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**VIRGINIA TOBACCO INDEMNIFICATION  
AND COMMUNITY REVITALIZATION COMMISSION**

701 East Franklin Street, Suite 501  
Richmond, Virginia 23219

**Southside Economic Development Committee Meeting**

Thursday, October 25, 2007  
9:00 a.m.

Mountain Empire Community College  
Big Stone Gap, Virginia

1 **APPEARANCES:**

2 Mr. Thomas W. Arthur, Chairman

3 The Honorable Barnie K. Day

4 Mr. Scott M. Harwood, Sr.

5 The Honorable Harrison A. Moody

6 Ms. Connie Lee Green Nyholm

7 The Honorable Edward Owens

8 The Honorable Frank M. Ruff

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10 **COMMISSION STAFF:**

11 Mr. Timothy J. Pfohl, Grants Program Administration Manager

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1 MR. ARTHUR: We're a couple of minutes early,  
2 I'm going to go ahead and call us to order. I'll call the meeting to order of  
3 the Southside Economic Development Committee. Today is October 25th,  
4 2007. I'd like to thank you all for being here, and we can move forward  
5 rather quickly with what little business we have. Again, I thank you.

6 Would you call the roll, Tim?

7 MR. PFOHL: Senator Ruff?

8 SENATOR RUFF: Here.

9 MR. PFOHL: Mr. Bryant and Delegate Byron will  
10 not be with us today.

11 MR. PFOHL: Mr. Day?

12 MR. DAY: Here.

13 MR. PFOHL: Secretary Gottschalk?

14 SECRETARY GOTTSCHALK: (No response.)

15 MR. PFOHL: Mr. Harwood?

16 MR. HARWOOD: Here.

17 MR. PFOHL: Mr. Hite and Delegate Hogan will  
18 not be here also.

19 MR. PFOHL: Mr. Moody?

20 MR. MOODY: Here.

21 MR. PFOHL: Ms. Nyholm?

22 MS. NYHOLM: Here.

23 MR. PFOHL: Mr. Owens?

24 MR. OWENS: Here.

25 MR. PFOHL: Delegate Wright will not be with us

1 today.

2 MR. PFOHL: Chairman Arthur?

3 MR. ARTHUR: Here.

4 MR. PFOHL: You have a quorum.

5 MR. ARTHUR: The Agenda before you is  
6 inaccurate. It was a typographical error intended to be Southwest, the items  
7 about the hay and forage subsidy. The Minutes are not available.

8 We've added a couple of items to the Agenda. With the revised  
9 Agenda, I wanted to talk about the \$14 million and change in the reserve and  
10 action to be taken on that, and the Pittsylvania County tabled request from  
11 our last meeting. Those two items I'd move to add to the Agenda as revised.

12 Do I have a motion?

13 MR. OWENS: So move.

14 MR. MOODY: Second.

15 MR. ARTHUR: All in favor say aye? (Ayes.)  
16 Opposed? (No response.) Thank you very much.

17 Going straight on then to the revised Agenda. The \$14,150,943  
18 we're holding in reserve, the question here is what do we do with it. We  
19 have previously moved that it be added back to the allocation, and this is the  
20 allocation money that was used to zero up everybody's account, based on the  
21 payforward we did in Halifax. I move that it be added back to the allocation  
22 for each county, and I'd like to open the floor for discussion.

23 MR. DAY: Mr. Chairman, do I understand  
24 correctly that all of the payforward stuff is now zero?

25 MR. ARTHUR: Yes, including the Institute and

1 everything.

2 MR. DAY: Then potentially, this is money left  
3 over from that payforward insurance policy, so to speak?

4 MR. ARTHUR: Yes. Delegate Hogan, it was  
5 actually \$24 million, and last spring we only put half of that money in the  
6 allocation, and it's been sitting there.

7 MR. DAY: Then there is absolutely no reason not  
8 to do this?

9 MR. ARTHUR: I see none.

10 SENATOR RUFF: There is no reason not to do it,  
11 and it will allow it all out to begin with, and the only advantage is keeping  
12 people from getting too many big ideas.

13 MR. DAY: I move we put it back.

14 SENATOR RUFF: Second.

15 MR. ARTHUR: A motion is made and seconded,  
16 any discussion?

17 MR. OWENS: This money will be available for  
18 the applications that will be due next Thursday, or the 1st?

19 MR. PFOHL: Yes.

20 MR. ARTHUR: They will not have known it,  
21 there won't be any surprises with this request. What I would suggest is that  
22 we direct Staff to maybe tighten up a little bit on what they recommend to  
23 us. I know that may put them in a difficult position in some areas, but --

24 MR. DAY: -- It's next week already, Mr.  
25 Chairman.

1 MR. ARTHUR: That would be my advice to the  
2 new chairman coming in, that they ask the Staff to be really tight on what  
3 comes to us, so we don't try to spend this money too fast. This will probably  
4 be the last allocation after the one in the spring. I know there is a movement  
5 to do away with the allocation. I'd ask them to be very frugal with it.

6 SENATOR RUFF: Could you explain again the  
7 time frame when the applications will come in?

8 MR. ARTHUR: Applications are due November 1  
9 for January. Right now the next meeting is January the 8th. Very few  
10 places would be prepared to attack this money.

11 SENATOR RUFF: It seems to me that's kind of  
12 unrealistic, when you think about some of the counties just finding out about  
13 the money and maybe throw together some kind of proposal in two or three  
14 days. I think it would be better if we came up with a new date to apply, even  
15 if we have to move it back to March, the March meeting, or the spring  
16 meeting, I mean.

17 MR. ARTHUR: I don't see any problem with that,  
18 as long as the money gets put back.

19 SENATOR RUFF: We've got a motion to put it  
20 back; if we vote on that, I think we ought to change the date.

21 MR. ARTHUR: Any further discussion? All in  
22 favor signify by saying aye? (Ayes.) Opposed, like sign? (No response.)  
23 The motion is carried.

24 If we put the money back in the allocation, is there some idea  
25 about what to do about --

1                   SENATOR RUFF: -- Tim, what is a reasonable  
2 time frame for the Staff to be able to evaluate these applications?

3                   MR. PFOHL: Four weeks would be very tight.  
4 Typically, looking for six to eight weeks between the application deadline  
5 and the Committee meeting.

6                   SENATOR RUFF: I'd move that we set an  
7 application date of December 31st for any new applications; then we'll have  
8 a meeting prior to the full Commission meeting, the spring full Commission  
9 meeting.

10                  MR. ARTHUR: There is a full Commission  
11 meeting in Richmond on January 8th.

12                  SENATOR RUFF: If the meeting is early January  
13 and it takes them six to eight weeks to evaluate it, I don't think that's too  
14 short a time frame. Not worry about the January meeting, but deal with it at  
15 the March or spring meeting.

16                  MR. OWENS: There are applications people have  
17 already submitted for November 1st.

18                  MR. PFOHL: They have applied for the 11  
19 million that is available.

20                  MR. DAY: Mr. Chairman, let's tell them that  
21 we're extending the deadline, and maybe we'll get some better applications.

22                  SENATOR RUFF: There may be applications in  
23 the pipeline, but what does Amelia do when they assume they had no money  
24 and they didn't put in an application, or Greenville the same thing?

25                  MS. NYHOLM: The ones who have already

1 prepared applications, some of those are presumably time-sensitive.

2 SENATOR RUFF: We can deal with those, but I  
3 think we need to reopen it.

4 MR. OWENS: Can we just let the people know  
5 there is, or the people that have applied for the 11 million that's there at our  
6 spring meeting for the 14 million?

7 MR. ARTHUR: That's my recommendation. I  
8 know, for example, that the Institute has a relatively time-sensitive proposal  
9 that they got in, and it has been passed back to us from Special Projects.

10 MR. MOODY: Some counties might want to take  
11 the application back if there is something they really wanted to do for more  
12 money, and that would be available for them.

13 MR. ARTHUR: I would move personally, myself,  
14 that we go ahead with the November deal based on the \$11 million, proceed  
15 forward with that, and then the next round make the 14 million available.

16 MR. HARWOOD: Would this allow someone  
17 who has already submitted an application to withdraw it if more funding is  
18 available?

19 MR. ARTHUR: You can withdraw at any time.

20 MR. PFOHL: If I could suggest, February 1  
21 would give us plenty of time to go to the April Commission meeting, and  
22 that would give the month of January for folks to get the applications  
23 together.

24 MR. ARTHUR: If that's a motion, it's moved and  
25 seconded. Any more discussion? All in favor signify by saying aye?

1 (Ayes.) Opposed, like sign? (No response.) The motion carries.

2 The second item on the Agenda, then, is a request made by  
3 Pittsylvania County for the Gretna Industrial Park. We tabled it at an earlier  
4 meeting because there was a problem with access to the industrial park, and  
5 that's been cleared up, and the access is available. This is within their  
6 allocation to spend the money that they've got and carry forward. It's \$1.5  
7 million. Do I hear a motion to approve that?

8 MR. OWENS: So move.

9 MR. MOODY: Second.

10 MR. ARTHUR: The motion is made and  
11 seconded, any more discussion? Anyone want more details? If not, all in  
12 favor signify by saying aye? (Ayes.) Opposed, like sign? (No response.)  
13 The motion carries.

14 That's the last item on the Agenda, except maybe the next  
15 meeting date. I'll leave that to the incoming chairman of this Committee.

16 Do we have any public comments? Anyone that would like to  
17 say anything?

18 MR. DAY: Mr. Chairman, I think you've been a  
19 tremendous chairman, and I appreciate it.

20 MR. ARTHUR: I appreciate that, it's very kind of  
21 you.

22 Hearing no comments, motion to adjourn? So moved and  
23 seconded, we're adjourned.

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25 PROCEEDINGS CONCLUDED.

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**CERTIFICATE OF THE COURT REPORTER**

**CRANE-SNEAD & ASSOCIATES, INC.**

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I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the **Virginia Tobacco Indemnification and Community Revitalization Commission Southside Economic Development Committee Meeting when held on Thursday, October 25, 2007 at 9:00 a.m. at the Mountain Empire Community College, Big Stone Gap, Virginia.**

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

Given under my hand this 29th day of October, 2007.

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Medford W. Howard  
Registered Professional Reporter  
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2010.