance that Sussex will have sufficient funds to complete the project once matching funds are secured. Ideally, this additional investment into the Sussex County Megasite will cause the current prospect to select this site and it will improve the marketability of the site for other prospective users. The contingencies recommended for this grant strike an appropriate balance between affording flexibility to accommodate a late application while supporting the recruitment of a major economic development opportunity in a timely fashion.

## Staff Recommendation:

Staff recommends awarding a grant of \$2,800,000 to fund 50% of the cost of construction and associated A&E fees contingent upon (1) Project Glove selecting a site at the Sussex County Megasite and (2) receipt of documentation of sufficient matching funds to complete the project.

\* \* \*

# EXTENSIONS & MODIFICATIONS

## Pittsylvania County SoVA Vineyard Development and Expansion to Support Va's Wine Industry (#3102) Approved for \$811,526 in January 2016 (\$635,478.13 balance) Request for extension through 12/31/2022

In January 2016, the Commission approved an \$811,526 Agribusiness grant award to support a new initiative designed to expand grape production in the Tobacco Region and to address critical shortages of Virginia grown grapes for the wine industry of the Commonwealth. In July 2018, IALR assumed management of the vineyard program and it was expanded to include all Tobacco Region counties in Southern and Southwest Virginia.

To date, the project has supported cost-share for 35+ acres of new wine grapes at eight vineyards in seven different counties, with TRRC's cost-sharing payments of \$84,000 leveraging another \$449,000 of capital costs. Investor and economic uncertainty halted due to the pandemic halted cost-share activity, however, multiple landowners have recently begun to inquire about the program.

Pittsylvania County is requesting an extension through December 31, 2022 to allow time for one final round of cost-share for new and expanding vineyards. As a substantial balance remains on the project account, staff recommends deobligating \$500,000 and leaving \$135,478.13 to support project activities during the final extension period.

Staff recommends approval of an extension to December 31, 2022, conditioned upon the deobligation of \$500,000 and leaving \$135,478.13 available for cost-share payments.

# Roanoke River Rails to Trails, Inc. Lawrenceville Corridor Acquisition Project (#3038) Approved for \$285,960 in May 2015 (\$40,987 balance) Current Project End Date 5/21/2021; Three-Year Extension Requested to 5/21/2024

In May 2015, the Commission awarded \$285,960 for the acquisition and construction of 2.8 miles of trails to connect the Town of Lawrenceville with 17 miles of the existing Tobacco Heritage Trail. In January 2020, the Commission approved an extension to May 2021 contingent upon VDOT's approval of funding in 2020. VDOT awarded a grant of \$471, 812 in October 2020 and the Town of Lawrenceville plans to use the remaining TRRC funds for VDOT's required 20% match.

The balance of \$40,987 remaining on the TRRC project account will support a portion of the Town's 20% match requirement. Apparently the VDOT funds will not be available until July 1, 2021. The Southside PDC will administer the VDOT grant and confirmed that an 18-month extension should be sufficient time to complete trail construction activities to drawdown the remaining TRRC grant funds.

#### Staff recommends approval of a final 18-month extension to November 21, 2022.



# **INCENTIVES AND LOANS COMMITTEE**

Electronic Conference Call Meeting Thursday, May 27, 2021 11:00 A.M.

If accessing the meeting from the internet via a computer or smartphone, use this link to access the meeting: <u>https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?M</u> TID=m283fbcd20331140a62c1b5d19fd50646

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number <u>132 596 4686#</u> and meeting password: <u>cP2SpTizF73 (27277849 from phones and video systems).</u>

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: <u>JButler@revitalizeva.org</u> or call 804-894-9652.

Welcome and Call to Order	The Honorable Lashrecse Aird, Chair			
Items Related to Remote Meeting	Andy Sorrell, Deputy Director			
Call of the Roll	Evan Feinman, Executive Director			
Approval of the <u>12/18/20</u> Minutes	(published on website)			
Public Comments				
<b>Forbearance Agreements</b> 3482 – Danville-Pittsylvania RIFA 3507 – Russell County	Andy Sorrell, Deputy Director			
Extensions, Modifications & Appeals 3138 – Henry County 3101 – Tazewell County IDA and 2845 – Scott County EDA	Andy Sorrell, Deputy Director			
Confidential Projects <ol> <li>Glove</li> <li>Aurora</li> <li>K2</li> <li>Sharon (added, 5/24)</li> </ol>	Evan Feinman, Executive Director			
Other Business	Evan Feinman, Executive Director			
Public Comments				

Adjournment

# Incentives & Loans Committee May 27, 2021

The Incentives and Loans Committee is meeting on Thursday, May 27th at 11:00 a.m. to consider in open session two requests for loan forbearance, three requests for performance extensions or other project modifications and one repayment appeal. Three confidential projects will be discussed in closed session. All committee recommendations to the Commission will occur in open session. The following provide staff overview and comment on all the projects mentioned above.

# FORBEARANCE AGREEMENTS

# 1. Danville-Pittsylvania Regional Industrial Facilities Authority Harlow Fastech, LLC (#3482) Request for Forbearance on TROF Loan Payments until 2/1/2024

**Staff Overview & Comment:** This Tobacco Region Opportunity Fund (TROF) incentive was approved in October 2018 to the Danville-Pittsylvania Regional Industrial Facilities Authority (the "RIFA") for the benefit of Harlow Fastech, LLC (the "Company") in the form of a grant award of \$315,000 and a loan award of \$630,000 that were both fully disbursed to the RIFA by September 2019 (prior to performance). The performance period is 60 months ending 9/30/2023. The executed TROF loan agreement (the "Loan Agreement") stipulated that the first loan payment in the amount of \$63,000 was due 2/1/2022 anticipating a two-year payment free period in years 2020 and 2021 once needed equipment arrived on-site before the loan payments began.

Due to the disruptions caused by the global pandemic, the Company notified the Commission that the primary piece of equipment needed to begin the manufacturing operation at the Company's facility in the Danville Cyberpark has been delayed in shipment for over a year. While the machine (a Gerfertec 605 3D metal printing machine) could have been shipped the spring of 2020, the necessary personnel from Germany needed to set it up and train Company employees were not allowed to enter the US. With travel restrictions beginning to relax this year, the proper personnel are planned to enter the US this spring and the equipment will be shipped very soon so that when the personnel arrive they will be able to set it up and train Company employees how to use it.

The significant delay caused by the inability to get the needed equipment and personnel to set it up has meant that the Company has not had the revenue expected to pay the TROF loan payments. With the arrival of the equipment and personnel now expected this spring, The Company, has requested a period of forbearance that extends the time in which the first TROF loan payment will be due based upon the new date the equipment is arriving. Staff, in consultation with the Company and the RIFA, has drafted the attached forbearance agreement (Attachment 1A) that amends the first loan payment from beginning February 1, 2022 to be February 1, 2024.

Additionally, as noted in the attached letter (Attachment 1B), the RIFA also requests the Commission consider reducing the amount of security the RIFA holds for the loan by approximately 40%. The amount of security the RIFA currently is \$630,000 and the RIFA requests

it be reduced by \$250,000 to \$380,000. The RIFA estimates that the collateral used for the security (which is the value of the equipment) will have depreciated by 40% before the first loan payment would be due. Therefore the RIFA feels the true value of the collateral will be closer to \$380,000 as of February 1, 2024.

While the value of the collateral is likely to depreciate over time, the full amount of loan disbursed to the RIFA must be secured and therefore staff does not recommend reducing the security amount as requested. Reducing the security amount would not fully protect the Commission's disbursed loan amount if the Company is unable or unwilling to make the necessary repayments. As loan payments are made and the loan balance is reduced, it would be possible for the RIFA to request the security amount be reduced proportionately to the balance due. Alternatively, the loan amount to be disbursed to the RIFA could be reduced to the amount the RIFA desires to secure.

Staff recommends the forbearance period of February 1, 2022 to February 1, 2024 and as shown in the attached forbearance agreement be ratified and approved by the Commission.

# 2. Russell County Industrial Development Authority Polycap, LLC (#3507) Request for Forbearance on TROF Loan Payments until 1/31/2022

**Staff Overview & Comment:** This Tobacco Region Opportunity Fund (TROF) incentive was approved in June 2019 to the Russell County Industrial Development Authority (the "IDA") for the benefit of Polycap, LLC (the "Company") in the form of a grant award of \$140,000 and a loan award of \$140,000 that were both fully disbursed to the IDA by September 2019 prior to performance. The performance period is 36 months ending 3/31/2022. The executed TROF loan agreement (the "Loan Agreement") stipulated that the first loan payment of \$14,000 was due in August 2020 and this full payment was received as required. In February 2021 given the economic slow-down caused by the global pandemic and resulting material shortages and the significant price increases for materials the IDA on behalf of the Company requested a forbearance of one-year before loan payments resumed (Attachment 2B).

A forbearance period on TROF loan payments will allow the Company to adjust to the postpandemic world and allow cash-flow to resume in order to meet existing financial commitments such as the TROF loan. Staff in consultation with the Company and the IDA, has drafted the attached forbearance agreement (Attachment 2A) that amends the next loan payment from beginning due February 1, 2021 to be February 1, 2022.

# Staff recommends the forbearance period of February 1, 2021 to February 1, 2022 and as shown in the attached forbearance agreement be ratified and approved by the Commission.

# EXTENSIONS AND MODIFICATIONS

# 3. County of Henry, Virginia Starsprings (#3138)Request for a Performance Extension through December 31, 2021

*Staff Overview & Comment:* This Tobacco Region Opportunity Fund (TROF) grant was awarded to Henry County (the "County") and Starsprings USA Inc. (the Company) in February 2016 in the amount of \$220,000 with funding fully disbursed prior to performance. The original 36-month performance period ended 9/30/2018 and was administratively extended for an additional year through 9/30/2019. The executed performance agreement required the company to employ 68 persons with an aggregate payroll of \$466,276. The taxable asset obligation during the performance period was \$3,035,000.

As noted in the attached letter from the Company (Attachment 3A), Company leadership transitions in 2018 and 2019 along with the impact of the global pandemic in 2020 have impacted the Company's ability to fully achieve their performance metrics – through the fall of 2019 employment went up (meeting nearly 50% of their employment goal), but once the pandemic occurred in 2020 employment continued down. The Company has been able to achieve about 85% of their capital investment goal. After reviewing the letter from the Company and speaking with the County, staff believes the Company will be able to fully achieve their performance goals if granted a final performance extension through the end of 2021.

Staff recommends approval of final performance extension through December 31, 2021.

# 4. County of Tazewell, Virginia IDA Blue Wolf Sales & Service, Inc. (#3101) Request for a Performance Extension through September 30, 2022

*Staff Overview & Comment:* This Tobacco Region Opportunity Fund (TROF) grant was awarded to the Tazewell County Industrial Development Authority (the "IDA") and Blue Wolf Sales & Service, Inc. (the Company) in October 2015 in the amount of \$50,000 with funding fully disbursed prior to performance. The original 36-month performance period ended 9/30/2018 and was administratively extended for an additional year through 9/30/2019. The Commission approved a 5<sup>th</sup> year extension through 9/30/2020 in October 2019. The executed performance agreement required the company to employ 15 persons with an aggregate payroll of \$102,881.25. The taxable asset obligation during the performance period was \$1,559,000.

As noted in the attached letter (Attachment 4A) from the IDA and submitted on the Company's behalf, both the Company and the County felt the performance metrics would have been closer to the promised metrics has the global pandemic not occurred. Through the fall of 2019 the Company

had met 33% of their employment goal and met over 95% of their capital investment goal. In preparation for continued Company growth post-pandemic the Company has worked with GenEdge to analyze their financial and business positon and they have plans to expand manufacturing post-pandemic. After reviewing the letter from the IDA and further speaking with IDA staff, staff believes the Company will be able to fully achieve their performance goals if granted a final performance extension through the end of September 2022.

#### Staff recommends approval of final performance extension through September 30, 2022.

# 5. County of Grayson, Virginia EDA Oak Hall Industries (#2999) Request to Consider "Fee In Lieu of Taxes" regarding Real Estate Investment and Performance Extension through June 30, 2020

*Staff Overview & Comment:* This Tobacco Region Opportunity Fund (TROF) grant was awarded to the Grayson County Economic Development Authority (the "EDA") and Oak Hall Industries (the Company) in January 2015 in the amount of \$385,000 with funding fully disbursed prior to performance. The original 36-month performance period ended 12/31/2017. The executed performance agreement required the company to employ 100 persons with an aggregate payroll of \$572,000. The taxable asset obligation during the performance period was \$1,200,000. The Company facility is located in the Town of Independence (the "Town") in Grayson County.

Since the Company facility is located in a Town-owned building leased to the Company, the TROF grant agreement required that in order for the Company's real estate investment of nearly \$1.2 million in the facility to count as capital investment, the Town needed to receive a "Fee in Lieu of Taxes" (the "Fee") from the Company. The Fee was amount of real estate taxes the Company would have paid had the Company owned the building and needed to be paid for a minimum of three consecutive calendar quarters in a monthly amount of \$593.18. For the nine months in three calendar quarters, that total amount should have been at least \$5,338.62. Both the Town and the County acknowledge that while this Fee payment should have been made, due to staff change over, they did not know it was required. Therefore, the County is requesting the Town be able to accept the Fee now even though the performance period has ended. Staff recommends the following:

Once Town of Independence acknowledges in writing that they have received the Fee from the Company (at least the amount of \$5,338.62) that the Commission permit the real estate investment to count towards the capital investment obligation.

Given that the project's performance period ended well before the impacts of the pandemic, an extension due to the pandemic is not suitable. However, staff supports a performance extension through 6/30/2020 which will allow the Company to earn the highest number of jobs they have had since the project began (40). If the Commission allows the Fee to be paid and allows for the

performance period to be extended, the Company will still have a repayment to the Commission for the unearned portion of the grant relating to jobs and wages.

Staff recommends the Commission permit the real estate investment to count towards the capital investment obligation upon written acknowledgement from the Town of Independence that the Town has received the Fee in Lieu of Taxes in the amount of \$5,338.62 has been received from the Company and that the performance period be extended through June 30, 2020.

# **REPAYMENT APPEAL**

# 6. County of Scott, Virginia EDA Secure Mountain, LLC (#2845) Request for a TROF grant repayment forgiveness.

**Staff Overview & Comment:** This Tobacco Region Opportunity Fund (TROF) grant originally began as an application to the Southwest Economic Development Committee (the "SWED Committee") the summer of 2013 from the Scott County Economic Development Authority (the "EDA") and Secure Mountain, LLC (the "Company"). In January 2014 the SWED Committee awarded \$300,000 in funding and based on 28 new jobs and \$22 million capital investment promised, an additional \$160,000 was provided from TROF funds. The total amount of incentive (\$460,000) was governed by an executed TROF grant performance agreement and funds were fully disbursed in advance of performance. To secure the Company's performance, the EDA included a secondary source of security in 2016 that included a purchase option on mineral rights on the property valued at approximately \$100,000. The original 36-month performance period ended 12/31/2016 and was administratively extended through 12/31/2017. By the end of the extended performance period, no performance metrics had been achieved as the project did not ultimately occur. Since the project did not happen, an event of default occurred which required full repayment to the Commission.

In early 2018, the EDA repaid the Commission 90% of the disbursed amount (\$412,408.25) on behalf of the Company. At that time, the Company requested staff forgive the remaining balance of \$47,591.75 which the Company noted had already been expended on site preparation and engineering in anticipation of the project's commencement. Staff informed the EDA staff that such action required approval of the Commission at scheduled meeting. No further action was taken until staff, in reviewing files to close out, noted the balance due had yet to be returned to the Commission. Over several meetings in 2020, staff spoke to the Company and EDA staff informing them of the repayment requirement and requested a repayment plan for the balance due be executed by the EDA.

As noted in the letter from the EDA (Attachment 5A), the EDA requests the Commission defer action requiring repayment for this project until the next Commission meeting. Deferral is requested as the EDA desires to gather supporting performance information on employment and

capital investment to show that the amount the Company spent on site preparation should be considered to offset the 10% of the TROF grant that remains due. The Company desires to show that they spent \$3.5 million of their own funds to transition the site for use by the Company – including site construction and excavation work performed by local workers.

As staff has informed the County and the Company, TROF performance metrics are very specific and clear about what can count towards meeting the employment and private taxable capital investment objectives. Funding expended on site work and preparation do not count as is not a private taxable capital investment and therefore is not eligible to be utilized towards capital investment goals. People employed by the site work companies not employed or controlled by the Company and also are ineligible to be utilized towards achieving the employment goal. Additionally, even if the Commission could count the above work toward the capital investment goals it still would not allow the Company to achieve the minimum investment requirement (of \$11 million) which must be met before earning any of the grant.

Staff does not support deferral of action on this request because the employment and investment documentation the Company desires time to gather is for employment and investments that ultimately are ineligible. Staff recommends the Commission require the terms of a mutually-agreeable repayment plan be agreed to by the EDA and the Commission be established no later than June 30, 2021. Such repayment plan shall be for the full balance of \$47,591.75 which shall be fully repaid in no more than four (4) years (June 30, 2025).

Further, staff recommends that the Commission require full repayment of the balance due from the EDA if mutually-agreeable terms of a repayment plan are not in place by June 30, 2021. The full balance shall be due no later than July 31, 2021 and if not received by the due date, interest shall accrue on the balance due at the rate of 3% per annum beginning on that date.

Staff recommends that the Commission require the terms of a mutually-agreeable repayment plan be agreed to by the EDA and the Commission be established no later than June 30, 2021. Such repayment terms shall be for the full balance of \$47,591.75 which shall be fully repaid in no more than four (4) years (June 30, 2025).

Further, staff recommends that the Commission require full repayment of the balance due from the EDA if mutually-agreeable terms of a repayment plan are not in place by June 30, 2021. The full balance shall be due no later than July 31, 2021 and if the full balance due is not received by that date, interest shall accrue on the balance due at the rate of 3% per annum beginning on that date and such interest shall be added balance due for the total amount due to the Commission from the EDA.

# **CONFIDENTIAL PROJECTS**

# 7. County of Sussex, Virginia *Project Glove* Project Proposed for Prospect Incentive Fund & Waiver of Policy relating to Prevailing Average Wage

*Staff Overview & Comment:* Staff has received a Tobacco Region Opportunity Fund (TROF) incentive estimate request for a regionally transformative project proposed to be located within Sussex County. Specific details of Project Glove will be discussed in closed session, but the overall performance parameters and possible incentive offering are as follows:

## Project Glove:

- Proposed 3-year performance period providing 1,044 new jobs at an average annual salary of \$37,321 and a private taxable capital investment of \$446 million;
- Project's average annual wage proposed is 12% lower that the Locality's prevailing average annual wage of \$42,471;
- Staff proposes utilizing the Prospect Incentive Fund; and varying from the TROF policy requiring average wages be above the local prevailing average;
- TROF grant incentive estimate of \$1,022,000 (to include local revenue sharing of 5% of net new local tax revenue generated by the project);
- 10-year repayable interest-free loan for up to 100% of the grant amount (\$1,022,000);
- <u>Total incentive of \$2,044,000 of which \$1,022,000 would be repayable over 10 years.</u>

Because the salary is under the prevailing average for Sussex County (\$42,471) in order to access TROF funds and possibly Prospect Incentive Funds, the Commission must approve the variance from the TROF policy requiring all projects to provide above the prevailing wage. Given the size of the project, staff feels the Project Glove is a good candidate for the Prospect Incentive Fund as well as variance from the TROF policy of the project providing above the prevailing average wage. The grant incentive portion that may be offered will be subject to revenue sharing with the Commission.

Staff recommends variance from the TROF policy requiring projects provide above the local prevailing average wage and use of the Prospect Incentive Fund for the total TROF incentive offering of TROF incentive of \$2,044,000 (grant and loan), subject to verification of the facts, availability of funds and approval by the Commission.

# 8. County of Pittsylvania, Virginia *Project Aurora* Project Proposed for Prospect Incentive Fund

*Staff Overview & Comment:* Staff has received a Tobacco Region Opportunity Fund (TROF) incentive estimate request for a regionally transformative project proposed to be located within Pittsylvania County. Project Aurora is a two-part project with two separate but related companies each with their own performance objectives. Because of the number of jobs and capital investment proposed and the estimates incentive amount proposed, staff feels Project Aurora is a good candidate for use of the Prospect Incentive Fund. Since the possible incentive amount is over \$3 million, the full Commission must approve the incentive amount to be offered. Both grant incentive portions that may be offered will be subject to revenue sharing with the Commission. Specific details of the project will be discussed in closed session, but the overall parameters are as follows:

## Project Aurora - Part A:

- Proposed 3-year performance period providing 2,500 new jobs at an average annual salary of \$37,814 and a private taxable capital investment of \$2.7 billion;
- TROF grant incentive estimate of \$1,812,500 (to include local revenue sharing of 5% of net new local tax revenue generated by the project);
- 10-year interest-free loan for up to 100% of the grant amount (\$1,812,500);
- Part A total incentive of \$3,625,000 of which \$1,812,500 would be repayable over 10 years.

# AND

## Project Aurora - Part B:

- Proposed 5-year performance period providing 3,260 new jobs at an average annual salary of \$57,970 and a private taxable capital investment of \$2.7 billion;
- TROF grant incentive of \$2,782,000 (to include local revenue sharing of 5% of net new local tax revenue generated by the project);
- 10- year repayable interest-free loan for up to 100% of the grant amount (\$2,782,000);
- Part B: total incentive of \$5,564,000 of which \$2,782,500 would be repayable over 10 years.

Staff recommends use of the Prospect Incentive Fund for the total incentive package for Project Aurora Part A and Part B for a total TROF incentive offering of \$9,189,000 (grant and loan), subject to verification of the facts, availability of funds and approval by the Commission.

# 9. County of Pittsylvania, Virginia

#### Project K2

### **Project Proposed for Prospect Incentive Fund**

**Staff Overview & Comment:** Staff has received a Tobacco Region Opportunity Fund (TROF) incentive estimate request for a regionally transformative project proposed to be located within Pittsylvania County. Specific details of Project K2 will be discussed in closed session, but the overall performance parameters and possible incentive offering are as follows:

#### Project K2:

- Proposed 3-year performance period providing 3,000 new jobs at an average annual salary of \$75,000 and a private taxable capital investment of \$20 billion.
- Given the size of this project, the TROF incentive estimator is not effective. Staff proposes utilizing the Prospect Incentive Fund as follows:
- TROF grant incentive estimate of \$10,000,000 (to include local revenue sharing of 5% of net new local tax revenue generated by the project);
- TROF 10-year interest-free loan incentive estimate of \$10,000,000
- <u>Total incentive of \$20,000,000 of which \$10,000,000 would be repayable.</u>

Given the size of the project, staff feels the Project K2 is a good candidate for the Prospect Incentive Fund. As noted above, the grant incentive portion will be subject to revenue sharing with the Commission.

Staff recommends use of the Prospect Incentive Fund for the total TROF incentive offering of TROF incentive of \$20,000,000 (grant and loan), subject to verification of the facts, availability of funds and approval by the Commission.

## 10. County of Pittsylvania, Virginia (added 5/24/21)

#### **Project Sharon**

#### **Project Proposed for Prospect Incentive Fund**

**Staff Overview & Comment:** Staff has received a Tobacco Region Opportunity Fund (TROF) incentive estimate request for a regionally transformative project proposed to be located within Pittsylvania County. Specific details of Project Sharon will be discussed in closed session, but the overall performance parameters and possible incentive offering are as follows:

#### Project Sharon:

- Proposed 3-year performance period providing 1,500 new jobs at an average annual salary of \$45,000 and a private taxable capital investment of \$2.3 billion.
- Staff proposes utilizing the Prospect Incentive Fund as follows:
- TROF grant incentive estimate of \$1,400,000 (to include local revenue sharing of 5% of net new local tax revenue generated by the project);
- TROF 10-year interest-free loan incentive estimate of \$1,400,000
- Total incentive of \$2,800,000 of which \$1,400,000 would be repayable.

Staff feels the Project Sharon is a good candidate for the Prospect Incentive Fund. As noted above, the grant incentive portion will be subject to revenue sharing with the Commission.

Staff recommends use of the Prospect Incentive Fund for the total TROF incentive offering of TROF incentive of \$2,800,000 (grant and loan), subject to verification of the facts, availability of funds and approval by the Commission.

#### FORBEARANCE AGREEMENT

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This FORBEARANCE AGREEMENT (this "Forbearance Agreement"), dated as of February 1, 2021, between the DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL DEVELOPMENT AUTHORITY, (the "RIFA") the CITY OF DANVILLE, VIRGINIA (the "City") and the COUNTY OF PITTSYLVANIA, VIRGINIA (the "County"), all political subdivisions of the Commonwealth of Virginia (together the "Debtors") and the Tobacco Region Revitalization Commission, a political subdivision of the Commonwealth of Virginia (the "Commission") recites and provides as follows:

#### **RECITALS**

- A. The Parties entered into a certain Loan Agreement, dated October 15, 2018 (the "Loan Agreement"), by and among the Debtors, the Commission, and Harlow Fastech LLC ("the Company").
- B. Pursuant to the Loan Agreement, (i) the Commission made a cash loan in the amount of \$630,000 ("the Loan") to the RIFA for the benefit of the Company in exchange for the Company's promise to make certain capital investments and employ a specific number of persons in the City and County, (ii) the Company promised to pay the Commission the principal sum of \$630,000 payable in six (6) equal semi-annual payments of \$105,000 due on the first of February and the first of August, respectively, with the first loan payment due on the first semi-annual due date to arrive 24 months after the loan is disbursed.
- C. The Commission fully disbursed the Loan to the RIFA for the benefit of the Company by September 17, 2019 and the first semi-annual due date to arrive 24 months after disbursement thereby is February 1, 2022.
- D. Subject to the terms herein, the RIFA has requested that the Commission forbear from exercising any and all rights and remedies under the Loan Agreement for a period of two (2) years with the first semi-annual loan payments being due February 1, 2024.

#### **AGREEMENT**

NOW, THEREFORE, for and in consideration of the promises, mutual covenants, releases, and agreements herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. <u>Terms</u>. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Performance Agreement.
- <u>Forbearance</u>. From and after the execution of this Forbearance Agreement through 5:00 p.m. Eastern Standard Time on January 31, 2024, (the "<u>Forbearance Period</u>"), the Commission will forbear from exercising any and all rights and remedies under the Loan Agreement; however the Forbearance Period shall automatically terminate in the event that the Commission fails to ratify this Forbearance Agreement at its next regular meeting, currently scheduled for May, 2021. During the Forbearance Period, the Commission shall not request, demand, or provide notice of additional

payment requirements, nor shall it withhold from the RIFA any benefit or consideration otherwise due to the RIFA arising from other transactions made in the normal course of Commission business.

- 3. <u>No Waiver of Rights or Remedies</u>. Each of the Parties agree that other than as expressly set forth herein, nothing in this Forbearance Agreement or the performance by the Parties of their respective obligations hereunder constitutes or shall be deemed to constitute a waiver of any of the parties' rights or remedies under the terms of the Performance Agreement or applicable law, all of which are hereby reserved.
- 4. <u>Representations and Warranties by Both Parties</u>. Each of the Parties hereby represents and warrants that each of the following statements is true, accurate, and complete as to such party as of the date hereof:
  - a. Such party has carefully read and fully understood all of the terms and conditions of this Forbearance Agreement;
  - b. Such party has consulted with, or had a full and fair opportunity to consult with, an attorney regarding the terms and conditions of this Forbearance Agreement;
  - c. Such party is freely, voluntarily, knowingly and intelligently entering into this Forbearance Agreement;
  - d. In entering into this Forbearance Agreement, such party has not relied upon any representation, warranty, covenant or agreement not expressly set forth herein;
  - e. This Forbearance Agreement has been duly authorized and validly executed and delivered by such party and constitutes each such party's legal, valid and binding obligation, enforceable in accordance with its terms; and
  - f. Such party has the full power and legal authority to execute this Forbearance Agreement; consummate the transactions contemplated hereby, and perform its obligations hereunder.
- 5. <u>Governing Law</u>. This Forbearance Agreement shall be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Virginia, notwithstanding its conflict of laws principles or any other rule, regulation or principle that would result in the application of any other state's law. Venue for any dispute involving this Forbearance Agreement shall lie in the Circuit Court for the City of Richmond.
- 6. <u>Entire Agreement</u>. This Forbearance Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements.
- 7. <u>Modifications</u>. No part or provision of this Forbearance Agreement may be changed, modified, waived, discharged, or terminated except by an instrument executed under oath, sealed and delivered by the party hereto against whom enforcement of such change, modification, waiver, discharge, or termination is sought.

8. <u>Successors and/or Assigns</u>. This Forbearance Agreement shall inure to the benefit of and bind each of the parties and their respective successors and/or assigns.

,

9. <u>Counterparts</u>. This Forbearance Agreement may be executed in counterparts, each of which shall constitute an original and all of which when taken together shall constitute one and the same instrument.

#### TOBACCO REGION REVITALIZATION COMMISSION

By:	 		
Title:	 		 
Date:	 		 

#### DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

By:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

#### CITY OF DANVILLE, VIRGINIA

By:\_\_\_\_\_

Title:\_\_\_\_\_

.

Date:\_\_\_\_\_

# COUNTY OF PITTSYLVANIA, VIRGINIA

By:\_\_\_\_\_

Title:\_\_\_\_\_

Date:\_\_\_\_\_

# Attachment 1B



Ronald S. Scearce, Vice Chairman

Sherman M. Saunders, Chairman

May 12, 2021

di sh

SENT VIA ELECTRONIC MAIL Evan Feinman Executive Director Virginia Tobacco Region Revitalization Commission 701 E Franklin Street; Suite #501 Richmond, VA 23219

Mr. Feinman:

On behalf of the Danville-Pittsylvania Regional Industrial Facility Authority (RIFA), I would like to thank you and the Virginia Tobacco Region Revitalization Commission (Commission) for your previous and continued support of our community and the numerous projects that we're collectively realizing to improve the wellbeing of our residents. RIFA highly values its close partnership with the Commission and its Board, and recognizes the proactive role that it plays in catalyzing economic development within the historic tobacco growing footprint of Southern and Southwestern Virginia.

One recent project that involved close collaboration between RIFA and the Commission, was Harlow FasTech, LLC, a United Kingdom-based aerospace firm that decided to locate its initial US operations within the RIFA-owned Cyber Park in the City of Danville. The project was announced in November 2018, with plans to invest \$8,000,000.00 and create 49 new jobs over a 5-year performance period. As part of the project incentives, the Commission and community extended a \$630,000.00 equipment loan to the Company with 0% interest, that would be repaid in 6 equal installments beginning on February 1, 2022. However, due to unexpected COVID-19 impacts, the installation of the financed equipment was severely delayed causing the Company to recently request an additional 2-years of loan repayment forbearance from the Commission. As part of the forbearance request process, RIFA must consider and approve a forbearance agreement along with the Company, Commission, Pittsylvania County, and City of Danville.

This request was presented to and considered by RIFA during its May 2021 meeting, and the RIFA Board adopted a motion to request that the Commission reduce the community's loan guarantee liability by an amount of up to \$250,000.00. The rationale for this request is due to the collateral value of the equipment, which is securing the loan for the community, depreciating an

estimated 40% over the next 4-years before the first loan installment is repaid (the conservative estimated life of the equipment is 10-years). RIFA respectfully requests that the Commission consider providing the loan liability reduction proposed to enable RIFA to assist the Company, while still protecting the tax paying citizens of Pittsylvania County and the City of Danville. I, along with my RIFA Board colleagues, have directed RIFA Staff to work with you and your Staff on a possible solution to address the raised concern(s).

Again, on behalf of RIFA, I would like to thank you for supporting our region and its ongoing activities, and for considering our respectful request. RIFA certainly understands the need for flexibility during these unprecedented times, and looks forward to continue working with the Company and the Commission to ensure this project's highest chance of success, while weighing the need to reasonably protect the financial interests of our tax payers. It is my hope that the Commission can work with us on a solution to this raised concern.

Sincerely/ Sherman M. Saunders, Chairman

Danville-Pittsylvania Regional Industrial Facility Authority

#### RECEIVED

APR 1 3 2021

#### FORBEARANCE AGREEMENT

This FORBEARANCE AGREEMENT (this "Forbearance Agreement"), dated as of April 1, 2021, between the (the "Debtor") and the Tobacco Region Revitalization Commission, a political subdivision of the Commonwealth of Virginia (the "Commission") recites and provides as follows:

#### RECITALS

- A. The Parties entered into a certain Loan Agreement, dated June 12, 2019 (the "Loan Agreement"), by and among the Debtor, the Commission, and Polycap LLC ("the Company").
- B. Pursuant to the Loan Agreement, (i) the Commission made a cash loan in the amount of \$140,000 ("the Loan") to the IDA for the benefit of the Company in exchange for the Company's promise to make certain capital investments and employ a specific number of persons in Russell County, Virginia (the "Locality")", (ii) the Company promised to pay the Commission the principal sum of \$140,000 payable in ten (10) equal semi-annual payments of \$14,000 due on the first of February and the first of August, respectively, with the first loan payment due on the first semi-annual due date to arrive six (6) months after the loan is disbursed.
- C. The Commission fully disbursed the Loan to the IDA for the benefit of the Company by September 1, 2019 and the first semi-annual due date to arrive six (6) months after disbursement was August 1, 2020. The first payment in the amount of \$14,000 was made in August 2020 leaving the remaining balance due to the Commission of \$126,000. In lieu of the second of ten payments to be made in February 2021, the IDA requested on behalf of the Company a forbearance period.
- D. Subject to the terms herein, the IDA requests that the Commission forbear from exercising any and all rights and remedies under the Loan Agreement for a period of one (1) year with the second of ten loan payments being due February 1, 2022 and continuing upon the regular bi-annual loan payment due dates of August 1<sup>st</sup> and February 1<sup>st</sup> biannually.

#### AGREEMENT

NOW, THEREFORE, for and in consideration of the promises, mutual covenants, releases, and agreements herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. <u>Terms</u>. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Performance Agreement.
- 2. <u>Forbearance</u>. From and after the execution of this Forbearance Agreement through 5:00 p.m. Eastern Standard Time on January 31, 2022, (the "Forbearance Period"), the Commission shall forbear from exercising any and all rights and remedies under the Loan Agreement; however the Forbearance Period shall automatically terminate in the event that the Commission fails to ratify this Forbearance Agreement at its next regular meeting, currently scheduled for May 27, 2021. During the Forbearance Period, the Commission shall not request, demand, or provide notice of additional

payment requirements, nor it withhold from the IDA any benefit or consideration otherwise due to the RIFA arising from other transactions made in the normal course of Commission business.

- 3. <u>No Waiver of Rights or Remedies</u>. Each of the Parties agree that other than as expressly set forth herein, nothing in this Forbearance Agreement or the performance by the Parties of their respective obligations hereunder constitutes or shall be deemed to constitute a waiver of any of the parties' rights or remedies under the terms of the Performance Agreement or applicable law, all of which are hereby reserved.
- 4. <u>Representations and Warranties by Both Parties</u>. Each of the Parties hereby represents and warrants that each of the following statements is true, accurate, and complete as to such party as of the date hereof:
  - a. Such party has carefully read and fully understood all of the terms and conditions of this Forbearance Agreement;
  - b. Such party has consulted with, or had a full and fair opportunity to consult with, an attorney regarding the terms and conditions of this Forbearance Agreement;
  - c. Such party is freely, voluntarily, knowingly and intelligently entering into this Forbearance Agreement;
  - d. In entering into this Forbearance Agreement, such party has not relied upon any representation, warranty, covenant or agreement not expressly set forth herein;
  - e. This Forbearance Agreement has been duly authorized and validly executed and delivered by such party and constitutes each such party's legal, valid and binding obligation, enforceable in accordance with its terms; and
  - f. Such party has the full power and legal authority to execute this Forbearance Agreement; consummate the transactions contemplated hereby, and perform its obligations hereunder.
- 5. <u>Governing Law</u>. This Forbearance Agreement shall be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Virginia, notwithstanding its conflict of laws principles or any other rule, regulation or principle that would result in the application of any other state's law. Venue for any dispute involving this Forbearance Agreement shall lie in the Circuit Court for the City of Richmond.
- 6. <u>Entire Agreement</u>. This Forbearance Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements.
- 7. <u>Modifications</u>. No part or provision of this Forbearance Agreement may be changed, modified, waived, discharged, or terminated except by an instrument executed under oath, sealed and delivered by the party hereto against whom enforcement of such change, modification, waiver, discharge, or termination is sought.

- 8. Successors and/or Assigns. This Forbearance Agreement shall inure to the benefit of and bind each of the parties and their respective successors and/or assigns.
- 9. Counterparts. This Forbearance Agreement may be executed in counterparts, each of which shall constitute an original and all of which when taken together shall constitute one and the same instrument.

TOBACCO REGION **REVITALIZATION COMMISSION** An B Title: Exec. Or.

4-13-21 Date:

#### INDUSTRIAL DEVELOPMENT AUTHORITY OF RUSSELL COUNTY, VIRGINIA

NAS By:

Title: <u>Chairman</u> Date: <u>3/31/2021</u>



February 25, 2021

Mr. Ernie McFaddin Chairman IDA Russel County 133 Highland Drive, Suite B PO Box 2378 Lebanon, VA 24266

Re: Polycap LLC

Dear Ernie,

This letter serves as an update on the progress of the investment in Polycap LLC. It is now close to 2 years since the first papers were signed to establish our mutual commitment to make the transition of the injection molded cap and closure business, from Ontario to Virginia a success.

Throughout 2020 and on into this year the effects of Covid 19 have been significant on many aspects of our operation. Shortages on material because of a demand for Polypropylene and Polyethylene to support personal protective equipment (PPE) and sanitizing supplies as well as a general increase in packaging requirements due to panic buying of food, personal care, household and other consumer products, has had the effect of nearly doubling the cost of these materials.

Lost production from many of our suppliers due to Covid 19 related shutdowns has disrupted our operations on a regular basis. Parts availability is a challenge with low inventory and delays in manufacturing. Service technicians required to get our equipment up and running are delayed and or cancelled due to contact tracing measure that quarantine them when they are most needed. We have had several people in our own operation quarantined on the same basis.

Complications due to Covid 19 lockdowns from these unforeseen circumstances have had a dramatic effect on cash flow. The biggest challenge now is to fund the additional cash flow required to cover the accelerated cost of labour, overhead and material. The projection for return on the cost to ramp up the necessary additional revenue will be 7 to 9 months.

We are asking the region to help us with whatever payment deferrals can be arranged to support Polycap over the next 7 to 9 months. We will be successful, and this will lead to exceeding our employment targets. Customers are supporting us with as much business as we can produce. Russel county is central to all our markets and perfectly situated for growth. Training of new workers will be especially important. We must get past this Covid crisis. Fortunately, we have been staying healthy. We are taking ever precaution and it seems to be paying off.

Thank you for all your support to date.

Sincerely,

Issmann

Peter Gossmann Vice President, Polycap LLC

CC/ Tom Lato President Polycap LLC

> Molding a Better Future Tel.(276) 883 5700



March 1, 2021

#### Attachment 3A

Tobacco Region Revitalization Commission

701 East Franklin Street, Suite 501

Richmond, VA 23219

#### Dear Sir/Madam:

Starsprings USA, Inc submits this letter humbly requesting an extension of our Agreement dated December 11, 2015.

The TROF grant to Starsprings assisted in creating our first manufacturing operation in the United States. We immediately began the renovations to the existing Frithowned building. To date, Starsprings has invested \$1,178,325 for real estate improvements and \$2,487,294 in furniture and machinery. The company expanded exisiting operations by 16,000 sq ft during the last four years and in 2020 began leasing and upfitting another Frith-owned property at 116 Textile Road, Ridgeway, VA encompassing 54,000 sq ft. Starsprings has invested \$131,821 for real estate improvements and \$191,511 in furniture and machinery in the new facility. Production will begin in the fourth quarter of 2021.

During the last two years, Starsprings USA has unfortunately ran into some transitional issues. The original President of Starsprings USA, returned home to Sweden as anticipated and was named President of Starsprings Sweden. The newly hired President that succeeded the original, remained with the company for nine months. During this time, sales began to decline and communication with the customers was limited. The next newly hired President, remained with Starsprings USA for four months. A drastic decline in employee morale took place under the new leadership. After the transitions with the two Presidents, Starsprings AB (parent company to Starsprings USA) decided to promote Jason Farmer from Production Manager to Plant Manger and not fill the position of President. Mr. Farmer has been with Starsprings USA since 2016 and worked closely with the original President. With Mr. Farmer leading Starsprings USA, employee morale has risen based on anonymous employee survey results and the restablishment of customer communication has led to increased opportunities for sales. Mr. Farmer is currently focused on the hiring of workforce for the newly leased 54,000 sq ft facility and the impending upstart of production.

Starsprings USA Inc. T: +1-(276) 403-4500 www.statsprings.com

250 Fentiane Dr Ridgeway, Vé, 24148, USA



Within the last year, COVID-19 has also played a major role in the areas of sales and workforce. Starsprings USA's sales dropped greatly when one of the company's customers closed for a couple of months. A group of production employees was placed under partial furlough (employees were able to work one day a week to keep benefits ongoing) for six weeks. The company brought the employees back from furlough as soon as possible. Of course, it was a struggle for the company to hire during COVID-19 with the increased unemployment benefits being offered. Starsprings USA continues to advertise with Indeed, create relationships with local community colleges, utilize an outside staffing agency, and most recently created recruiting commercials with local television stations

Starsprings employed 29 people as of December 31, 2020. A noted average salary of \$30,680, more than the promised wage of \$27,428. Starsprings currently has plans to hire new employees for the facility located at 116 Textile Drive. A salesperson for the Ridgeway facility is being actively pursued as well.

As you may be aware, the Henry County unemployment rate sits at 9.6% (June 2020). While this number would make it seem good candidates would be easy to locate, unfortunately this is not the case due to the government assistance currently provided to the unemployed.

With new leadership from someone who has been with the company from the start, Starsprings feels we are in a great position to move forward and achieve job performance targets set in the original agreement. Starsprings would like to humbly request this extension to meet the original stated targets.

Respectfully,

Wichelle Wyalt

Michelle Wyatt, Financial Administrator

Starsprings USA Inc. T: +1-(276) 400-4500 www.starsprings.com

250 Festaine Er Ridgeway, VA, 24148, USA

#### Attachment 4A



### Tazewell County Industrial Development Authority TAZEWELL COUNTY, VIRGINIA

197 Main Street • Tazewell, Virginia 24651 • Phone 276-385-1271 • Fax 276-988-2996

May 10, 2021

Andrew V. "Andy" Sorrell Deputy Director Virginia Tobacco Region Revitalization Commission 701 E. Franklin St., Ste. 501 Richmond, VA 23219

Dear Mr. Sorrell:

On behalf of the Industrial Development Authority of Tazewell County, I am requesting an extension from the Virginia Tobacco Region Revitalization Commission for a term of one year for the TROF Grant received by Blue Wolf Sales and Service, Inc.

I have met with Blue Wolf several times to discuss their responsibilities and criteria for receiving the TROF Funds. After reviewing each of the reports, we acknowledged that they have created jobs with an average wage of \$46,737 compared to the required average of \$27,435. Blue Wolf has built relationships with customers such as Lowes, Rural King, Walmart, Advance Auto and others. They are engaged in discussions with these larger retail chains at the regional level and with some, are now discussing potential national distribution. In preparation for this extraordinary growth, Blue Wolf has worked with SMT engineering to design upgrades of their manufacturing capabilities to perform at higher volume production requirements including automation and additional bottling capabilities. Over the past year, Blue Wolf has worked with GenEdge and independent financial experts to complete a detailed financial and business analysis.

These efforts are a significant demonstration of how Blue Wolf has worked to plan for their growth, streamline their operation and broaden their marketing plan. Unfortunately, COVID-19 has delayed their progress by keeping them from expanding and hiring additional employees.

Blue Wolf has been a valued corporate partner for many years in Tazewell County and we believe will continue to be an important economic resource for our region. Requesting a return of the COF funds at this time would place an undue hardship on the company and possibly, put the company's future at risk.

It is our opinion that the company would have met their grant requirements if it had not been for COVID-19. To help keep Blue Wolf on path, Tazewell County requests an extension on the Commonwealth Opportunity Fund award of \$50,000.

We appreciate your support of this project.

Sincerely,

ı

Pam Warden

Pam Warden, Economic Development Manager

cc: Kyle Hurt, IDA Chairman

#### Attachment 5A

We're a Vatural



SCOTT COUNTY ECONOMIC DEVELOPMENT AUTHORITY 190 BEECH STREET, SUITE 202 GATE CITY, VA 24251 Phone: (276) 386-2525 Fax: (276) 386-6158 E-mail: jkilgore@scottcountyva.com www.scottcountyva.org



May 7, 2021

Mr. Evan Feinman, Executive Director Mr. Andy Sorrell, Deputy Director Virginia Tobacco Region Revitalization Commission 701 E. Franklin St., Suite 501 Richmond, VA 23219

**RE: Secure Mountain TROF** 

Dear Mr. Feinman and Mr. Sorrell:

Secure Mountain received a TROF grant in the amount of \$460,000 and signed a performance agreement. The agreement required Secure Mountain to create 28 jobs and \$211,456 of payroll over three successive quarters. Since that initial agreement, the company has communicated with us continuously on their progress as they continue to market the site as a Data Center premier site. They have toured many prospective companies there and continue to promote the site.

In 2017, and prior to the conclusion of the performance period, Secure Mountain notified the EDA and the Commission of its intent to return unexpended funds. Secure Mountain processed and immediately returned \$412,000 to the Commission, leaving a balance of approximately \$47,591.75.

There has been on-going discussion as to whether employment and any other benefits created by Secure Mountain during the period meet the compliance intent outlined by the performance agreement. Tobacco Commission staff have sought immediate repayment. We respectively appeal the immediate repayment requirement and are working to gather data to support this request. Our expectation is to provide the information to you prior to the next meeting in September so the staff and Commission have time to review this prior to the meeting.

Please let us know if you have additional questions.

Sincerely,

Jehn H. Higgere. gr.

John Kilgore Executive Director

JK/ph



#### **EDUCATION COMMITTEE** Electronic Conference Call Meeting Thursday, May 27, 2021 1:30 P.M.

If accessing the meeting from the internet via a computer or smartphone, use this link to access the meeting:

https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?M TID=m283fbcd20331140a62c1b5d19fd50646

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number <u>132 596 4686#</u> and meeting password: <u>cP2SpTizF73 (27277849 from phones and video systems)</u>.

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: <u>JButler@revitalizeva.org</u> or call 804-894-9652.

Welcome and Call to Order	Ms. Rebecca "Becky" Coleman, Chair			
Items Related to Remote Meeting	Andy Sorrell, Deputy Director			
Call of the Roll	Evan Feinman, Executive Director			
Approval of the <u>1/8/21</u> Minutes	(published on website)			
Public Comments				
<b>Extensions &amp; Modifications</b> 3279 – CODEVA 3270 – Russell County Public Schools	Sara Williams, Southwest Regional Director			
<b>Talent Attraction Program</b>	Stephanie Kim, Finance Director			
G3 Update	Randall Stamper, VCCS Assistant Vice Chancellor for Grants and Federal Workforce Programs			
Other Business	Evan Feinman, Executive Director			
Public Comments				
Adjournment				

#### Education Committee Extensions & Modifications May 27, 2021

The Education Committee is meeting on Thursday, May 27th at 1:30 p.m. to consider requests for extensions to the following two grants.

#### CODEVA INC. Building the Digital Dominion - Computer Science Education for All (# 3279) Approved for \$361,625 in May 2017 (balance \$37,903) Request for one year extension

This grant provides region based computer science training to teachers in the Tobacco Region. These teachers are then able to implement the training in their classrooms. A "train the trainer" component allows additional learning opportunities for other school staff. Commission funds provide stipends and travel assistance for participating teachers, travel expenses for CODEVA instructors, and other expenses related to providing in person trainings in each region. Training hubs have been established at the Institute for Advanced Learning and Research to serve the Southern region and at the SWVA Higher Education Center to serve the Southwest region. Grant funds also support staff at each hub to help organize training at each site. Grant reports show that thousands of region teachers have participated in the CODEVA program.

Because in-person training was not possible due to the pandemic, some trainings were moved online, greatly reducing their cost. The remaining balance will be used during the next year to continue to support the program, however, a revised budget is needed to allocate these remaining funds into the appropriate budget categories. In addition, Staff anticipates CODEVA submitting a new application to the upcoming Competitive Education Program to continue this initiative.

Staff recommends the approval of a one year extension through May 31, 2022 contingent upon Staff's approval of a budget that allocates the remaining grant balance into the appropriate budget categories.

#### Russell County Public Schools So*uthwest Virginia RACE to GED Program* (# 3270) Approved for \$175,000 in May 2017 (balance \$32,557) Request for one year extension

The balance of this grant is needed to continue to offer GED testing services throughout the Southwest region. The pandemic severely limited the testing that could be performed as test centers in the region were closed for six to nine months. As the facilities reopen, there remains only limited testing by appointment only. While these funds are likely to be sufficient to carry the project through the next year, a new application to support GED testing in 2022 and beyond is anticipated for TRRC's upcoming Competitive Education Program to continue this project.

#### Staff recommends the approval of a one year extension through May 31, 2022.



### G3: Get Skilled, Get A Job, Give Back











### Workforce Innovation Network

March 9, 2021





**Qualify for In-state Tuition** 



Are Part-Time or Full-Time with a Minimum of Six Credits



#### Have a 2.0 GPA or Higher



Enroll in a Technology, Skilled Trades, Healthcare, Early Childhood Education, or Public Safety Program



### **THIS LAST DOLLAR GRANT PROGRAM IS FOR STUDENTS WHO:**



Are of Any Age

**Complete the Financial Aid Application** 



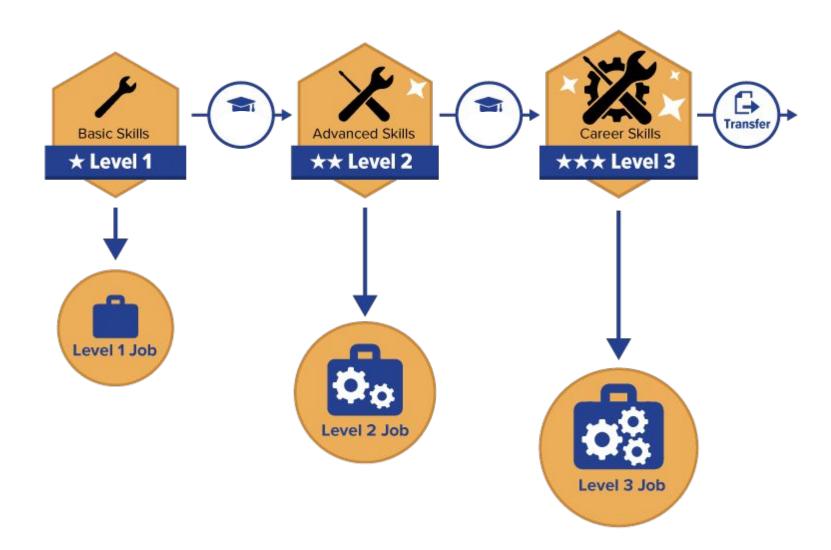
**Classify as Low or** Middle Income

## Targeted Programs

- Five targeted career areas that are high demand or high value
  - Healthcare
  - Information Technology
  - Manufacturing, Construction, and Skilled Trades
  - Early Childhood Education
  - Public Safety

### **STACKABLE CREDENTIALS**

- Designed around the life challenges of working students
- Puts skills first and allows students to earn stackable college credentials as they move through their education
- Allows a student to start and stop (while working) without losing academic progress along the way to an associate degree



- Each college has a list of approved G3 Stackable Credential Programs
  - More than 1,000 G3 certificate, diploma, and degree programs
  - More than 550 short-term G3 programs leading to industry certifications

### How Does G3 Funding Work?

- G3 Program funds make up the difference between what federal or state financial aid pays for and the cost of tuition, fees, and books for the program.
  - Free Application for Federal Student Aid (FAFSA)
  - Financial Aid for Noncredit Training Leading to Industry Recognized Credentials (FANTIC)
- Student Success Incentive Grant provides additional financial aid for students who enroll full-time and receive full Pell award

### How Does G3 Benefit the Commonwealth?

- Provides financial incentives for individuals who need to upgrade their skills or who lost jobs due to the coronavirus pandemic.
- Provides pathways to higher-wage careers.
  - Completers of these programs gain 60% in wages on average and double the amount of state taxes they pay. (VCCS data)
- Provides a qualified talent pipeline to fill high-demand jobs in the Commonwealth.

### When Does G3 Start?

- Funding for the G3 program begins on July 1, 2021.
- Each college website includes a listing of G3 programs and enrollment steps.
- Students may contact their local community college now.

# Questions?



#### SOUTHWEST VIRGINIA COMMITTEE

Electronic Conference Call Meeting Thursday, May 27, 2021 2:30 P.M.

If accessing the meeting from the internet via a computer or smartphone, use this link to access the meeting:

https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?M TID=m283fbcd20331140a62c1b5d19fd50646

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number <u>132 596 4686#</u> and meeting password: <u>cP2SpTizF73 (27277849 from phones and video systems)</u>.

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: <u>JButler@revitalizeva.org</u> or call 804-894-9652.

Welcome and Call to Order	The Honorable Chris Hurst, Chair
Items Related to Remote Meeting	Andy Sorrell, Deputy Director
Call of the Roll	Evan Feinman, Executive Director
Approval of the <u>1/8/21</u> Minutes	(published on website)
Public Comments	
Spring 2021 Funding Applications	Sara Williams, Southwest Regional Director
<b>Extensions and Modifications</b> 2982 – SWVA Higher Edu. Center Foundation an 3327 - UVA	Sara Williams, Southwest Regional Director d
Other Business	Evan Feinman, Executive Director
Public Comments	
Adjournment	

#### FY2021 Southwest Virginia Program – 2<sup>nd</sup> Round Staff Summaries and Recommendations May 27, 2021

Applications to the FY2021 Southwest Virginia Program were due on March 4<sup>th</sup>. We received nine new applications. Project Summaries, Staff Comments and Recommendations, and Financial Viability Assessments are provided below. The Committee will meet electronically at 2:30 p.m. on Thursday, May 27<sup>th</sup> to act on these applications plus one application that was tabled at the January 2021 meeting.

Agribusi	ness			
Req #	Organization	Project Title	Requested	Staff Rec.
3697	Abingdon Feeder Cattle Association	Improving Profits Through Sustainable Pastures	\$ 500,000	No award.
3742	Town of Hillsville	Farmers Market Final Phases IV and V	\$ 300,000	No award.
3737	Lonesome Pine Regional Industrial Facilities Authority	Project Thoroughbred	\$ 500,000	\$ 500,000
3744	Russell County Industrial Development Authority	Southwest Virginia Aquaculture Network	\$ 47,800	<b>\$ 47,8</b> 00
		Agribusiness Subtotal:	\$ 1,347,800	\$ 547,800

Busines	s Development			
Req #	Organization	Project Title	Requested	Staff Rec.
3748	LENOWISCO Planning District Commission	LENOWISCO InvestSWVA 2.0 (RMI)	\$ 400,000	\$ 400,000
3743	University of Virginia	Regional Entrepreneurship Ecosystem-SWVA Startup Accelerator and Economic Gardening	\$ 145,425	\$ 83,075
		<b>Business Development Subtotal:</b>	\$ 545,425	\$ 483,075

Sites and	l Infrastructure			
Req #	Organization	Project Title	Requested	Staff Rec.
3746	Russell County Industrial Development Authority	Russell Place Project	\$ 250,000	\$ 250,000
3745	Smyth County Economic Development Authority	Pathway Park Infrastructure Improvements	\$ 600,000	\$ 600,000
Sites and Infrastructure Subtotal:			\$ 850,000	\$ 850,000

TRRC - FY21 Southwest Virginia Program - Staff Summaries & Recommendations - May 2021

Tourism				
Req #	Organization	<b>Project</b> Title	Requested	Staff Rec.
3747	Virginia's Heritage Music Trail: The Crooked Road	Connecting The Crooked Road Communities	\$ 9,000	\$ 9,000
3741	William King Museum of Art	William King Museum of Art Cultural Campus Phase- II, Part-I	\$ 350,000	No award.
		Tourism Subtotal:	\$ 359,000	\$ 9,000
		TOTAL (10 requests):	\$ 3,102,225	\$ 1,889,875

\* \* \*

#### Abingdon Feeder Cattle Association (Tabled at January 2021 meeting) Improving Profits Through Sustainable Pastures (#3697) \$500,000.00 Requested

**Background:** This application was submitted in October 2020 and was tabled at the January 2021 meeting. The Committee requested Staff to confirm it understood all relevant aspects of the project before acting on the Staff recommendation not to award funding. Discussion with the applicant confirmed Staff's original recommendation given that Commission funds would be spent on consumable materials and the activities are best characterized as recurring maintenance.

In January 2020, the Commission awarded a \$250,000 grant (#3598) for other aspects of this project. The Commission endorsed Staff's recommendation to fund expenses for equipment but to remove the consumables (seed and fertilizers) sought through this new \$500,000 request. During review of the 2020 proposal, TRRC staff determined that application of the consumables are primarily recurring expenses more akin to farmland maintenance.

**Project Summary:** This application is for a cost share program administered by the Virginia Cooperative Extension offices in 14 counties focused on forage support for livestock producers. Eligible activities include the purchase of forage seed and soil amendments including lime, phosphate and potash fertilizer. The 14 participating counties are Bland, Buchanan, Carroll, Dickenson, Floyd, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe. These activities will support the region's livestock industry by increasing the quality of the forage consumed by cattle sheep and goats resulting in higher weights and increased sales value.

*Matching Funds:* Matching funds will be provided by the program's participants who will contribute a minimum of 67% of total costs. Commission funds will reimburse at a 33% rate up to a maximum of \$2,000 per participant.

**Project Outputs:** No new project outputs. (The 2020 grant agreement identifies the same outputs as presented in the present application: a cost share program serving a minimum of 360 producers resulting in a net increase in annual sales revenue of \$3,994 per producer.)

*Staff Comments:* The applicant provided additional information indicating that the soil amendments covered in this application should be applied to pastureland about every five years. The applicant provided data that demonstrates the economic value producers would realize for doing so: on average, cattle raised on well maintained pastures will gain more weight and thus result in a larger sales price per head. An increase of 200lbs resulting in an additional \$300 sales price was presented as a likely example. Despite the applicant's best efforts to educate producers about the benefits of maintaining their pastures, he indicated that most do not.

The Southwest Virginia Program guidelines include cost share programs that provide incentives for expanding and diversifying agricultural production, or advancing innovative agricultural techniques; programs that supplant existing or recurring agricultural production costs and activities have been excluded.. The Commission is already supporting this cost share program with a \$250,000 grant to subsidize the purchase of equipment for producers. This new \$500,000 request would subsidize the purchase of consumable materials associated with recurring maintenance activities. It would not result in the type of systemic change, alternative agricultural enterprise, or new/increased production that the Commission has prioritized.

*Financial Viability Assessment:* Although the Commission structures its cost share programs to effectively leverage private dollars, it is unlikely that a one-time application of seed and soil amendments will result in long-term adoption of the pasture improvement practice of improving soil pH that has been known for years. In addition, the activities to be funded under this project are better characterized as recurring maintenance expenses--an area the Commission has sought to avoid with its agribusiness grants. While the project may be "viable" in the literal sense, this project will not result in any new project outputs beyond those promised in the existing \$250,000 grant awarded in 2020.

*Staff Recommendation:* Because there will be no new project outputs and the activities to be funded under this cost share program are better characterized as recurring maintenance expenses, staff renews its recommendation for no award.

#### Town of Hillsville *Farmers Market Final Phases IV and V (#3742)* \$300,000.00 Requested

**Project Summary:** This application is to support the continued development of the Hillsville Farmers Market. TRRC awarded \$152,500 in January 2019 to be used for the first three phases of this project (grant #3496), including construction of the Center Pavilion. Those phases are ready to bid and town staff has begun site work. The proposed facility will be multi-use, hosting not only the farmers market but also other special events. The structure is designed with a large center pavilion to house space for 17 vendors along with storage space and restrooms. The space will also be used for performances and other community events. The current proposal will fund Phases IV and V resulting in the construction of the East and West Pavilions, which are wings on either side of the Center Pavilion. Each wing will provide a modest amount of additional vendor space.

*Matching Funds:* It is not clear that the applicant has identified sufficient matching funds for this project because those listed in the current application are nearly identical those that will match the existing 2019 grant. Carroll County provided an in-kind match of \$91,476 (land donation); the Town

of Hillsville provided \$82,000 for engineering and environmental reporting, and USDA granted \$84,720 for the project. The current application will require a 1:1 match of at least \$300,000. An application will be submitted to DHCD for \$261,400 to partly meet this requirement, however, the timeline for application and award was not provided.

**Project Outputs:** No new agribusiness outputs. Phases IV and V of the Farmers Market will be completed, however, there will be no additional producers supported and no additional revenue from agricultural sales as these are captured by the existing 2019 grant. (*The application indicates that vendors will increase from 17 to 25 (8 net new) and annual sales revenue will increase from \$5,000 to \$15,000 (\$10,000 net new), but the 2019 application indicated 25 vendors would be served with each generating \$50,000 of annual sales revenue.*)

*Staff Comments:* This project has grown into an excessively expensive \$1M+ "farmers market" that will serve as more of a venue for community events than a farmers market. For example, the facility's restroom is designed to accommodate crowds of up to 2,000. The elements of this project that are driving its cost upward relate to its use as a community event space, not a farmers market

In its 2019 application, the applicant indicated that it would not request any additional funding from TRRC, so it is surprising that the applicant is now requesting such a large additional grant to fund the same project. If this application is approved, total TRRC funding of \$452,000 is substantially more than any other farmers market in the region has received. The Commission has provided support for 12 farmers markets (including Hillsville). These grants range from \$20,000 to \$228,000 with an average award of approximately \$101,000. Given that the project outputs are already captured by the 2019 grant, there is no sound basis to justify additional funding, let alone of this magnitude.

*Financial Viability Assessment:* This project raises several serious concerns. The applicant has not identified sufficient matching funds. The project outputs associated with this grant are captured under the existing 2019 grant, so this project will not generate any new outputs. In addition, the applicant indicated in 2019 that it would not seek additional funding from the Commission--let alone twice as much as previously awarded. The applicant did not provide an operating budget indicating whether and how the project would become self-sufficient. Finally, the 2013 construction estimate is too dated to be reliable. It also does not take into consideration geotechnical issues discovered in 2020 that the applicant indicated would require "significant civil, structural and architectural design modifications;" thus, the total actual cost of development and construction of this facility are uncertain.

*Staff Recommendation:* Because this project is primarily to support a community amenity and there will be no new agribusiness outcomes beyond those captured by the existing 2019 grant, Staff recommends no award.

#### Lonesome Pine Regional Industrial Facilities Authority *Project Thoroughbred (#3737)* \$500,000.00 Requested

*Project Summary:* The funds requested in this application will be used for the construction of a grain processing, storage, and distribution terminal located in the City of Norton. The terminal, which will be owned by the applicant RIFA (comprised of the counties of Dickenson, Lee, Scott, and Wise, and the City of Norton). The grain terminal will process grains such as barley that can support Virginia's

craft beverage industry. Other high value crops such as soybeans could also be processed by the terminal creating additional opportunities for region farmers through "doublecropping." TRRC support will be used for equipment. The terminal will initially be operated by Mountain Empire Community College who will also be developing a certificate program focused on grain management. Once the terminal's three year operating agreement is complete, the RIFA anticipates contracting with a private operator who will pay an annual royalty.

*Matching Funds:* The majority of matching funds will be provided by DMME's Abandoned Mine Land program. A \$2,000,000 award has been approved to be used for site acquisition (\$500,000), terminal construction (\$600,000), and equipment and related costs (\$900,000). An EPA Brownfields grant of \$40,000 was used for Phase 1 and 2 environmental assessments of the property.

**Project Outputs:** A fully functioning terminal will be constructed to process locally grown grain and soybeans. The facility will purchase grain and soybeans from eight producers in the first year, increasing to 26 by the third year. The business plan also predicts that the project's impact in Southwest Virginia will exceed \$1.5M during the first five years resulting from the production of 48,000 bushels of barley and 30,000 bushels of soybeans.

*Staff Comments:* This application was submitted in October 2020 but was withdrawn until Staff's questions could be resolved. The applicant resolved those questions by providing a more detailed cost estimate and additional information about MECC's commitment to operate the facility during the first three years among other information. This request represents the "last dollar" funding necessary to complete the project. If this grant is approved, the applicant is expected to proceed quickly to complete acquisition of the site and to begin development. Final design and construction will take place during the remainder of 2021 and into early 2022. Completion of the terminal and startup is anticipated in September 2022.

TRRC awarded \$127,500 for a complementing cost share program in January 2021. The producers who will be supported are likely to become initial suppliers to the terminal. In addition, InvestSWVA has launched its Project Calypso / Appalachian Grains initiative to establish Southwest Virginia as a player in the craft beverage supply chain for all of Virginia and the surrounding states.

*Financial Viability Assessment:* The team leading this project has demonstrated solid planning for how to successfully implement this initiative. Partnering with MECC is a creative way to address future workforce demands and reduce initial operating expenses. A small grain production cost share program will complement this program to ensure there is adequate supply of barley in the region for purchase. An established maltster in Asheville has provided a strong letter of support indicating its intention to purchase barley from this facility. Once the terminal is fully operational, it plans to contract with a private operator that the applicant anticipates will pay an annual royalty. Although this project expects to be revenue-generating, it likely could not support debt service. If this project is funded, it should share a portion of any royalties it receives that is proportionate to the Commission's investment in the project.

*Staff Recommendation:* Staff recommends an award of \$500,000 contingent upon a profit sharing agreement between TRRC and the RIFA that requires the RIFA to pay to the Commission a portion of the anticipated future royalty payments based on the proportion of TRRC's total investment in the project (currently estimated at 19%).

#### Russell County Industrial Development Authority Southwest Virginia Aquaculture Network (#3744) \$47,800.00 Requested

**Project Summary:** TRRC funds will be used for cost share for producers in Russell and Scott Counties to leverage cold springs on their properties by constructing raceways and ponds for new fish farms. These farms will supply Riverbound Trout Farms, a new trout hatchery and processing facility located in Russell County. Riverbound will provide consulting services and support to participants who commit to raise fish to be sold and processed at the facility. The processing facility anticipates processing over 800,000 lbs. of live fish each year and will need 70-100 farmers across a 5-7 county area to meet this need.

*Matching Funds:* A \$35,000 application to AFID to be used for administration and consulting services for the development of new fish farms. TRRC's cost share payments will be matched directly by participants. Each participant will contribute 70% of the total construction cost.

*Project Outputs:* This request is estimated to serve a maximum of 8 participants resulting in a net increase in annual revenue of \$6,700 per producer.

*Staff Comments:* This new cost share opportunity will allow participants to utilize existing cold water resources on their properties. These previously unused assets will result in new revenue through a mutually beneficial arrangement between the property owner and Riverbound Trout Farms. Riverbound's business plan indicates this is a stable market which does not suffer from the cyclical ups and downs of other agricultural products. The improvements required to begin trout production appear to be relatively modest and the proposed cost share program will help to eliminate any initial financial barriers for producers. Riverbound's assistance with the selection process provides a reasonable degree of assurance that these new trout farmers will be successful.

The proposed cost share program guidelines lack sufficient detail regarding eligible expenses and expected reimbursement amounts. Depending on the actual costs per participant, this project could serve as few as four producers. Subsequent information also listed a 50% cost share rate, rather than the 30% figure included in the original application. TRRC's standard cost share reimbursement rate is 33% and Staff suggests this rate is used when finalizing the program guidelines. Because the applicant states an intent to apply for at least two additional rounds of funding, this grant should be viewed as a pilot that will be critical to predicting future participation and associated outcomes.

*Financial Viability Assessment:* By providing only up to 33% of eligible expenses, the Commission structures its cost share programs to leverage private investment effectively. The conditions Staff has recommended will ensure that Commission funds will be disbursed once a more structured program is in place. Other details suggest a likelihood of success, too: Riverbound will serve as an "anchor customer" for producers is currently under development and has indicated its willingness to support participating producers, and our partners at VDACS are investing in this project, too. There is a risk that Riverbound could fail, but the fish producers will raise could be sold to other customers. Although fewer than eight producers may be served if installation costs run high, staff views the project as a pilot that will generate useful data to inform future phases.

*Staff Recommendation:* Staff recommends an award of \$47,800 contingent upon the approval of more detailed program guidelines that include a detailed list of eligible expenses and final inspection procedures.

#### LENOWISCO Planning District Commission LENOWISCO InvestSWVA 2.0 (RMI) (#3748) \$400,000.00 Requested

**Project Summary:** For this second phase, InvestSWVA will perform a more targeted and refined recruitment and marketing strategy for an additional two years. The team will focus on lead generation in five key areas (tech ology, data centers, energy, agribusiness, and manufacturing/logistics), prospect development to convert leads into prospects, and project development of broader, longer-term initiatives such as Project Calypso/Appalachian Grains.

*Matching Funds:* Scott County Telephone will provide \$100,000 to be spent over two years. Additional funding will be requested from Dominion Energy (\$200,000 over two years) and AEP (\$200,000 over two years). An ARC application to provide \$200,000 over a two year period recently received the Governor's recommendation and is poised to receive final approval later this year. Should all of these requests be approved, this will be a very well leveraged project. Matching funds will be used to for contractual services associated with the subconsultants InvestSWVA anticipates engaging, including Hunton Andrews Kurth and sector-specific lead generation consultants.

**Project Outputs:** InvestSWVA will implement a more targeted and refined recruitment and marketing strategy over a two-year period. The application estimates that direct communication will occur with 45 potential projects. Of these, 35 will request additional data and 20 of those will visit the region. Ultimately, 8 will choose to locate here.

*Staff Comments:* In May 2017, TRRC provided \$400,000 to the Lenowisco Planning District Commission for a regional marketing support project. Coalfield Strategies was selected to lead the project. Since that time, InvestSWVA has quickly worked to identify strategic opportunities to grow the region's economy.

The work performed by InvestSWVA has proven valuable for the region. As is typical with these types of projects, initial efforts often take months or years to produce tangible results. In addition to the achievements of the initial three years, a pipeline of new projects has been developed. Additional funding will allow the team to continue the work that has begun while growing the team to provide additional support where it is needed. Commission funds will be used primarily for contractual services with Coalfield Strategies and subconsultants that will support InvestSWVA's management and operations, grant writing and grant administration.

*Financial Viability Assessment:* InvestSWVA has a demonstrated track record of implementing marketing and recruitment strategies effectively. For this second phase, the project team plans to deploy resources in a more targeted and efficient manner. The project team has successfully obtained corporate funding commitments and plans to increase these requests in the future--the proportion of matching funds has increased from 1:1 during the first phase to almost 3:1 during this second phase. Finally, the project team has indicated a willingness to adopt a more performance-based approach for

this second phase and to set targets such as landing a certain number of prospect visits and/or announcements during the two-year project period.

*Staff Recommendation:* Staff recommends awarding a grant of \$400,000 contingent upon (1) the Executive Director's approval of the terms of the renewed contract between the applicant and its consultant, and (2) Staff's continued participation in InvestSWVA's leadership and strategy development.

#### University of Virginia *Regional Entrepreneurship Ecosystem - SWVA StartUp Accelerator and Economic Gardening (#3743)* \$145,425.00 Requested

**Project Summary:** The University of Virginia's College at Wise is requesting support to match a GO Virginia application for a project that will enhance the region's entrepreneurial support activities. Approximately half the request (\$83,075) will be used to support Opportunity SWVA's StartUP Accelerator program. The nine week accelerator program will provide entrepreneurs with guidance focused on the success and growth of new businesses. The remainder of the request will support an Economic Gardening Initiative with similar activities focused on growing the entrepreneurial participation rate in the region by encouraging the creation of new businesses and supporting their growth. Commission funds are requested for a variety of operational expenses for both programs. The grant will also be used to pay a portion of the cohort participation expenses for the Accelerator Program (participants will also be asked to contribute a portion of the fee) and for a Marketing Assistance Program utilizing UVA-Wise interns to assist businesses with eCommerce, social media and website development.

*Matching Funds:* A pending \$145,000 GO Virginia application will match this application. Matching funds will be used to support the Regional Ecosystem Builder position for two years.

**Project Outputs:** If fully funded, the application estimates that 100-150 new businesses will be created through these programs and that each business will create a minimum of 1.5 jobs. (Staff observes that these project outputs are extraordinarily high for a project of this sort and is skeptical as to whether they will materialize.)

*Staff Comments:* Opportunity SWVA is a long established business launch program that has assisted the development of numerous small businesses in the region. TRRC provided \$24,000 in 2014 to assist with the program. The project presented in the UVA Wise application provides an opportunity to grow the support system for early stage entrepreneurs and ensure a higher level of success for each. The SWVA StartUp Accelerator program will be offered twice a year to cohorts of 15 businesses. It appears that the majority of the projected outcomes can be attributed to this program. A total of 90 businesses will be supported during the grant's three year period.

The Economic Gardening portion of this project was less defined and it is difficult to correlate project activities with the projected outcomes. While Staff understands that development of a supportive environment is necessary for entrepreneurial growth, the proposed activities such as networking events and conferences do not result in direct outcomes.

Staff is generally supportive of this application and believes that more tangible results will come from the Accelerator and internship programs than the Economic Gardening program. The correlation between the activities of the Accelerator program and the 90 new businesses that will be impacted was much clearer. A similar outcome can be measured through the work that interns will perform for participating businesses. The application notes that only \$70,425 of the requested amount is needed to match the GOVA application. The remainder of the TRRC request is intended to provide additional leverage for that program. A reduced award of \$83,075 for three years of support for the Accelerator program, including the internship component, will provide the full match amount needed for GOVA while providing a smaller amount of additional leverage for the application.

*Financial Viability Assessment:* Because it is more intuitive and plausible for the project outputs the applicant identified to result from the accelerator component of this project than the economic gardening component, staff has recommended funding only the accelerator component. The project will require ongoing grant support to continue, however, the applicant indicated it will not approach TRRC for future support. The applicant plans to seek funding from the Center for Innovative Technology's new Regional Investment Fund, corporate sponsors, and other grants available through "the economic development infrastructure." Staff is optimistic that the UVA-Wise team will implement this project successfully and convince other funders to invest in the future so the program may continue.

*Staff Recommendation:* Staff recommends an award of \$83,075 for the SWVA StartUp Accelerator Program, including Marketing Assistance Program internships.

#### Russell County Industrial Development Authority Russell Place Project (#3746) \$250,000.00 Requested

**Project Summary:** Funding is requested to assist with the redevelopment of a property in the Town of Lebanon. Over the past two years, 25 new businesses have located in Russell County and the IDA does not have any properties available for new prospects. To accommodate future demand for industrial space the IDA purchased a vacant property consisting of an existing 5,200 square foot building on a 12.6 acre site. The building has been vacant for approximately 20 years and requires renovation in order to be marketable to new industries. The site also offers the opportunity for future development of at least two new buildings on the property. The property is already served with public water, public sewer and high speed broadband. Natural gas is also available although an extension of the existing line is required to fully serve the building.

*Matching Funds:* \$900,000 VCEDA loan (acquisition, \$150K remaining for renovations), VA Brownfields Remediation Grant application (\$220,000) submitted on April 1, 2021 with an award to be announced in May 2021. The Brownfields funding will assist with asbestos and lead removal as well as the installation of a sediment pond. An application to CPROP submitted on April 15, 2021 for \$200,000 will be used for new construction and overall restoration to Russell Place. (*These total \$570,000 match for application but fall short of the total indicated on construction estimates.*)

*Project Outputs:* The existing 52,000 square foot building will be renovated. The property could potentially house up to 3 companies and/or 350 employees.

*Staff Comments:* While reviewing this application it was clear that this is a project that is very much still under development. The exact scope has yet to be determined and there appear to be at least two scenarios that are dependent upon the decisions of a current prospect. With this in mind Staff felt that the ultimate benefit of adding additional inventory to Russell County's site inventory was an important point of consideration. Staff is supportive of approving this award with conditions that will be met prior to disbursement of funds. These conditions reflect the natural steps that must be accomplished to proceed with development and should not hinder progress.

*Financial Viability Assessment:* The adaptive reuse of at least some portions of the site should result in ultimate cost savings compared to preparing a greenfield site. The applicant is considering alternative uses of the site that include blends of both redevelopment and new construction. It does not appear that the applicant has had an opportunity to clearly define the scope (and cost) of each alternative scenario. That the community is running out of inventory of suitable sites and buildings for new business prospects shows there is momentum and indicates a good likelihood that this facility will be put to use. While some aspects of the project could benefit from further refinement, the conditions Staff is recommending will ensure necessary details are obtained before Commission funds are released. In addition, allowing the project to proceed will avoid a lengthy delay that may otherwise harm the applicant's ongoing discussions with a prospect.

*Staff Recommendation:* Staff recommends awarding a grant of \$250,000 contingent upon the Executive Director's approval of the final project scope with associated construction cost estimates as well as documentation of the availability of matching funds required to complete the project.

#### Smyth County Economic Development Authority Pathway Park Infrastructure Improvements (#3745) \$600,000.00 Requested

**Project Summary:** Funding is requested to continue development of Pathway Park located in the Town of Chilhowie. The property is adjacent to Interstate 81, with approximately 2,000 feet of visibility along 1-81. The 70-acre site offers the potential for a 40 acre construction project. In October 2020, the Smyth County EDA completed tasks to advance Pathway Park to a VBRSP Tier 4 site, including completing a Master Plan. The Master Plan identified six projects to elevate the competitiveness of Pathway Park to attract industry and businesses, including the projects under this request: improving Industrial Park Road and extending water and sanitary sewer service.

*Matching Funds:* A \$600,000 application is intended to GO Virginia to assist with infrastructure improvements. Smyth County will also be asked to contribute \$600,000 for the improvements.

**Project Outputs:** TRRC funds will be used for the extension of an eight inch water line (total approximately 2,000 feet) and the extension of approximately 1,600 feet of sanitary sewer line (approximately 1,600 feet). Matching funds will be used for approximately 1,700 feet of onsite road improvements.

The completed project will result in a site that can accommodate up to 3 businesses supporting 600 jobs and creating \$38M in new private capital investment.

*Staff Comments:* While this is a small site relative to others in the tobacco region, its location along I-81 make it an attractive addition to the region's site portfolio. In 2012, the EDA acquired the property, and began site work and demolition of an existing industrial building with a \$5,531,000 grant from the Commission's Megasite Program. The Commission provided the majority of the funding utilized for the 2012 project, however, the applicant is exploring new funding opportunities to implement the next phase of development. Smyth County plans to partner with Bland County through a RIFA which will allow the project to qualify for funding through the GOVA program. Additionally, a public/private partnership may be explored in the future to fund the construction of a shell building on the property.

While the goal of advancing the site beyond VBRSP Tier 4 status requires significant additional work, the overall cost of redeveloping existing industrial property is generally a more cost effective option compared to new development. The proposed partnership with Bland County will allow the project to not only access additional funding to support development work but will also allow the communities to pool their limited resources into site so they each can accrue the benefits associated with the eventual location of new employers.

*Financial Viability Assessment:* A preliminary engineering report and more detailed cost estimates have been delayed as of the date of this writing. At least \$1.5-2 million will be required to address all infrastructure issues at this 70-acre site (with 40 usable acres). Given that this is an existing, mid-sized site, its overall development costs are on the higher end. Although the site would remain a Tier 4 site even after this project is completed, this project will improve the marketability of this site. The applicant plans to leverage Commission funds effectively with 2:1 matching funds, including a significant local contribution. In addition, that Smyth and Bland Counties are planning to form a partnership so they may pool their investments into this site is a very promising development.

*Staff Recommendation:* Staff recommends an award of \$600,000 contingent upon (1) the receipt of the Preliminary Engineering Report to confirm estimated project costs, (2) receipt of a formal agreement documenting a partnership between Bland and Smyth Counties, and (3) receipt of documentation of sufficient matching funds to complete the project.

#### Virginia's Heritage Music Trail: The Crooked Road Connecting The Crooked Road Communities (#3747) \$9,000.00 Requested

**Project Summary:** The Crooked Road (TCR) is requesting support to complete a community signage program and to upgrade wayside exhibit radio transmitters. The community signage project will recognize supporting communities throughout TCR's 19 county, 4 city, and 50+ town region. These signs will provide a visual reminder to tourists visiting these localities. The upgrades to the wayside exhibits will include transmitter equipment and replacement panels. There are currently 26 wayside exhibits throughout the TCR region with the majority being over 10 years old and in need of refurbishment. These exhibits are unique to each site and illustrate heritage music history for the location. The budget allocates \$1,500 for the community signage project and \$7,500 for the wayside exhibits upgrades.

*Matching Funds:* TCR will provide matching funds (\$9,000) for the project.

*Project Outputs:* Two signs will be provided to each locality that contributes annual support to The Crooked Road. Twenty six waysides will be eligible for refurbishment.

The application projects 636 net new visitors annually, however, the basis for this estimate was not provided. No additional revenue is expected.

*Staff Comments:* The proposed upgraders to the wayside exhibits as well as the community signage project have been a desire of TCR for several years. Both activities were previously supported under previous TRRC grants, but the grants expired and were not extended. It now appears that TCR is ready to move forward with both projects. While this is a modest request with limited associated impact, the proposed activities will enhance the visitor experience and allow TCR to provide a professional, cohesive, image within the region.

*Financial Viability Assessment:* This request is for a very modest grant to implement a project that TCR has planned for a significant period of time. There is clear community support and the applicant has obtained appropriate quotes from vendors. Meaningfully, TCR plans to make a cash match toward this project as opposed to the less ideal types of matching funds provided in the past.

Staff Recommendation: Staff recommends awarding a grant of \$9,000.

#### William King Museum of Art *William King Museum of Art Cultural Campus Phase-II Part-1 (#3741)* \$350,000.00 Requested

**Project Summary:** Commission funds are requested to assist with capital improvements to the William King Museum of Art's (WKMA) 22-acre campus. The project will improve accessibility to the museum property to accommodate tour buses and visitors with mobility issues. The Cultural Campus project will develop a large green space with an amphitheater, a sensory garden, and a sculpture garden. This space will be an extension of the Town of Abingdon's Main Street with a goal of increasing community engagement and improving quality of life for residents. The current application requests funding for Part 1 that will result in a terraced museum entrance offering easier access to the museum, and construction of ADA-compliant ramps, new retaining walls, pathways, gardens, and improved parking for a total cost of \$1,102,186.

*Matching Funds:* The Museum has raised \$250,000 from private donations for the project. Funding requests totaling \$502,000 are pending with USDA – Rural Development, The Town of Abingdon (in-kind), Mary Morton Parsons Foundation, Dominion Resources, and various private individuals and donors.

**Project Outputs:** An increase of non-duplicate visitation by 2,000 each year over the base number of 14,504 (from 2018-2019). The Town of Abingdon Convention and Visitors Bureau estimates that each visitor brings approximately \$500 of sales revenue to the region.

*Staff Comments:* At the January 2021 meeting, the Commission did not award WKMA's previous application for this project. Staff recommended not awarding funds because the application failed to document the potential to attract significant new visitors from national and international markets as

required by the Southwest Virginia Program guidelines. The project as presented in the previous application appeared to be primarily a quality of life amenity for Town residents. That application projected only a 10% increase in visitation. The current application contains an updated Marketing Plan listing upcoming exhibits including the Bernini and the Roman Baroque (beginning October, 2021) and The Long Rifle in Virginia (April, 2022). WKMA expects each exhibit to attract different, but widespread, populations of visitors.

Accessibility is a well-known issue for the Museum. The application states that the Abingdon CVB reported 67 coach tours in 2019 with only one visiting the museum. Staff is concerned that even if this project is completed so that busses can add a stop at the museum, there will not be any meaningful additional economic impact to the region. Otherwise put, staff is concerned that busses visiting the museum will merely be diverting from other regional tourism draws in the area rather than drawing entirely new out of state visitors. The marketing plan indicates that the museum will seek to attract new visitors through the promotion of its exhibitions. While these exhibits may appeal to national and international audiences, one can argue that bringing these exhibits to the museum serves more to make them accessible to a local audience and will likely have limited potential to attract significant visitation from beyond the region.

*Financial Viability Assessment:* WKMA demonstrated in its application that a meaningful number of out of state tourists do in fact visit the museum. However, the application has not demonstrated that a Commission investment in this project will cause more national and/or international tourists to visit. Because it is not apparent that this project will draw additional national and international visitors, it remains outside the scope of the Southwest Virginia Program guidelines and the Commission's Strategic Plan. Nevertheless, WKMA may wish to consider applying for a loan through the Commission's Community & Business Lending Program.

*Staff Recommendation:* Because this project does not demonstrate that it will draw new out of state or international visitors to the region, Staff recommends no award.

\* \* \*

#### **EXTENSIONS & MODIFICATIONS**

Southwest Virginia Higher Education Center Foundation *WireTough Phase 2 (# 2982)* Approved for \$2,000,000 in May 2014 (\$97,547 balance) Request for extension through December 30, 2021

Wiretough Phase 2 was approved for a \$2,000,000 R&D grant in May 2015 and there is a remaining balance of \$97,547. An extension has been requested to continue progress to full scale commercialization. Wiretough has been awarded additional support from the US Department of Energy totaling \$785,000. These funds, along with the remainder of the TRRC grant, will be used to continue development of innovative high pressure gas storage for compressed natural gas, hydrogen, and nitrogen.

Over the past year, the project has seen disruptions in the supply chain which have extended timelines and hindered Wiretough's ability to meet scheduled targets and slowed the drawdown of TRRC's grant. The proposed extension will carry this project into a 6<sup>th</sup> year of support that will allow Wiretough to recapture market opportunities that were impacted by the pandemic. The company's careful usage of grant funds has resulted in a small balance that, along with the new DOE funds, will allow for continued growth and commercialization.

#### Staff recommends approval of an extension through December 30, 2021.



#### **FULL COMMISSION** Electronic Conference Call Meeting Thursday, May 27, 2021 4:00 P.M.

If accessing the meeting from the internet via a computer or smartphone, use this link to access the meeting:

https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?M TID=m283fbcd20331140a62c1b5d19fd50646

If accessing the meeting by telephone dial: 1-408-418-9388 (US toll) and utilize the meeting number <u>132 596 4686#</u> and meeting password: <u>cP2SpTizF73 (27277849 from phones and video systems)</u>.

If you have any access issues at the time of the meeting, contact Jordan Butler via email at: <u>JButler@revitalizeva.org</u> or call 804-894-9652.

Welcome and Call to Order	The Honorable Edward Owens, Chair		
Items Related to Remote Meeting	Andy Sorrell, Deputy Director		
Call of the Roll	Evan Feinman, Executive Director		
Approval of the <u>1/8/21</u> Minutes	(published on website)		
Public Comments			
Southern Virginia Committee	Mr. Walter "Buddy" Shelton, Chair		
Southwest Virginia Committee	The Honorable Chris Hurst, Chair		
Executive Committee	The Honorable Edward Owens, Chair		
Education Committee	Ms. Rebecca "Becky" Coleman, Chair		
Incentives and Loans Committee	The Honorable Lashrecse Aird, Chair		
TROF and Loans Update	Andy Sorrell, Deputy Director		
Southern FDI Update	Joe Anwyl, Invest Southern Virginia		
Other Business	Evan Feinman, Executive Director		
Public Comments			
Adjournment			

#### Tobacco Region Revitalization Commission

Financial Summary As of March 31, 2021

Total Cash & Investments		\$ 388,705,905
Unrestricted Endowment Accum Interest	\$ 7,046,613	
Restricted Endowment Accum Interest	\$ 5,966,323	
Unrestricted Endowment Balance	\$ 93,000,378	
Restricted Endowment Balance	\$ 75,976,441	
TICR Fund Balance	\$ 206,716,150	

Cash Disbursements - this month	\$ 3,796,763
Cash Disbursements - FYTD	\$ 22,440,207

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Fund	Unobligated Balances
Special Projects	\$ 1,408,136
Education	\$ 4,856,850
Education-Workforce Training	\$ 280,576
Education-TAP	\$ 2,100,000
TROF (Deal Closing)	\$ 12,917,132
Southside Economic Development	\$ 17,062,035
Southern Va Committee	\$ 5,500,000
Southwest Va Committee	\$ 3,233,480
Agribusiness	\$ 597,033
R&D/Broadband	\$ 3,943,754
Reserve	\$ 17,293
Megasite	\$ 3,169,109
Megasite Prospect Incentive	\$ 10,500,000
Lending Program	\$ 48,576,163
Administration	\$ 983,326
TICRC General Account	\$ 1,141,436
FY2021 Budget Balance	\$ 116,286,322

#### **Tobacco Region Revitalization Commission**

Statement of Revenues, Expenditures, and Changes in Fund Balance (Cash Basis) As of March 31, 2021

	FY21 Budget	YTD Actual	YTD Actual as % of Budget		ance Favorable Unfavorable)
<u>REVENUES</u>					
Other Revenue (all cost codes)	\$ -	\$ 1,221,795.39			1,221,795.39
Total Revenues	\$ -	\$ 1,221,795.39		\$ ^	,221,795.39
EXPENDITURES		54,764.43			
Administration					
Salaries, Fringe Benefits, Per Diems	\$ 1,475,900	\$ 1,135,556.21	76.9%	\$	340,343.79
Contractual Services	513,500	257,205.64	50.1%		256,294.36
Supplies and Materials	5,200	2,070.80	39.8%		3,129.20
Transfer Payments	263,680		0.0%		263,680.00
Rent, Insurance, Agency Svc Charges	197,900	111,053.53	56.1%		86,846.47
Furniture and Equipment	 5,800	5,543.44	95.6%		256.56
Subtotal - Administration	\$ 2,461,980	\$ 1,511,429.62	61.4%	\$	950,550.38
Community Revitalization	19,000,000	20,928,777.86			
Total Expenditures	\$ 21,461,980	\$ 22,440,207.48			
Revenues Over (Under) Expenditures	\$ (21,461,980)	\$ (21,218,412.09)			
OTHER FINANCING SOURCES (USES)					
Transfers In (endowment and earnings)	\$ 42,004,593				
CASH BALANCE, June 30, 2020	\$ 227,934,563	\$ 227,934,562.54			
CASH BALANCE, March 31, 2021	\$ 248,477,176	\$ 206,716,150.45			

#### Tobacco Region Revitalization Commission Proposed FY2022 Budget

Executive Committee Recommendation 5/13/2021

Minus June corpus invasion	 (25,346,523)
Ending Endowment Balance June 30, 2021	\$ 143,630,295
Corpus Invasion>	15.0%

SOURCES of Funds		Proposed 2022 Budget	
Interest Earnings	\$	12,352,827	
TICR Endowment		25,346,523	
Carryforward		10,276,760	
Total Sources	\$	47,976,110	
USES of Funds			
Administration			
Salaries, Benefits, Per Diems	\$	1,545,000	
Contractual Services, Travel		484,620	
Supplies and Materials		4,500	
Transfer Payments		463,680	
Rent, Insurance, Agency Svc Charges		189,650	
Furniture and Equipment		5,600	
Total Administration	\$	2,693,050	
Tobacco Region Opportunity Fund	\$	3,000,000	
Education			
Talent Attraction Programs	\$	3,000,000	
Workforce Financial Aid		2,000,000	
Total Education	\$	5,000,000	
Economic Development			
Southern Va Committee	\$	7,000,000	
Southwest Va Committee	,	4,500,000	
Total Economic Development	\$	11,500,000	
Lending Program	\$ 25,783,06		
Total Uses	\$	47,976,110	

					Mean		
			Capex	Factory	Wage		
No.	Project Name	Job Numbers	\$m	, size Ksqft	\$/h	Industry Sector	Source Country
		80	5	90	25	Automotive	England
	Radical	50	5	50	25	Automotive	England
	Twisted	55	5	60	24	Automotive	England
	Medway	-	-	-	-	-	England
	Bourn	ТВС	твс	твс	ТВС	Agricultural	England
	Calder	200	TBC	90	Mid	Furniture	England
	Stone	30	2	30	Mid	Plastics	USA
	Dean	ТВС	TBC	TBC	Mid	Metals	England
-	Dan	30	TBC	TBC	Mid	Automotive	England
	Chad	ТВС	TBC	TBC	TBC	Agricultural	England
	Sherlock	35	5	40	35	Metals	England
	Wharfe	40	ТВС	TBC	High	Tech	USA
	Cats	TBC	ТВС	ТВС	_	Automotive	
			-	-	High		England
	Kit Silver	40+	5 TBC	50 30	High	Automotive	EU
		20 TDC			Mid	EV	England
	Bosham	TBC	TBC	TBC	Mid	Homeware	England
	Afon	TBC	TBC	TBC	High	Aerospace	England
	Pendle	TBC	ТВС	ТВС	High	Aerospace	England
19	Witham	ТВС	ТВС	TBC	High	Aerospace	England
20	Stour	60	20	60+	Mid	Manufacturing	England
21	Don	30	3	25	High	Defence	England
22	Avon	200+	ТВС	120	ТВС	Automotive	England
23	Aire	ТВС	ТВС	ТВС	Mid	Construction	England
24	Krebsbach	ТВС	2	10	25	Food manufacturing	Switzerland
25	Ouse	ТВС	твс	твс	High	Metals	England
26	Axe	ТВС	ТВС	TBC	High	Fabrication	England
27	Test	ТВС	ТВС	TBC	High	Metrology	England
28	Laser	40	5	40	High	Metals	England
29	Ewell	ТВС	ТВС	TBC	Mid	Automotive	UAE
30	Blackwater	ТВС	ТВС	TBC	High	Fabrication	England
31	Marrow	ТВС	ТВС	ТВС	High	Aerospace	England
32	Fleet	ТВС	ТВС	ТВС	High	EV	England
33	Muster	ТВС	ТВС	ТВС	High	Metals	England
34	Transition	47	4	40	18	Textiles	Scotland
35	Eagle	30	1	30	20	Logistics	England
	Clockhouse	ТВС	ТВС	ТВС	High	Fabrication	England
	Essex	51	3.15	50	31	Electronics	England
	Eccup	ТВС	твс	твс	High	Engineering consultancy	England
	Rother	TBC		TBC	High	Defence	England
			Large	75	1	Metals	_
	Whistable Ewing	30 TBC	2.5		30 High		England
	Ewing		TBC TBC	TBC TBC	High High	Automation	USA Ireland
	Moor	TBC			High	Electronics	
	Saginaw	TBC	TBC	TBC	High	Aerospace	USA
	Barrow	TBC	TBC	TBC	High	Metals	Ireland
	Stowe	TBC	TBC	TBC	High	Nanotech	England
	Gadder	TBC -	TBC	TBC	Mid	Apparel	England
	PES	7	1	5	High	Metrology	England
	Schuylkill	TBC	ТВС	ТВС	High	Aerospace	USA
	Lagan	TBC	ТВС	TBC	High	Aerospace	Ireland
50	Severn	ТВС	TBC	ТВС	High	Aerospace	England

#### Redacted List of Invest Southern Virginia's Top 50 Prospects

### TROF Awards FY 2017 - FY 2021 to date

Project #	Date Approved	Status	Organization	Project Title	Jobs Promised	Capital Investment Promised	Approved Grant Amount	Approved Loan Amount	Total Approved Amount
3767	5/7/2021	Pending award documents	Wythe County Joint IDA	Project Honeybee	15	\$2,968,000	\$12,000	\$0	\$12,000
3754	4/30/2021	Pending award documents	Danville-Pittsylvania Regional Industrial Facility Authority	Project Installation	46	\$7,150,000	\$48,000	\$48,000	\$96,000
3735	4/5/2021	Pending award documents	Pittsylvania County	Project Squared	27	\$5,170,000	\$29,000	\$0	\$29,000
3721	12/18/2020	Pending award documents	Scott County EDA	Project Navigator	160	\$375,000	\$94,000	\$94,000	\$188,000
3709	12/18/2020	Pending award documents	Wythe County Joint IDA	Project KP	26	\$48,551,000	\$263,500	\$263,500	\$527,000
3701	12/18/2020	Pending award documents	Pittsylvania County	Project Impala	50	\$45,000,000	\$276,500	\$0	\$276,500
3700	12/18/2020	Pending award documents	Pittsylvania County	Project EW	45	\$500,000	\$23,500	\$0	\$23,500
3685	12/18/2020	Pending award documents	Smyth County	Project Hurricane	80	\$8,100,000	\$57,500	\$0	\$57,500
3674	1/29/2021	Pending award documents	Blackstone, Town of	Project White Pebbles	25	\$11,464,825	\$44,500	\$44,500	\$89,000
3673	12/18/2020	Pending award documents	Pittsylvania County	Project Iso	150	\$3,500,000	\$86,500	\$0	\$86,500
3672	9/11/2020	Pending award documents	Washington County	SPIG Industry LLC	113	\$7,964,000	\$99,500	\$0	\$99,500
3671	9/11/2020	Pending award documents	Charlotte County IDA	Project Peanut	13	\$6,943,000	\$24,500	\$24,500	\$49,000
	FY 2021 (to date)		# of Projects	12	750	\$147,685,825	\$1,059,000	\$474,500	\$1,533,500
	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
	FY 2018		# of Projects	28	1,035	\$126,009,797	\$3,640,000	\$642,500	\$4,282,500
	FY 2017		# of Projects	20	715	\$143,288,700	\$3,170,000	\$997,500	\$4,167,500

#### TROF Loans as of May 2021

Project #	Date Approved	Organization	Project Title	Lo	an Amount	Remaining Loa Amount to be		
							Repaid	
3709	12/18/2020	Joint IDA of Wythe County	Project KP	\$	263,500		263,500	
3674	5/3/2021	Blackstone, Town of	Project White Pebbles	\$	44,500		44,500	
3671	9/11/2020	Charlotte County IDA	Project Peanut	\$	24,500		24,500	
3654	6/15/2020	Grayson County	Metalworx, Inc.	\$	265,500		265,500	
3611	1/14/2020	Franklin County	Traditional Medicinals, Inc.	\$	245,000		245,000	
3585	12/21/2020	Mecklenburg County	Project Schuyler	\$	640,500	\$	640,500	
3583	9/12/2019	Danville, City of	PRA Group Inc.	\$	1,095,000	\$	1,095,000	
3556	8/6/2019	Danville-Pittsylvania Regional Industrial Facility Authority	Project Heart	\$	270,000	\$	270,000	
3550	5/22/2019	Danville, City of	Litehouse Inc.	\$	220,000	\$	220,000	
3545	4/30/2019	Carroll County	Blue Ridge Designs, LLC	\$	50,000	\$	35,000	
3544	4/30/2019	Joint IDA of Wythe County, VA	Seven Sisters Brewery, LLC	\$	15,000	\$	15,00	
3507	6/6/2019	Russell County Industrial Development Authority	Polycap LLC	\$	140,000	\$	126,00	
3501	12/12/2018	Danville, City of	Essel Propack	\$	330,000		330,00	
3482	10/15/2018	Danville-Pittsylvania Regional Industrial Facility Authority	Harlow Fastech LLC	\$	630,000		630,00	
3481	10/9/2018	Franklin County	Empire Bakery Commissary	\$	140,000	\$	98,000	
3476	10/9/2018	Danville, City of	VitalPlan Inc	\$	70,000	\$	70,000	
3448	6/6/2018	Nottoway County	UAV Pro, Inc.	\$	260,000	\$	260,00	
3406	2/22/2018	Floyd County	Daley Acquisitions, LLC	\$	50,000	\$	25,000	
3393	12/7/2017	Buchanan County Industrial Development Authority	Trina Health of Pounding Mill, LLC DBA Trina Health Town Center	\$	27,500	\$	13,75	
3340	9/12/2017	Appomattox County EDA	Innovatio Sealing Technologies, LLC	\$	40,000	\$	16,00	
3300	5/31/2017	Town of Tazewell Industrial/Economic Development Authority	Sunset Digital Communications Incorporated	\$	680,000	\$	340,00	
3299	5/23/2017	Carroll County Industrial Development Authority	VA Produce	\$	47,500	\$	14,24	
3297	4/27/2017	Russell County Industrial Development Authority	Jennchem, LLC	\$	107,500		32,250	
3296	4/27/2017	Tazewell County Industrial Development Authority	Trina Health of Pounding Mill, LLC	\$	45,000		18,00	
3295	6/8/2017	Greensville County	Oran Safety Glass, Inc. (OSG)	\$	117,500	\$	35,25	
	-		TOTALS	\$	5,818,500		5,126,99	

								•			
Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	awback Repaid	lawback emaining
1861	7/20/2009	6/30/2010	12/31/2017	Greensville	The Good Earth Peanut Company, LLC	Performance Period Ended	Full performance not met	Repayment plan approved pending signitures	\$ 20,896	\$ 20,896	\$ -
								TRRC provided Locality deadline of 12/31/2020 to submit			
2482	12/20/2011	6/30/2012	6/30/2017	Danville	River District Development, LLC(RDD, LLC.)	Performance Period Ended	Gathering Performance Data	data or clawback begins			
2490	11/28/2011	9/30/2011	6/30/2017	Bristol	IstobalUSA Corp (IUSA)	Performance Period Ended	Full performance not met	Negotiating repayment terms	\$ 93,721	\$ 65,278	\$ 28,443
2505	7/1/2012	1/1/2012	12/31/2016	Brunswick	Virginia Electric & Power Company (VEPCO)	Period Ended	Gathering Performance Data	Confirming full perfromance			
2706	7/1/2013	3/31/2013	3/31/2016	Brunswick	Virginia Électric & Power Company (VEPCO)	Performance Period Ended	Gathering Performance Data	Confirming full perfromance			
2724	8/23/2013	6/30/2013	6/30/2018	Danville	North American Mold Technology, LLC	Performance Period Ended	Full performance not met	Repayment plan executed	\$ 130,000	\$ 18,000	\$ 112,000
2747	8/14/2013	6/30/2013	6/30/2017	Russell	Steel Fab, Inc., A Division of Samuel Pressure Vessel Group, Inc.	Performance Period Ended	Full performance not met	Repayment plan executed	\$ 64,000	\$ 38,400	\$ 25,600
2845	1/14/2014	12/31/2013	12/31/2017	Scott	Secure Mountain LLC. Virginia Electric & Power Company	Performance Period Ended	Full performance not met	Negotiating repayment terms Confirming full	\$ 460,000	\$ 412,408	\$ 47,592
2864	5/27/2014	1/1/2012	12/31/2016	Brunswick	(VEPCO)	Performance Period Ended	Gathering Performance Data	perfromance			
2892	5/5/2014	3/31/2014	3/31/2018	Lunenburg	Coast 2 Coast Trucking, Inc. □ (This is a sister company to ABC Recycling)	Performance Period Ended	Full performance not met	Repayment plan executed	\$ 100,000	\$ -	\$ 100,000
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 perfromance of negotiated revised performance terms			
2994	12/19/2014	9/30/2014	9/30/2017	Martinsville	Integrative Centers for Science and Medicine & College of Henricopolis School of Medicine	Period Ended	Repayment Plan Executed	Repayment Plan Executed	\$ 780,000	\$ 468,000	\$ 312,000
2999	1/15/2015	12/31/2014	12/31/2017	Grayson	Oak Hall Industries (Oak Hall Cap & Gown)	Performance Period Ended	Reviewing Performance Data	Negotiating repayment terms	\$ 251,901		\$ 251,901
3002	2/6/2015	12/31/2014	12/31/2017	Grayson		Performance Period Ended	Reviewing Performance Data	Negotiating repayment terms	\$ 80,713		\$ 80,713
3006	3/6/2015	12/31/2014	12/31/2017	Russell	3B CONSULTING SERVICES, LLD & HIGHLAND STONE COMPANY, LLC	Performance Period Ended	Reviewing Performance Data				
3044	5/26/2015	3/31/2015	3/31/2018	Bedford County	Innerspec Technologies Inc.	Performance Period Ended	Reviewing Performance Data				
3049	7/16/2015	6/30/2015	6/30/2018	Wise	NorrisBuilt Fabrication, LLC.	Performance Period Ended	Reviewing Performance Data	Negotiating repayment terms	\$ 9,375	\$ -	\$ 9,375

Status of Active TROFs with Concluded Performance Periods as of May 2021

Project	Date					Performance			Clawback	Clawback	Clawback
Number	Approved	Start Date	End Date	Organization	Project Title	Period Status	Status 1	Status 2	Amount	Repaid	Remaining
					Teletech Healthcare Solutions, Inc,						
					Teletech Holdings, Inc, Teletech	<b>.</b> .					
2050	7/04/0045	0/20/2045	C/20/2040	C	Services Corporation (Project	Performance	Classed				
3050	7/21/2015	6/30/2015	6/30/2018	Scott	Peoria)	Period Ended	Closed				
						Performance Period					
						Extended by	Gathering				
3101	10/8/2015	9/30/2015	9/30/2020	Tazowell	Blue Wolf Sales and Service	Commission	Performance Data				
5101	10/0/2013	9/30/2013	9/30/2020	Tazewell		Performance	Reviewing				
3138	2/8/2016	9/30/2015	9/30/2020	Henry	Starsprings	Period Ended	Performance Data				
0100	2/0/2010	3/00/2010	5/00/2020	Tionity	Performance Livestock & Feed	Performance	Gathering				
3171	4/13/2016	3/31/2016	3/31/2020	Henry	Company Inc.	Period Ended	Performance Data	n/a			
• • • •	1,10,2010	0/01/2010	0/01/2020		CHN, LLC. (aka: Sadler Bros Oil	i onou Enuou	l onomanoo Bata				
					Co., Jade Food Woks, LLC & Slip	Performance	Gathering				
3173	4/29/2016	3/31/2016	3/31/2019	Greensville	In Food Marts, Inc.)	Period Ended	Performance Data	n/a			
				-	, ,	Performance	Gathering				
3177	5/4/2016	3/31/2016	3/31/2020	Henry	RTI Martinsville, Inc. (Project LID)	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3181	6/24/2016	6/30/2016	6/30/2019	Danville	Overfinch North America	Period Ended	Performance Data	n/a			
					River Ridge Land and Cattle Co.,	Performance	Partial perfromance				
3182	6/24/2016	3/31/2016	3/31/2020	Gravson	LLC	Period Ended	met	Closed			
				- ,	-	Performance	Gathering	~			
3214	8/30/2016	6/30/2016	6/30/2019	Prince Edward	Hotel Weyanoke, LLC	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3217	9/30/2016	6/30/2016	6/30/2019	Dinwiddie	Wal-Mart Stores East, LP	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3244	12/7/2016	12/31/2016	12/31/2019	Washington	Universal Companies, Inc.	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3245	12/7/2016	9/30/2016	9/30/2020	Henry	Novatech USA Inc.	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3265	3/6/2017	9/30/2016	9/30/2020	Henry	Bassett Furniture Industries, Inc.	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3266	3/6/2017	12/31/2016	12/31/2019	Wise	DP Facilities, Inc.	Period Ended	Performance Data	n/a			
					Liquid Performance of America,	Performance	Repayment plan				
3292	4/24/2017	3/31/2017	3/31/2020	Franklin County	Inc.	Period Ended	executed.	first payment received.	\$ 10,000	\$ 3,333	\$ 6,667
						Performance	Gathering				
3295	6/8/2017	3/31/2017	3/31/2020	Greensville	Oran Safety Glass, Inc. (OSG)	Period Ended	Performance Data	n/a			
						Performance	Gathering				
3296	4/27/2017	3/31/2017	3/31/2020	Iazewell	Trina Health of Pounding Mill, LLC	Period Ended	Performance Data	n/a			
2007	4/07/0047	0/04/0047	2/24/2022	Durrall	lannaham II.C	Performance	Gathering				
3297	4/27/2017	3/31/2017	3/31/2020	Russell	Jennchem, LLC	Period Ended	Performance Data	n/a			
2000	E 100 100 4 7	2/24/0047	2/24/0000	Corroll		Performance	Gathering	2/2			
3299	5/23/2017	3/31/2017	3/31/2020	Carroll	VA Produce	Period Ended	Performance Data	n/a			
3300	5/31/2017	3/31/2017	3/31/2020	Tozowoll	Sunset Digital Communications	Performance Period Ended	Reviewing	2/2			
3300	5/31/2017	3/31/2017	3/31/2020	razeweil			Performance Data	n/a			
3316	7/31/2017	6/30/2017	6/30/2020	Greensville	Beach Mold and Tool Virginia, Inc.	Performance Period Ended	Gathering Performance Data	n/a			
3310	1/31/2017	0/30/2017	0/30/2020	Greensville		Performance	Gathering	il/a			
3333	8/16/2017	6/30/2017	6/30/2020	Carroll	Vanguard Furniture	Period Ended	Performance Data	n/a			
3333	0/10/2017	0/30/2017	0/30/2020	Carroli	vanguaru Furniture	Fellou Ended	renormance Data	11/a			

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2		Clawback Amount	Clawback Repaid		Clawback Remaining
					American Merchant Inc. (formerly	Performance	Gathering						
3339	8/25/2017	6/30/2017	6/30/2020	Bristol	Merchant House International Ltd)	Period Ended	Performance Data	n/a					
					Innovatio Sealing Technologies,	Performance	Gathering						
3340	9/12/2017	6/30/2017	6/30/2020	Appomattox	LLC	Period Ended	Performance Data	n/a					
						Performance	Gathering						
3342	9/12/2017	9/30/2017	9/30/2020	Pittsylvania	Intertape Polymer Corporation	Period Ended	Performance Data	n/a					
3348	10/10/2017	9/30/2017	9/30/2020	Washington IDA	Highlands Automotive Inc	Performance Period Ended	Gathering Performance Data	n/a					
3375	12/7/2017	9/30/2017	9/30/2020	St. Paul (town of)	Willis LLC	Performance Period Ended	Gathering Performance Data	n/a					
3376	11/13/2017	9/30/2017	9/30/2020	Pittsylvania	Panacea BioMatx	Performance Period Ended	Gathering Performance Data	n/a					
						Performance	Gathering						
3380	12/7/2017	9/30/2017	9/30/2020	Carroll IDA	Mohawk Industries	Period Ended	Performance Data	n/a					
					Trina Health of Pounding Mill, LLC	Performance	Gathering						
3393	12/7/2017	9/30/2017	9/30/2020	Buchanan	DBA Trina Health Town Center	Period Ended	Performance Data	n/a					
3398	1/29/2018	12/31/2017	12/31/2020	Martinsville	Virginia Mirror Corp.	Performance Period Ended	Gathering Performance Data	n/a					
						Performance	Gathering						
3399	1/29/2018	12/31/2016	12/31/2019	Halifax	Reynolds Presto Products	Period Ended	Performance Data	n/a					
3400	1/29/2018	12/31/2017	12/31/2020	Lee IDA	England, Inc.	Performance Period Ended	Gathering Performance Data	n/a					
3403	2/21/2018	12/31/2017	12/31/2020	Bedford County	Innovairre Communications Inc.	Performance Period Ended Performance	Closed Gathering	n/a					
3404	2/21/2018	12/31/2017	12/31/2020	Pittsylvania	Eastern Panel Manufacturing, Inc.	Period Ended	Performance Data	n/a					
3405	2/21/2018	12/31/2017	12/31/2020	Franklin County	DuPont Credit Union	Performance Period Ended	Gathering Performance Data	n/a					
3406	2/22/2018	12/31/2017	12/31/2020	Floyd County	Daley Acquisitions, LLC	Performance Period Ended	Gathering Performance Data	n/a					
3407	3/6/2018	12/31/2017	12/31/2020	Dinwiddie IDA	Richlands Creamery, Inc.	Performance Period Ended	Gathering Performance Data	n/a					
					SW Va Community Health	Performance	Gathering						
3408	3/13/2018	12/31/2017	12/31/2020	Tazewell IDA	Systems, Inc.	Period Ended	Performance Data	n/a	-				
3409	3/6/2018	12/31/2017	12/31/2020	Carroll IDA	S & S Transporters	Performance Period Ended	Closed	n/a					
3428	3/27/2018	12/31/2017	12/31/2020	Scott	Mountain Top Timber Products, LLC	Performance Period Ended	Repayment Plan Executed	Default - bankruptcy	\$	250,000	\$ 50,000	) \$	200,000
3447	5/29/2018	3/31/2018	3/31/2021	Carroll IDA	New River Polymers	Performance Period Ended	Gathering Performance Data	n/a					
3448	6/6/2018	3/31/2018	3/31/2021	Nottoway County	UAV Pro, Inc.	Performance Period Ended	Gathering Performance Data	n/a					
3449	6/6/2018	3/31/2018		Pittsylvania	Piedmont Access to Health Services, Inc.	Performance Period Ended	Gathering Performance Data	n/a					
					,	Performance	Gathering		1			+	
3455	7/25/2018	12/31/2017	12/31/2020	Halifax IDA	Aquatic	Period Ended	Performance Data	n/a TOTALS	\$		\$ 1.076.31		

 TOTALS
 \$ 2,250,606
 \$ 1,076,315
 \$ 1,174,291

#### VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION Commission Standing Committees

(rev. 3/25/21)

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