
Tobacco Region Revitalization Commission



FY17 Grant Application Workshop

**June 9, 2016
Abingdon VA**



Welcome and Introductions

- TIC Commissioners and Committee members
- TIC Staff
- guests





Tobacco Commission Overview

The Tobacco Region Revitalization Commission is a **28-member** body created by the 1999 General Assembly. Its mission is the **promotion of economic growth and development** in tobacco-dependent communities, using proceeds of the national tobacco settlement.

To date, the Commission has awarded **1,975 grants** totaling more than **\$1 billion** across the tobacco region of the Commonwealth, and has provided \$309 million in indemnification payments to tobacco growers and quota holders.



Commission Objectives

New Strategic Plan adopted in May 2016

- Strategic Funding Priorities - shaped by economic base theory and stakeholder input
- Program “Outputs” and metrics - based on logic models for each grant program and project type.
- Funding Policies - who and what we will/won't fund; new loan fund; data management.

Plan and summaries of stakeholder input posted in Publications section of our website



Economic Transformation

Growing the economic base of a region, as demonstrated by creation of **new jobs**, attracting **new private capital investment**, infusion of **new revenues** ... **measurable and verifiable!**





Commission Structure

- Committee structure including:
 - **Economic Development** committees for Southwest and Southside
 - **Special Projects** (regional econ devel projects and healthcare)
 - **Education** (workforce training and development)
 - **Agribusiness** (value-added diversification)
 - **Opportunity Fund** (“deal closing” for business expansion)
 - **Research & Development** (attract research projects that may lead to commercialization in tobacco region)
 - **Megasites** (large employment/investment projects on 1,000+ acres)
- 13 member staff, including a grant administrator with support staff member in each region
 - **Sara Williams** - Southwest VA Grants Administrator
 - **Jessica Stamper** - Southwest VA Grants Assistant



FY2017 Budget Overview

Budget: \$30.4 million

... effective July 1, 2016 through June 30, 2017

- Economic Development: \$8 million
 - **\$3 million for SWED, plus \$577k balance**
- Education Fund: \$11 million
- Opportunity Fund: \$3 million (plus balance)
- Special Projects: \$5 million
- Agribusiness: \$1 million
- R&D (18.8M bal), Megasites (\$7M bal) etc.



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TOBACCO REGION REVITALIZATION COMMISSION



Enter keywords

- Home
- About the Commission
- Publications and Reports
- Grant Funding Information
- Current Grantees
- Meetings and Minutes
- Grant Awards
- Resource Links
- Online Applications and Resource

Promoting Economic Development in Virginia's Tobacco Region

The Tobacco Region Revitalization Commission is a 28-member body created by the 1999 General Assembly. Its mission is the promotion of economic growth and development in tobacco-dependent communities, using proceeds of the national tobacco settlement. To date, the Commission has awarded 1,975 grants totaling more than \$1 billion across the tobacco region of the Commonwealth, and has provided \$309 million in indemnification payments to tobacco growers and quota holders.

[Click here to see results.](#)

To learn more about Commission's programs click [Grant Funding Info](#) at the left. Also be sure to see the profiles below for examples of significant programs and facilities supported by Commission grants.

Changes to Tobacco Commission processes effective July 1, 2015

Legislation passed in the 2015 General Assembly session under [Code of Virginia sections 3.2-3100 et seq.](#), requires several enhancements and changes to the Tobacco Commission's grant processes and other organizational aspects, effective July 1, 2015. [Click here to read more...](#)

As part of these enhancements, the Commission has established a Revolving Loan Fund in partnership with Virginia Resources Authority. [Click here to see more...](#)

Advanced Manufacturing

To fulfill the recommendations within the January 2013, Boston Consulting Group (BCG) report, the Tobacco Commission (TRRC) in partnership with the Commonwealth Center for Advanced Manufacturing (CCAM) initiated a project to fund three Centers of Excellence (CoE's) for advanced manufacturing workforce training. [Click to read more...](#)

Virginia Tobacco Commission's Indemnification Program has Ended

Since 2000, the Commission has made available \$309 million to Virginia's tobacco producers and quota owners. In January 2012, the Commission announced that it has reached the end of its indemnification obligation. The final deadline for submission of Phase I Verification for Payment forms and Applications for Payment was June 30, 2012. The 2012 payment was the final distribution of Phase I Indemnification funds. The Commission has satisfied its statutory obligation to indemnify burley and flue-cured producers and quota owners, and the program has ended.

If you have any questions, please contact the Tobacco Commission office at 804-225-2027 or info@tic.virginia.gov.

Investing in the Regional Economy

Upcoming Application Deadline

Southwest Economic Development
July 8, 2016

Please join the Virginia Tobacco Commission staff for an upcoming grant application workshop focusing primarily on the FY17 Southwest Economic Development Program

Thursday
June 9, 2016
10:00 am

at the
Southwest Virginia Higher Education Center

See program page for additional information

May 24, 2016
Awards

Southside Economic Development
2nd round

Competitive Education

Online Application System and Applicant Portal

You can also follow the Commission on LinkedIn

Tobacco Region Localities





Commission Priorities for Consideration of Grant Awards

Priority is given to projects with the following characteristics:

- **Align with the Commission's Strategic Plan**, and with the objectives and outcomes identified for the specific grant program (e.g. granting of nationally-recognized academic/workforce credentials in Education, creation of net new income for agricultural producers in Agribusiness etc.).
- are **regional** in their implementation and impacts (i.e. governance, direct financial participation or service area).
- the appropriate **partner organizations** have direct involvement and capacity to successfully implement the project
- meet or exceed required **matching funds** and thereby leverage significant other financing.
- demonstrate that **all financing necessary to complete and sustain** the project is committed and available.



... vs. **Low Priorities**

- ❑ “non-basic” economic activities with primarily local impacts
 - ⇒ Community Centers
 - ⇒ Childcare Facilities
 - ⇒ Retail Development
 - ⇒ Art/Cultural/Historic Preservation
 - ⇒ Studies
 - ⇒ 4-H centers
 - ⇒ Airports
 - ⇒ Other community amenities that may support economic development but primarily serve a local market (housing, recreation, roads, libraries, K-12, etc.)



Policies for Applicants & Grantees

Funding Policies for Grant Awards: Information for Applicants & Grantees

- Available in the Current Grantees section of website
- Useful information concerning:
 - Pre-Approval Policies
 - Eligible applicants, application requirements, non-eligible use of funds,
 - Post-Approval Policies
 - Post approval steps, and General Grant Management, Reimbursement of Expenses and Documentation Requirements, Ineligible Expenses, Use and Documentation of Matching funds, Advance of Funds, Project Changes, Extensions, Asset Ownership and Tracking, Reporting Requirements



Eligible Applicants

Who can apply?

- Governing bodies of Locality (any city, county or town) in the Southside or Southwest tobacco region
- Economic development organizations
- Non-profits with IRS tax exempt designation such as 501 (C)(3) entities
- Regional partnerships (with descriptive info)

*Note: applications that will result in transfer of funds to a **for-profit company** must be submitted by a Governmental or nonprofit entity, identify measurable public benefits, and commit to documenting private performance outcomes*



Non-Eligible Use of Funds

What WON'T be accepted?

- ✗ Any request for which more than 50% of costs is borne by Commission funds
- ✗ Essential government services normally paid for with taxpayer funds
- ✗ Public utility improvements designed solely for residential use
- ✗ Staff support, administration/management for project implementation
- ✗ Political or lobbying activities
- ✗ Requests for activities already performed



Match Requirements

All Commission grants require matching funds.

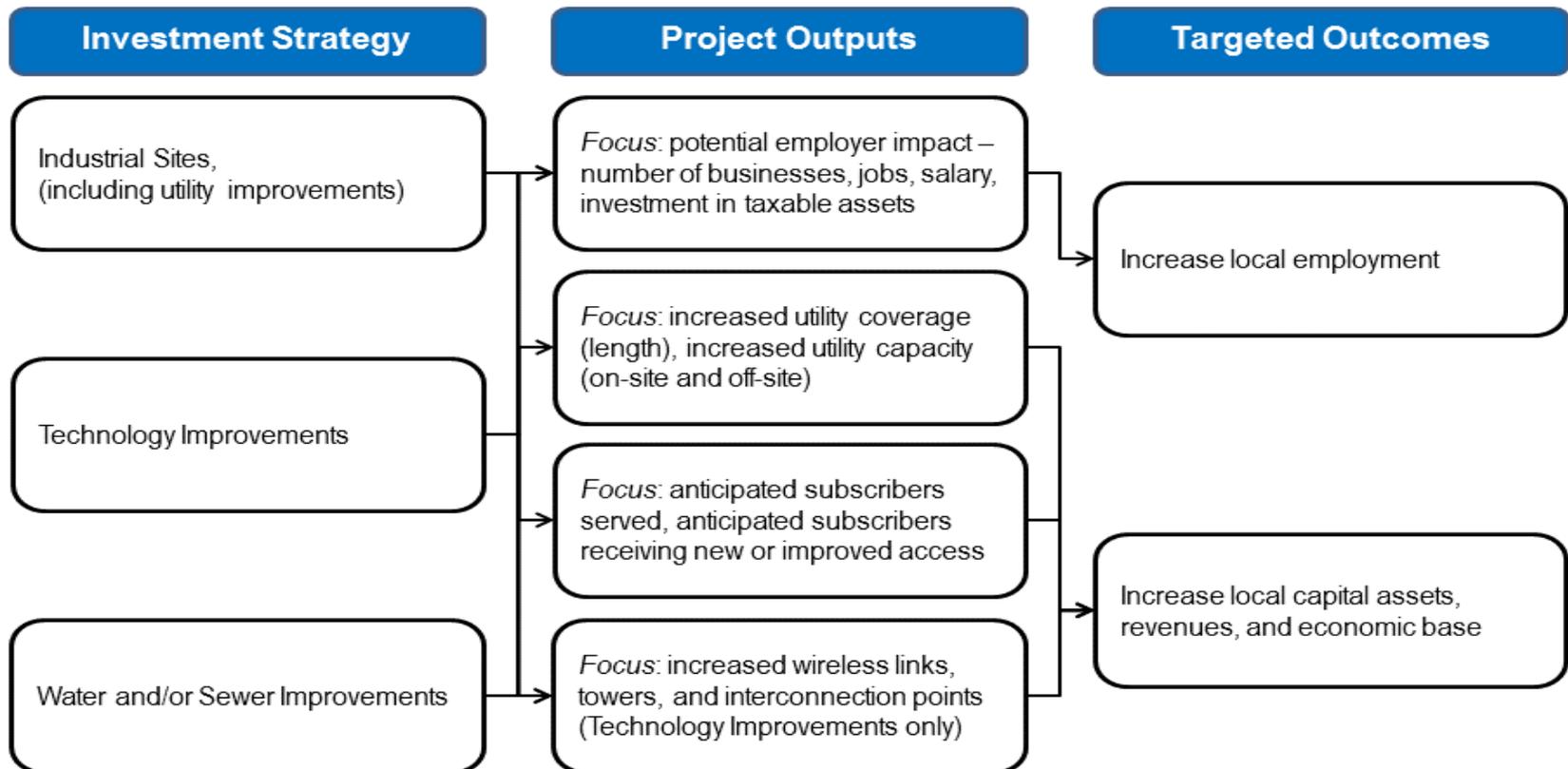
- Language adopted in Code of Virginia in 2015 now requires dollar-for-dollar matching funds for all grants (i.e. at least 50% of the Total Project Costs to be provided from non-TRRC funds
 - No more than 25% of the required matching funds can be provided from in-kind project contributions.
- Staff will not recommend funding for any project that does not propose dollar-for-dollar match, and/or proposes more than 25% in-kind match



Strategic Plan Logic Models

Economic Development – Infrastructure Improvements

Investment Strategies, Project Outputs, and Targeted Outcomes





FY 16 SWED Results & Examples

- **10 grants approved for \$2.9 million**
 - Development of sites and facilities for business, industry & technology
 - Cultural heritage tourism, outdoor recreation tourism etc
- Grants ranging from **\$25,000** to **\$750,000**
- 3 projects referred for **loan** consideration (more on that later ...)





Economic Development Grants

This year in Southwest Economic Development:

- **\$3 million budgeted, plus \$577k balance**

Application categories generally:

- Land, building, road and utility infrastructure for economic development sites
- Regional tourism sites and initiatives
- Small business/entrepreneurial assistance
- Broadband deployment

Workforce/educational, healthcare and agribusiness proposals are funded in separate grant competitions, but *may* be considered if evidence that it is a top economic priority



Economic Development Grants

- Applications for Southwest due by close of business Friday, July 8th
- Program Guidelines and Online application available on website
- Requires registration as a user on the application system (do that well in advance of submitting an application!)
- Primary outcomes are new jobs directly created and taxable new private capital investment directly resulting from a project



Economic Development Grants

Process once applications are submitted

- Review by **staff** of TIC, with input from other agencies & funding partners
- Staff funding recommendations sent to **Southwest Economic Development Committee** (public meeting in mid-September).
- Committee funding recommendations sent to full **Commission** for final action (late September)



What we seek in Grant Proposals

The Application

- Applicant Organization and Project Leader
- Investment Strategy (determines later questions and outcomes targeted to your type of project)
- Project Description - need, objectives, implementation
- Milestones/Deliverables and Outcomes - what you plan to accomplish and when; expected direct benefits and how they'll be measured & reported
- Sources of Funds - project financing, status of commitments, etc.
 - **must be 50%+ non-TRRC**
- Budget - how will TICR and matching funds specifically be used
 - line items will be tracked during life of grant.
 - narrative or other detail provides explanation of how TIC funds will be used vs. other funds, etc.



Making the case for your Proposal

Attachments

- Additional Project Description - opportunity to provide more detail (e.g. implementation timetable, community support, industrial park supply/demand, objectives, economic outcomes, funding, **water/sewer cash flow, business/operating plan, broadband service and penetration**).
- Authorization from governing body of applicant organization
- Bio Sketches - qualifications of key project personnel
- Supporting studies (e.g. PER, A&E), site graphics, operating plans/budgets, **economic impact study**, etc.
- Supporting letters (resource commitments rather than form letters)

Refer to FY17 SWED Program Guidelines (on website)



Evaluating Grant Proposals

Evaluation Factors

- Economic Development potential
- Significance to Commission's mission and Strategic Plan
- Technical merit
- Identified and documented need or opportunity
- Diverse, appropriate, sustainable, current or anticipated funding resources, including **50% match**
- Appropriate partnerships and organizational structure for implementation
- Measurable objectives and outcomes
- Candidate for **loan** offer?



TRRC's new Loan Program

- A partnership with Virginia Resources Authority
- Projects that have identifiable revenue streams (e.g. utility infrastructure etc.) will be recommended for loans
- Projects must still align with TRRC objectives, be submitted through a scheduled grant cycle, and be recommended by a TRRC Committee.
- VRA will handle credit analysis, negotiate loan terms and administer loan repayment
- Can benefit a for-profit (w/ eligible applicant)



Pre-Application Process

- You may submit an optional, non-binding **pre-application** if you'd like staff feedback before submitting a full application to any program
- Helpful in determining which funding committee to apply to
- Available on website
(2-3 pages)





Post Approval

Process when grants are approved

- Letter of agreement etc. executed (bond counsel for capital projects)
- Funds are provided on reimbursement basis *
- Requests for funds to be sent to regional grant administrator (Sara & Jessie)
- Advance draw of funds only under extenuating circumstances *
- Annual grant report required, interim reports and site visits as needed
- Media/PR announcements coordinated with TICR Richmond office (Jordan Butler)
- **Three years** to use funds



Post Approval – things to remember

DO ...

- know that it is a **reimbursement** process. We require invoices showing eligible activity, consistent with approved budget and timeframes (post-approval date - no retro)
- recognize that the use of **restricted funds** MUST be confined to capital project costs - don't hesitate to ask questions
- notify us if **changes** or **delays** will affect your project. Changes and project extensions require approval by staff or Commission

DON'T ...

- do anything you have questions about (including media **press announcements**, project **changes** etc.) until you've talked to us!



How it all comes together ...





Questions?

- For additional info, or to discuss a potential application:

www.tic.virginia.gov

Toll free (877) 807-1086

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