



INDUSTRIAL  
DEVELOPMENT  
AUTHORITY

Meeting Date: Thursday, October 27, 2022  
Meeting Time: 7:00 pm  
Meeting Place: Citizen Services  
Conference Room  
85 Carden Lane  
Rustburg, VA 24588

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## Agenda

- 1) Call to order
- 2) Review and Approval of Minutes: August 25<sup>th</sup> & September 19<sup>th</sup>, 2022
- 3) Public Comment
- 4) Matters from Economic Development Staff:
  - a) Financial Report
    - i) Higher Interest Rate Bearing Account Options
  - b) Project Updates
  - c) Revolving Loan Fund Discussion
    - i) TFG RLF Grant Opportunities
    - ii) IDA Custom RLF Program
- 5) Grading Project Update
- 6) Matters from the Chairman
- 7) Matters from IDA Members
- 8) Adjourn

Next Scheduled Meeting: January 26, 2023



## **2023 Meeting Schedule:**

**January 26, 2023**

**March 23, 2023**

**June 22, 2023**

**August 24, 2023**

**October 26, 2023**

### **2023 Board Members:**

**Vance Driskill -Chairman**

**Dennis Rosser-Vice Chair**

**George Rosser—Secretary  
Treasurer**

**Larry Dalton**

**Don Wooldridge**

**Jack Dean**

**Thomas Vaughan**

**The Industrial Development Authority  
meets on the fourth Thursday of specified  
months at 7:00 p.m. in the Citizen Services  
Building first-floor conference room at 85  
Carden Lane, Rustburg.**

**Industrial Development Authority**  
**Economic Development Project Updates**  
**October 27, 2022**

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**Industrial Prospect Activity:**

- **Dearing Ford Center for Business and Manufacturing:** Working with the town to remove the covenants from the property. The current covenants adhere to 1988 zoning definitions and restrict heavy industrial development.

**Projects/Activities –**

**Business Retention and Expansion Meetings-** Inquired with Rage, BGF, and Georgia Pacific to set up their routine business check in meetings.

**Natural Gas Extension-** BOS approved natural gas extension down Crowell Lane. Staff is finalizing the businesses who will connect on the new line to confirm cost and proceed with construction planning.

**Tobacco Revitalization Region Commission**

**Precision Agriculture Grant-** First four pay requests in processing. All grant funding has not been claimed. After November the remaining funds will be redistributed to Counties with a wait list.

**Incubator Space Feasibility Study-** Feasibility study returned favorable recommendation for the renovation of VTI Vacant space to be used as a manufacturing incubator space. VTI Board to consider their plans for redevelopment.

**Agri-business Grant-** Submitting a grant to support the marketing efforts of Farmer's markets, and produce subscription boxes in the Campbell County area that will provide matching funds for the operations to connect more residents with locally grown, fresh produce. Application due 10/20/22.

**Brookneal Campbell County Airport Authority-** the authority has moved to secure a consultant to draft the master plan revisions needed to construct hangars at a more affordable location.

**Economic Development Commission-** Next meeting on October 26, 2022 to go over the role of Economic Development in preparation for their CEDs exercise in the upcoming year.

**Public Engagement:**

Community Involvement: **Campbell Connects** – Next event on December 8<sup>th</sup> at 6pm- in Altavista at the Train Station with the Altavista Chamber of Commerce

**Uncle Billy's Day-** met with the planning committee to support marketing and promotion of the Event to be held in June 2023. **Rustburg High School-** Business and Entrepreneurship class presentation scheduled for November 14<sup>th</sup>.

Marketing: New brochure printed and distributed.

## Unemployment 2022

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
<b>County</b>	3.6%	3%	2.8%	2.5%	3.1%	3.1%	3.1%	3.5%				
<b>State</b>	3.4%	2.9%	2.7%	2.5%	3.0%	3.0%	2.9%	3.2%				
<b>US</b>	4.4%	4.1%	3.8%	3.8%	3.4%	3.8%	3.8%	3.8%				
<b>Region</b>	3.7%	3.1%	2.9%	2.7%	3.3%	3.4%	3.3%	3.7%				

<https://www.virginiaworks.com/Local-Area-Unemployment-Statistics-LAUS>

TO: Campbell County

DATE: August 2022

## Revolving Loan Fund Opportunities for Campbell County's Industrial Development Authority

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### Introduction

Campbell County is interested in federal and state grant funding for its Industrial Development Authority (IDA) to establish a Revolving Loan Fund (RLF). The IDA would act as an intermediary to small businesses in Campbell County which may otherwise not be able to obtain loans.

TFG identified two federal programs which are currently open and accepting applications on a rolling basis which may support the establishment of a RLF:

- **Economic Development Authority (EDA) – Public Works and Economic Adjustment Assistance Program**
- **U.S. Department of Agriculture (USDA) – Intermediary Relending Program**

Brief summaries of these programs are provided below. TFG can provide additional information upon request.

In addition, TFG identified four other potential opportunities for the IDA. However, it was determined that both the IDA and the County are not eligible to compete for these funds:

- Wells Fargo Corporate Giving: Open for Business - Community Development Financial Institutions (CDFIs) Program: This program provides funding to CDFIs to provide funds to small businesses to help them recover from the economic, health, and social crises of 2020. It is only available to nonprofit organizations.
- USDA – Rural Microentrepreneur Assistance Program: This program provides loans and grants to help startup and grow Rural Microloan Revolving Loan Funds and is only available for microenterprise development organizations (MDOs). Eligible MDO entities include nonprofit organizations, Federally-recognized tribes, and institutions of higher learning.
- US Department of the Treasury (Treasury) – FY 2022 Community Development Financial Institution (CDFI) Equitable Recovery Program: This program provides funding only to CDFIs to expand lending, grant making, and investment activities.



- Treasury – FY2021 Capital Magnet Fund: This program provides funding for capitalizing revolving loan funds for economic development activities that work in conjunction with affordable housing activities. It is only available for CDFIs and nonprofit organizations that have the development or management of affordable housing as one of their principal purposes.

Many Treasury loan programs, including the CDFI Equitable Recovery Program and the Capital Magnet Fund require entities to be CDFIs. To become a [certified CDFI](#), an entity cannot be a government entity. *TFG does not believe that the IDA (classified as a political subdivision) will be able to compete for these programs but has reached out to Treasury for confirmation.*

## Program Summaries

### EDA – Public Works and Economic Adjustment Assistance Program

This [program](#) provides economically distressed communities and regions with comprehensive and flexible resources to address a wide variety of economic needs. Projects funded by this program will support work in Opportunity Zones and will support the mission of the funding agency by, among other things, leading to the creation and retention of jobs and increased private investment, advancing innovation, enhancing the manufacturing capacities of regions, providing workforce development opportunities, and growing ecosystems that attract foreign direct investment. This program provides funds to support construction, non-construction, planning, technical assistance, and revolving loan fund (RLF) projects. RLF projects will support the capitalization or recapitalization of RLFs. *RLF projects do not require applicants to fill out ED900-B (beneficiary) forms demonstrating job growth and capital investment. Instead, applicants must submit a draft RLF plan.*

**ELIGIBILITY:** Eligible applicants are district organizations; Indian tribes or consortia of Indian tribes; states, counties, cities, or other political subdivisions of states; institutions of higher education or consortia of institutions of higher education; and public or private nonprofit organizations acting in cooperation with officials of political subdivisions of states. In addition, projects must be located in a region that meets the EDA's distress criteria for at least one of three factors based on unemployment, per-capita income, and location in a special-need region. *Based on June 2022 statistical information, the County meets EDA's distress criteria for the following factor: a Per Capita Income (\$41,030) that is less than 80% of the national Per Capita Income (\$59,510).*

**FUNDING:** In FY 2020, an unspecified amount of funding is available to support awards. Awards generally range from \$150,000 to \$1 million for Economic Adjustment Assistance, with an average award size of approximately \$650,000.

**MOST RECENT SOLICITATION:** Rolling

### USDA – Intermediary Relending Program

The purpose of this [program](#) is to alleviate poverty and increase economic activity and employment in rural communities, especially disadvantaged and remote communities. This program will provide direct loans to intermediaries that will establish revolving loan programs for the purpose of providing loans to ultimate recipients to promote community development, establish new businesses, establish and support microlending programs, and create or retain employment opportunities in rural areas. The program provides 1 percent low-interest loans to local lenders or "intermediaries" that re-lend to businesses to improve economic conditions and create jobs in rural communities.

**ELIGIBILITY:** Eligible applicants are nonprofits and cooperatives, Federally-recognized tribes, public agencies, and cooperatives. Intermediary lenders must also meet the following requirements:

- The legal authority to operate a Revolving Loan Fund (RLF)
- A record of successfully assisting rural businesses and communities, normally including experience making and servicing commercial loans
- The ability to provide adequate assurance of repayment of the loan
- Capitalization or equity sufficient to sustain its lending and business operations
- Majority outstanding interest or membership must be composed of U.S. citizens
- Intermediary and principals must have no Federal delinquent debt
- Unable to finance the fund through its own sources or other conventional financing
- The ability to close the IRP loan within six months of loan approval
- A board consisting of business and civic leaders

In addition, projects funded to ultimate recipients must be located in an eligible rural area based on thresholds established by the USDA Office of Rural Development. *According to [USDA's property eligibility tool](#), the County is located in an eligible rural area.*

**FUNDING:** In FY 2023, an unspecified amount of funding is available to support loans of up to \$1 million through this program. Applicants that request loans of \$750,000 or less will be awarded additional points during the application evaluation process. Total outstanding IRP indebtedness of an intermediary to the funding agency may not exceed \$15 million at any time. The terms for the loan for intermediary lender will be as follows:

- The interest rate is fixed at 1 percent
- The maximum term is 30 years
- Interest-only payments may be permitted for the first three years
- In the first six months after closing \$250,000 or greater of loan funds must be used

For ultimate recipients, the maximum loan may be no more than \$400,000 or 50 percent of the total cost of the ultimate recipient's project for which the loan is being made, whichever is less. There are no stated matching requirements for this program; however, applicants that contribute at least 5 percent at the total loan amount via cash contributions to the IRP revolving loan fund at the time of application will be awarded additional points during the application review process. The IRP revolving fund share of the total eligible project cost of an ultimate recipient's project is limited to 75 percent of the total eligible project cost.

**MOST RECENT SOLICITATION:** Rolling on a quarterly basis. The next application is due September 30, 2022.