

1 **VIRGINIA TOBACCO INDEMNIFICATION**
2 **AND COMMUNITY 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 25, 2014

11 9:00 A.M.

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13 Holiday Inn Hotel & Suites
14 Bristol, Virginia
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1 **APPEARANCES:**

2 The Honorable Thomas C. Wright, Jr., Chairman

3 The Honorable Gary D. Walker, Vice Chairman

4 The Honorable Kathy J. Byron

5 Ms. Missy N. Gould

6 The Honorable Maurice Jones, Secretary

7 Department of Commerce & Trade

8 The Honorable Daniel W. Marshall, III

9 Mr. Donald W. Merricks

10 Mr. Edward Owens

11 The Honorable Frank M. Ruff

12 The Honorable William Stanley

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14 COMMISSION STAFF:

15 Mr. Timothy S. Pfohl – Interim Executive Director & Grants

16 Program Administration Director

17 Mr. Ned Stephenson – Deputy Executive Director

18 Ms. Sarah K. Capps – Grants Program Administrator,

19 Southside Virginia

20 Mr. Benjamin Dawson – Grants Assistant, Southside Virginia

21 Ms. Stacey Richardson – Executive Assistant

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1 DELEGATE WRIGHT: I'm going to call
2 the meeting of the Southside Economic Development
3 Committee to order. I'll ask Mr. Pfohl to call the roll.

4 MR. PFOHL: Delegate Byron?

5 DELEGATE BYRON: Here.

6 MR. PFOHL: Mr. Cannon is not able to
7 be with us today nor is Mr. Cundiff nor Delegate Edmonds.
8 Ms. Gould?

9 MS. GOULD: Here.

10 MR. PFOHL: Secretary Jones?

11 SECRETARY JONES: Here.

12 MR. PFOHL: Delegate Marshall?

13 DELEGATE MARSHALL: Here.

14 MR. PFOHL: Mr. Merricks?

15 MR. MERRICKS: Here.

16 MR. PFOHL: Mr. Owens?

17 MR. OWENS: Here.

18 MR. PFOHL: Senator Ruff?

19 SENATOR RUFF: Here.

20 MR. PFOHL: Senator Stanley?

21 SENATOR STANLEY: Here.

22 MR. PFOHL: Mr. Walker?

23 MR. WALKER: Here.

24 MR. PFOHL: Delegate Wright?

25 DELEGATE WRIGHT: Here.

1 MR. PFOHL: You have a quorum, Mr.
2 Chairman.

3 DELEGATE WRIGHT: Before we move
4 onto the agenda, I want to recognize our new members. We
5 have Ms. Gould with us.

6 MS. GOULD: I'm Missy Gould. I grew up
7 in South Boston, Virginia and I live in Danville now. I serve as
8 the Director for Community and Government relationships for
9 Danville and Martinsville.

10 DELEGATE WRIGHT: Thank you for
11 being here, welcome. We have an old face back with us, it's
12 certainly good to have him back again and that's Ed Owens.
13 Maybe that's a poor choice of words, old, a friendly face. Can I
14 have a motion to approve the minutes? A motion has been
15 made and a second, all in favor of approving the May 21st,
16 2014 minutes say aye. (Ayes.) Opposed, no? (No response.)
17 All right, motion carries, the minutes are approved. Sarah has
18 some grants to go over for us.

19 MS. CAPPS: Mr. Chairman and members
20 of the Committee, there were some items on your agenda,
21 Poplar Forest but you all took care of that in Special Projects.
22 It's no longer germane for this discussion so I'll move on to the
23 other business item. The first one is a request from the
24 Charlotte County IDA and relates to two different grant
25 projects. #2810 was awarded from January of 2014 \$500,000

1 from the Charlotte County allocation to aquaculture fish
2 processing facility. Staff received a request from the county in
3 July for it to rescind that grant and for it to be deobligated and
4 returned to the county allocation. With that request, it was
5 also asked that those funds be repurposed for a different
6 project, which is grant number 2851 and that is the Phase I
7 Shell Building Acquisition Project. This is a grant you all
8 approved at \$2 million plus for a prospect that has been
9 announced. The staff recommendation as written was for the
10 approval of \$115,402 to be added to grant number 2851. We
11 have since had discussions with the county and received
12 additional information for their obligation under a contract
13 with Blair Construction Company and that the county
14 committed to provide. So we have a recommendation to
15 provide \$348,324 to that project. Instead of \$115,402, staff is
16 going to recommend \$348,324 to be added to grant number
17 2851.

18 DELEGATE WRIGHT: Thank you, Sarah,
19 are there any questions or comments?

20 MR. WALKER: I agree with you on those.

21 MS. CAPP: Yes, I have some written
22 communication.

23 MR. WALKER: I move we accept the staff
24 recommendation.

25 SECRETARY JONES: Second.

1 DELEGATE WRIGHT: We have a motion
2 and a second. Any questions or comments? If not, all those
3 in favor of approving the staff recommendation say aye.
4 (Ayes.) Opposed? (No response.) Motion carries.

5 MS. CAPP: The next project on the
6 agenda is from Pittsylvania County grant number 2695 and
7 this is for Project Tire Facility Construction. This is \$1 million
8 grant that was approved in May of 2013. This is for an active
9 prospect for the county. The original grant was approved and
10 it was for a building and it was \$2.7 million for the building or
11 \$2.7 was the total building cost. Concerning the financing for
12 the building, they ran into some problem with the architect
13 and ultimately the company was able to come up with the
14 financing for the building.

15 The county is obligated to provide water,
16 sewer and rail to the property to accommodate this company.
17 The company plans to create 111 jobs and that will involve
18 over \$16 million in private capital. We received a request from
19 the county to repurpose a million dollars to support the water,
20 sewer. Staff is recommending approval of the repurposing not
21 to exceed ninety percent of the design and construction costs
22 contingent on the locality securing Project Tire and receiving
23 commitments from the company for the public benefits of job
24 creation and taxable private capital investment.

25 DELEGATE WRIGHT: Any questions or

1 comments? We have a motion and a second from Mr. Owens.
2 A motion is made to approve the staff recommendations. Any
3 comments or questions? All those in favor say aye. (Ayes.)
4 Opposed? (No response.)

5 MR. OWENS: This is actual cost,
6 correct?

7 MS. CAPPS: Yes. \$1.1 million. There's a
8 PDR for those costs and the options that the county has
9 chosen: water, sewer and rail.

10 MR. OWENS: Any money left in that
11 would be obligated to go back?

12 MS. CAPPS: Yes.

13 DELEGATE WRIGHT: Any further
14 questions or comments? Hearing none, we have a motion and
15 a second. All those in favor say aye. (Ayes.) Opposed? (No
16 response.) Staff recommendations are approved.

17 Do we have any questions or comments
18 from our Committee or from the staff? If not, any public
19 comments, anyone out there in the public that would like to
20 speak? If not, then we're adjourned.

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22 PROCEEDINGS CONCLUDED.

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1 CERTIFICATE OF THE COURT REPORTER

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3 I, Medford W. Howard, Registered Professional
4 Reporter and Notary Public for the State of Virginia at large,
5 do hereby certify that I was the court reporter who took down
6 and transcribed the proceedings of the **Virginia Tobacco**
7 **Indemnification and Community Revitalization**
8 **Commission Southside Economic Development**
9 **Committee meeting when held on Thursday, September**
10 **25, 2014 at 9:00 a.m. at the Holiday Inn Hotel & Suites,**
11 **Bristol, Virginia.**

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

15 Given under my hand this 1st day of
16 October, 2014.

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18 _____
19 Medford W. Howard

20 Registered Professional Reporter

21 Notary Public for the State of Virginia at Large

22
23 My Commission Expires: October 31, 2014.

24 Notary Registration Number: 224566