

1 **VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY**
2 **REVITALIZATION COMMISSION**

3 701 East Franklin Street, Suite 501
4 Richmond, Virginia 23219
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9 Southside Economic Development Committee Meeting
10 Thursday, September 22, 2011
11 10:00 a.m.
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13 Hotel Roanoke & Conference Center
14 Roanoke, Virginia
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1 **APPEARANCES**

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3 The Honorable Edward Owens, Chair

4 The Honorable Kathy J. Byron

5 Mr. John Cannon

6 Mary Rae Carter

7 Deputy Secretary of Commerce and Trade

8 Rural Development

9 Mr. David Cundiff

10 The Honorable Daniel W. Marshall, III

11 The Honorable Donald Merricks

12 Ms. Connie Greene Nyholm

13 The Honorable W. Roscoe Reynolds

14 The Honorable Frank M. Ruff

15 Vice-Chairman

16 Tobacco Commission

17 Mr. Gary D. Walker

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19 **COMMISSION STAFF**

20 Mr. Neal Noyes, Executive Director

21 Mr. Ned Stephenson, Deputy Director

22 Mr. Timothy J. Pfohl, Grants Program Director

23 Ms. Stephanie Kim, Director of Finance

24 Ms. Sarah K. Capps, Grants Coordinator, Southside Virginia

25

1 September 22, 2011

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3 SENATOR OWENS: I'm going to call to order
4 the Southside Economic Development Committee. I want to
5 welcome Mr. Gary D. Walker back to the Commission. All
6 right, I'll ask Neal to call roll.

7 MR. NOYES: Delegate Byron?

8 DELEGATE BYRON: Here.

9 MR. NOYES: Mr. Cannon?

10 MR. CANNON: Here.

11 MR. NOYES: Deputy Secretary Carter?

12 DEPUTY SECRETARY CARTER: Here.

13 MR. NOYES: Mr. Cundiff?

14 MR. CUNDIFF: Here.

15 MR. NOYES: Mr. Harwood will not be here
16 today. Delegate Marshall?

17 DELEGATE MARSHALL: Here.

18 MR. NOYES: Delegate Merrick?

19 DELEGATE MERRICK: Here.

20 MR. NOYES: Ms. Nyholm?

21 MS. NYHOLM: Here.

22 MR. NOYES: Mr. Owens?

23 MR. OWENS: Here.

24 MR. NOYES: Senator Reynolds?

25 SENATOR REYNOLDS: Here.

1 MR. NOYES: Senator Ruff?

2 SENATOR RUFF: Here.

3 MR. NOYES: Mr. Walker?

4 MR. WALKER: Here.

5 MR. NOYES: Delegate Wright?

6 DELEGATE WRIGHT: (No response).

7 MR. NOYES: You have a quorum Mr.
8 Chairman. The minutes from the May 18th meeting are on the
9 website and I assume everybody has had a chance to read
10 them.

11 DELEGATE MARSHALL: I move that they be
12 approved.

13 MR. OWENS: It's been moved and second the
14 approval of the minutes. All in favor say aye. (Ayes). All right,
15 thank you very much. Call on Sarah Capps.

16 MS. CAPPS: Mr. Chairman and members of
17 the Committee, we have four projects this morning for your
18 consideration. Two of the projects were applications
19 submitted out of cycle that the applicant had requested
20 funding in order to continue in negotiations with an active
21 prospect. The two other projects were referred from the
22 Special Projects Committee with funding and a decision on the
23 Southside funding is needed for that award.

24 The first one is Brunswick County IDA.

25 MR. OWENS: We're going to have to do a

1 different first one because we'll have to go into executive
2 session.

3 MS. CAPPS: The first one is the Brunswick
4 County IDA and they've requested \$553,520 to purchase 205
5 acres to be used for a prospective industry and they're going to
6 construct a gas powered electric generation plant. The staff is
7 supportive of this request and we're recommending an award
8 of \$553,520. We'll skip the Dinwiddie County request and
9 then come back to it.

10 The first of the two that were referred from the
11 Special Projects Committee is the Halifax County IDA, a total
12 of \$1,466,015 under the Special Projects Program. This is to
13 complete the C-CARE facility. The staff is recommending
14 approval of \$621,015 from the Halifax County allocation for
15 the plant and improvements component of the application to
16 be combined with \$845,000 from the Special Projects
17 Committee. The two would be combined for a total award of
18 \$1,466,015. This approval includes a contingency for a
19 discounted pricing plan for the Tobacco Region entities to
20 access the TICR funded equipment and facility. That
21 discounted pricing plan we're recommending will be approved
22 by our executive director.

23 The second project referred from Special
24 Projects is the Martinsville-Henry County Economic
25 Development Corporation. A total request received under

1 special projects is \$700,000 and this is for the grading of lot 2
2 at the Patriot Centre. Staff is recommending approval of the
3 balance of the funds from the Henry County allocations of
4 \$257,818 and this would be combined with \$442,182 that
5 special projects approved be transferred for a combined award
6 of \$700,000.

7 MR. OWENS: Does anyone have any questions
8 about those three projects? Hearing none, do I hear a motion
9 for approval?

10 SENATOR REYNOLDS: I so move.

11 DELEGATE MARSHALL: Second.

12 MR. OWENS: All those in favor say aye.
13 (Ayes). Opposed. (No response). Project is approved. Now,
14 Senator Ruff.

15 SENATOR RUFF: Mr. Chairman, I have a
16 motion. I move that we go into executive session in
17 accordance with the provisions of the Virginia Freedom of
18 Information Act, Section 2.2-3711(A)(5) of the Code of Virginia
19 for the purpose of discussing a perspective business or
20 industry expansion.

21 MR. OWENS: You heard the motion, is there a
22 second? All right, that motion is seconded. All in favor say
23 aye. (Ayes). Opposed. (No response). We're in executive
24 session.

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1 NOTE: Whereupon, the executive session is
2 concluded and the Committee has now reconvened in open
3 session viz:

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5 SENATOR RUFF: Mr. Chairman, whereas the
6 Southside Economic Development Committee of the Virginia
7 Tobacco Commission has convened a closed meeting on this
8 date pursuant to an affirmative recorded vote and in
9 accordance with the provisions of the Virginia Freedom of
10 Information Act; and whereas, Section 2.2-3712(D) of the Code
11 of Virginia requires a certification by the Committee that such
12 a meeting was conducted in conformity with Virginia law.
13 Now, therefore, be it resolved that the Committee hereby
14 certifies that to the best of each member's knowledge, that
15 only public business matters lawfully exempt from open
16 meeting requirements under the act and only such public
17 business matters as were identified in the motion by which the
18 closed meeting was convened were heard, discussed or
19 considered by the Committee in that meeting.

20 MR. OWENS: Do we have a second?

21 DELEGATE BYRON: Second.

22 MR. OWENS: That requires a roll call vote.

23 MR. NOYES: Delegate Bryon.

24 DELEGATE BYRON: Aye.

25 MR. NOYES: Mr. Cannon?

1 MR. CANNON: Aye.

2 MR. NOYES: Deputy Secretary Carter.

3 DEPUTY SECRETARY CARTER: Aye.

4 MR. NOYES: Mr. Cundiff?

5 MR. CUNDIFF: Aye.

6 MR. NOYES: Delegate Marshall?

7 DELEGATE MARSHALL: Aye.

8 MR. NOYES: Delegate Merricks?

9 DELEGATE MERRICKS: Aye.

10 MR. NOYES: Ms. Nyholm?

11 MS. NYHOLM: Aye.

12 MR. NOYES: Mr. Owens?

13 MR. OWENS: Aye.

14 MR. NOYES: Senator Reynolds?

15 SENATOR REYNOLDS: Aye.

16 MR. NOYES: Senator Ruff?

17 SENATOR RUFF: Aye.

18 MR. NOYES: Mr. Walker?

19 MR. WALKER: Aye.

20 MR. NOYES: So certified Mr. Chairman.

21 MR. OWENS: Thank you. Do I hear a motion?

22 SENATOR REYNOLDS: I move that we

23 approve the recommendation.

24 SENATOR RUFF: Mr. Chairman, clarification,

25 is that with the stipulations that were talked about before?

1 MS. CAPPS: The staff recommended a \$2.7
2 million award to the Dinwiddie County IDA with \$2.5 million
3 of that being for grading which would be returned to the
4 Commission in the event the deal with the prospect is not
5 closed.

6 MR. NOYES: Is that your motion –

7 SENATOR REYNOLDS: Yes.

8 SENATOR RUFF: Second.

9 MR. OWENS: You've heard a motion and a
10 second, all those in favor say aye. (Ayes). Opposed. (No
11 response). The ayes have it.

12 SENATOR RUFF: Mr. Chairman, could I
13 clarify on the Brunswick project, were there any other issues
14 or contingencies involved in that recommendation?

15 MS. CAPPS: No.

16 MR. OWENS: Any other questions about that?
17 All right. We do have one more thing and we'll have to get
18 these passed out if you will. The Committee met on the
19 JLARC matter and there were some recommendations from
20 JLARC and one of them had to do with the allocations. I'll ask
21 the executive director to hand you some outlines on some of
22 the changes that would be recommend about the allocation.
23 We're not going to discuss them today but I'd like each one of
24 you to take the time when you get a minute and go through it
25 and then at our next Southside Economic Development

1 Committee meeting which will be sometime in late November
2 or early December.

3 MR. NOYES: December possibly or perhaps
4 just before the full board meeting.

5 MR. OWENS: Look at these and mark them
6 up with what you want and if you have some changes or
7 recommendations or if you agree with all of them and some
8 might not agree totally, that will make Mr. Noyes happy. If
9 you don't agree with any of them, pull out your red pen and
10 call Neal. Seriously we'll discuss it at our next meeting.
11 Please come prepared to discuss it and share your ideas about
12 them.

13 The next application deadline is Friday,
14 October 14th.

15 DELEGATE MARSHALL: Back to this sheet,
16 we're going to talk about it at the next meeting, it not only
17 affects the folks at this table but it affects the people sitting
18 back there and the people in Southside. My suggestion would
19 be that and I know some localities will probably have a dog in
20 this fight and they'll probably want some input to begin with.
21 My suggestion is that we ought to send this to the localities
22 also and they can get feedback to us.

23 MR. OWENS: I don't want them to come to
24 Neal's office with pitchforks and budget.

25 MR. NOYES: I think all of the jurisdictions

1 have a dog in this fight.

2 MR. OWENS: There may be some that have a
3 little more or a bigger dog in this fight.

4 MR. NOYES: That's the problem.

5 DELEGATE BYRON: Mr. Chairman, I don't
6 know if this should go to localities when the Committee still
7 hasn't had a discussion on the direction that this is going, it
8 may not even happen or not even this list because there's
9 always time for public comment that comes before the
10 Committee. I'm sure the word will spread rather quickly that
11 there's going to be some changes. I would recommend against
12 that.

13 SENATOR RUFF: I would assume that
14 Delegate Byron never has had a hornet's nest before or
15 experienced any hornet's escaping before. Delegate Marshall I
16 would recommend there may be some people you may want to
17 give the document to. Once it's passed out, it's a public
18 document and you can discuss it with anyone and seek input
19 so when you come back for the discussion, you can speak to
20 that.

21 DELEGATE MARSHALL: Yes, sir.

22 MR. OWENS: Any other business to come
23 before the Committee. Well, this is the time for public
24 comment, is there anyone in the public that would have any
25 comment or care to say anything? Going once, going twice,

1 we're adjourned.

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3 PROCEEDINGS CONCLUDED

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at Large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION, Southside Economic Development Committee Meeting when held on Thursday, September 22, 2011, at 10:00 o'clock a.m. at the Hotel Roanoke & Conference Center, in Roanoke, 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 26th day of September, 2011.

Medford W. Howard

Registered Professional Reporter

Notary Public for the State of Virginia at Large

MY COMMISSION EXPIRES: October 31, 2014

CERTIFICATE NUMBER: 224566