



Special Projects Committee

Tuesday, April 22, 2003

10:00 a.m.

Hotel Roanoke and Conference Center

Roanoke, Virginia

APPEARANCES

Senator William C. Wampler, Jr., Chairman

Delegate Allen W. Dudley, Vice Chairman

J. Carlton Courter, III

Delegate Terry G. Kilgore

Claude Owen

Tom West

Isiah G. Hopkins

Gary D. Walker

Fred M. Fields

Commission Staff & OAG

Carthan F. Currin, III

Mary Cabell Sherrod

Tim Pfohl

Brett Nelson

Anne Marie Cushmac

SENATOR WAMPLER: The Special Projects Committee of the Virginia Tobacco Indemnification and Community Revitalization Commission come to order. If I could ask everyone to take your seats. I'd also ask the Executive Director to call the roll please.

MR. CURRIN: Secretary Bennett?

SECRETARY BENNETT: No response.

MR. CURRIN: Commissioner Courter?

COMMISSIONER COURTER: Here.

MR. CURRIN: Mr. Hopkins?

MR. HOPKINS: No response.

MR. CURRIN: Delegate Kilgore?

DELEGATE KILGORE: Here.

MR. CURRIN: Mr. Montgomery?

MR. MONTGOMERY: No response.

CRANE-SNEAD & ASSOCIATES, INC.

4914 Fitzhugh Avenue, Suite 203

Richmond, Virginia 23230

Tel. No. (804) 355-4335

1 MR. CURRIN: Mr. Owen?

2 MR. OWEN: Here.

3 MR. CURRIN: Secretary Schewel?

4 SECRETARY SCHEWEL: No response.

5 MR. CURRIN: Mr. Walker?

6 MR. WALKER: Here.

7 MR. CURRIN: Mr. West?

8 MR. WEST: Here.

9 MR. CURRIN: Vice Chairman Dudley?

10 DELEGATE DUDLEY: Here.

11 MR. CURRIN: Mr. Chairman.

12 SENATOR WAMPLER: Here. A quorum is present. I will observe the
13 hour is not 10:00 o'clock. My apologies in part for that. The Department of Transportation
14 is beginning their construction season on Interstate 81, specifically at the bridges of Pulaski
15 and it took a little while despite Delegate Kilgore's efforts to get us here on time.

16 MR. CURRIN: Duly noted sir.

17 SENATOR WAMPLER: Our next meeting is 12:30. We will adjourn no
18 later than 12:15 but we'll take as much time as needed but we'll also try to move as
19 expeditiously as we can through the process. We have probably a half dozen or so projects
20 to describe this morning and I hope everyone had an opportunity to review them in as much
21 detail as you cared to review them. There may be some other items on the agenda that may
22 be referred to other committees to deal with that. The last observation before we get into the
23 balance of the meeting is that we all have limited budget and I don't want anyone today to
24 think we have to spend every dollar that we have. We want to examine as best we can and
25 the beauty of this committee is that we try to do projects that are regional in scope and there
26 is no set timeline for having meetings so we will have as many as we need to accomplish the
27 goals of this particular committee.

28 Question, do any of the committee members or subcommittee members have
29 any comments they'd like to make before we get started? We do have some in-house
30 business. Does anyone care to recommend the approval of the May 29, 2002 minutes? It's
31 been moved and seconded, any discussion? Without further discussion, all in favor of the
32 minutes as reported signify by saying aye. (Ayes). Opposed (No). The ayes have it and
33 those are approved. We have an institute for advanced learning and research presentation.

34 MR. CARTHAN: If I could change the agenda with your permission Mr.
35 Chairman, I'll ask the grant manager to begin presenting the projects that are before us this
36 morning Mr. Pfohl.

37 SENATOR WAMPLER: The Chairman might be willing to do that, do you
38 want to go into all six of them?

39 MR. CURRIN: I was going to ask Tim to start from the top on the agenda
40 that's before you.

41 SENATOR WAMPLER: Then we will move to review and discussion of
42 special projects application.

43 MR. PFOHL: Good morning Mr. Chairman and members of the Committee,
44 my name is Tim Pfohl and I'm the Grants Manager with the Virginia Tobacco Commission.
45 You have received copies for the pending requests for special projects funding so I will not
46 elaborate too much on the details about those and I'll try to give you a synopsis of those
47 requests and any additional information that the staff has been able to receive about those
48 particular projects. As you may know the Special Projects Committee does not have a

1 standardized application form so therefore, to this date, we have not used a standardized
2 scoring system for applications so you don't have an actual score for each one of these
3 requests. It would have been to some extent like comparing apples to oranges. I think we
4 have a wealth of good information and in some cases we have obtained additional
5 information to help clarify the details of each one of those requests. Let me start first off
6 with the Appalachian Legacy request.

7 SENATOR WAMPLER: Before you get into that, Senator Williams, can
8 you hear Mr. Pfohl as he presents?

9 SENATOR WILLIAMS: (via telephone) Just barely.

10 SENATOR WAMPLER: At the appropriate time I'll ask him to speak a little
11 bit louder so you can be aware of what's being said. So go ahead.

12 MR. PFOHL: First on the list moving down alphabetically is the
13 Appalachian Legacy request from the Heart of Appalachia Tourism Authority. They have
14 titled their request Marketing Tourism through Heritage Products. It's a \$300,000 request
15 that was actually submitted February 18th as an economic development application and in
16 most cases would have been referred to the new Agribusiness Committee based on project
17 activities that are proposed there. The staff has recommended it be reviewed by the Special
18 Projects Committee because of one particularly important element of their request and that is
19 to prepare products for sale at the Smithsonian Folklife Festival, which will celebrate
20 Appalachia in Washington, D.C. at the end of June and in early July. The requests will
21 create a line of products called Appalachian Legacy line of heritage specialty products
22 which include fruits, vegetables, jams, cake mixes and so forth, most of them bearing a
23 likeness of Ralph Stanley. We have actually some samples of some of their products here
24 today that Geneva O'Quinn, the Executive Director of the Heart of Appalachian Tourism
25 Authority is here and I'm sure she can respond to your questions. That's basically the
26 request of \$300,000. I will mention there is federal funding of \$65,000 from Appalachian
27 Regional Commission involved in this request as well to make this project happen as well as
28 a variety of local sources of funding that amount to \$35,000 and that's presented in the
29 application. With that I'll ask if you have any questions of me or Ms. O'Quinn and I'm sure
30 she'd be happy to speak with the Committee.

31 SENATOR WAMPLER: Any questions from Commission members on the
32 project?

33 DELEGATE KILGORE: Why don't we go through all of them.

34 SENATOR WAMPLER: Whatever the pleasure of the Committee is, go
35 through them and then come back and if there's a consensus that's what we'll do.

36 MR. PFOHL: The second request is for a business loan program that is
37 actually a separate line item in the Commission's budget and does not come out of special
38 projects funds but it's presented to the Committee for their consideration. Two million
39 dollars has been set-aside in the Commission's FY '03 budget for a program to provide
40 businesses in the tobacco region with access to capital. The staff has worked with the staff
41 of the Virginia Small Business Financing Authority that would design a program proposal
42 that would involve loans of up to \$250,000 for a variety of expansion and start up needs for
43 small to mid sized businesses across the entire tobacco region that create or say permanent
44 jobs. The staff of the Small Business Financing Authority would operate the program using
45 Commission funds and report to us the details of their results. As is currently proposed in
46 the information you received by Virginia Small Business Financing Authority loans would
47 begin at \$5,000 and range up to \$250,000. Businesses would have to have less than \$10
48 million dollars in annual revenue and less than \$2 million dollars of net worth to qualify and

1 they could use the loan proceeds for a variety of purposes; acquisition of land, acquisition or
2 improvement of buildings, addition of equipment, technology, working capital and so forth.
3 The \$15,000 administrative fee paid to the Small Business Financing Authority as the
4 program is proposed to provide marketing material to help their staff promote the program
5 and travel to make presentations and administer the program. That's the nuts and bolts of
6 that program.

7 MR. CURRIN: Briefly Mr. Chairman and members of the Committee, I
8 would like to remind the Committee that at the June Commission meeting last year it was
9 the pleasure of the Commission to send this particular proposal back to this committee to
10 review and to vote up or down as to whether or not we should proceed in this manner.

11 SENATOR WAMPLER: Further observation from the Chair. While this is
12 the Special Projects Committee, it's my understanding that the budget includes a previously
13 allocated \$2 million dollar amount or we wouldn't take this from an existing balance.

14 MR. CURRIN: That's correct.

15 SENATOR WAMPLER: If memory serves me correctly, there was also a
16 presentation from a group in Southwest Virginia whose already administering small business
17 loans. A group that has actually had its genesis in Hatters Gap Delegate Johnson and we'll
18 wait to get some further details about it. Any other questions or comments on the business
19 loan program? Does that complete your summary?

20 MR. PFOHL: Yes.

21 DELEGATE DUDLEY: Are we going to be getting information on this
22 program today?

23 SENATOR WAMPLER: Yes.

24 MR. PFOHL: You should have received information on this in your packet a
25 couple of weeks ago or we can provide you with an extra copy if you need one.

26 DELEGATE KILGORE: Does that have the guidelines?

27 MR. PFOHL: Yes, it has a draft memorandum of understanding and about a
28 three page description of the program and a one page fact sheet describing the terms of the
29 loans and who would be eligible and I've got an extra copy here if you need it.

30 SENATOR WAMPLER: Tim, that's with regard to the Virginia Business
31 Small Financing Authority rather than People Incorporated?

32 MR. PFOHL: Yes.

33 SENATOR WAMPLER: They're separate and distinct?

34 MR. PFOHL: Yes. The People Incorporated request was something that
35 came in through the economic development grant application cycle this year. People
36 Incorporated requested \$1 million dollars from the Southwest Economic Development Fund,
37 which they were going to blend with \$1 million dollars of U.S. Treasury Funds that they are
38 eligible to receive as a certified community development financial institution. The staff took
39 a look at that request in Southwest and said this in effect duplicates what's in the proposal in
40 front of us from the Small Business Financing Authority. So certainly consider those things
41 as one possible program to serve and provide that capital access to businesses throughout the
42 Tobacco Commission region.

43 SENATOR WAMPLER: Any questions on that? All right, let's go into the
44 Cumberland County Reservoir Project.

45 MR. PFOHL: Cumberland County has requested \$350,000 dollars as part of
46 an overall \$650,000 phase to study the development aspects of a several hundred acre
47 reservoir for drinking water, economic development and recreation purposes in Cumberland
48 County. This project involves participation from localities outside the tobacco region.

1 Specifically some conversations and meetings have been held with the City of Richmond
2 and the County of Henrico. It will potentially involve a drinking water source for those
3 localities and others in Central Virginia, both within and without the tobacco region and it
4 may be potentially utilized to augment Lake Moomaw for regulating water releases into the
5 James River Basin during high and low flow water events. The staff in Cumberland County
6 is here to answer your questions on that project as well.

7 SENATOR WAMPLER: Let's do some questions on that right now. The
8 City of Richmond and the County of Henrico would be a participant? Could I ask how
9 much are they willing to participate, do we know yet?

10 SENATOR WILLIAMS: Mr. Chairman, not being in the room I forgot the
11 formality. Their anticipated participation is \$250,000 a piece into the development plan.

12 SENATOR WAMPLER: So the balance of the project would be what? You
13 had a request for \$350,000, what would the remaining request be?

14 SENATOR WILLIAMS: We requested three fifty and we'd like to have at
15 least as much into the plan as Henrico and Richmond. We're trying to maintain
16 Cumberland's position as the lead on the project so Cumberland can control the project from
17 start to end, so we can benefit from it economically.

18 SENATOR WAMPLER: All I was trying to do was oversimplify the math if
19 you have additional sources of revenue or contributions, what you need, maybe somebody
20 from Cumberland County could help us.

21 MR. PFOHL: Ms. Swenson is here from Cumberland County, Director of
22 Community Economic Development.

23 MS. SWENSON: I think we had estimated we were looking for \$650,000
24 altogether. We have submitted an application for funding from the Department of Health in
25 the amount of \$100,000 at this point. We've also submitted a rural business enterprise grant
26 for rural development of \$99,000. That's where we are currently in the leveraging of the
27 money that we need to complete the project from the Tobacco Commission.

28 SENATOR WAMPLER: The simple question from the Chair is how much
29 money do you need to complete the project from the Tobacco Commission?

30 MS. SWENSON: To complete it, if we're successful in the other fundings,
31 \$250,000.

32 SENATOR WAMPLER: All right. Any other questions?

33 MR. OWEN: What is the source of funding for the reservoir itself?

34 MS. SWENSON: Issuing the bonds for the construction.

35 SENATOR WILLIAMS: Mr. Chairman, if I could speak up. The plan
36 would be to form an authority with Richmond and Henrico or perhaps other participants and
37 the issue is water fees.

38 SENATOR WAMPLER: Thank you all. Tim.

39 MR. PFOHL: The next request is from the Institute for Advance Learning
40 and Research located in Danville's Cyber Park. It was presented to us as a \$1.5 million
41 dollar request for a portion of the first years' start up operating expenses of the 90,000
42 square foot research common structure and conference facility. This project represents
43 arguably the Commission's signature project to bring a new dynamic to the tobacco region,
44 a major university sponsored research and development function in an area that has
45 historically been devoid of such presence. In addition to this request, Danville and
46 Pittsylvania have each requested operating funds from the Southside Economic
47 Development Committee and yesterday morning the Southside Economic Development
48 Committee recommended using \$1 million dollars of their off the top fund so to speak,

1 funds that had been set aside but not allocated to anywhere formula for economic
2 development. That would bring \$2 million dollars of the \$2.5 million dollars necessary for
3 first years' start up operating expenses and at least recommended from the Southside
4 Economic Development Committee. Dr. Tim Franklin is here from Virginia Tech and he's
5 the Executive Director of the Institute and I'm sure he'll be more than happy to answer your
6 questions and he has a brief PowerPoint presentation for you when you're ready for that.

7 DELEGATE KILGORE: Does that bring the total amount down to
8 \$500,000?

9 MR. PFOHL: Yes, sir. It appears that they have secured \$2 million of the
10 \$2.5 million they need for the first years' start up expenses. I'd look to Dr. Franklin to
11 confirm that number for you.

12 DR. FRANKLIN: That is correct to the best of my knowledge.

13 DELEGATE KILGORE: Mr. Chairman, there's two on my sheet here, how
14 are they related?

15 MR. PFOHL: The first request at the bottom of page one is for the initial
16 building and the institute. The second request is for a second building that is planned for
17 construction and that's the so-called R and D Annex. If you want me to launch into that
18 one, that is a \$2 million dollar request which would serve as a match to a \$3 million dollar
19 application for federal economic development funds to construct a \$5 million dollar, 40,000
20 square foot research building in the Danville Cyber Park. The City of Danville staff has
21 indicated in their application that the leaseable space in the institute's first building is almost
22 fully committed and an annex would offer additional leaseable space for research and office
23 use at market rate. That's a \$2 million dollar request to match \$3 million dollars of federal
24 EDA funding which provides a complete \$5 million dollar construction cost for that
25 building.

26 SENATOR WAMPLER: Questions? There appears to be none so go to the
27 next one.

28 MR. PFOHL: The next one is the Martinsville Speedway Access Road.
29 There's an application submitted by the County of Henry for \$500,000 dollars of
30 Commission funds and it's an overall \$750,000 project to construct a four-lane access road
31 for vehicles with an additional two lanes for pedestrians. In order to bypass the current two-
32 lane entrance road that is fronted by residential properties and places pedestrians and
33 vehicles in conflict on race weekends. The two NASCAR race weekends in Martinsville
34 each year brings visitors and discretionary spending to areas stretching across Southside and
35 into Southwest Virginia. Improved access to the site will assist the track in seating
36 expansions that will help save off the loss of at least one race weekend to larger and new
37 tracks in other areas of the country. This morning we received some cost estimates in the
38 \$750,000 dollar construction cost estimates and I'll be happy to distribute those as well as a
39 letter of support from the United States Senator George Allen who as recently as a couple of
40 weeks ago was caught in traffic at the Martinsville Speedway. I'll be happy to distribute
41 that information to you now or when you want it. There are representatives from the
42 Speedway and Henry County here to speak to that application.

43 SENATOR WAMPLER: Would you have that information sent up here or
44 pass it up to us please? I'd ask the Commission members just to hold onto this and we'll
45 come back to it. Does that conclude your presentation on the speedway?

46 MR. PFOHL: Yes. The final request for consideration today is a retiree
47 feasibility study a proposal submitted by Dr. Mark Fagan who's the Department Chair for
48 Sociology at Alabama's Jacksonville State University. The request is \$26,000 to assist the

1 economic impact, potential and required steps in attracting retirees to Southwest and
2 Southside Virginia. Dr. Fagan was involved with the development and implementation of
3 the Robert Jones Golf Trail in Alabama, which has received national acclaim. He's the
4 author of a publication called Retirement Development in a How To Guideline Book and he
5 presents information that includes the fact that retirees in the United States holds 77 percent
6 of the nations assets, 80 percent of their savings balances and their average household assets
7 of \$350,000 and thereby with those figures would be an attractive affluent target market for
8 the tobacco regions. That's the list for consideration today.

9 SENATOR WAMPLER: We're in uncharted territory and we can take
10 these items up however the Commission wants to. I might suggest we start at the top and
11 work our way through the list and we can have whatever degree of discussion we need.

12 DELEGATE KILGORE: Mr. Chairman, on the Cumberland County
13 Reservoir, do we include this \$250,000?

14 SENATOR WAMPLER: I understood the request from Cumberland County
15 to be \$250,000 is what is needed at this point to do the deal and move it forward and get into
16 a posture for doing the balance of the program.

17 MR. WALKER: Mr. Chairman, I think that would leave a cash match for
18 Cumberland County of a hundred thousand. That's going to be awfully hard on mighty poor
19 counties to come up with that money. Are you ready to take up that issue?

20 SENATOR WAMPLER: We're on the Cumberland County Reservoir now
21 and it's properly before us and it's open for discussion. Delegate Kilgore had a question.
22 Do you have something else you'd like to say?

23 MR. WALKER: I'd just like to say that it seems to me that a rural area as far
24 as where they're located and the financial aspect and requires that much cash match, I just
25 think that's going to be a real burden on them. I'd like to see us go ahead and take the
26 original request and consider that request.

27 SENATOR WAMPLER: In order to move this along and certainly we'll take
28 all the time we need but if you'd like to put that in the form of a motion.

29 MR. WALKER: I'd like to move that we honor the original request for
30 \$350,000 for Cumberland County.

31 SENATOR WAMPLER: Is there a second? It's been moved and seconded
32 that the request from Cumberland County to do the reservoir project of \$350,000 be
33 approved. Now we will discuss it in as much detail as we need. Delegate Dudley.

34 DELEGATE DUDLEY: Cumberland is not the only locality involved in this
35 but has there been consensus that this is a project that should be done at this point?

36 MR. PFOHL: I would ask Ms. Swenson from the County to respond to that.

37 MS. SWENSON: This project not only benefits Cumberland County but also
38 the downstream users which would be the City of Richmond and Henrico County with
39 whom we've had discussions and they're very much interested in the project going forward.
40 It also could further benefit other Southside counties such as the Town of Farmville and
41 Prince Edward County and Buckingham County. As you know the Appomattox River went
42 dry this past summer and we could augment the water supply to the Town of Farmville and
43 other counties in the Southside region. We've already been through the serp process
44 through our PDC and there were no adverse comments from the contiguous counties. The
45 county has already spent \$30,000 on the project.

46 DELEGATE KILGORE: What was the total costs, you lost me there, a while
47 ago when you were going through the total costs.

48 MS. SWENSON: It's a difficult question in that all these other funding

1 sources are questionable at best. We're looking for \$650,000 to do the plan of development
2 and to actually site the reservoir and put our legal agreements into place and form our
3 partnerships to do the studies.

4 DELEGATE KILGORE: Do you have any money in hand?

5 MS. SWENSON: I have no firm commitments, we have applications and our
6 \$30,000 that we have spent.

7 SENATOR WILLIAMS: Mr. Chairman, the commitments from Richmond
8 and Henrico are beyond the discussion phase, and they're interested in the project and the
9 answer is this is an economic development partner to make everything work. They'll put up
10 the balance of the money needed for the study.

11 SENATOR WAMPLER: How much do you anticipate the cost of the total
12 project? I think that's what Delegate Kilgore is trying to get.

13 SENATOR WILLIAMS: The request before you all, the development plan is
14 going to be upward of \$800,000 dollars and the total cost of the project is going to be about
15 \$10 million.

16 SENATOR WAMPLER: That's what we're looking for, that's the scope of
17 the work to complete is about \$10 million dollars?

18 SENATOR WILLIAMS: Yes. It's a very doable project.

19 MR. OWEN: Should our contribution of \$250 or \$350 be contingent upon at
20 least another \$200 or \$300 coming from other sources to be sure that you at least got the
21 \$650,000 minimum needed to do this the correct way?

22 SENATOR WAMPLER: I would say that is assumed in Mr. Walker's
23 motion, it would not go forward unless there were other contributions from other partners.

24 MR. OWENS: To the full \$800 or some number less?

25 MR. WAMPLER: I would say whatever it takes to get the project moving
26 forward and they estimate it to be \$675.

27 SENATOR WILLIAMS: Yes. Mr. Chairman, the \$350 is a substantial
28 amount and will enable Cumberland to stay in the driver's seat on the project. We couldn't
29 do the development plan without it and we would not be proceeding without a partner, it just
30 makes sense that way.

31 DELEGATE KILGORE: Mr. Chairman, would Mr. Walker agree to have
32 his motion amended to place that contingency on there?

33 MR. WALKER: That's what I assumed.

34 SENATOR WAMPLER: Let's try it this way, without objection, Mr.
35 Walker's motion included additional funding sources that would equate to \$675,000 to move
36 the project forward. I think we're at about the time we're ready to take a vote on this unless
37 there's other questions. Any other questions?

38 DELEGATE DUDLEY: This is our total role in this overall project, they're
39 not going back for millions of dollars to build this at some point?

40 SENATOR WILLIAMS: Mr. Chairman, unless we've got a real strong
41 statement that you all have it we're not going to be back.

42 SENATOR WAMPLER: Let's make it real strong now, no. Any other
43 questions? The motion before the Commission is shall we award \$350,000 to Cumberland
44 County for the reservoir project to the total project cost of \$675,000? Does everyone
45 understand the motion? Are we ready to vote? All those in favor of the motion will signify
46 by saying aye (ayes). Opposed. No. (No response). The ayes have it and the motion
47 carries.

48 SENATOR WILLIAMS: Mr. Chairman I'm going to sign off now, thank

1 you sir.

2 SENATOR WAMPLER: Thank you. The next item we'll take up is the
3 Appalachian Legacy Marketing Tourism through Heritage Products. Any discussion from
4 the Committee members right now?

5 DELEGATE KILGORE: Mr. Chairman, I take it the reason that this is here
6 instead of the other, should have gone probably June and July to Smithsonian. I believe that
7 was the plan for quite sometime.

8 SENATOR WAMPLER: Let's ask Ms. O'Quinn to come up and give a very,
9 a very brief update of the Smithsonian Folklife Festival. How do you see this coordinating
10 and if you had to break out components of your total request of \$300,000 trying to make it
11 perhaps more digestible for the Commission as to what they might pick and choose from?

12 MS. O'QUINN: Is it okay with the Commission. I've got some people with
13 me and they are going to hand out some samples.

14 SENATOR WAMPLER: That will be fine.

15 MS. O'QUINN: The Smithsonian Folklife Festival continues to move
16 forward and it will be June and July of this year. The future program will be Appalachia
17 Heritage in Harmony along with the country of Scotland and the country of Mali. The
18 Festival also includes a marketplace where items can be purchased pertaining to the program
19 itself and the Smithsonian marketplace folks told us that they would purchase all the
20 products that we could supply to them. A million and a half visitors go through there in two
21 weeks. I have a list here that you had asked about, as far as what could be funded or not.
22 One of the things I would like to point out, this program is not a one-time adventure for us.
23 The Folklife Festival is the springboard to launch this project worldwide. Phyllis and I have
24 been members of this taskforce and working on this project and that's one of the reasons
25 why we have this insight to what the marketplace will or will not take. You can see on the
26 list I've broken it down to supplies and materials. Basically Linda and the vendors we have
27 are just waiting to start production of products. These are some of the things that we need.
28 Down under contractual services you'll see the legality aspect of it, which we need to
29 proceed with. There's the endorsement contract with Ralph Stanley and the copyrighting of
30 the Appalachia Legacy Products. There's some graphic design, printing and brochures.

31 SENATOR WAMPLER: You know who Dr. Ralph Stanley is? One of the
32 bumper stickers says Ralph Stanley for President. Why don't you tell the rest of the gang
33 who Dr. Ralph Stanley is?

34 MS. O'QUINN: Anyone who doesn't know who Dr. Ralph Stanley is? He's
35 a bluegrass and old time music legacy from Dickinson County. He has endorsed this
36 product for sale in what will be the new Ralph Stanley Museum, which will be located in
37 Clintwood. Mayor Baker was scheduled to come with me last week in support of the
38 projects because he wants to see them sold in the museum over there. We also have some
39 commitments for other locations including possibly Cracker Barrel who's interested in the
40 products and also the country music hall of fame. The Appalachian Legacy products will be
41 endorsed by other legacies also. We're also in contract negotiations with Jeanette Carter of
42 the Carter family endorse products. The Ralph Stanley products will be produced in
43 Dickinson County and the Carter family products will be produced in Scott County.

44 SENATOR WAMPLER: How much did you have to pay the civic center for
45 having Ralph Stanley's name on the marquee as we drove in?

46 MS. O'QUINN: Twenty-thousand. Ralph's fee has gone from \$1,500 to
47 \$20,000 with his popularity. For those of you that don't know, he is going to have a starring
48 role in the new Coal Mountain movie. He has written three songs for it and will have a role

1 in it and he continues to grow in popularity.

2 SENATOR WAMPLER: Let me say this so we can kind of focus our
3 attention just for a moment. We either fund something in its entirety or we reduce it and
4 that's typically how we work in this Commission. What would you do if we did something
5 as little as \$50 or cut it in half or \$150,000? How would you scale back your contractual
6 services and supplies and materials?

7 MS. O'QUINN: I probably would scale back the web design hosting because
8 the primary focus right now seems to be on purchasing the products to take to the Folklife
9 Festival. Some of the marketing services, some of the trade shows and consumer visits are
10 planned after the Folklife Festival. Right now we're just trying to get ready to take up there.
11 The legalities we need to go ahead with and a brochure to at least rent cars or something. A
12 brochure dealing with the catalog or something like that and we can use that as a fulfillment
13 piece to any questions we have up there. Supplies and materials are items that they have to
14 have.

15 MR. OWEN: I'm not sure I understand, who will actually own the boxes of
16 this stuff and who would own the inventory before you sell it?

17 MS. O'QUINN: Appalachian Legacy products will be owned by the
18 Tourism Authority and we will market the product and it will be produced, we buy the
19 product from the vendors and the farmers out there right now that are getting ready to grow
20 product for us. The vendors will pull it together and we'll market it.

21 MR. OWEN: You're a commercial organization?

22 MS. O'QUINN: Any profit made from this project will go back to sustain
23 the program. Anything above what needs to be used for sustainability will be used for
24 tourism marketing of the region. That's why the application came in under regional tourism.

25 MR. OWEN: Has anyone estimated what the sales will be to start up?

26 MS. O'QUINN: No, we have not done that. It's word of mouth and the
27 response we've gotten so far, particularly from the Cracker Barrel and the Smithsonian folks
28 in particular and people are very interested.

29 SENATOR WAMPLER: Much like Mr. Owen, I'm trying to get my arms
30 around this so we can see what we can do. If you could scale it back, buy less product and
31 have less to sell?

32 MS. O'QUINN: We'd buy less product to sell to the Smithsonian to start
33 with. Any profit made from up there will go back into the program and we could start these
34 other things that would be a website or brochure travel catalog or the trade show in the fall.

35 SENATOR WAMPLER: If you had to scale back supplies and materials, if
36 we scaled it back to \$50,000 would you be able to buy a lot of material?

37 MS. O'QUINN: I'd like to ask Phyllis to address that.

38 MS. PHYLLIS: There are some things a mechanical bagging mechanism to
39 make it so we could get more of these dry mix bags and it's rather labor intensive to do it by
40 hand. Those types of thing would definitely cut down on how fast things could be produced.
41 Out of that list, that would probably be one of the larger items.

42 SENATOR WAMPLER: What is the cost associated with that, do you
43 know?

44 MS. O'QUINN: Probably \$50,000 initially.

45 SENATOR WAMPLER: On this particular project, why don't we move to
46 another one and why don't you try to put figures to your supplies and materials that you
47 think you need for a smaller phase and we'll take it up at the end of the discussion in this
48 period of time. Is that acceptable to the Commission members? Why don't you try to do

1 that and figure out how much you can scale back and then come back to that particular item?

2 MS. O'QUINN: Do you have a figure in mind?

3 DELEGATE DUDLEY: Did I understand that there's a marketplace and I
4 assume this is in connection with buying whatever you prepare for that?

5 MS. O'QUINN: Yes, the Smithsonian Folklife Festival is on the National
6 Mall in Washington, D.C. The market is set up right there in front of what's called
7 Smithsonian Castle. About a million and a half visitors in that two weeks go through that
8 marketplace. I was there last year and I can tell you they sold a lot of items. India after they
9 were featured on the mall sold \$37 million dollars worth of Craft products the next year
10 following that festival.

11 MS. PHYLLIS: On the front end of this where the entrepreneurs benefit
12 from this. Right now we have about 12 that are in product development and are ready to go.
13 We're talking about farmers who are vegetable farmers and fruits and then we have the
14 growers and two other folks that might buy from them. There's a lot of benefit to our region
15 from this. If you're looking at something you want to touch these farmers with related to the
16 tobacco issue then it would be a good one.

17 SENATOR WAMPLER: We'll come back to that later then.

18 MR. PFOHL: Next we'll go to the Institute for Advanced Learning and
19 Research. We've got the business loan program from Small Business Financing Authority.

20 SENATOR WAMPLER: Let's deal with the business loan program.

21 MR. PFOHL: There was discussion in the Executive Committee yesterday.
22 Senator Hawkins I believe is here. I would ask our Chair to put me back in the right
23 boundary if I go outside of it. The idea was to try to allocate a million dollars to Southside
24 and Southwest or whoever tries to implement the project. In Southwest we have an entity
25 called People Incorporated handling micro business loans anywhere from one to three
26 employees and they generally cap it at \$30,000 for the amount of dollars that they loan.
27 People Incorporated identified a target market of \$32,000 to \$100,000. These are loans that
28 may participate with a commercial bank or they might not. They have a fairly good track
29 record in our neck of the woods being successful in meeting the demands of that particular
30 one other than conventional loan market. The Executive Committee also talked about the
31 Virginia Small Business Financing Authority as a potential administrator in Southside. I do
32 not claim to be an expert on how this would actually be administered but they do it under
33 existing guidelines. These were modified somewhat to address this particular project in
34 Southside. That was more or less the guidance from the Executive Committee and this
35 subcommittee can do whatever it wants to. I think the recommendation was a million
36 dollars to each of the regions and that People Incorporated would be the one that would
37 administer the program in Southwest and Southside through Virginia Business.

38 SENATOR HAWKINS: I think the main thing that needs to be understood
39 in order for us to help redevelop these economies, we have to put some money in place to
40 start new ownership and ownership is the key to our future to make sure that we have a new
41 level of entrepreneurs come on line. This is a good way to start that.

42 SENATOR WAMPLER: Although that was a recommendation from the
43 Executive Committee I felt compelled to say that.

44 DELEGATE KILGORE: Does that come out of the other line item money?
45 It doesn't come out of the other special projects?

46 SENATOR WAMPLER: No.

47 MR. WALKER: Mr. Chairman, how do we decide on the breakdown of that
48 million dollars?

1 SENATOR WAMPLER: If you did anything less than that, you can't make
2 the loans and you could always capitalize it more I suspect but if you don't do it with a
3 million dollars, you ought not do the project. The million from People Incorporated will be
4 leveraged up with other federal dollars that are targeted.

5 MR. WALKER: If Southside or Southwest would augment that million
6 dollars from the Economic Development Committee could that be done?

7 MR. WATKINS: There is no micro-lending authority in Southside Virginia.
8 We looked at them and looked at trying to establish one but after talking to some people in
9 Petersburg, some of the bankers were not high on the micro-lending program. I think there's
10 one in Southwest but none in Southside.

11 MR. WALKER: Are you familiar with Southwest? Is it more practicable in
12 going through the traditional bank. The program that the state already has?

13 DELEGATE DUDLEY: Somewhat, yes, sir. The one I'm thinking about is
14 where you put a percentage in reserve.

15 MR. PFOHL: This is actually a different approach. This would be a direct
16 business loan as opposed to the capital access model, which creates a loan loss reserve fund.

17 DELEGATE DUDLEY: Is that the capital access?

18 MR. PFOHL: No, this is a direct business loan between small business
19 financing and the borrower.

20 DELEGATE DUDLEY: Right now what's out there is the capital access
21 program.

22 MR. PFOHL: There is an existing statewide capital access program, yes.

23 DELEGATE DUDLEY: I think in some limited areas the capital access has
24 done real well and the banks have really gotten into it. If you don't get into it big time I
25 don't think you'll get into it at all.

26 DELEGATE DUDLEY: I like the program you have in Southwest and I'm
27 concerned about the one that in Southside and that's administered by small business and it
28 may be more difficult for people to participate but I'd like to leave the door open, Southside
29 may recopy the program in Southwest.

30 SENATOR WAMPLER: Should the subcommittee decide to do it, and if the
31 Commission concurs, that it would be subject to the approval of the entity within the
32 Commission could do that. Maybe we transfer that authority to the Southside Economic
33 Development Committee for final approval and if the Small Business Financing Authority
34 does not meet your needs, we won't do the deal.

35 MR. WALKER: Maybe create something like a People Incorporated.

36 SENATOR WAMPLER: At some point we need to try to move into a
37 posture to make a motion.

38 DELEGATE KILGORE: I'll make the motion that, as you said, a million to
39 Southside Economic Development Committee to have them make the determination as to
40 the particular entity that they would like to administer the funds.

41 MR. WALKER: I'll second that.

42 SENATOR WAMPLER: It's moved and seconded and there's a motion
43 before us. Delegate Dudley.

44 DELEGATE DUDLEY: Has there been any type of determination as to the
45 volume of need in the two regions? I guess my question is why are we splitting it down the
46 middle without knowing where the real need is.

47 MR. WALKER: I have some of that. The Longwood Business Development
48 Center which covers 19 counties in the Southside region, the name just left me but I spoke to

1 him last week and he said he had 35 real clients and people that he would recommend that
2 are viable businesses that could get started up and that's just one group that I think the need
3 is there for.

4 DELEGATE KILGORE: Mr. Chairman, I'd say to Delegate Dudley that I
5 had no problem coming back here and putting more money back into Southside once you
6 establish or get something going and then I have no problem putting more dollars out there.
7 This is a large area and I have no problem with that and I think this is, that at this point it's
8 just a start up and I think that we need to get going if there is a need there.

9 SENATOR WAMPLER: The need's probably greater like \$10 million initial
10 capitalization but I also believe that we should see how it goes and if we have the success
11 stories that we think we're going to have. I think we'll be anxious to find additional funding
12 for it. Any of the questions on Delegate Kilgore's motion?

13 MR. OWEN: This is a revolving loan?

14 SENATOR WAMPLER: Yes.

15 MR. OWEN: To make yourself whole again?

16 SENATOR WAMPLER: Subject to collateral, just like a bank. Any other
17 questions? Everyone ready to vote on the motion? Without further discussion all those in
18 favor of the motion signify by saying aye (ayes). Opposed no. (No response). The ayes
19 have it. That's passed and thank you for your patience on that one. Now it's time for the
20 Institute of Advanced Learning and Research. The initial request was \$1.5 million. Tim,
21 you seemed to indicate there was something less than that that was needed now?

22 MR. PFOHL: At the Southside Economic Development Committee meeting
23 yesterday, they had an application for \$1 million of start up operating funds and they
24 additionally had another million dollars from this so called off the top money that was set
25 aside and not allocated. Southside will recommend \$2 million dollars of start up operating
26 funds for the Institute when we go to the full Commission meeting on Thursday. The
27 Institute indicated to us they needed \$2.5 million for the first years' start up operating costs.
28 Dr. Tim Franklin is here and has a brief PowerPoint presentation and can answer your
29 questions.

30 SENATOR WAMPLER: Can you tell me about the \$2 million
31 recommendation again?

32 MR. PFOHL: Southside Economic Development got an application request
33 of \$500,000 from Danville, \$500,000 from Pittsylvania and that's a million dollars of
34 applications they received for start up operating expenses. They added another million from
35 off the top from their so called off the top fund and they will recommend \$2 million dollars
36 of Southside Economic Development Funds for the Institute's start up operating expenses.
37 The Institute has indicated they need \$2.5 million the first year and that leaves a gap of
38 \$500,000.

39 SENATOR WAMPLER: That's the project described by staff, any
40 questions?

41 MR. WALKER: I was at that Committee meeting yesterday and my
42 understanding was that the first request of \$1.5 million was going to be reviewed by a
43 million dollars that we had set aside so that leaves a half a million dollars for this proposal
44 we are discussing now.

45 SENATOR WAMPLER: Yes, sir.

46 MR. WALKER: In order, I move that we approve the half million-dollar
47 request.

48 SENATOR WAMPLER: A motion is always in order, Mr. Walker so moves.

1 Is there a second?

2 DELEGATE KILGORE: Second.

3 SENATOR WAMPLER: There is a second. Before us is the Institute for
4 Advanced Learning and Research be awarded \$500,000. Is there further discussion on the
5 matter? It's not necessary that people representing the Institute speak if we have captured
6 the essence of this particular proposal.

7 DR. FRANKLIN: Mr. Chairman, I'd be happy to share my proposal with
8 you.

9 SENATOR WAMPLER: Would you tell us your name?

10 DR. FRANKLIN: I'm Dr. Tim Franklin and I'm the Executive Director of
11 the Institute, Virginia Tech Southside Director for University Outreach.

12 SENATOR WAMPLER: Very good, thank you. Any question from the
13 subcommittee members? The motion is before us and without further discussion, all in
14 favor of adopting the motion signify by saying aye (ayes). Opposed no. (No response).
15 The ayes have it and the motion carries.

16 Now we are on the Institute for Advanced Learning and Research R and D
17 Annex, \$2 million dollars.

18 MR. PFOHL: City staff from Danville submitted the application and they are
19 present and can respond to your questions. I think I gave you the synopsis of that but again,
20 this serves as a match to a \$3 million dollar federal EDA grant and completely fund
21 construction for the R and D Annex.

22 SENATOR WAMPLER: Is this like the second phase of the project, we just
23 did Phase I and this would be Phase II?

24 MR. PFOHL: Yes.

25 MR. OWEN: Mr. Chairman, I would suggest that City Manager, Gwaltney
26 from Danville is here. The timing obviously is awkward but still funding pending
27 construction of Phase I they've already started asking for Phase II. I think Mr. Gwaltney
28 can give you the essence of why time is so important in this particular visa vie EDA
29 situation.

30 SENATOR WAMPLER: Mr. Gwaltney, if you'd care to come forward we'll
31 be delighted to hear from you.

32 MR. GWALTNEY: Thank you Mr. Chairman and members of the
33 Commission. To come back this quickly is something I was sure that you would question.
34 Our need for this facility to supplement, particularly with private industry, we've had an
35 opportunity to get a \$3 million dollar grant if we can match that grant to go ahead and
36 develop the facility. The grant has been committed and will be awarded next month pending
37 the match being made to this. These are one-time funds that have been made available by
38 the Department of Economic Development Administration. They are special projects that
39 are coming forth for such projects as this, which has been made a priority as I understand it,
40 from EDA. Priority of the president and director of the administration in order to try to fund
41 several of these projects around the United States. Our research indicates that if we are in
42 fact going to try to change the economy of our area that this is one way that we can do it.
43 We have had schematics and pre-engineering of the building done by Dewberry Davis and
44 we had to do that in order to satisfy the requirements of the economic development
45 administration. It's imperative if we're to get a \$3 million dollar match, which is about 60
46 percent of the monies that are available and that's the reason we're before you at this time.

47 MR. OWEN: Mr. Chairman, if I may add just a little additional flavor. With
48 a 93,000 square foot building it's both an education and research facility. The research there

1 is university level research and scientist and faculty type scientists from Virginia Tech are
2 likely to be working in that building doing research and teaching graduate students. The
3 building Mr. Gwaltney is talking about is like the campus research center in Blacksburg
4 where industry would be located to do their research. It's my understanding that already in
5 Blacksburg there is like 120 companies that already have their doors open doing some
6 research there with Virginia Tech. This will be the first place for people to come in and
7 private businesses to come in and set up their own operations in concert with what's going
8 on in the academic research there at the Institute.

9 MR. GWALTNEY: That's correct. It's very unusual to get with EDA for a
10 project such as this and to get the funding at this time. That's the reason why it's imperative
11 that we can get this money and it's a one-time window for us to be able to get that kind of
12 match for this particular project. We probably would have gone at this a little bit longer if it
13 hadn't been for that but it's only now that we have this opportunity.

14 SENATOR WAMPLER: Normally we like to see a local match and I realize
15 that in the entire campus, there's all kinds of local matches. What local matches are on this
16 particular phase of this project?

17 MR. GWALTNEY: Senator Wampler, there's so many involved in this and
18 I'm talking about the total project now. We basically have to look at it as a total project, you
19 look at the local monies and you look at the highway monies, the EDA monies and when
20 you look at the Tobacco Commission monies, it's a total. This whole project has been
21 leveraged. I'd have to get you that information and I could provide that to you. To stand up
22 here today and try to do that – I think further I would submit to you sir that once this facility
23 is developed, that the Danville, Pittsylvania regional facility's authority through our
24 economic development efforts and through the Institute professionals, we will probably end
25 up having to be the local government of setting the incentive package and supporting the
26 incentive package that brings the local companies in. As you know, that's the way business
27 is played and we have to do that ourselves.

28 SENATOR WAMPLER: I can appreciate the art and skill and the way
29 you're trying to answer my question but is there any local match involved in this particular
30 project?

31 MR. GWALTNEY: There's \$160,000 dollars worth of land and that's my
32 deputy back there. I'm sure he can answer what I can't.

33 MR. LACEY: Four million dollars worth of infrastructure, roads, water,
34 sewer, fiber. The original \$2 million dollars worth of property that made up the Cyber Park
35 those are all contingent pieces of this.

36 MR. GWALTNEY: The reason it's hard to break that down, as you know
37 the City owns its own electric and gas system and we're financing the fiber and those
38 utilities ourselves and I can't break that cost down for you. That not only supports this
39 project but others. We're using a considerable amount of local monies but I can't break
40 those down for you today.

41 SENATOR WAMPLER: We try to do that on all projects and determine
42 exactly how much you pro rate for that particular phase of the project.

43 MR. PFOHL: Mr. Chairman, we did receive Thursday a breakdown of some
44 costs that have gone into development of this site from the City and I just handed that to the
45 City Manager.

46 MR. GWALTNEY: I can list those off if you'd like.

47 SENATOR WAMPLER: That would be helpful please.

48 MR. GWALTNEY: There's been \$1,500,000 from the EDA grant. The

1 HUD grant is \$325,000, VDOT grant of \$245,000, the City General Fund is \$248,858,
2 Pittsylvania County \$442,279. From our Sewer Fund \$94,690. From our Water Fund
3 \$170,635, from our Gas Utility Fund \$170,635, from our Electric Fund \$597,850 from
4 Danville. We have a considerable amount in there and these are things we're doing to
5 support the project that are up and beyond particularly in the fiber and electric that we would
6 normally not run under a normal economic development project.

7 SENATOR WAMPLER: Questions from the Commission.

8 DELEGATE DUDLEY: Mr. Gwaltney, I assume this will be owned jointly
9 just like the Institute?

10 MR. GWALTNEY: Yes, sir. This will be jointly owned by the Danville
11 Pittsylvania County Authority. Except for the utilities, we have done everything jointly,
12 50/50.

13 DELEGATE DUDLEY: I know there was cooperation in building the
14 Institute and each locality pledged a certain amount toward that from allocations from the
15 Tobacco Commission. Why shouldn't this be done the same way?

16 MR. GWALTNEY: This is a joint project. We have been jointly awarded a
17 grant for the facility and everything except the utilities and those type of things, we just took
18 care of those ourselves.

19 DELEGATE DUDLEY: My question is why shouldn't the balance of it, the
20 construction, why shouldn't that be handled like the original construction costs of the
21 Institute? A portion of the City's allocation and a portion of the county's.

22 MR. LACEY: Delegate Dudley, we were fortunate enough on the Institute –
23 we were able to securitize our payments from the Commission to produce the \$15 million
24 dollar construction money to buy the institute. I think at this time it would be difficult for us
25 to go out and to take future payments in our normal allocation to produce the \$2 million
26 dollars cash that would be required to build the facility.

27 MR. GWALTNEY: I don't think we could get the banks to do it again.

28 MR. LACEY: I'm not sure BB&T feels good about the one they did.

29 MR. GWALTNEY: I don't think we'll get that deal again.

30 MR. WALKER: The leaseable space, who will be the beneficiary of that?
31 The income?

32 MR. GWALTNEY: It would be the Institute if and when we lease space. I
33 think to sit here and tell you that there's going to be a beneficiary at this point and we all
34 know how the economic development game is played, I couldn't stand here and tell you that
35 today but any leaseable profits I guess is the best way to say it will go back to help operate
36 the institute.

37 MR. WALKER: If for some reason the entire \$2 million dollar amount was
38 not granted, would that be a deal breaker?

39 MR. GWALTNEY: I would think so sir.

40 MR. WALKER: You would lose the \$3 million?

41 MR. GWALTNEY: Yes, that's the reason we're here before you.

42 SENATOR WAMPLER: You can always reapply for the \$3 million.

43 MR. GWALTNEY: You're certainly right there and there are special funds
44 that are not going to be available again. Our information from the Feds is that they're going
45 to cut that program by some 40 percent and it's going to be that much tighter to get money.
46 As you know both Southside and Southwest have had an extremely good relationship with
47 EDA and have faired very well with that. The other point I might add to you sir, I think
48 history would say that once EDA gives you a grant and you can't match it, the chances of

1 getting anymore are pretty tough and that's the reason we are begging for your help.

2 MR. OWEN: Mr. Chairman, I would add a little bit to Delegate Dudley's
3 point in terms of the City's economic development allocation. Mr. Gwaltney, I think over
4 80 percent of the money you're getting from the Tobacco Commission through the
5 Economic Development Committee is going toward debt service or toward the operation of
6 the Institute. You don't have other Tobacco Commission money that you could dedicate to
7 this project?

8 MR. GWALTNEY: No, sir. I'm speaking for the City of Danville that every
9 dime that's been given or come from the Tobacco Commission except for \$400,000, all of
10 the allocations we have gotten have gone to support the development of this Institute, we
11 have put nothing into anything except everything we've gotten and as you know, some of
12 our future allocations as they come have to go to the debt service of the Institute and we
13 don't have anywhere else to go.

14 SENATOR WAMPLER: Other than looking for local revenues.

15 MR. GWALTNEY: Yes, sir. We're like others in a pretty tight bind.

16 SENATOR WAMPLER: Any other questions or comments from the
17 subcommittee?

18 MR. OWEN: Mr. Chairman, if it's in order I would move this proposal.

19 SENATOR WAMPLER: It's been moved, is there a second?

20 DELEGATE KILGORE: I'll second the motion.

21 SENATOR WAMPLER: The motion before us is to award \$2 million
22 dollars in support of the application as presented. Further discussion on the motion?
23 Sensing no further discussion on the motion, all in favor of the motion signify by saying aye
24 (ayes). Opposed no. (No response). The ayes have it. Next we go to the Martinsville
25 Speedway.

26 MR. PFOHL: Mr. Chairman, a little additional background. I gave you a
27 synopsis of this project earlier and to illustrate a little further about what the staff due
28 diligence was and that was performed in reviewing this application. The review team
29 looked at this request and had some concerns about the design of the roadway, particularly
30 how it met up just shy of Route 220 and looked at the possibility of improving a public right
31 of way adjacent to the site. We were assured by the VDOT residency that a revised design
32 of this access road with Route 220 had been approved by VDOT and the costs would be
33 prohibitive to improve the public right of way option and the staff initially suggested it be
34 explored. It's the staff's feeling or the reviewer's feeling that the road as proposed to you in
35 this packet is the request in front of you. There are representatives of the County, County
36 Administrator and President of the Speedway here and I'm sure they'll be happy to answer
37 your questions about it.

38 SENATOR WAMPLER: Questions by the Commission of the staff or the
39 applicant?

40 MR. OWEN: I think in Mr. Pfohl's opening remarks, he give reference that
41 this will help save the second date, the second major race date. Can you tell us about that?

42 MR. SUMMERLIN: Good afternoon, my name is Benny Summerlin, the
43 County Administrator in Henry County and this is Clay Campbell, President of the
44 Speedway. In reference to your question about the race date, you know the world of
45 NASCAR is very competitive and there's been new tracks built in Chicago and Kentucky
46 and everybody that doesn't have a race date is trying to get one. There are 23 NASCAR
47 tracks and of those 23 only 4 are family owned. Martinsville Speedway is family owned.
48 Martinsville Speedway is one of 13 tracks that have two Winston Cup dates. From the

1 leadership and management of NASCAR they're constantly emphasizing the need for the
2 Commonwealth and Martinsville Henry County to make a commitment to the infrastructure
3 to support Martinsville Speedway. We hope we can preserve our two Winston Cup dates. I
4 think you see from the materials we submitted the Martinsville Speedway has constantly
5 upgraded its facility to be competitive. This access road will only help the speedway grow
6 and I think if the Speedway is willing to invest tens of millions of dollars for capital
7 improvements, I think that is a statement toward long term viability for the second level.

8 DELEGATE KILGORE: Are they in the process of adding more seats?

9 MR. SUMMERLIN: They're in the process of adding 2,000 additional seats
10 starting immediately. The last Winston Cup race was a week ago Sunday. They're trying to
11 complete their construction projects between race dates because with a hundred thousand
12 people there, it's not very conducive to construction. This new access road will allow them
13 in the future –

14 SENATOR WAMPLER: Let me interrupt you for a second, I think Delegate
15 Kilgore hit a pretty good thing right there. Talk to us about the cost of the 2,000 additional
16 seats and I hope you consider that to be a friendly question.

17 MR. CAMPBELL: I'm Clay Campbell, President of the Speedway.

18 SENATOR WAMPLER: I know you always have to upgrade and I know
19 you have additional capital you invest in the speedway but talk to us about the expansion
20 project just for a moment.

21 MR. CAMPBELL: The expansion we're undertaking now is 2,000
22 additional seats and the total costs of that is around a million dollars. Benny talked about
23 the state of NASCAR now and what they came out with at the beginning of the year was
24 realignment 2004 and they talked about shifting dates from tracks to tracks. Fortunately
25 we're selling out but we need to keep growing. We do sell out what we have and we're
26 adding incremental seats at this point. That's about as far as we can go with the structure
27 that we have now.

28 SENATOR WAMPLER: For the next 12 months you would be anticipating
29 adding more seats after the next season?

30 MR. CAMPBELL: This is critical in enabling us to do that.

31 SENATOR WAMPLER: Mr. Summerlin indicated NASCAR looks for
32 participation from the Commonwealth but what help have they been able to get to date?

33 MR. CAMPBELL: If you look at this picture here, it shows that the latest
34 thing the state did which was yeas ago, this road here, they helped us build that road which
35 was back in the 60s or 70s and that was suitable at the time it was built and we've outgrown
36 that. They closed that road down.

37 UNIDENTIFIED: Point out where that roadway is and the relocation you're
38 talking about. The railway is right on that side of the tracks and you can't put any more
39 seats beyond that side.

40 MR. CAMPBELL: Beyond the 2,000 the long term plans are you'd have to
41 relocate a section of this railroad which is about a million and a half and 33,000 additional
42 seats can be added at that time but that's a pretty major commitment to relocate the railroad
43 track.

44 SENATOR WAMPLER: I have a couple of observations that might be
45 helpful. Being a resident of the City of Bristol, I understand the traffic patterns and
46 bottlenecks on a given day for a couple of weeks out of the year. This is a personal
47 observation and not one as the Chair of the Subcommittee. I have some concern about
48 investing in a road that has limited access. The Special Projects Committee meets whenever

1 we need to and whenever we have to. I do not know that it's necessarily the best precedent
2 to set to invest in a road. If you have a million dollar expansion for 2,000 new seats, I would
3 respectfully suggest that that might be something that this Commission might want to take a
4 look at. If you're proceeding accordingly, it shouldn't be that hard to pull some information
5 together and resubmit to the special projects. That doesn't prejudice my thoughts as Chair,
6 I'm one member. I'm just interested in your response how the Commission might be able to
7 help you on something other than the road.

8 MR. CAMPBELL: The way we look at the expansion seat wise, I didn't feel
9 it appropriate to come to the Commission to invest in seats although that directly affects me.
10 This is going to affect a lot more people than just Martinsville and Henry County.

11 SENATOR WAMPLER: I'll ask the County Administrator then as the
12 applicant. Your job is try to promote economic activity in your county. Two thousand seats
13 will be a tremendous multiplier in the economy?

14 MR. SUMMERLIN: Absolutely, yes.

15 SENATOR WAMPLER: As the entity that we would award the money to or
16 the grant to if it meets your definition and I'm certain what your Board of Supervisors would
17 say in growing the economy in Martinsville and Henry County, would that be fair?

18 MR. SUMMERLIN: It would present some timing issues for us.

19 DELEGATE DUDLEY: It does a lot more than just Martinsville and Henry
20 County. Our Executive Director used to manage the Comfort Inn in Rocky Mountain and
21 that was \$39 a night but during race weekend they're \$118 a night. People stay in Roanoke
22 and Danville and there's much wider in scope than the direct benefit to Martinsville and
23 Henry County. The Commonwealth appears to be doing very well with the number of
24 people I saw getting tickets for various reasons and it's good for the legal profession too.

25 MR. SUMMERLIN: If I could just address the road project. We look at this
26 road project from a variety of perspectives. We looked at improving the existing road which
27 is a two-lane road and I think they paved the shoulders and tried to squeeze more traffic
28 through there. There's some private property that adjoins the existing road and those
29 residents have lived with the speedway for over 50 years. The Board of Supervisors would
30 not want to add this to the second tier construction list and have to condemn this property in
31 order to expand the road. The Martinsville Speedway has requested that that not be done.
32 We've looked at other means of access and all of those other means of access have their own
33 problems. If you notice this proposed layout it has kind of a peculiar curve to it here. This
34 has been coordinated with VDOT and also the Virginia State Police and the Sheriff's office
35 for traffic. In the southbound lane of 220 is lower than the northbound lane and in order to
36 run this road straight in, a portion of 220 will have to be rebuilt which would be many
37 millions of dollars beyond the scope of our request.

38 MR. WALKER: You mentioned in the presentation that this is a family
39 owned business but nobody mentioned what family it is.

40 MR. CAMPBELL: My grandfather was the founder of the Speedway and
41 now my family operates it.

42 MR. WALKER: Do you live in the area?

43 MR. CAMPBELL: Yes, myself, my mother, my aunt and sister.

44 MR. WATKINS: You can wait a long time to get in there and get out.

45 SENATOR WAMPLER: The question is where do we go from here and
46 whether we accept it or reject or modify it and try to help the Speedway. I think there's a
47 consensus we want to try to help. I think it poses potentially some question of having a
48 restricted road, don't you require a fee?

1 MR. CAMPBELL: No.

2 SENATOR WAMPLER: That stimulates the economy and that's good but
3 it's up to the Commission what we want to do.

4 DELEGATE KILGORE: The only time you're going to use the road is
5 during race weekend?

6 MR. CAMPBELL: No, it would be opened everyday.

7 MR. SUMMERLIN: This road would not qualify for inclusion in the
8 secondary system of highways. We got an opinion from VDOT that it's not eligible.

9 SENATOR WAMPLER: It would be a private road then?

10 MR. SUMMERLIN: Yes, it actually splits the Speedway property and
11 causes security concerns. The Speedway has 24-hour security now because of various
12 reasons.

13 DELEGATE KILGORE: Henry County is all in favor of this?

14 MR. SUMMERLIN: Yes, the Board of Supervisors is in favor of it.

15 SENATOR WAMPLER: It's like pulling together, trying to make or get a
16 consensus here.

17 MR. OWEN: This is going to be a privately owned road by the Speedway
18 Company, the company that owns the Speedway. Would it be helpful Mr. Chairman to tie
19 the whole project together including the expansion and we'll contribute a certain amount,
20 \$500,000 dollars toward the total expansion of a million and a half or something like that as
21 opposed to funding a road?

22 SENATOR WAMPLER: I think that's where I was trying to go.

23 MR. OWEN: Is there any difference legally one-way or the other?

24 MR. SUMMERLIN: I think the County would be receptive to this idea.

25 SENATOR WAMPLER: Let me ask our representative from the Office of
26 the Attorney General and there would be two questions. This subcommittee has the ability
27 to modify any application presented to us ultimately for approval before the full
28 Commission. If we were to blend the expansion of the 2,000 seats and the road together
29 totaling \$1.5 million dollars, this would be just part of that. What does that do?

30 MS. CUSHMAC: We would have some concern about that.

31 SENATOR WAMPLER: What if the County were to, could the County own
32 the road?

33 MR. SUMMERLIN: The County doesn't own any roads. We don't have any
34 capability of doing that. We have no capacity and we own no county roads.

35 DELEGATE KILGORE: Mr. Chairman, the IDA could own, I don't think
36 there's any problem with the IDA owning the road. You could lease it back to whoever you
37 wanted to.

38 MS. CUSHMAC: You're getting there.

39 DELEGATE KILGORE: I'm trying to think like a lawyer.

40 SENATOR WAMPLER: I need to try to figure out where we're going with
41 this discussion. Speaking both to the County and to the owner of the entity that's for profit.
42 You are not ready today to say that would be an acceptable avenue to approach. That being
43 that we would bring the project together and the County would actually own, a subdivision
44 of the County say the IDA, you're not comfortable with that right now?

45 MR. SUMMERLIN: No, sir, I don't think we are. I think the Speedway
46 would have some concerns and we would have some concerns about that also and I'm not
47 saying that's not a possibility. We've thought through that and we don't believe it's the
48 most viable option.

1 SENATOR WAMPLER: I think I understand but however, we have some
2 concerns also. It's off of some advice that perhaps we've run into challenges with doing it
3 the way that it's been presented to us in this application. I think we want to help but it's just
4 the way of trying to find a match to make it work.

5 DELEGATE KILGORE: Mr. Chairman, I really think going through the
6 IDA and going and leasing back is the best way to go.

7 DELEGATE DUDLEY: I think there's consensus that we're trying to do
8 something to help but I don't think we're quite there yet with our ideas and legal advice at
9 this point. I'd like to see this continued until the next meeting and see if we can come up
10 with something and a way of doing this.

11 SENATOR WAMPLER: I don't think that requires a motion but that would
12 be the intent. I'll go a little further.

13 MR. WALKER: Mr. Chairman, I just wanted to know how much delay
14 could they stand without jeopardizing their next race scheduled?

15 MR. CAMPBELL: That's a good question but we're going to proceed with
16 our projects and we've got to do it. If we sit still we may really get in trouble.

17 SENATOR WAMPLER: Let me offer this as one person. We will have a
18 balance that can take care of this project and we can do it in rather a short fashion. Once we
19 decide what the best structure is which is what Delegate Dudley said. If you're looking for
20 an indication, I think there is a very strong indication from what you heard from the
21 Committee members, and we need the right structure and I think everybody's comfortable
22 with that then. Is that a fair assessment, on the Chairman's part? All right. We can do it
23 relatively quickly. We can probably do it by teleconference. Well, the Attorney General
24 says no. We'll have to meet together and we'll gather as soon as we have that agreement
25 worked out to meet. We have a full Commission meeting on Thursday and I don't know if
26 we can get our act together by then or not but if not, we ultimately will meet.

27 MR. SUMMERLIN: We'll do our best to try to respond to you by Thursday.

28 SENATOR WAMPLER: Maybe we allocate the dollar amount subject to an
29 approval. Does the Committee want to take it up and set another day or do you want to go
30 ahead and allocate \$500,000 subject to a suitable instrument for the conveyance of the road?

31 DELEGATE DUDLEY: Can we restrict the road at this point?

32 SENATOR WAMPLER: What I'm trying to do is get the Commission to
33 approve the half million dollars rather than us waiting to have them and then wait until the
34 next full Commission meeting.

35 MR. WALKER: Could we approve it pending with the Vice Chairman's
36 approval after they come up with the right structure.

37 MR. SUMMERLIN: Mr. Chairman, I think we can work through the IDA
38 avenue if that's agreeable to the Board of Supervisors and members of the IDA. If you
39 would fund the road it would be owned by the IDA and leased back to the Speedway and
40 that would be acceptable.

41 SENATOR WAMPLER: There may be a better way to do it and I hate to
42 box us in at this point. Let's, the Committee could meet again Thursday morning and we are
43 trying to give you our best good faith effort.

44 DELEGATE KILGORE: Anne Marie, if you could maybe check on that as a
45 way to do this for us and do it as legally as possible.

46 MS. CUSHMAC: We can do that. Our office can do that.

47 DELEGATE KILGORE: What I would like ss the client and you tell me
48 how to do it.

1 MS. CUSHMAC: We can try to do that, yes.

2 SENATOR WAMPLER: I will predict the Special Projects Committee will
3 meet again on Thursday morning and we'll take this subject up again and we'll talk later and
4 try to find a way to blend the project and do the deal.

5 MR. SUMMERLIN: Sounds good.

6 SENATOR WAMPLER: What's next?

7 MR. PFOHL: We had talked to Dr. Fagan and he's ready to go on this. He
8 indicated he could make some minor adjustments to the timeframe and do it by Thursday
9 morning. Now we also have, we left off with our Appalachia Legacy.

10 MS. O'QUINN: Thank you for this time. I'd like to have Linda speak to
11 you.

12 MS. LINDA: I've lived in Dickinson County all my life and I just love
13 Virginia and love where I am from. This will give us an opportunity to reach out and take
14 hold of something that will help us. I just feel like this endeavor or to miss an opportunity
15 like this, if we miss this opportunity to be able to adequately supply the goods for the
16 Smithsonian Festival, we'll probably assure failure of the total project. We expect we could
17 sell 10,000 jars of jam if we could produce that many jars of jam and get them there. I make
18 jams 8 ½ pints at a time and with the proper equipment I could make 64 at a time. We really
19 need your help in this and we need you to consider the fact that the gourmet food industry is
20 growing at a seven percent per year growth. Gourmet food is the number one gift item in
21 the gift market today. We would truly like to have any help you could give us and as much
22 help as you can give us so that we might obtain our goals and be able to be competitive in
23 this market. I have asked myself why do I want to get involved in this. I'm 55 years old and
24 I've done a lot of what I'm going to do but this is not about me, it's about those that come
25 after me, it's about the heritage we have in being able to market that and to share it with
26 other people. I hope to build an industry and not only in Dickinson County but the region as
27 well. So I want to share my heart with you and I ask you to please consider this is about
28 people who I know all of you love or you would not be in the position that you're in today.
29 That your interest is in the future of our state and all the regions of our state. That's my
30 heart to you today and I ask you to help us as much as you possibly can. It's always about
31 money and time, two things. Thank you.

32 MS. O'QUINN: Let me say that Linda is from Dickinson County and I talk
33 about Dickinson County and Scott County and this is a regional project. All the people that
34 have been trained in Phyllis' program are from all the region and everywhere. If you pick
35 up this piece of paper and I think I've tried to see what we can do here. Out of supplies and
36 materials, although as Linda said, it takes her a long time to make those jams and jellies.
37 We're willing to cut back on the bank filler so that leaves supplies and materials at
38 \$100,000. Down under contractual services the legal, we have to have in the start of the
39 program a graphic design of the printing and brochures. We need those pieces to take with
40 us up there, the web design. You can cut out part of the design but we're not comfortable
41 with it.

42 SENATOR WAMPLER: You went from legal to where?

43 MS. O'QUINN: Down to graphic.

44 SENATOR WAMPLER: Have to have the graphics?

45 MS. O'QUINN: We have to have at least a portion of the graphic. I'll try to
46 go through here and show you some things that we can cut out. The web design, we're not
47 comfortable cutting out because if someone from Ohio purchases that product in
48 Washington, D.C., they need a place to come back to repeat. Shipping and transportation is

1 pretty much what the Smithsonian told us it would take to get the product up there and so
2 I'm down to marketing services and that's basically where we can cut out. What I've come
3 up with is the \$100,000 at the top, take our marketing services by \$50,000 and take out
4 \$50,000 at the top and that leaves \$200,000 for the program the way we need to do it.

5 DELEGATE DUDLEY: I want to go back to the earlier statement that you
6 have pre-sold all that you can manufacture.

7 MS. O'QUINN: That is basically what they told us.

8 DELEGATE DUDLEY: Is this a dollar or five dollars or what?

9 MS. O'QUINN: Depending on the market, \$4.95 and \$5.95 a jar.

10 DELEGATE DUDLEY: If we looked at the application for \$300,000 and
11 split that out, some portion of that you should have that money back once you sell your
12 product at the festival.

13 MS. O'QUINN: No, we haven't pre-sold it, we worked out an agreement
14 with them to place it. What we'll probably have to do if you agree to fund the project, is go
15 to the bank and get a loan and get these people started because this is a reimbursable grant if
16 I'm not mistaken. We can't wait and we don't have the money to fund the project either.
17 We'll probably have to go to a bank and get a line of credit or get a loan and get the people
18 started and submit the invoices back to Tim and his group to get our money back at the end
19 of that. It goes to the Festival on consignment.

20 DELEGATE DUDLEY: Based upon that and assuming the sales at the
21 Festival go like you think, what type of revenue are you going to generate?

22 MS. O'QUINN: We're not quite sure of the markup from the Smithsonian so
23 we can't give you a number or exact numbers. If I'm not mistaken I think we'll buy that
24 product at about \$3 a jar and if we mark it to \$4.95 that's a \$2 mark up the Smithsonian will
25 mark it up maybe a little bit more and so it depends on the market. Some higher gift
26 markets get more and they get more out of it up there.

27 SENATOR WAMPLER: You're going to make something between zero and
28 \$100,000. What are you going to do with that money?

29 MS. O'QUINN: We're going to invest it back into the program and get more
30 product and that's where the marketing came in. We wanted to go to these trade shows.
31 That's basically the high-end gift market trade shows. We sell people things like gift
32 baskets and that type of thing or the Country Music Hall of Fame or the Cracker Barrel.
33 You place ads and try to get people to purchase your product.

34 SENATOR WAMPLER: How many people will be participating, processors
35 and growers?

36 MS. O'QUINN: We have about 12 folks that are ready right now. Linda is
37 looking at the probability right now of having to hire about 45 people to get ready and do
38 what she needs to do. We're doing a gift setting right now. Linda has a jam cake collection
39 that's like a dry mix and the jam that goes in the cakes and we're putting it in a grapevine
40 type of thing. We've already put one to work and it has a lot of other potential too.

41 SENATOR WAMPLER: We need to come to some kind of consensus on
42 this particular project.

43 MS. O'QUINN: Let me say for the farmers, it's a value added crop is what
44 it's called. For a bushel of apples they'd sell for \$8 dollars on the open market then through
45 this product they'll get \$27 dollars a bushel. It's called value added because we can produce
46 so much with that.

47 SENATOR WAMPLER: Geneva, \$200,000 for 12 growers and four
48 employees is a right steep multiplier in anybody's mind. Economic development mode. I

1 was hoping that you could demonstrate you could do it for much less and it's rather difficult.

2 MS. LINDA: All these other folks have to hire their people.

3 MS. O'QUINN: 12 x 5 that's 60. That doesn't include the people that will
4 be preparing it and shipping it and labeling it and selling it.

5 SENATOR WAMPLER: Any other questions from the Commission
6 members on this project? Anyone have a recommendation? There appears to be none. The
7 only other thing I know to do is to toss it to the Agribusiness Committee to see if they have a
8 way of trying to, I don't know if it's beyond the Smithsonian which I guess is why it's here.

9 MR. OWEN: The Agriculture Committee doesn't have any money.

10 MR. CURRIN: Not yet.

11 SENATOR WAMPLER: There is a proposal to do that. I think if you took
12 out the component of the Smithsonian and try to find a way to market your product
13 regardless of that marquee event, I think we ought to take a pass at it that way and that
14 would be through the Agribusiness Committee. I think that's where we placed another
15 proposal and maybe Clinch Mountain farmers.

16 DELEGATE DUDLEY: Mr. Chairman, a product like this is, a way that
17 Virginia can help promote this like under the Virginia - -

18 MS. O'QUINN: We are seeking certification under the Virginia Program. I
19 hate to reiterate the Smithsonian Festival Marketplace here but that's a springboard to get
20 these products out to a lot of people and get them sold quickly.

21 MR. WALKER: I'd like to make a motion Mr. Chairman that we pass this
22 product or this proposal onto the Agribusiness Committee.

23 SENATOR WAMPLER: Is there a second to that motion?

24 DELEGATE DUDLEY: Second.

25 SENATOR WAMPLER: It's been moved and seconded that this be referred
26 to the Agribusiness Committee.

27 MR. JOHNSON: Mr. Chairman, for the record I'm Joe Johnson. I want to
28 say that Agribusiness, if you're going to send over to us are you going to send the money
29 over?

30 SENATOR WAMPLER: That would be a decision of the full Commission
31 how we properly capitalize the Agribusiness Committee and I say that in a serious vein.

32 DELEGATE KILGORE: In response to the motion Mr. Chairman, if it goes
33 to Agribusiness there's not a meeting for a while is that going to have an affect on the
34 Smithsonian Project?

35 MS. LINDA: It will.

36 SENATOR WAMPLER: It's been moved and there's a second on the
37 motion. Any further discussion? Hearing none, all in favor of referring this item to the
38 Agribusiness Committee signify by saying aye (ayes). Opposed.

39 DELEGATE KILGORE: No.

40 SENATOR WAMPLER: One no, the ayes have it. Tim, are there any other
41 matters pending?

42 MR. PFOHL: No, that is the list of pending requests.

43 DELEGATE KILGORE: Tim, before we break up I had asked Tim and we
44 have had two requests in our Southwest Economic Development and we don't meet until
45 this afternoon but there were two that were regional, regional applications. I asked Tim to
46 pull those because we are, Southwest will fund some of it but we don't know that we can
47 fund it all. One was in Scott County the Lenowisco Regional Park. I asked Tim to pull that
48 one. I'd like to present that one to you all but we're going to hear more about it this

1 afternoon and it's high on the list. I'd like to present that to you all today. The only reason
2 I'm doing it is that we got stuck behind this meeting instead of before this meeting like
3 Southside because of scheduling. Unless you want to take it up Thursday morning early
4 after we have time to discuss it and I'm fine with that. If that's agreeable with the Chair I
5 can do that. I have two projects and maybe we would know what we need. Lenowisco
6 Scott County and Abingdon, Washington County, City of Bristol incubator that I'd like to
7 talk to you all about.

8 SENATOR WAMPLER: I don't know that it's fair to ask the Commission to
9 vote on something we haven't had a chance to see it and digest it. Why don't we, for
10 purposes of discussion, understand that we would have two more projects potentially to
11 examine.

12 You were going to propose that the Southwest Committee fund in part the
13 Lenowisco project and ask for part funding from the –

14 DELEGATE KILGORE: Yes, based upon approval by Southwest Economic
15 Development.

16 SENATOR WAMPLER: The small business incubator was \$500,000?

17 DELEGATE KILGORE: Yes.

18 SENATOR WAMPLER: Probably \$900 to \$1 million.

19 DELEGATE KILGORE: I wanted to leave the door open after our meeting
20 to come before Special Projects Thursday.

21 SENATOR WAMPLER: Without a motion we can do that. Do you have the
22 copies of the projects Tim?

23 MR. PFOHL: I yes.

24 SENATOR WAMPLER: If you could disseminate those prior to
25 adjournment so that the members have that.

26 DELEGATE KILGORE: Those of us in Southwest should have that.

27 MR. PFOHL: The Southwest Economic Development Committee members
28 have the applications and we can plan to make some photocopies here at the hotel. The
29 other special projects for the Special Project Committee members to take home with them.

30 SENATOR WAMPLER: That's fine. On the agenda I believe we're at
31 public comments. Any other matters that the Commission members want to take up now?
32 Now we come to the point where we ask for public comment from anyone and there appears
33 to be none.

34 MR. PFOHL: Mr. Chairman, Ms. Cushmac asked me to clarify that on the
35 last page of your handout is a listing of special projects and I think maybe there's one item
36 that needs to be acted on and two items of information. We did receive an application that's
37 entitled Enhancing the Growth of Beef Production in Southside Virginia and a request of \$7
38 million dollars over three years. That was received as a special projects request and it's staff
39 recommendation that it be referred to Agribusiness.

40 DELEGATE KILGORE: I so move.

41 SENATOR WAMPLER: The motion is that we would, although this is not
42 part of the motion, we will take no action on Southside Business Initiative or the Southwest
43 Virginia Economic Development Alliance. That the motion would be that we would refer it
44 to the Agribusiness Committee Enhancing the Growth of Beef Production in Southside
45 Virginia. Is that your motion?

46 DELEGATE KILGORE: That's my motion.

47 SENATOR WAMPLER: Is there a second?

48 DELEGATE DUDLEY: I'll second it.

1 SENATOR WAMPLER: It's been moved and seconded that we refer it to
2 the Agribusiness Committee Enhancing Beef Production in Southside Virginia. Any
3 discussion? All in favor of the referral signify by saying aye. (ayes) Opposed no. (No
4 response) The ayes have it. Any other matters?

5 MR. PFOHL: Southside Business Initiative and Southwest Economic
6 Development Alliance applications that have been forwarded to the Virginia Economic
7 Development Partnership and some other partnership organizations for their review and
8 consideration. The Executive Director may want to add his thoughts on that but I think the
9 anticipation is that those will be considered by the full Commission in July.

10 MR. CURRIN: Mr. Chairman, I would like to add that I'm very excited
11 about both prospects. Secretary Schewel has reviewed these requests and I think the
12 Committee is hopeful that in due time when they have an opportunity to review these will
13 concur with the Executive Director. This is a real opportunity for Southwest Virginia and
14 for Southside Virginia.

15 SENATOR WAMPLER: Without objection those items will be held for
16 consideration at a later time. Is there any other business to come before us? Any other
17 business to come before the Commission? If not, I want to thank everyone for their patients,
18 everyone in the audience too. So at this point the Committee will adjourn.
19
20

21 PROCEEDINGS CONCLUDED

22
23
24
25
26 CERTIFICATE OF THE COURT REPORTER

27
28
29 I, Medford W. Howard, Registered Professional Reporter and Notary Public
30 for the State of Virginia at large, do hereby certify that I was the court reporter who took
31 down and transcribed the proceedings of the Special Projects Committee meeting when held
32 on Tuesday, April 22, 2003 at 10:30 a.m. at the Hotel Roanoke and Conference Center in
33 Roanoke, Virginia.

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

36 Given under my hand this 30th day of April, 2003.
37
38
39

40 Medford W. Howard
41 Registered Professional Reporter
42 Notary Public for the State of Virginia at Large
43 MY COMMISSION EXPIRES: October 31, 2006
44
45
46