

1 **TOBACCO REGION REVITALIZATION COMMISSION**

2 701 East Franklin Street, Suite 501

3 Richmond, Virginia 23219

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8 **Incentives and Loans Committee Meeting**

9 Wednesday, September 22, 2021

10 9:30 o'clock a.m.

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15 Peaks of Otter Lodge

16 85554 Blue Ridge Parkway

17 Bedford, Virginia

1 APPEARANCES:

2 The Honorable Terry G. Kilgore, Vice Chairman

3 Mr. Edward Blevins

4 Ms. Gretchen Clark

5 The Honorable Chris L. Hurst

6 The Honorable Thomas J Miles, III

7 The Honorable Sam Rasoul

8 The Honorable Frank M. Ruff

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10 COMMISSION STAFF:

11 Mr. Evan Feinman, Executive Director

12 Mr. Andy Sorrell, Deputy Director

13 Ms. Sarah K. Capps - Southside Regional Director

14 Ms. Sara G. Williams - Southwest Regional Director

15 Mr. David Bringman - Database and Performance Metrics Manager

16 Ms. Stephanie S. Kim - Director of Finance

17 Ms. Joyce Knight - Executive Assistant

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19 COUNSEL FOR THE COMMISSION:

20 Ms. Elizabeth B. Myers, Assistant Attorney General

21 Richmond, Virginia 23219

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1 September 22, 2021

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3 DELEGATE KILGORE: Good morning, I'm going to call
4 the Incentives and Loans Committee to order and ask Evan to
5 call the roll.

6 MR. FEINMAN: Delegate Aird.

7 DELEGATE AIRD: (No response).

8 MR. FEINMAN: Delegate Kilgore.

9 DELEGATE KILGORE: Here.

10 MR. FEINMAN: Mr. Blevins.

11 MR. BLEVINS: Here.

12 MR. FEINMAN: Ms. Clark.

13 MS. CLARK: Present.

14 MR. FEINMAN: Ms. Drinkwater.

15 MS. DRINKWATER: (No response).

16 MR. FEINMAN: Delegate Hurst.

17 DELEGATE HURST: Here.

18 MR. FEINMAN: Mr. Hutchinson

19 MR. HUTCHINSON: (No response).

20 MR. FEINMAN: Mr. Miles.

21 MR. MILES: Here.

22 MR. FEINMAN: Senator Morrissey.

23 SENATOR MORRISSEY: (No response).

24 MR. FEINMAN: Delegate Rasoul.

25 DELEGATE RASOUL: Here.

1 MR. FEINMAN: Senator Ruff.

2 SENATOR RUFF: Here.

3 MR. FEINMAN: You have a quorum, Mr. Chairman.

4 DELEGATE KILGORE: Do we have any public
5 comments? No response, all right.

6 The first subject will be Project Solomon, and I'll call
7 on Andy for that.

8 MR. SORRELL: Thank you, Mr. Vice Chair. Project
9 Solomon, 3912. This is a request for approval of \$1.529 million,
10 a TROF Grant and Loan Incentive.

11 This particular project was tentatively reviewed and
12 approved by the Committee back in August prior to an
13 announcement. Given the timeframe between when we're
14 meeting today and the time in which the application was made, it
15 did not permit us to have a meeting of the Committee as would
16 normally be done given a project like this and a project over a
17 million dollars.

18 After speaking to the Committee members and with
19 the Chair and Vice Chair of the Committee, we decided that by
20 reaching out to members and the chair, we could do a tentative
21 approval and then review this retroactively at the Committee
22 meeting.

23 This is a project with \$295 million capital investment,
24 375 jobs, and an annual salary just over \$41,000. The project
25 had been previously announced and the -- which is a leading

1 producer of Tyson Foods, which is a leading producer of -- This
2 is a project with the Danville/Pittsylvania RIFA, and that will be in
3 the Lot 9 in the Cane Creek Industrial Park. Average salary just
4 under \$38,000. And the company has locations in North and
5 South Carolina, Tennessee, and Virginia. So, the region's
6 workforce training in automation and robotics would help attract
7 the company here.

8 Based on the performance parameters, the TROF
9 incentive estimated a TROF award of \$1,529,000; \$707,000 of
10 that being in a grant, and \$822,000 as a zero interest TROF loan.
11 The reason the loan amount is greater than the grant, that the
12 TROF policy permits Staff to go up to 150 percent of the grant
13 amount for the loan, and that would be useful, it's not quite a
14 100 to 150 percent, but that's why it's a little higher there. I
15 know representatives are here today. I'm sure they'd be happy
16 to answer any questions and I'd be glad to answer any questions,
17 as well.

18 DELEGATE KILGORE: Thank you, Andy. This is one
19 that I think we all are excited about and we all talked about this
20 earlier and we have to move on pretty fast to make sure we're
21 able to meet the needs of the company and needs of the locality,
22 and you've done a good job making sure we were able to meet
23 and give an amount that's acceptable to everybody and thank
24 you all for that work. Are there any questions?

25 SENATOR RUFF: If there's no questions, Mr.

1 Chairman, I move we accept the Staff's recommendation.

2 DELEGATE KILGORE: We have a motion and a
3 second. Any more discussion? All those in favor, say aye.
4 (Ayes). Opposed? (No response). That motion carries.

5 Next, I think we have a confidential discussion and we
6 need to go into executive session. Well, I see, we'll wait on that
7 and go to another project.

8 The next one is the Appomattox County EDA,
9 Innovatio Sealing Technologies, Number 3340. Would you like to
10 go through that one?

11 MR. SORRELL: Yes. This is a project with Innovatio
12 Sealing Technologies, Number 3340. This is a project for the
13 Appomattox County Economic Development Authority. The
14 project was approved in 2017 for a performance period that
15 ended in June of 2020, and it was a grant of \$80,000 and a TROF
16 loan of \$40,000, for a total of \$120,000. It was based upon
17 incentives and \$2.12 million and that was based on 28 jobs in
18 the incentive, \$2.12 million capital investment.

19 For this particular project, a minimum investment and
20 with the capital investment just over a million dollars. This
21 project was in abeyance and so far the Commission has not been
22 able to verify any new jobs in the performance period and
23 \$224,000 in capital investment.

24 You'll notice that I have provided a letter from the
25 company in response to the Staff's draft recommendation that we

1 provided to the county prior to the Staff being prepared. We
2 didn't receive the letter until the very end of last week, so we
3 didn't have an opportunity to respond to it. That's in the
4 Commission packet.

5 I will address several points that the letter addresses.
6 In the first portion of the letter, the company disagrees with the
7 performance date and the executed agreement. They feel it
8 should have started two quarters past what the executed
9 agreement said. Funds were not disbursed until February of
10 2018. The executed agreement is what it is, and they did sign it
11 and including the performance period an agreement. So, I don't
12 believe that the Commission has leeway to change the executed
13 agreement on the performance period.

14 Additionally, they did have a fire at the test facility for
15 gaskets and seals and things like that. They had a fire at the
16 test facility in June of 2021 and after the performance period.
17 Prior to the fire, they were considering purchasing a building in
18 Appomattox County at a different facility. They ended up
19 purchasing the new building in July of 2021 in the county at a
20 different location. They did invest an additional \$570,000 in that
21 building.

22 Additionally, the company feels that the amount of
23 capital investment or Commissioner of Revenue as a record, and
24 it's lower than it should be. A copy of a letter that I provided to
25 you has information about the appraiser that values their

1 equipment, at the highest end \$574,000. You take out the 224
2 that we have a record of, that's potentially \$350,000 higher, but
3 yet that's not a record that the Commissioner of Revenue, that's
4 what we're able to utilize when it comes to the TROF
5 agreements.

6 MR. FEINMAN: With the addition to that, Andy, it
7 would still not be or meet the minimum.

8 MR. SORRELL: That's correct. And we don't know
9 when this agreement was made or was it made in the
10 performance period, again, we just don't know exactly when all
11 that was made. As the appraiser said, if this was purchased in
12 the performance period and the assessed value of what's on
13 record. The other thing is that if you add all those together,
14 you're still not getting to the number that is the minimum
15 required.

16 The company also had a comment that, and they felt
17 like the pandemic qualifies them, which would allow for a day-to-
18 day extension of their performance agreement. They thought it
19 should be 14 months from the end of the performance period,
20 specifically the end of September of '21. Additional investment
21 that occurred outside the performance period even if the
22 Committee was to consider extending it, they wouldn't even hit
23 the minimum. I think it's a moot point if we were to extend it,
24 that would allow them to perform any better and allow them to
25 earn any more.

1 Staff is perfectly fine if they're able to find additional
2 information that shows the real value of the equipment or the
3 Commission of Revenue had additional information that showed
4 that additional investment, and we have to utilize the information
5 from the Commissioner of Revenue and their records.

6 Therefore, as you can see in the Staff
7 recommendation and the letter from the company, it doesn't
8 change the Staff's recommendation, which was basically to take
9 into account the fact that this is a good company, a good
10 company for Appomattox County and one that can foster growth
11 in Appomattox County by purchase of the new building and
12 considering flexibility on the timing which to attain it would need
13 to be required.

14 Since none of the minimum investments were hit,
15 none of the grant was earned, there would be a repayment. And
16 for the loan amount, since the performance period was over,
17 they have been good on making their loan payments. So,
18 currently, there's \$12,000 left on that particular loan. And the
19 way our agreement reads, after the performance period ends,
20 then you have to pay the whole loan balance, plus a certain
21 interest percentage. Staff suggests waiving that percentage
22 around \$600 and providing a 14-month forbearance period until
23 January 1st, 2023 to allow them to begin paying that total
24 amount of \$92,000, which would not include the interest, just the
25 balance.

1 So, what Staff is proposing is basically when we draft
2 up a repayment agreement, payable over five years, first
3 payment of \$80,400, due January 1st, 2023, and then payments
4 thereafter. This is something that the locality and I think the
5 company worked out, and I just wanted to make sure I was very
6 clear in representing what they told us. And we have the letter.
7 I'll be glad to answer any questions.

8 I did hear that the company, I'm not sure if they're
9 here or not, if not, I'll be happy to answer any questions.

10 DELEGATE KILGORE: Anyone have any questions for
11 Andy?

12 MR. FEINMAN: Andy did a great job getting to the
13 bottom of this. There's a lot of narrative and story, emotions
14 tied up in this thing. We're not in the business of kicking a
15 business when they're down, and they had this fire, so the
16 forbearance period is a kindness we extend to them because of
17 that. Give them a couple of years to get back on their feet.

18 DELEGATE KILGORE: Any questions? What we're
19 recommending is we recommend to the Full Commission that the
20 forbearance period from September to January 1, 2023, waiving
21 the five percent added interest on the remaining loan balance,
22 and they would repay us \$92,000 and you all set up terms, is
23 that correct?

24 MR. SORRELL: That's correct. And that's represented
25 on page 39.

1 UNIDENTIFIED: I guess they have four-and-a-half
2 years to pay back the \$92,000. Is that consistent with some
3 precedent there for such a long repayment period?

4 MR. SORRELL: Yes, we typically work out a
5 repayment period for the TROF repayment of normally three to
6 five years. And we want to make sure it's something that the
7 locality and the company are able to handle. So, we want to be
8 fair.

9 MR. BLEVINS: If they don't pay, the locality steps in.

10 MR. SORRELL: That's correct. If the company is
11 unable or unwilling to pay, then it would be the locality's
12 obligation.

13 MR. FEINMAN: If the company goes out of business,
14 we're a creditor like everybody else, but what we don't want to
15 do is push their head or the company's head further down the
16 water and give them an opportunity to still succeed while
17 repaying the loan.

18 MS. CLARK: Mr. Chair, I move that we adopt the
19 Staff's recommendation.

20 DELEGATE KILGORE: I have a motion and a second
21 to adopt the Staff's recommendation. All those in favor, say aye.
22 Or any more discussion? All those in favor, say aye. (Ayes).
23 Opposed? (No response). Motion carries.

24 Let's go into the Extensions and Modifications next.

25 MR. SORRELL: Yes. And Dave Bringman, he's our

1 database and metrics manager is here.

2 MR. BRINGMAN: Good morning, everyone. The first
3 one we have before you is Bedford County, 3044. This is a TROF
4 Opportunity Fund Grant. This is a TROF grant that was awarded
5 in March 2015 for \$20,000. The original performance period
6 ended March 31st, 2018 and administratively extended through
7 March 2019.

8 The original terms of the contract were that the
9 company employ three persons with an aggregate payroll of a
10 little over \$50,000. The taxable asset obligation during the
11 performance period was \$3.9 million. You have a letter of
12 support from the company and the county, I believe, that
13 information is on page 42 of your packet. That's the letter. And
14 an agreement in support of an extension on this project.

15 The only thing that's noteworthy here is that the
16 company also has investments in Lynchburg, which is not part of
17 Bedford County right next door. They are looking to invest in
18 2021, which will get them closer to achieving the full
19 performance measures that have been set forth and hopefully by
20 the end of this year. That's why the Staff is in agreement to
21 have an extension through December 31st, 2021.

22 MR. FEINMAN: I will draw the Committee's attention
23 to the word "final".

24 MR. BRINGMAN: There might be people here from the
25 town that want to speak on behalf of this. All right.

1 MR. BLEVINS: I move we accept the Staff's
2 recommendations.

3 DELEGATE KILGORE: We have a motion and a second
4 to accept the Staff recommendation, 3044. All in favor, say aye.
5 (Ayes). Opposed? (No response). The motion carries.

6 The next project, 3177.

7 MR. BRINGMAN: RTI Martinsville, 3177. This is a
8 TROF grant awarded to Henry County, RTI Martinsville in 2016
9 for \$80,000, and a 36-month performance agreement ended in
10 March of 2019, and administratively extended to March of '21.
11 The employment agreement required 15 persons to be employed
12 with an aggregate payroll of a little over \$148,000 and the
13 taxable asset obligation during the performance period was a
14 little over \$8.5 million.

15 Currently, the company has met over 100 percent of
16 their employment goal and 42 percent of their capital investment
17 goal. The county and the company both believe they will be fully
18 able to achieve their performance goals if granted a final
19 performance extension through the end of March, 2021. They
20 have a letter of support on page 44 and 45, the company and
21 county. The company is unable to be here today.

22 Staff recommending a final performance extension
23 through March 31, 2021.

24 SENATOR RUFF: What was the explanation why they
25 didn't meet their capital expense?

1 MR. SORRELL: They initially anticipated some of the
2 capital investment they had in the City of Lynchburg, but they
3 couldn't count that one.

4 MR. BRINGMAN: With the pandemic, construction
5 slowed down somewhat. They're saying in the letter, as well as
6 some of the travel associated with their company, so they're
7 asking for a slight deviation. A one-year extension on their
8 contract.

9 MR. FEINMAN: Where we had administrative leeway,
10 we gave effectively everybody a one-year pass because of the
11 pandemic. Everybody's ability to do everything, including
12 equipment. These folks were in a position where they need
13 somebody to give them a hand.

14 SENATOR RUFF: I agree with that, the 2016, but I
15 would move that we agree with the Staff recommendation.

16 DELEGATE KILGORE: We have a motion and a
17 second. All right.

18 MS. CLARK: Second.

19 DELEGATE KILGORE: We have a motion and a
20 second. All those in favor, say aye. (Ayes). Opposed? (No
21 response). That motion carries.

22 The next one is NovaTech, 3245.

23 MR. BRINGMAN: This one is also with Henry County.
24 This ended in March of 2020. And they made investments after
25 that time period. We allowed a fifth-year extension.

1 DELEGATE KILGORE: Let's go to NovaTech, 3245.
2 This one is also with Henry County, signed off on September,
3 2016 between NovaTech and the Commission and the county for
4 \$130,000. And the original performance period ended
5 September of 2019 and we administratively extended that one
6 for one year.

7 MR. BRINGMAN: The grant agreement was for 50
8 percent of an aggregate payroll of \$359,000 and their taxable
9 assets were supposed to be \$3 million. The company has met
10 over 52 percent of their employment goal and over 100 percent
11 of their capital investment goal. The company recently acquired
12 another company and will be adding another production line in
13 Martinsville. During the pandemic, they weren't able to hire as
14 many people as they wanted and we haven't been able because
15 of the pandemic to set that line until recently.

16 The county and company both support the extension,
17 and the letter is included on page 46 of your packet. And that's
18 why we're requesting a fifth-year extension.

19 DELEGATE KILGORE: Any questions about that?

20 MR. MILES: Will they have that done shortly?

21 MR. BRINGMAN: You mean the production line? I
22 know they're working on the hiring right now. And if you'll look
23 ahead and see some of that through September of 2021, I think
24 we have through March of '21 right now. And we're hoping to
25 capture another two or three quarters.

1 Prior to this, their employment was going up in order
2 to cover, and that has increased.

3 MR. FEINMAN: We certainly welcome companies
4 reporting, we don't trust that particular report. We look at the
5 Employment Commission for employment and the Commissioner
6 of Revenue numbers for taxable investment. So, we're always
7 used to trailing just a little bit.

8 SENATOR RUFF: I wouldn't want to see a company
9 that's growing not able to hire the people quite fast enough. I
10 wonder if we'd be better off to make that October 31st rather
11 than September 30?

12 MR. BRINGMAN: The way it works is that it's based
13 on quarters, so we could extend it to December. The October
14 figure doesn't help us too much. The way VEC structures. Andy,
15 12-31-21 would be the next quarter.

16 SENATOR RUFF: Mr. Chairman, I'd move we change
17 that date to December 31, 2021. We don't want to see damage
18 during that process. Make sure the company is doing what we
19 expect them to do.

20 MS. CLARK: Second.

21 DELEGATE KILGORE: Any other comments? The
22 motion is to grant the performance extension through December
23 31, 2021. All in favor, say aye. (Ayes). Opposed? (No
24 response). That motion carries.

25 Town of Saint Paul, 3375. This is known as the

1 Western Front Hotel. This was a TROF agreement that was
2 signed in September of 2017 in the amount of \$85,000, 36-
3 month performance period ending 9-30-20 and was
4 administratively extended for an additional year through 9-30-
5 2021. The performance agreement requires the company would
6 employ 22 persons with an aggregate payroll of \$137,000, with
7 the taxable asset of about \$6.4 million.

8 Currently, the company has achieved 30 percent of
9 the employment obligation and nearly 50 percent of the taxable
10 asset performance. As with many other hotels, the pandemic
11 has impacted tourism and hospitality significantly. Therefore, the
12 company with support from the town has requested a
13 performance extension through the end of September 2022.
14 That letter is on page 48 of your packet. We believe they'll be
15 able to meet their performance obligations with this extension
16 and request this be approved through September 30, 2022.

17 MR. FEINMAN: They're working with us right now on
18 a loan for funding, and they've got an investment from a number
19 of other parties. We just want to give them every chance we
20 can. If it closes, it'll be a huge setback for the Town of Saint
21 Paul.

22 MR. MILES: I move we accept the Staff
23 recommendation.

24 DELEGATE KILGORE: We have a motion and a
25 second. All in favor, say aye. (Ayes). Opposed? (No response).

1 That motion carries.

2 MR. SORRELL: We can go into the Confidential Project
3 now.

4

5 NOTE: A closed confidential meeting is held;
6 whereupon, the Committee reconvenes in open session, and the
7 roll call is held.

8

9 MR. FEINMAN: Mr. Blevins.

10 MR. BLEVINS: Yes.

11 MR. FEINMAN: Ms. Clark.

12 MS. CLARK: Yes.

13 MR. FEINMAN: Mr. Miles.

14 MR. MILES: Aye.

15 MR. FEINMAN: Delegate Rasoul.

16 DELEGATE RASOUL: Aye.

17 MR. FEINMAN: Senator Ruff.

18 SENATOR RUFF: Yes.

19 MR. FEINMAN: The motion carries.

20 SENATOR RUFF: Do we have any other business? Is
21 there any public comment?

22 UNIDENTIFIED: I move we accept the
23 recommendation on Project Palm.

24 MS. CLARK: Second.

25 SENATOR RUFF: We have a motion and a second we

1 approve Project Palm. All in favor, say aye. (Ayes). Opposed?
2 (No response). All right, thank you.

3 Now, is there any other public comment? All right.

4 MR. FEINMAN: We have some changes to the way
5 that we're approaching the Community Funding Program. My
6 view the approval of the program guidelines and for the
7 convenience of our oversight colleagues, want to make it explicit
8 that the authority the Staff has to make those moves on a rolling
9 basis rather than continuing to wait until we have one our
10 meetings. The TROF grant loans, we need to do this so the
11 timeframe works. So, what we're proposing is to make it explicit
12 the Executive Director has the authority in consultation with this
13 Committee through email and there were folks at VRA if the loan
14 in the amount of \$5 million or less to move forward with the loan
15 without waiting formal authorization by the Committee and
16 Commission.

17 SENATOR RUFF: I would tell you that at least one
18 county has talked to me about how slow it is to get a loan. It's
19 not worth the squeeze considering the interest rate. So, if we
20 can speed up the process, it helps everybody.

21 MR. FEINMAN: VRA was not previously in the
22 business of evaluating. They had the expertise, so they take a
23 little while to act, but they are moving faster. We might make
24 these loans at a higher interest rate down the road, but we do
25 anticipate significant pickup in the amount of money we're doing.

1 There's a written motion.

2 MR. SORRELL: I move that the Commission accept
3 the Incentives and Loans Committee recommendation to permit
4 the following community and business lending program loan
5 award authorizations:

6 One, CBL loans can be approved by the Executive
7 Director for loan awards up to \$5 million or less;

8 Two, CBL loans must be approved by the Full
9 Commission for loan awards greater than \$5 million;

10 Three, the aggregate amount of CBL loan awards
11 made during any fiscal year shall not exceed the available
12 balance.

13 Number one, that's \$5 million or less.

14 MS. RASNICK: What is the average?

15 MR. SORRELL: We currently have three submitted
16 applications. I can get you an update on those terms on the
17 CBL.

18 MR. FEINMAN: From a risk standpoint, we've got
19 money to lend, \$5 million is a bare ceiling to make sure we're
20 managing our risks.

21 SENATOR RUFF: Is that the right number?

22 MR. BLEVINS: I think that certainly merits discussion.
23 Five million is a sizeable amount. I do think we need to do
24 something to make the process faster. I also think the \$5 million
25 amount at least have some discussion.

1 MR. FEINMAN: The Committee can get confidential
2 email, including all information and an opportunity for any
3 individual member to speak and you can always have a
4 discussion with Staff or wait until the next meeting of the
5 Committee.

6 Second, we don't move forward with any loans that
7 our underwriters disagree with.

8 MR. MILES: What's the reason for the \$5 million
9 figure?

10 MR. FEINMAN: There's not a set amount. Seemed to
11 be in keeping with the higher end.

12 MR. SORRELL: But to accommodate the different
13 clients.

14 MR. MILES: Is this set up for our approval? Does
15 VRA go through an analysis or is this a way we have any control
16 over it?

17 MR. FEINMAN: It's my view that both of those could
18 be potential holdup depending on where you are and we have
19 these Commission meetings, we don't want to say we're going to
20 wait three months, but there are times when we've had to wait
21 for the Committee to approve a loan. But our hope is to
22 streamline the process while still giving the Committee full ability
23 to discuss it. Any specific instance in which the Committee wants
24 to pull a loan in, we can do that.

25 MR. SORRELL: If there's any red flag exercised, we

1 make sure we get a message to the Committee and if there's
2 anything that we can't handle that you prefer to discuss at a
3 Commission meeting, we can do that and we want to have that
4 discussion.

5 MR. FEINMAN: If we get into a situation where we
6 have a lower threshold, we'll then be needing to call a number of
7 meetings, because we don't want to be in a situation, we don't
8 want to say to a company it's looking good and you've got to
9 wait three or four months to get approval, and I don't want to
10 speak for Chairman Owens, but we could always call you in.

11 MS. KIM: Mr. Chairman, this is a new program and
12 there was not a policy. So, this is to protect.

13 DELEGATE RASOUL: Mr. Chairman, do you feel that
14 the Committee is given enough direction where you're not just
15 calling strikes and balls here, a high level policy on what we want
16 to do?

17 MR. FEINMAN: As I said at the outset, we put the
18 program guidelines together in front of you all at our last
19 meeting, but our authority is through you. But I think we have a
20 pretty good sense. As with any new program and before we
21 were making loans to our grant committees, and this program is
22 only a few months old. As with any program, it will need to be
23 refined and reviewed and we'll certainly continue to do that as we
24 move forward. I don't think there's ever been a case that the
25 Staff, and certainly the underwriters at VRA, are reckless, but we

1 err on the side of caution as opposed to disbursing funds.

2 As with any loans, we can come back and approve
3 them individually. My view is that the \$5 million lending, that
4 when we discussed this with companies, it's something they're
5 excited about.

6 MR. SORRELL: What we had one \$4 million and \$2.4,
7 \$2.5 in the mill.

8 MR. OWENS: Tell me what you were going to talk
9 about or what was your thoughts on that?

10 MR. BLEVINS: Well, Mr. Chairman, I think there are
11 adequate controls in place, incentives, and members have
12 concerns and questions, and I think mechanisms are in place to
13 allow that to happen. Many times you have delegation of
14 authority on lending at so many different levels, but it can make
15 things way more complicated.

16 In my personal opinion, after hearing the discussion
17 and the application-handling process, I think the Incentives and
18 Loans Committee members would have the opportunity to
19 express themselves if they had a concern about anything.

20 MR. FEINMAN: I appreciate that. Anything funny,
21 we're going to come before you all. Anything that serious.

22 DELEGATE RASOUL: What would you think about
23 approving the Staff recommendation, but then adding a request
24 that you brief us on the loans so we can see how it's going?

25 MR. FEINMAN: Yes.

1 MR. SORRELL: That can be done during the Full
2 Commission. We can provide an update, and we do.

3 MR. BLEVINS: I'd make a motion that we approve the
4 \$5 million figure.

5 MR. FEINMAN: In the specific wording.

6 MR. SORRELL: I move that the Committee
7 recommends admissions from Metropolitan Community and
8 Business Lending Program Loan Award Authorizations. CBL loans
9 can be approved by the Executive Director for loan awards up to
10 five million or less. Two, CBL loans must be approved by the Full
11 Commission for loan awards greater than five million. The
12 aggregate amount of CBL loan awards made during any fiscal
13 year should not exceed the available balance.

14 MR. BLEVINS: We can integrate what Cassidy has
15 mentioned since we're formalizing something that is new that
16 Committee members have acquired to have a full briefing on
17 those loans.

18 SENATOR RUFF: In making the motion, are you
19 agreeable to that?

20 MR. BLEVINS: I'm agreeable. I understood that was
21 already included basically.

22 DELEGATE RASOUL: I'll second the motion.

23 SENATOR RUFF: Any further discussion? Hearing
24 none, all those in favor, say aye. (Ayes). Opposed? (No
25 response).

1 MR. SORRELL: The only other motion we had was
2 that the Committee recommend to the Commission accept the
3 Incentives and Loans Committee recommendation from its CBL
4 loan applications, Numbers 3764, 3913, and 3914, to
5 retroactively apply the award amount authorizations adopted by
6 the Commission at this meeting.

7 SENATOR RUFF: Thank you. Any other business?

8 UNIDENTIFIED: Mr. Chairman.

9 SENATOR RUFF: Let's get a second.

10 UNIDENTIFIED: Second.

11 SENATOR RUFF: In keeping with the policy, we would
12 be briefed on these three, I want to make sure we all hear about
13 it.

14 MR. FEINMAN: It's like the TROF briefing, even
15 members not on the Committee can get this information.

16 SENATOR RUFF: Any further discussion? Hearing
17 none, all in favor, say aye. (Ayes). Opposed? (No response).

18 Any public comment? Hearing none, we're adjourned.

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PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional
Reporter and Notary Public for the State of Virginia at Large, do
hereby certify that I was the Court Reporter who took down and
transcribed the proceedings of the **Tobacco Region
Revitalization Commission, Incentives and Loans
Committee Meeting**, when held on Wednesday, September 22,
2021, at 9:30 o'clock a.m.

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

Given under my hand this _____ day of October,
2021.

Medford W. Howard
CCR