ANNUAL REPORT 2022

VCEDA

VIRGINIA COALFIELD ECONOMIC DEVELOPMENT AUTHORITY

CHAIRMAN'S LETTER

The Honorable Glenn Youngkin
Governor of Virginia
Patrick Henry Building, 3rd Floor
1111 East Broad Street
Richmond, Virginia 23219

Larry Mosley
Chairman

Dear Governor Youngkin,

We are pleased to submit to you and the General Assembly the 2022 Annual Report of the Virginia Coalfield Economic Development Authority (VCEDA).

Fifty new projects and expansions were announced in 2022, involving 709 full-time and 191 part-time new jobs. These projects plan more than $220 million in private investment in the region. New project announcements included the locations of Signco, Ronald Mark Associates, and Blackstone Data Services to Tazewell County as well as expansions by Appalachian Millworks & Cabinetry and AMR PEMCO in that county; the K-VA-T Food Stores expansion and a new substance abuse rehabilitation facility in Dickenson County; the Coronado Global expansion in Buchanan and Tazewell Counties; and expansions by Polycap and Bates Family Farm in Russell County. Funding from VCEDA's Seed Capital Matching grant program assisted 37 new business start-ups with 267 full-time and part-time jobs projected.

In 2022, VCEDA approved 54 loans and grants for $9,524,604 in new VCEDA funding. Funding was approved for projects in all eight localities in the VCEDA region. In addition to providing administrative assistance to the Virginia Coalfields Expressway Authority (CFX), VCEDA, in conjunction with the region's federal legislators, raised $8.995 million in federal funding for the CFX which is deemed a crucial component in the economic development future of Southwest Virginia.

VCEDA is committed to its mission and crucial role in helping to diversify the region's economy. We look forward to working with the Governor's Office and the General Assembly to help our region continue to diversify and grow.

Sincerely,

Larry Mosley

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VCEDA
VIRGINIA COALFIELD ECONOMIC DEVELOPMENT AUTHORITY

Mission of the Virginia Coalfield Economic Development Authority

The primary purpose of the Authority is to enhance the economic base for the seven county and one city coalfield region of Virginia (Lee, Wise, Scott, Buchanan, Russell, Tazewell and Dickenson Counties and the City of Norton). The Authority shall provide financial support for the purchase of real estate, construction of buildings for sale or lease, installation of utilities, direct loans and grants to private for-profit basic employers; may apply for matching funds from the state or federal government, or the private sector; and any other support improvements it deems necessary.

Code of VA Title 15.2 Chapter 60, Section 15.2-6002

EXECUTIVE DIRECTOR'S REPORT

Jonathan Belcher
Executive Director/
General Counsel

The Virginia Coalfield Economic Development Authority (VCEDA) was formed by the Virginia General Assembly in 1988 to enhance and diversify the economy of the seven-county, one-city coalfield region of Southwest Virginia, which includes the counties of Buchanan, Dickenson, Lee, Russell, Scott, Tazewell and Wise and the City of Norton. Since VCEDA was formed, the region has seen the creation of tens of thousands of jobs, billions in private investment, the economic diversity index of the region has improved by more than 250%, and the region's unemployment rate has been cut by at least half.

2022 saw the region build upon these successes despite the lingering effects of the COVID-19 pandemic and high national inflation. Some of these successes included:

» The announcement of 43 new projects in the region, projected to create 365 full-time and 141 part-time jobs and $35,879,701 in private investment.

» The announcement of 7 expansion projects in the region, projected to create 344 full-time and 50 part-time jobs and $184,475,200 in private investment.

» The approval by the VCEDA Board of 54 loans and grants for $9,524,604 in new VCEDA funding.

» Thirty-seven new business start-ups in the region supported by grants from VCEDA's Seed Capital Matching Fund program, projecting 126 full-time and 141 part-time jobs.

» Twenty-five outreach marketing events to promote the region, which VCEDA promotes as *Southwest Virginia's e-Region*, throughout the United States.

» The raising of $8.995 million in federal funding for the Coalfields Expressway, in conjunction with the Virginia Coalfields Expressway Authority and the region's federal legislators.

Important projects announced during the year in the region included the Coronado Global expansion in Buchanan and Tazewell Counties; the K-VA-T Food Stores expansion and a new substance abuse rehabilitation facility in Dickenson County; expansions by Polycap and Bates Family Farm in Russell County; the locations of Signco, Ronald Mark Associates, and Blackstone Data Services to Tazewell County as well as expansions by Appalachian Millworks & Cabinetry and AMR PEMCO in that county; and a host of new business start-ups in the region including Whistle Pig Country Store in Lee County, Air Fiber Communications in Russell County, and 12 new business start-ups in Wise County, the most Seed Capital-supported start-ups of any county.

As always, the successes of 2022 were possible because of the region's team approach as VCEDA and its economic development allies work towards a common goal for the betterment of the region. It is this team approach that will continue to be critical as the region perseveres in its challenge to enhance and diversify the economy of the coalfields of Virginia.

VCEDA staff includes, from left, Mitzi White, Office Manager; Jean Jordan, Funds Administrator; Jonathan Belcher, Executive Director/General Counsel; Marketta Horton, Economic Development Specialist; and Susan Copeland, Marketing Coordinator.

2022 NEW PROJECTS

NEW PROJECTS	LOCALITY	JOBS	PRIVATE INVESTMENT
Hurley Remodeling & Custom Designs LLC	Buchanan	2 FT / 4 PT	$15,000
Dickenson County Substance Abuse Rehabilitation Center	Dickenson	52 FT	$1,000,000
Wright Way Repair LLC	Dickenson	3 FT	$37,000
CRC Affordable Quality Lawn Care LLC	Dickenson	3 FT	$10,000
Mountain View Marina & Campground, LLC	Dickenson	3 FT / 6 PT	$182,000
Hammilltime Construction, LLC	Dickenson	2 FT / 4 PT	$30,000
Sykes Seamless Gutter LLC	Dickenson	1 FT / 1 PT	$50,084
Delightfully Designed, LLC	Dickenson	1 FT	$10,000
Whistle Pig Country Store, LLC	Lee	3 FT / 12 PT	$319,200
Rock Bottom Horse Camp, LLC	Lee	1 FT / 1 PT	$95,000
B's Wigs, Extensions and Beauty Supply L.L.C.	Norton	5 FT / 2 PT	$33,141
RTW Music LLC d/b/a The Music Schoool and Shop	Norton	2 FT / 12 PT	$130,000
Elite Motion Dance Company Inc.	Russell	3 FT / 5 PT	$14,700
Air Fiber Communications, Inc.	Russell	12 FT	$10,000
Double Dreaming, LLC d/b/a Retail Junkies	Russell	1 FT / 3 PT	$11,590
Lavish Hair Design, LLC	Scott	5 FT / 2 PT	$10,300
Grain Bin Market LLC	Scott	2 FT / 5 PT	$39,750
Kane St. Smokehouse LLC	Scott	4 FT / 10 PT	$148,600
Hall Logging, LLC	Scott	3 FT / 1 PT	$53,120
Devils Fork Campground LLC	Scott	2 FT / 4 PT	$54,279
Boutique 276 LLC	Scott	1 FT / 3 PT	$10,016
Signco	Tazewell	19 FT	$650,000
Adair Behavioral Services LLC	Tazewell	8 FT / 3 PT	$36,961
Ethics Hair Care LLC	Tazewell	6 FT	$37,252
The Happy Goat, LLC	Tazewell	2 FT / 5 PT	$282,000
Blackstone Data Services, LLC	Tazewell	5 FT	$18,000,000
Ronald Mark Associates, Inc.	Tazewell	29 FT	$13,500,000
Bee Noodled, LLC	Tazewell	8 FT / 3 PT	$50,000
Tazewell Test Center, LLC	Tazewell	1 FT / 1 PT	$13,350

FT = full-time; PT = part-time

2022 NEW PROJECTS

NEW PROJECTS	LOCALITY	JOBS	PRIVATE INVESTMENT
Far Fetched Grooming LLC	Wise	8 FT / 4 PT	$45,000
WM3 Enterprises LLC	Wise	5 FT / 7 PT	$15,000
Oma's Haus LLC	Wise	4 FT / 7 PT	$187,500
One Step At A Time, LLC	Wise	4 FT	$445,000
Sweet Winks LLC	Wise	2 FT / 4 PT	$51,000
Paymerang LLC	Wise	50 FT	N/A
Micah McDermott LLC d/b/a Just Melt It	Wise	7 FT	$35,000
The Charc Board LLC	Wise	5 FT / 5 PT	$15,050
Sugar Plum Tavern and Eatery LLC	Wise	2 FT / 6 PT	$89,908
Universal Fitness LLC d/b/a Absolute Fitness	Wise	2 FT / 5 PT	$75,000
Fourth Street Sweets, LLC	Wise	1 FT / 10 PT	$16,100
The Shack at Lonesome Pine, LLC	Wise	1 FT / 4 PT	$19,800
Cluck Truck, LLC	Wise	1 FT / 2 PT	$52,000
MECC/SWCC Solar Workforce Accelerator	Regional	84 FT	N/A
TOTAL NEW PROJECTS (43)		**365 FT / 141 PT**	**$35,879,701**

2022 EXPANSIONS/RETENTIONS

EXPANSIONS/RETENTIONS	LOCALITY	JOBS	PRIVATE INVESTMENT
Breaks Interstate Park	Buchanan/Dickenson	3 FT / 50 PT	N/A
Coronado Global Resources Inc.	Buchanan/Tazewell	181 PT	$169,100,000
Polycap LLC	Russell	15 FT	N/A
Bates Family Farm, LLC	Russell	35 FT	$300,000
Appalachian Millworks & Cabinetry, LLC	Tazewell	15 FT	$1,050,000
AMR PEMCO	Tazewell	20 FT	$575,200
K-VA-T Food Stores	Dickenson	75 FT	$13,450,000
TOTAL EXPANSIONS (7)		**344 FT / 50 PT**	**$184,475,200**
TOTAL NEW PROJECTS & EXPANSIONS/RETENTIONS (50)		**709 FT / 191 PT**	**$220,354,901**

FT = full-time; PT = part-time

HIGHLIGHTS

Wildwood Recovery Center / Dickenson County / $4 Million Loan

VCEDA approved a $4 million loan to help the Dickenson County Industrial Development Authority (IDA) establish the only in-patient residential substance abuse rehabilitation facility in the region to be located in Dickenson County near Clintwood, VA. The $7 million Wildwood Recovery Center will be operated by Addiction Recovery Care (ARC), headquartered in Louisa, Ky., and will include modular buildings, two 7,000-square-foot administrative and six 1,900-square-foot dormitories, allowing ARC to serve at least 96 male individuals. The project is also being supported by a $2 million loan by the Virginia Small Business Financing Authority, the Dickenson County Board of Supervisors, the town of Clintwood and other county entities. Within its first year of operation, Wildwood Recovery Center is projected to create approximately 30 local jobs and 52 jobs within two to five years.

Blackstone Data Services, LLC / Tazewell County / New Project

Blackstone Data Services, LLC, a data center hosting service and cryptocurrency mining business, announced in October it will be coming to Tazewell County and locating in the Bluestone Business and Technology Park shell building. The new company is expected to create five new jobs and a projected private capital investment of $18 million and will provide data center hosting, server and node maintenance, and cryptocurrency mining container asset manufacturing to benefit a three-state area. In 2017, the VCEDA Board approved up to a $2,739,700 loan to the Tazewell County Industrial Development Authority (IDA) to help finance site development and costs associated with the construction of the approximately 40,000-square-foot technology shell building to be occupied by Blackstone.

Ronald Mark Associates, Inc. / Tazewell County / New Project

Governor Glenn Youngkin announced in November that Ronald Mark Associates, Inc. (RMA), a leader in custom resin and vinyl fabric formulations and technical services, will invest $13.5 million to establish a manufacturing operation in Tazewell County. The company will occupy the former Komatsu Mining Corp. facility at 1081 Hockman Pike in Bluefield, VA, revitalizing a vacant facility and creating 29 new jobs. VCEDA worked with Tazewell County officials, the Virginia Economic Development Partnership and state legislators to recruit a new tenant for the former manufacturing facility. Headquartered in Hillside, NJ, RMA has been marketing, distributing, and packaging PVC resin since 1971 and manufacturing vinyl films and technical textiles since 1979.

RMA TECHNOLOGIES

Signco / Tazewell County / $650,000 Investment

Governor Glenn Youngkin announced in March that Signco, a Chicago-based custom sign manufacturer will invest $650,000 to establish an operation in Tazewell County and create 19 new jobs. The company will occupy the former MC Signs facility in Bluefield, VA. Founded in 1984 in Melrose Park, IL, Signco works with businesses of all sizes to create customized sign and logo designs and boasts a state-of-the-art graphics department for large format digital printing and fleet graphics. Additionally, the company has developed a new manufacturing process using 3D printing to make multi-dimensional LED letters, the first company in the United States to bring this technology to the mainstream sign industry. The company cited the workforce and its strong core values of family and innovation as being keys to its decision to locate in Tazewell County.

Appalachian Millworks & Cabinetry, LLC / Tazewell County / $400,000 Loan

VCEDA approved a $400,000 loan to be used to finance building construction, renovations and improvements to streamline manufacturing and assist with an expansion of Appalachian Millworks & Cabinetry, LLC (AMC) in Tazewell County, bringing with it 15 new full-time jobs and $1,050,000 in private investment. Known for its custom cabinetry, trim, flooring and other millwork, AMC began operations in 2015 in the former W.B.F. White and Sons building, which was formerly used for the operation of a similar business, Clinch Valley Millworks. To become more efficient and streamline the manufacturing process, AMC has purchased a new location, the former Magic Mart building and site located in downtown Richlands, for a relocation and expansion allowing the company to have higher volume production, increase sales and add jobs.

AMR PEMCO / Tazewell County / $447,200 Loan

Twenty new jobs and $575,200 in private investment are projected to be coming to Tazewell County in the next two years as a result of an expansion at AMR PEMCO in Bluefield, VA, made possible in part by an up to $447,200 low-interest loan to the company by VCEDA. The funds will be used to finance the purchase of equipment and machinery and to make building renovations and expansions to increase production space and efficiencies at the company's manufacturing facility in Bluefield. The company currently has 88 full-time employees at the Bluefield facility, but projects that number will increase to 108 within two years. AMR PEMCO designs and manufactures dry-type transformers, power distribution equipment and industrial control enclosures and buildings. Through the years, VCEDA has provided six loans to PEMCO Corporation for various expansion projects, including the current loan.

HIGHLIGHTS

Food City Groundbreaking / Dickenson County / Expansion

K-VA-T Food Stores officials broke ground in September on a new state-of-the-art Food City supermarket that will be located at the intersection of Dickenson Highway and Main Street in Clintwood, VA. The 45,000-square-foot retail supermarket will serve as a replacement for Food City's existing location in Clintwood and is expected to open in spring 2023. VCEDA provided a grant to the Dickenson County Industrial Development Authority to help develop the site. VCEDA recognizes Food City as a highly significant regional employer, and the 75 new jobs and $13,450,000 investment this new store will bring to Dickenson County will be a boost to the economy and to downtown Clintwood.

Coronado Global Resources Inc. / Buchanan and Tazewell Counties / Expansion

VCEDA was in attendance in December at Coronado's Buchanan Mine for the celebration and ribbon cutting of the planned $169 million expansion to one of the largest producers of metallurgical coal in the state. An additional 181 jobs are projected to be added as a result of the expansion which puts the mine in a position to be able to double its extraction capacity bringing its total workers at the site to 781. Gov. Glenn Youngkin was present at the December event to help cut the ribbon on the expansion. VCEDA was pleased to host a meeting with the secretary of commerce and trade, the Virginia Economic Development Partnership, Coronado officials and the Metallurgical Coal Producers Association at its offices in May.

Paymerang / Wise County / New Project

VCEDA extended its congratulations to Paymerang, a payment and invoice automation company based in Central Virginia, who announced it will incorporate Wise County in its business expansion plans. The company and its parent company, Aldrich Capital Partners, announced plans to expand its operations to include use of space in Big Stone Gap in the former Mutual Drug building to create 50 jobs. Employees in the Wise County facility will engage in software development and payment operations for Paymerang's nationwide client base. VCEDA has been pleased to work with Big Stone Gap in the past to provide a $90,000 grant for renovations to the building; and another $10,000 seed capital grant for Curklin's which is already located in the building.

Polycap LLC / Russell County / $100,000 Grant

VCEDA approved an up to $100,000 grant from the VCEDA Coalfield Workforce Development and Training Fund to the Russell County Industrial Development Authority (IDA) to assist with a planned expansion by Polycap LLC. An additional 15 new full-time jobs are expected to be created within a four-year period and will exceed original job projections made by the company when it first located in Southwest Virginia's e-Region. The grant will be used for workforce development and training. Currently, Polycap LLC employs 41. Polycap LLC was recruited to the Lebanon shell building in 2019 by the Russell County IDA and VCEDA. It is the first and only U.S. manufacturing plant for Plasticap, which was based in Toronto, Canada. Plasticap has since moved all of its manufacturing to the Lebanon facility and now operates solely under the Polycap name.

Acme Building / Russell County / $200,000 Loan

VCEDA approved an up to $200,000 loan to the Russell County Industrial Development Authority (IDA) to finance additional renovations and improvements at the former Acme building in Lebanon, VA for its new tenant which will bring with it up to 35 full-time jobs within five years. The IDA has been working with Bates Family Farm, LLC, which is interested in use of the building to develop a manufacturing/processing plant for its goat milk lotions and soaps. Bates Family Farm first relocated to Russell County in 2019. VCEDA approved an up to $500,000 loan request from the IDA in 2021 to assist with the purchase and renovation of the former Acme building. The IDA has continued to work with Bates Family Farm, LLC to expand into the building once upfits to the property are completed.

Russell Place / Russell County / $350,000 Loan

VCEDA approved an up to $350,000 loan to the Russell County Industrial Development Authority (IDA) to be used for additional site development at the IDA's Russell Place, a vacant industrial building and its approximately 12 acres. The funds will be used to finance site development, construction, and other improvements in the continued development of the property located in Lebanon, VA. With the assistance of a $900,000 loan from VCEDA last year, the IDA purchased and partially renovated the property, and demolition work on some older sections of the building were started. The VCEDA funds will be used to match the Tobacco Commission funds to allow the IDA to complete the project, and will help the IDA make additional improvements and add to the property's marketability to prospective job-creating tenants.

HIGHLIGHTS

Virginia Tech Study / Target Industries / Southwest Virginia's e-Region

Four target industries that VCEDA should continue to prioritize to promote job growth and investment were identified in an industry strategic analysis conducted by the Virginia Tech Center for Economic and Community Engagement. The findings in the VCEDA-commissioned report were presented to the VCEDA board at its September meeting, and the study found that the region is already outperforming national averages in some key sector areas.

The report identified advanced manufacturing, electronic information technology, energy-related enterprises and creative tourism as the four target sectors. In arriving at the findings, the challenges and opportunities in each industry cluster were analyzed. VCEDA began marketing the region as the e-Region some years ago to focus on emerging technologies (advanced manufacturing), electronic information technologies, energy and education and through additional programs VCEDA has formulated, tourism and entrepreneurship.

Green and Haysi Lots / Dickenson County / $50,000 Grant

VCEDA approved an up to $50,000 grant from the VCEDA Dickenson County Account to be used to finance a feasibility study related to the Dickenson County Industrial Development Authority's (IDA's) "Green Lot" located in Clintwood, VA, and the "Haysi High School Lot" located in Haysi, VA, to assist in the marketing and economic development of those properties.

Space-Based Broadband / Dickenson County / $144,000 Grant

VCEDA approved an up to $144,000 grant from the VCEDA Education and Telehealth Access Fund to the Dickenson County Industrial Development Authority (IDA) to be used to finance the provision of low earth orbit space-based broadband to unserved and/or underserved children in Dickenson County. The project will bring access to high-speed Internet to an additional 60 households, to include 97 school-aged children. Potential benefits of the project include enhanced educational opportunities for students, health treatment expansion and enhanced workforce education and remote worker opportunities. VCEDA was appropriated $500,000 in the Virginia state budget for FY2023 and $500,000 in FY2024 "for initiatives intended to expand education and telehealth access." VCEDA also received $500,000 for that purpose in FY2022.

Breaks Interstate Park / Buchanan and Dickenson Counties / $1.18 Million Grants

Improvements to the Breaks Interstate Park, including the addition of a swimming pool, log cabin construction, cottage and visitor center renovations and other infrastructure improvements will take place at the park due in part to three grants totaling $1.18 million approved by VCEDA. The funds include up to $681,600 in grants to fund the improvement projects which come from the VCEDA Civil Penalties Fund and an up to $500,000 grant to fund the construction of a new swimming pool which comes from the VCEDA Dickenson County account. The park demolished its decades old swimming pool and replaced it with a waterpark in 2012, which VCEDA also helped to fund. Park officials noted that while the facility has been well received, it has also prompted calls from park guests regarding the need for the addition of a swimming pool.

Solar Workforce Accelerator Program / Regional / $225,000 Grant

Up to 84 full-time jobs in the field of solar energy are projected to be created through the new Solar Workforce Accelerator program being funded by an up to $225,000 grant approved by VCEDA in 2021 and announced in 2022 through its Renewable Energy Fund. The funds will be used to establish a joint solar education program being developed by Southwest Virginia Community College (SWCC) and Mountain Empire Community College (MECC). The VCEDA funds will be used for workforce development and training. Through the program, students will be trained and placed in paid internships. The two community colleges joined forces to establish the Southwest Virginia Solar Workforce Accelerator covering the seven counties and one city of the VCEDA region.

Lonesome Pine Regional Business and Technology Park Building / Wise County / $1.2 Million Loan

VCEDA approved an up to $1.2 million loan to the Wise County Industrial Development Authority (IDA) to be used for the purchase of an approximately 10,000-square-foot furnished office building and an approximately 4.363-acre site in the Lonesome Pine Regional Business and Technology Park in Wise County. The property, located at 5957 Windswept Boulevard in Wise, was originally sold by the IDA to Southern Coal Corporation which built the office building. The building, later owned by Davis Mining & Manufacturing, Inc., was vacated. The floorplan of the building includes 19 individual offices; two conference rooms with conference table and chairs; and an entrance reception area. The acquisition of the building fits with planning efforts by the IDA to assist in future tenant recruitment and adds to the region's inventory of marketable buildings and sites.

HIGHLIGHTS

Clintwood Splash Pad / Dickenson County / $300,000 Grants

VCEDA approved three grants totaling $300,000 for the development of a splash pad recreational area in Clintwood, VA. In separate 2021-2022 actions, the VCEDA board approved $50,000 for the project requested by the Dickenson County Industrial Development Authority (IDA) from the VCEDA Tourism Capital Improvement Matching Fund; $50,000 for the project requested by the Town of Clintwood from the VCEDA Tourism Capital Improvement Matching Fund; and gave its approval to a second request from the IDA to transfer up to $200,000 from the VCEDA Dickenson County Account to the VCEDA Tourism Capital Improvement Matching Fund and to approve an up to a $200,000 grant from the VCEDA Tourism Capital Improvement Matching Fund to the IDA. The funds will be used to finance site development, paving, splash pad construction, building construction, the purchase of equipment, other improvements and costs associated with the project.

Space-Based Broadband / Wise County / $232,500 Grant

VCEDA approved a $232,500 grant from the VCEDA Education and Telehealth Access Fund to the Wise County Industrial Development Authority (IDA) to be used to finance the provision of low earth orbit space-based broadband through Starlink Satellite Internet to additional unserved and/or underserved children in Wise County. The grant funds will be used for the cost and expense of hardware and wiring, and for two-year subscriptions for 94 residences in Wise County. This will result in a grand total of 438 students that will receive Starlink Satellite Internet service in the county. VCEDA was appropriated $500,000 in the Virginia state budget for FY2022, $500,000 for FY2023 and $500,000 in FY2024 for initiatives intended to expand education and telehealth access and developed the VCEDA Education and Telehealth Access fund to administer the funds being received from the state.

U.S. Sen. Mark Warner Roundtable / VCEDA Office

U.S. Sen. Mark Warner led a roundtable discussion held at the Virginia Coalfield Economic Development Authority (VCEDA) office in Lebanon in the fall with approximately 45 in attendance, including VCEDA Chairman Larry Mosley and Lebanon Mayor Tony Dodi. Among the topics discussed included the federal infrastructure bill, broadband, funding for the Coalfields Expressway, the recent federal inflation reduction act, global economy issues, clean energy, coal synergy projects, rare earth minerals and Abandoned Mine Land funding.

Virginia Secretary of Commerce and Trade Tour / Southwest Virginia's e-Region

Virginia Secretary of Commerce and Trade Caren Merrick and Virginia Economic Development Partnership (VEDP) President & CEO Jason El Koubi took part in a series of regional roundtable discussions related to economic development, education, workforce and the coal industry, hosted by VCEDA in Lebanon in May. VCEDA also hosted a luncheon in honor of Merrick and El Koubi at the Russell County Conference Center attended by approximately 100 Southwest Virginia state and local elected officials, economic developers and other Southwest Virginia leaders. VCEDA Executive Director/General Counsel Jonathan Belcher opened the roundtable sessions presenting an overview of VCEDA and its programs and providing Merrick and El Koubi and their staff participants with some key facts about the Virginia coalfield region marketed by VCEDA as Southwest Virginia's e-Region.

Virginia Department of Transportation Meeting / CFX and Economic Development

The importance of the Virginia Coalfields Expressway (CFX) as a tool for economic development in the region, as well as a tool for roadway safety was stressed by Virginia Coalfields Expressway Authority Chairman Jay Rife, Virginia CFX Authority Executive Director Jonathan Belcher and others during a May meeting in Abingdon of the Virginia Department of Transportation (VDOT) to consider the region's piece of the Commonwealth's overall $51 billion six-year road plan. Speaker after speaker spoke of the benefits of the CFX project in the region and urged VDOT to find a way to build the roadway, suggesting one approach would be for it to be made part of the Corridor Q project already under construction in Buchanan County and that VDOT seek its designation as being a part of the Appalachian Regional Commission's Appalachian Development Highway System.

Paul's Fan Company / Buchanan County / Grand Opening

VCEDA was pleased to take part in the ribbon cutting for Paul's Fan Company at Southern Gap in Buchanan County in April celebrating the company's decision to expand its operations in Buchanan County. In 2019, VCEDA approved an up to $5.6 million loan to the Buchanan County Industrial Development Authority (IDA) which saw Paul's Fan Company sign on to occupy the shell building under construction at Southern Gap at that time, bringing with it 40 new full-time jobs and the retention of 42 additional full-time jobs over a 10-year period. The addition of the BEAST Company manufacturing line of aluminum trailers at the new location is projected to add another 15 jobs.

HIGHLIGHTS

Workforce Development and Training / Mountain Empire Community College / $200,000 Grant

VCEDA approved an up to $200,000 grant to the Mountain Empire Community College Foundation from the VCEDA Coalfield Workforce Development and Training Fund to be used for workforce development and training. The college may use the funding for costs and expenses of scholarships, tuition, training instructional costs, retraining costs, customized workforce training for area businesses, assessments, including, but not limited to, costs of administering National Career Readiness Certificate testing, and certifications for residents of Southwest Virginia's e-Region. VCEDA also approved up to a $500,000 grant in 2018 and up to a $100,000 grant in 2021 to the MECC Foundation to support workforce development and training needs in the region. Since 2018, approximately 484 students have completed 569 certifications and training courses to meet the workforce demands of our region.

Energy Storage and Electrification Manufacturing / Regional

VCEDA helped co-host an April meeting of the Energy Storage and Electrification Manufacturing Jobs Project (ESEM) where a Community Economic Development Analysis and Advisory Plan Report was presented and discussed. VCEDA is part of this collaborative GO-Virginia funded initiative to help existing companies expand and to recruit new industries in the fields of energy storage and electrification manufacturing. The ESEM project aims to facilitate the development of a vibrant energy storage and electrification economy in Southwest Virginia by creating jobs in the local manufacturing sector, attracting new investments to the region and expanding the local tax base. Regional companies participating in the project include AMR Pemco, Lawrence Brothers, Simmons Equipment and West River Conveyors.

VCEDA Executive Director / Virginia Power 500 List / Virginia Business Magazine

VCEDA Executive Director/General Counsel Jonathan Belcher was named to the Virginia Power 500 list, a listing by Virginia Business magazine of the 500 most powerful, influential leaders in business, government, politics and education in the state. Belcher, who also serves as the executive director of the Virginia Coalfields Expressway Authority, was one of nine Southwest Virginia residents named to the prestigious list. He began working with VCEDA in 1997 and became its executive director in 2006. He holds a B.B.A. in Real Estate from Morehead State University, a J.D. from the College of William & Mary and is a licensed attorney.

SEED CAPITAL PROJECTS

VCEDA SEED CAPITAL MATCHING FUND

VCEDA established the VCEDA Seed Capital Matching Grant Fund in 2017 to provide a source of matching grant funds to assist new, start-up, and emerging small businesses located within the region, and to attract small businesses from outside the region to locate within the region.

VCEDA region for-profit businesses in qualifying business sectors one year and under with less than 10 full-time employees are eligible to apply for dollar-for-dollar matching grants up to $10,000 from the VCEDA Seed Capital Matching Fund. Applicants work with the Small Business Development Centers at Mountain Empire and Southwest Virginia community colleges to prepare the applications to VCEDA that include detailed business and financial plans. Businesses must be located in, or plan to operate in, the VCEDA region.

A February 2021 study of the Seed Capital Matching Fund completed by Virginia Tech's Center for Economic & Community Engagement found that VCEDA seed capital program had a very high return on VCEDA's investment of approximately 34:1. The study also found that VCEDA has played a critical role in the development of small businesses and in support of entrepreneurship.

Stats on Seed Capital Matching Fund
SINCE 2017

NEW START-UPS	174
PROJECTED JOBS	1297 (723 FULL-TIME; 574 PART-TIME)
PROJECTED INVESTMENT	$10,382,846

In 2022, VCEDA approved grants from the Seed Capital Matching Fund to assist 37 new small business start-ups throughout the region. Start-ups were approved in all eight localities served by VCEDA. In 2022, VCEDA approved a total of $369,303.90 in seed capital grants, which represents less than 4% of total VCEDA funding approved in 2022. However, seed capital projects accounted for 18% of full-time jobs and 74% of part-time jobs announced in 2022, with a total of 126 full-time and 141 part-time jobs being projected over a five year period.

Hurley Remodeling & Custom Designs LLC / Buchanan County

Jonathan and Ashley Hurley have long enjoyed home renovation work and at the end of 2021, the couple decided to open Hurley Remodeling & Custom Designs LLC in Hurley, VA. Small jobs and larger ones have found the remodeling help they need through the business which does all types of reno work, from flooring and tilework to bathroom and kitchen remodels and everything in between. As the business grows, the Hurleys hope to be able to add a second crew to lessen wait times and expand their opportunities for work. The business projects two full-time and four part-time employees within five years.

Wright Way Repair LLC / Dickenson County

High quality, experienced automotive service at an economical price became available in the Clinchco area as Wright Way Repair LLC opened in 2023, according to Heather Wright, who co-owns the new business with her husband, Joshua. Wright Way Repair LLC offers automotive repair services in Dickenson County, primarily serving residents in Clinchco, Haysi and Clintwood and those traveling through the area. A building at 141 Road Branch was purchased and renovated to house the new business and to offer storage space for rent. The business projects three full-time employees within five years.

SEED CAPITAL PROJECTS

Oma's Haus LLC

Rock Bottom Horse Camp, LLC

Whistle Pig Country Store, LLC

B's Wigs, Extensions and Beauty Supply L.L.C.

Delightfully Designed, LLC

Devil's Fork Campground LLC

Bee Noodled, LLC

CRC Affordable Quality Lawn Care LLC / Dickenson County

Quality lawn care at an affordable price is what CRC Affordable Quality Lawn Care, LLC strives daily to deliver to its customers in Dickenson and surrounding counties, according to CRC Owner Craig Carpenter. Carpenter noted the business officially opened in March 2022 and has been growing and adding new customers ever since. Lawn care, mulching, hedge and shrub trimming, weed eating, fall and spring clean-up and brush clearing are among the services offered. CRC Affordable Quality Lawn Care LLC projects three full-time employees within five years.

Mountain View Marina & Campground, LLC / Dickenson County

When Sarah and Michael Oquin bought a marina located on the Flannagan Reservoir in Dickenson County and renamed it the Mountain View Marina & Campground, they planned not only to operate the marina, but also to expand the variety of experiences offered there from being a place to park your boat to also be a place to launch from for any number of water sports including fishing, kayaking, canoeing, paddle boarding and pedal boating. The marina will also offer dry dock storage, a campground and cabin rentals in the future as it grows. The business projects three full-time and six part-time employees within five years.

Hammilltime Construction, LLC / Dickenson County

With a range of needs by home and business owners, no job is too small for Hammilltime Construction, LLC, according to Rodney Hammill, who opened the new business in Clintwood, VA, to provide quality and affordable home improvements and repairs. Various construction-related work, carpentry, remodels and repairs are among the services offered. The business projects two full-time and four part-time jobs within five years.

Sykes Seamless Gutter LLC / Dickenson County

From the installation of new seamless gutter and gutter guards to gutter repairs and cleanout, Sykes Seamless Gutter LLC, offers a variety of gutter solutions to homeowners and business owners alike. Fascia and soffit installs and repair are also part of the services offered. Affordable products and quality workmanship are the hallmarks of the business owned by David and Julie Sykes, who opened the business at 132 Market Street in Clintwood, VA, in July 2021. Within six months, they employed two people full-time and one part-time. Looking to the future, they hope to add one additional full-time and one additional part-time employee.

Delightfully Designed, LLC / Dickenson County

With the popularity of customized laser engraved/etched items continuing to grow, Valerie Mullins made the decision to jump into the field, creating different and unique products from pictures to jewelry when she opened Delightfully Designed, LLC in Clintwood, VA. The ability to personalize gifts – from pictures to custom jewelry – makes the business something to appeal to all types of customers – young and old, to businesses or individuals, she said. Delightfully Designed created one full-time job and is looking at the possibility of adding another part-time assistant.

SEED CAPITAL PROJECTS

Whistle Pig Country Store, LLC / Lee County

Sisters Jan Brown and Melissa Hubbard returned to their native Lee County, VA, to do what they could to help revitalize the community which nurtured them in their growing up years. Both had left the area for work, but after retiring from their day jobs and after Melissa's husband passed away, they said they both felt a calling to return home and jointly, they made the decision to invest in their community and began to work to develop Whistle Pig Country Store, LLC in Ewing. They held their first farmers market in July 2022 and began to work on developing their physical store location. The business projects three full-time and 12 part-time employees within five years.

Rock Bottom Horse Camp, LLC / Lee County

Visitors from several states have found a place to camp and to stable their horses as they came to Lee County to ride the equestrian trails in the Cumberland Gap National Historical Park, or stopped to visit the White Rocks, Sand Cave or Hensley Settlement Trails. Rock Bottom Horse Camp, LLC not only offers lodging for horses and their owners who are touring the area, but also for those just traveling through the area. Owners John and Erin Miele said visitors thus far have come from Arizona, Texas, Missouri, Kentucky and Tennessee to name a few states. In addition to the stable facilities for horses, the camp, located in Ewing, VA, also offers five RV sites and three tent sites. Future plans call for the addition of a bathhouse. Currently, Rock Bottom Horse Camp, LLC has one full-time and one part-time employee.

B's Wigs, Extensions and Beauty Supply L.L.C. / Norton

Helping others to feel good about themselves is something Gary Williams and his wife, Rebecca, hoped they could do as they opened B's Wigs, Extensions and Beauty Supply, L.L.C. in Norton, VA, which caters not only to those who are looking for a change in hairstyle, but also to those who have suffered hair loss as the result of a medical condition, aging or cancer treatments. The business has one full-time and two part-time employees and within five years, is projecting five full-time and two part-time jobs.

RTW Music LLC d/b/a The Music School and Shop / Norton

While The Music School and Shop on Park Avenue in the City of Norton provides retail musical instruments and accessories, its primary focus is educational, according to owner James Wardell. The veteran-owned small business provides centralized resources for vocal and instrumental instruction in music. The business maintains studio space and a cadre of highly skilled musical instructors, coordinating marketing and scheduling as well as bookkeeping services. Private lessons, group lessons, classes, intensive coaching and audition/performance preparation are offered to all ages and ability levels. The business projects two full-time and 12 part-time employees within five years.

Elite Motion Dance Company Inc. / Russell County

Expanding opportunities for students from six months and older to learn to dance or to dance competitively is one of the goals of Elite Motion Dance Company Inc., in Lebanon, according to owner Jasmine Adams. The dance studio provides many opportunities for Southwest Virginia families to explore the field of dance and fitness. From competitive dance teams to an adult fitness and conditioning group, the studio offers something to appeal to all ages. Dance students range in age from six months to 18 years. The business projects three full-time employees and five part-time employees within five years.

Air Fiber Communications, Inc. / Russell County

Expanding Internet service to help eliminate the digital divide for those living in rural areas of Russell County, VA, is the primary goal of Air Fiber Communications, Inc. as the business seeks to provide residents with the ability to access remote work opportunities, utilize the Internet for school or college training and have access to resources enabling them to participate in the digital economy. Owned by Jodi Eaton and Joshua Eaton, the business opened officially last April and owns its own towers and has space on others leased. Its primary customers are those living in rural regions of Russell County who have limited or no high-speed Internet options. The business is projecting 12 full-time jobs within five years.

Double Dreaming, LLC d/b/a Retail Junkies / Russell County

Offering fashionable clothing tailored to meet generational fashion trends and customer purchasing preferences is the goal of Double Dreaming, LLC's Retail Junkies Store on 77 West Main Street in Lebanon, VA. Owners Robbin Hovis and Monique Tatum also offer items found in their brick and mortar location online through their e-commerce website. With a stated mission of being one of the best local businesses found in Lebanon, Retail Junkies provides new merchandise as well as liquidation items and local vendor merchandise. The business projects one full-time and three part-time employees within five years.

Lavish Hair Design, LLC / Scott County

Paige Seaver always knew she wanted to operate her own business and after working with others for a few years, she decided to take the plunge and began working to open her own hair salon, Lavish Hair Design, LLC. In July 2022, that dream came true as she celebrated the grand opening of her business on 244 E. Jackson Street in Gate City. The business projects five full-time and two part-time employees within five years.

Grain Bin Market LLC / Scott County

When the Grain Bin Market LLC opened in 2022, Tina Shipley, owner, wanted the new business to have a certain look to make it unique. As the pieces to a grain bin were shipped in from Kentucky and put together, she achieved just that. The 3290 Wadlow Gap Road location offers home décor items. The store and market seeks to attract both locals and tourists in its decision to reconstruct an old grain bin on site and use it as the store location. The business projects two full-time employees and five part-time employees within five years.

Kane St. Smokehouse LLC / Scott County

Josh Cress is quick to admit he learned a lot about cooking from his grandfather and to him, it seemed natural that when it came to looking at starting a business in Scott County, opening a restaurant was a good choice. He and his wife, Courtney, bought the former service station/garage/flower shop on 744 Kane Street and turned it into the Kane St. Smokehouse LLC, doing the majority of renovation work on the restaurant space themselves to ready for an August 2022 opening. The business projects four full-time and 10 part-time employees within five years.

SEED CAPITAL PROJECTS

Grain Bin Market LLC

Boutique 276 LLC

Cluck Truck, LLC

Air Fiber Communications, Inc.

Far Fetched Grooming LLC

Ethics Hair Care LLC

Hall Logging, LLC / Scott County

With timbering contracts in place to log acreage in Pennington Gap and Dungannon in Virginia and in Rogersville, TN; additional contracts in the works; and an abundant supply of timber throughout the region and beyond providing the potential for additional growth, Matthew Hall opened Hall Logging, LLC in Scott County. Timber cut is sold to local mills. Hall learned about logging working with his father, Johnny, a long-time logger. He is a certified timber cutter and like his father, he takes pride in providing a safe and quality work environment. The business projects three full-time and one part-time employee within five years.

Devils Fork Campground LLC / Scott County

As tourism continues to grow in Southwest Virginia, Jennifer and David White decided it was time to take advantage of the land they owned on Green Chapel Lane in Dungannon, VA, near the Devils Bathtub in Scott County, to build a campground to allow tourists coming to hike in the area a place to stay and enjoy the surrounding area. Jennifer grew up on the land where the couple's new Devils Fork Campground is located. In addition to initially creating 10 primitive campsites, plans are to build a one-bedroom cabin and to offer yurt camping. A bathhouse will be constructed on the property as well. The business projects two full-time and four part-time employees within five years.

Boutique 276 LLC / Scott County

Kayla Warren said she has always appreciated a good deal and that's one of the reasons she opened Boutique 276 in Duffield. The business, located at 463 Duff Patt Highway in Duffield is a ladies clothing, shoes and accessories boutique offering size options from small to 3X. In opening the business, Warren said she hoped to help grow her town and the community while at the same time providing job opportunities and strengthening the local economy. The business projects one full-time and three part-time employees within five years.

Adair Behavioral Services LLC / Tazewell County

Providing a safe and nurturing environment for children with Autism, developmental delays and other special needs is what Adair Behavioral Services LLC focuses on as its therapists work with families whose children need the specialized care the North Tazewell, VA, clinic offers. The clinic, located at 146 Bluemont Lane, provides care for children who have been referred by their primary care physician. The business projected eight full-time employees and three part-time employees within five years but has already exceeded its total employment goals in part-time employment with nine currently hired and is well on its way to achieving its five-year projection, with five full-time employees now employed.

Ethics Hair Care LLC / Tazewell County

In addition to providing specialized care for clientele with wavy, curly hair, Ethics Hair Care LLC owner Kim Ross said her new salon opening in Bluefield is focused on providing and developing its own formulations of chemical-free natural hair care products. Ethics Hair Care was birthed from a much-needed service for curly and coily textured hair care in the Bluefield and surrounding area, Ross said, noting as an African American living in a rural area, the support and resources for diverse needs are not as common as in a metropolitan area. Located in the College Plaza at Bluefield, the business projects six full-time employees within five years.

SEED CAPITAL PROJECTS

The Happy Goat, LLC / Tazewell County

In 2021, Vincent and Lucie D'Amato decided it was time to leave Virginia Beach where they had lived for more than 30 years to move to Tazewell County to the farm where Lucie grew up. The decision to open a small business followed based on the idea of supporting the county in which they now live full time. They decided to purchase and renovate a circa 1889 building on Main Street to open their new business, a deli and hiking gear shop, The Happy Goat, LLC. The business projects two full-time employees and five part-time employees within five years.

Bee Noodled, LLC / Tazewell County

Erin and Nick Keene began their foray into the restaurant business first thinking they might operate a food truck, but as they developed the concept, the food truck idea turned into a brick and mortar restaurant on 171 Main Street in Tazewell, VA. Later this year, the couple, along with daughter, Bailee, will open Bee Noodled, a pasta concept restaurant that will deliver quick entrees in a casual setting, using fresh local ingredients, honey and quality poultry and other meat products. Their vision is to serve quality recipes with exceptional service. Originally from Tazewell, the Keenes returned to the area, hoping to bring back a little something sweet to the community that molded them. The business projects eight full-time and three part-time employees within five years.

Tazewell Test Center, LLC / Tazewell County

Making it easier for those who need to take a test to earn a particular certification without having to travel far from home to do it is the primary reason Renee Perkins opened the Tazewell Test Center to provide proctoring services for a variety of professions and employers requiring pre-employment exams or certifications. Exams available to be proctored include academic, those for certification/professional associations, federal agencies, government/state licensing agencies and IT certifications to name a few. In its first six months of operation, the test center proctored exams for Virginia Waterworks and Wastewater, CompTIA, Evaluation Systems, Virginia Department of Environmental Quality, Microsoft, FBI, IRS, American Academy of Nurse Practitioners Board, Department of Professional and Occupational Regulations Board and others. The business projects one full-time and one part-time job within two years.

Far Fetched Grooming LLC / Wise County

After years of working for someone else in the field of pet grooming, Kaylyn Laws decided it was time to open her own shop and celebrated her new business, Far Fetched Grooming LLC's first year anniversary July 30. According to some of the research statistics provided in the business application, the need for pet grooming and pet boarding has almost doubled in the past decade. The business projects eight full-time and four part-time employees within five years.

WM3 Enterprises LLC / Wise County

While general landscaping and lawn care services have been the primary focus of work done by WM3 Enterprises LLC, small construction, driveway repair and more are also on the list of services offered by WM3 for both residential and commercial customers. Wallace Mullins III, or "Tre," opened the business to be able to provide needed services in the community, however, in addition to completing jobs in Wise County and the City of Norton, Mullins said his company's service area also includes customers in Dickenson County. The business projects employment of five full-time and seven part-time employees within five years.

Oma's Haus LLC / Wise County

Traditional German foods became available on Southwest Virginia tables as Oma's Haus – operated by the mother and daughter team of Ulrike and Sonja Whalen – opened on 111 Dickerson Avenue in Coeburn, VA. The German restaurant also features an artisan bakery, selling German pretzels, including Gouda cheese and bacon pretzels, as well as other traditional German breads and desserts, marketing those at area farmer's markets and as special orders. The business projects four full-time employees and seven part-time employees within five years.

One Step At A Time, LLC / Wise County

Helping pediatric patients with their physical therapy needs is the goal Dr. Rebecca Bevins has for her outpatient clinic, One Step At A Time, LLC. One of the things that makes her clinic unique is that it incorporates the use of hippotherapy – the use of a horse and the specific movements of the horse – as a therapeutic or rehabilitative treatment. Patients come to the clinic through doctor referrals or direct patient referral. Physical therapy, occupational therapy and speech therapy are offered. The business projects four full-time employees within five years.

Sweet Winks LLC / Wise County

High-end, yet affordable skin care services are the primary focus of Sweet Winks LLC, according to owner Sarah Mullins Botts, who noted additional services including lash extensions and organic teeth whitening are also offered as the business maintains its goal to enhance the natural appearance of its customers. Sweet Winks LLC was established to serve women looking for an enhanced, but natural look, Botts said, describing it as a full-service studio for light aesthetics such as eyelash extensions, lash lift and tint, brow lamination, brow tint, facials, teeth whitening and more. The business projects two full-time employees and four part-time employees within five years.

Micah McDermott LLC d/b/a Just Melt It / Wise County

From cheese-stuffed burgers to brisket melts, Philly cheese steaks to club sandwiches and soups, Just Melt It provides its customers with a variety of lunch to early supper dining options prepared at its food truck and served to go, or to eat on the spot at the new business' outdoor seating area, aptly nicknamed the "Mountain View Oasis". Just Melt It is a food truck with a twist in the way it approaches its operation as a stationary truck with seating available outdoors on-site, serving both locals and tourists in the Wise County area. Gourmet specialty sandwiches and craft beers and wine are available. The business is projecting seven full-time jobs within five years as it grows.

The Charc Board LLC / Wise County

As charcuterie boards have grown in popularity, a niche has been created for the craft of making them which led Misti Ramey to open The Charc Board on 319 E. Main Street in Wise, VA. Boards or boxes of all sizes to serve individuals as well as businesses for entertaining, events and parties are offered. They can be personalized, or prepared options are available and include those featuring an array of meats and cheeses to those featuring sweet treats. At Christmas, a brunch board featuring bacon, fruits, sugared waffles, pancakes, cinnamon rolls and boiled eggs was also a good seller. Customers have the option to dine in or take out. The business projects five full-time and five part-time employees within three years.

SEED CAPITAL PROJECTS

The Happy Goat, LLC

Micah McDermott LLC d/b/a Just Melt It

One Step At A Time, LLC

Kane St. Smokehouse LLC

Universal Fitness LLC d/b/a Absolute Fitness

Adair Behavioral Services LLC

Sugar Plum Tavern and Eatery LLC / Wise County

Family style dining with home-cooked food featuring American cuisine is what Sugar Plum Tavern and Eatery LLC expects to provide for diners in St. Paul, VA as the new restaurant opens to serve breakfast and lunch. Located on 16609 Broad Street in St. Paul, the new restaurant will seek to serve tourists and locals alike, giving them a place to eat, unwind and relax, said the owner, Donna Roetzer. As the business grows, dinner may be added and the plan calls for the addition of a small bar selling beer on tap, bottled beer and wine. The business projects two full-time and six part-time employees within five years.

Universal Fitness LLC d/b/a Absolute Fitness / Wise County

With physical fitness continuing to be a priority for many and industry trends projecting that to remain far into the future, the timing was right for Jamie and Brandi Cox to open Absolute Fitness in Wise County. The 24/7 gym, located on 309 Church Street in Wise, recently celebrated its first anniversary and in that time has seen its membership grow to some 561 members. From specialized classes to private fitness programs, the gym offers a little something for everyone through both individual and family memberships with discounts in place for veterans, first responders and school and hospital workers. The business projects two full-time and five part-time employees as it continues to grow.

Fourth Street Sweets, LLC / Wise County

From buffets on the first and third Sunday of every month, to sweet treats, specialty sandwiches and breakfast items, Fourth Street Sweets, LLC offers a little something not only for diners stopping by to grab a quick bite, but also to those calling ahead for catering services. Holli Cox found the opportunity to purchase a bakery in St. Paul and after making the purchase, began to officially pursue her lifelong dream of owning a bakery, serving up fresh pastries and home-cooked foods. The business projects one full-time and 10 part-time employees.

The Shack at Lonesome Pine, LLC / Wise County

What started as a food truck nicknamed "The Shack," as a nod to the appearance of the food truck as it was brought home to be renovated, has since sparked an interest in the community and in Rebecca and Joe Baird that led them down a path to develop a full-service restaurant with a bar. The Shack at Lonesome Pine, LLC, located at 2706 Country Club Road in Big Stone Gap, officially opened in February 2023 and began providing guests with a dining experience and a place to hold catered events in space leased at Lonesome Pine Country Club. The business, which is open for lunch and dinner, originally projected one full-time and four part-time employees within five years, but has already adjusted those projections to be two full-time and five part-time.

Cluck Truck, LLC / Wise County

If it's chicken you're looking for with a little dose of Southern hospitality, you'll find it at Cluck Truck, LLC, a mobile food truck primarily serving customers in the Big Stone Gap, Norton and Wise areas during the week and branching out to the Tri-Cities area and seasonally to fairs and festivals on the weekends. Micah Nida and Greg Kiser officially opened the new business last July and through the business, they seek to cater to consumers from all walks of life, offering everything from down home chicken biscuits to chicken tenders, chicken sandwiches, chicken nuggets and a variety of sauces. Regular fries and garlic-parmesan fries round out the sandwich combos and fried pickles have also been added to the mix. The business projects one full-time and two part-time jobs within two years.

MARKETING SOUTHWEST VIRGINIA'S e-REGION

A gradual recovery from the virtual climate created by the COVID-19 pandemic continued to somewhat affect marketing and business development in 2022, and VCEDA participated in 25 outreach events throughout the year. In 2022 VCEDA had 67 in-person and virtual prospect visits and handled 218 inquiries about Southwest Virginia's e-Region.

VCEDA participated with the Virginia Economic Development Partnership (VEDP) in marketing call trips to Indiana, Tennessee, and Ohio. VCEDA, joined by local economic developers, also conducted a virtual call trip talking with site location consultants about the region. VCEDA also participated with VEDP in several trade shows including the 7x24 Exchange Conference in Orlando, FL, Industrial Fabrics Association (IFAI) International Expo in Charlotte, NC, and the Private Label Manufacturers Association (PLMA) show in Chicago, IL.

Marketing Ambassadors for VCEDA include, from left, Charlotte Mullins, Diane Thomas, Jim Baldwin and Cathy St. Clair.

VCEDA attended the Site Selectors Guild Annual Conference in San Diego, CA and was a sponsor with VEDP of a dinner for consultants. VCEDA also participated with VEDP and served as a sponsor of the Site Selectors Guild Fall Forum held in Richmond, VA.

VCEDA participated and was a sponsor of the Virginia Pavilion at the AUVSI Xponential in Orlando, FL; participated and exhibited at SelectUSA Investment Summit in National Harbor, MD; and led a team to Data Center World in Austin, TX, where the e-Region team of local economic developers and VCEDA met with companies and exhibited at the expo. VCEDA attended and featured an exhibit at the Metallurgical Coal Producers Association (MCPA) annual conference in Roanoke, WV, and also attended the International Manufacturing Technology Show in Chicago. VCEDA participated and exhibited at several regional events such as Southwest Virginia Alliance for Manufacturing (SVAM) expos and awards banquets, the Appalachian Council for Innovation's annual gala, the Southwest Virginia Veterans Expo and the annual Southwest Virginia Economic Forum at the University of Virginia's College at Wise.

Susan Copeland, VCEDA marketing coordinator, right, and Charlotte Mullins, VCEDA marketing ambassador, met with a variety of foreign company representatives at the Southwest Virginia's e-Region booth in June at the SelectUSA Investment Summit at National Harbor, Md.

In state, VCEDA participated in the Team Virginia Site Consultants Symposium in Richmond, VA; the Governor's Summit on Rural Prosperity and the Virginia Chamber of Commerce's Economic Summit and Forum on International Trade. VCEDA also participated in the Virginia Economic Developers Association (VEDA) meetings and events including a sponsorship of the summer meeting held in Wytheville, VA.

Social media channels continue to gain followers and attention for VCEDA and Southwest Virginia's e-Region. A LinkedIn campaign in March, coupled with an ad in Virginia Business magazine, drew attention to videos on VCEDA's website (vceda.us/impact) from companies telling their stories and how VCEDA has helped them to locate to Southwest Virginia's e-Region.

Lead generation efforts were enhanced by the addition of a new software platform Gazelle.ai that VCEDA has subscribed to and also made available to local economic developers in the region.

VCEDA added two Marketing Ambassadors to the team in 2022. Jim Baldwin, recently retired as the executive director of the Cumberland Plateau Planning District Commission, and Diane Thomas, recently retired from VEDP's International Trade department. They join Cathy St. Clair and Charlotte Mullins as VCEDA Marketing Ambassadors.

VCEDA had ads in several issues of Virginia Business magazine in 2022. This ad is tied to a landing page on VCEDA's website (vceda.us/impact) and a LinkedIN ad campaign which shows how VCEDA can assist companies with their site location decisions and projects.

VCEDA was pleased to be an exhibitor at Data Center World Conference in Austin, TX and to meet with companies to promote Southwest Virginia's e-Region. The conference is the leading data center conference for IT infrastructure and data center facilities professionals. Members of the SWVA e-Region team included, from left, (front) Susan Copeland, VCEDA marketing coordinator; Natalie Chapman, Wise County; and Richard Johnson, Lee County; and (back) Brian Falin, Wise County; John Kilgore, Scott County; and Tim Danielson, Tazewell County.

On April 25-28, VCEDA attended and helped sponsor the Virginia Pavilion at the AUVSI Xponential conference in Orlando, FL, to help promote the region to innovation and technology oriented companies.

VCEDA was represented by VCEDA Marketing Coordinator Susan Copeland at the Site Selectors Guild Annual Conference in San Diego in March. VCEDA also helped sponsor a dinner with the site selectors hosted by the Virginia Economic Development Partnership. The Site Selectors Guild is the only association of the world's foremost professional site selection consultants.

VCEDA hosted a familiarization tour of Southwest Virginia's e-Region for staff members of the Virginia Economic Development Partnership (VEDP) in October. Breaks Interstate Park was one of the stops on the two-day tour of the region.

MARKETING SOUTHWEST VIRGINIA'S e-REGION

VCEDA Marketing Ambassador Jim Baldwin, right, represented VCEDA at the Governor's Summit on Rural Prosperity in Smithfield, VA. While there, he had an opportunity to meet with Sen. Travis Hackworth, left, and Virginia Secretary of Transportation Sheppard Miller III, center, to again stress the importance of the Coalfields Expressway as a key economic development need in Southwest Virginia.

VCEDA joined VEDP and several other regional economic development groups in Virginia to co-sponsor the 2022 Fall Forum of the Site Selectors Guild, which included an event held at the Governor's Mansion. Susan Copeland, VCEDA marketing coordinator, and Charlotte Mullins, VCEDA marketing ambassador, represented VCEDA at the forum.

VCEDA was a sponsor of the Virginia Economic Developers Association (VEDA) summer meeting held in Wytheville, VA.

VCEDA took part in the International Manufacturing Technology Show, the largest manufacturing technology trade show in North America, held in Chicago, IL. Charlotte Mullins, VCEDA marketing ambassador, and Tim Danielson, Tazewell County economic development director, attended.

VCEDA hosted VEDP Research Division staff, John Loftus, sites and buildings manager, left, and Abigail Patterson, sites and buildings analyst, July 11-14 on a tour of available sites and buildings in all eight VCEDA localities. Ernie McFaddin of Russell County IDA, right, in photo.

VCEDA was represented by Marketta Horton, economic development specialist, and Jean Jordan, funds administrator, at the seventh annual SWVA Economic Forum at the University of Virginia's College at Wise.

2022 VCEDA MARKETING EVENTS

EVENT	DATE	LOCATION
VCEDA Virtual Call Trip	Jan. 5 – Feb. 1, 2022	Virtual
Site Selectors Guild Annual Conference	March 2-4, 2022	San Diego, CA
Women in Manufacturing Symposium	March 11, 2022	Abingdon, VA
VEDA Spring Conference	March 23-25, 2022	Richmond, VA
Data Center World	March 28-31, 2022	Austin, TX
AUVSI Xponential	April 25-28, 2022	Orlando, FL
Team Virginia Site Consultant Symposium	May 4, 2022	Richmond, VA
MCPA Annual Conference	May 22-24, 2022	Roanoke, WV
VEDP Business Investment Call Trip Indiana	May 23-27, 2022	Indiana
Southwest Virginia Economic Forum	May 25, 2022	Wise, VA
VEDA Summer Membership Meeting	June 6-7, 2022	Wytheville, VA
7x24 Exchange Spring Conference	June 12-15, 2022	Orlando, FL
SelectUSA Investment Summit	June 26-29, 2022	National Harbor, MD
VEDP Business Investment Call Trip Tennessee	August 1-3, 2022	Virtual
Appalachian Council for Innovation Annual Gala	August 17, 2022	Abingdon, VA
Business Investment Call Trip Ohio	August 22-24, 2022	Ohio
Southwest Virginia Manufacturers Expo	August 30, 2022	Abingdon, VA
International Manufacturing Technology Show	Sept. 12-17, 2022	Chicago, IL
Site Selectors Guild Fall Forum	Sept. 19-21, 2022	Richmond, VA
SW VA Manufacturing Awards Banquet	October 6, 2022	Abingdon, VA
Governor's Summit on Rural Prosperity	October 12-13, 2022	Smithfield, VA
Industrial Fabrics Association International Expo	October 12-14, 2022	Charlotte, NC
Southwest Virginia Veterans Expo	October 13, 2022	Abingdon, VA
PLMA Annual Private Label Trade Show	Nov. 13-15, 2022	Chicago, IL
VA Chamber Economic Summit & Forum on International Trade	December 2, 2022	Richmond, VA
TOTAL MARKETING EVENTS (25)		

COALFIELDS EXPRESSWAY (CFX)

Members and officers of the Virginia Coalfields Expressway Authority pose for a photograph at the December 9, 2022 board meeting in Lebanon, Virginia. Pictured, from left (front), are John Schoolcraft, J.H. Rivers, vice chairman, Jay Rife, chairman, and Jonathan Belcher, executive director and secretary/treasurer, and (back) Scott Mullins, Peggy Kiser, Melanie Salyer, James Keen, Keith Viers, and Philip Cook. Not pictured are Bonnie Bates and Ed Talbott, III.

2022 Productive Year for Virginia Coalfields Expressway Authority

The primary purpose of the Virginia Coalfields Expressway Authority (CFX), created by the Virginia General Assembly in 2017, is to improve transportation into, from, within and through Southwest Virginia, assist in regional economic development and generally enhance highway safety in the affected localities of Southwest Virginia. The Virginia Coalfield Economic Development Authority (VCEDA) provides staffing assistance to the Virginia Coalfields Expressway Authority.

After becoming operational in late 2020, the first full year of activity for the CFX Authority was 2021, and 2022 proved to be a productive year despite the fact that the Authority continues to remain unfunded operationally. The Authority was joined by United States Senator Tim Kaine and representatives of the Appalachian Regional Commission, among others, at its April 18, 2022 meeting for a discussion on the Coalfields Expressway.

Jonathan Belcher, executive director, informed the board that a congressionally directed spending request of $1.995 million had been obtained in the FY2022 federal budget for pre-engineering work on the sections of the CFX from Grundy, VA to the West Virginia state line. He also obtained the board's consent to seek an additional $7 million in congressionally directed spending to add additional lanes to the U.S. 121/U.S. 460 intersection and Hawk's Nest sections of the CFX in Buchanan County to make those sections a four lane. The invaluable assistance of the region's legislators in these efforts was noted.

On May 11, representatives from the CFX Authority and several coalfield counties attended a public meeting held by the Virginia Department of Transportation (VDOT) in Abingdon where the importance of the CFX was emphasized during public comment.

United States Congressman Morgan Griffith spoke about the efforts to obtain the $1.995 million in the FY2022 federal budget and his support for obtaining additional funding for the CFX at the June 30 meeting of the CFX Authority. The board's final meeting of the year was held on December 9 where Jay Rife was reelected chairman and J. H. Rivers was reelected vice chairman for 2023.

On December 29, the $7 million funding requested for adding additional lanes in Buchanan County was included in the FY2023 federal budget signed by the president, and like the previous $1.995 million, will be managed by VDOT.

Chairman Jay Rife reminded the board concerning the expressway: "It's going to be a difficult task, but we can't get discouraged. This is a long-term project."

VCEDA BOARD

Board members and officers of the Virginia Coalfield Economic Development Authority are from left (front) Jonathan Belcher, VCEDA executive director/general counsel; Josh Ball, vice chairman; Larry Mosley, chairman; and Esther Bolling, treasurer; (back) Tim Stuller, Becky Coleman, Kathy Still, Maggie Asbury, Troy Nichols, Scotty Wampler, Andy Hrovatic, Brian Hess, Barbara Altizer and Carroll Branham. Not pictured are Rhonda Sluss, J.P. Richardson and Duane Miller.

Virginia Coalfield Economic Development Authority Board

OFFICERS

Larry Mosley | Chairman
Joshua Ball | Vice Chairman
J.P. Richardson | Secretary
Esther Bolling | Treasurer

GOVERNOR'S APPOINTEES

Maggie Asbury
Esther Bolling
Becky Coleman
Larry Mosley
Kathy Still

COAL PRODUCERS

Troy Nichols
Paramont Contura, LLC
J.P. Richardson
Surface Minerals Company
Brian Hess
Coronado IV LLC

GAS PRODUCER

Joshua Ball
Pocahontas Gas

VIRGINIA COAL & ENERGY ALLIANCE

Barbara Altizer
Metallurgical Coal Producers Association

PLANNING DISTRICT COMMISSIONS

Scotty Wampler
Cumberland Plateau PDC
Duane A. Miller
LENOWISCO PDC

COUNTY BOARD OF SUPERVISORS

Carroll Branham | Buchanan County
Rhonda Sluss | Dickenson County
Andy Hrovatic | Tazewell County

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP

Tim Stuller

VCEDA
VIRGINIA COALFIELD ECONOMIC DEVELOPMENT AUTHORITY

2022 VCEDA LOAN APPROVALS

LOANS	PROJECT NAME	APPROVED	AMOUNT
Dickenson County	Dickenson County IDA/Substance Abuse Rehabilitation Center	2/17/22	$4,000,000.00
Russell County	Russell County IDA/Acme Building Improvements	2/17/22	$200,000.00
Russell County	Russell County IDA/Russell Place Improvements	9/15/22	$350,000.00
Tazewell County	Appalachian Millworks & Cabinetry, LLC	6/16/22	$400,000.00
Tazewell County	Tazewell County IDA/Project Frazier	9/15/22	$400,000.00
Tazewell County	Pemco Corporation d/b/a AMR PEMCO	11/17/22	$447,200.00
Wise County	Wise County IDA/Tech Park Office Building Purchase	2/17/22	$1,200,000.00
TOTAL LOANS (7)			**$6,997,200.00**

2022 VCEDA GRANT APPROVALS

GRANTS	PROJECT NAME	APPROVED	AMOUNT
Buchanan County	Hurley Remodeling & Custom Designs LLC	11/17/22	$10,000.00
Buchanan/Dickenson County	Breaks Interstate Park/2022 Improvements	2/17/22	$601,600.69
Buchanan/Dickenson County	Breaks Interstate Park/Swimming Pool	2/17/22	$500,000.00
Buchanan/Dickenson County	Breaks Interstate Park/Visitor Center	9/15/22	$80,000.00
Dickenson County	Dickenson County IDA/Splash Pad	4/21/22	$200,000.00
Dickenson County	Town of Clintwood/Splash Pad	4/21/22	$50,000.00
Dickenson County	Wright Way Repair LLC	6/16/22	$10,000.00
Dickenson County	CRC Affordable Quality Lawn Care LLC	6/16/22	$10,000.00
Dickenson County	Mountain View Marina & Campground, LLC	11/17/22	$10,000.00
Dickenson County	Hammilltime Construction, LLC	11/17/22	$10,000.00
Dickenson County	Sykes Seamless Gutter LLC	11/17/22	$10,000.00
Dickenson County	Delightfully Designed, LLC	11/17/22	$10,000.00
Dickenson County	Dickenson Co. IDA/Green & Haysi Lots Study	11/17/22	$50,000.00
Dickenson County	Dickenson Co. IDA/Space Based Broadband	11/17/22	$144,000.00
Lee County	Whistle Pig Country Store, LLC	6/16/22	$10,000.00
Lee County	Rock Bottom Horse Camp, LLC	11/17/22	$10,000.00
Norton	B's Wigs, Extensions and Beauty Supply L.L.C.	11/17/22	$10,000.00
Norton	RTW Music LLC d/b/a The Music School and Shop	11/17/22	$10,000.00

2022 VCEDA GRANT APPROVALS

Russell County	Russell County IDA/Polycap LLC	4/21/22	$100,000.00
Russell County	Elite Motion Dance Company Inc.	6/16/22	$10,000.00
Russell County	Air Fiber Communications, Inc.	11/17/22	$10,000.00
Russell County	Double Dreaming, LLC d/b/a Retail Junkies	11/17/22	$10,000.00
Scott County	Lavish Hair Design, LLC	6/16/22	$10,000.00
Scott County	Grain Bin Market LLC	6/16/22	$10,000.00
Scott County	Kane St. Smokehouse LLC	11/17/22	$10,000.00
Scott County	Hall Logging, LLC	11/17/22	$10,000.00
Scott County	Devils Fork Campground LLC	11/17/22	$10,000.00
Scott County	Boutique 276 LLC	11/17/22	$10,000.00
Tazewell County	Adair Behavioral Services LLC	6/16/22	$10,000.00
Tazewell County	Ethics Hair Care LLC	6/16/22	$9,303.90
Tazewell County	The Happy Goat, LLC	6/16/22	$10,000.00
Tazewell County	Bee Noodled, LLC	11/17/22	$10,000.00
Tazewell County	Tazewell Test Center, LLC	11/17/22	$10,000.00
Wise County	Far Fetched Grooming LLC	6/16/22	$10,000.00
Wise County	WM3 Enterprises LLC	6/16/22	$10,000.00
Wise County	Oma's Haus LLC	6/16/22	$10,000.00
Wise County	One Step At A Time, LLC	6/16/22	$10,000.00
Wise County	Sweet Winks LLC	6/16/22	$10,000.00
Wise County	Wise County IDA/Space Based Broadband	9/15/22	$232,500.00
Wise County	Micah McDermott LLC d/b/a Just Melt It	11/17/22	$10,000.00
Wise County	The Charc Board LLC	11/17/22	$10,000.00
Wise County	Sugar Plum Tavern and Eatery LLC	11/17/22	$10,000.00
Wise County	Universal Fitness LLC d/b/a Absolute Fitness	11/17/22	$10,000.00
Wise County	Fourth Street Sweets, LLC	11/17/22	$10,000.00
Wise County	The Shack at Lonesome Pine, LLC	11/17/22	$10,000.00
Wise County	Cluck Truck, LLC	11/17/22	$10,000.00
Regional	Mountain Empire Community College Foundation	4/21/22	$200,000.00
TOTAL GRANTS (47)			**$2,527,404.59**
TOTAL LOANS & GRANTS (54)			**$9,524,604,59**

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Virginia Coalfield Economic
Development Authority
Lebanon, Virginia 24266

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT

Opinion

We have audited the accompanying statement of cash receipts and disbursements of Virginia Coalfield Economic Development Authority (the "Authority") for the year ended December 31, 2022 and the related notes to the financial statement.

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the statement of cash receipts and disbursements of the Authority for the year ended December 31, 2022, in accordance with the cash receipts and disbursements basis of accounting described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw your attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement was prepared on the cash receipts and disbursements basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rodefer Moss & Co, PLLC

Norton, Virginia
February 28, 2023

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity – Virginia Coalfield Economic Development Authority was created, effective July 1, 1988, as a political subdivision of the Commonwealth of Virginia, pursuant to the Code of Virginia, Chapter 60, Sections 15.2-6000-6015. Virginia Coalfield Economic Development Authority accounts for all funds received from tax and grant receipts, investment earnings, loan collections and related expenditures for the eight participating localities.

Cash basis of accounting – As is the case of many funds of this type, the accounts are maintained, and the statements are presented, on a cash receipts and disbursements basis, reflecting only recorded cash receipts and cash disbursements. Therefore, cash collected and not recorded in the general ledger, receivables, and payables, inventories, accrued revenue and expenditures, and equipment and depreciation, which may be material in amount, are not reflected, and this statement is not intended to present the overall financial position or results of operations in conformity with generally accepted accounting principles.

Cash and cash equivalents – For purposes of reporting cash, the Authority considers all certificates of deposit, savings accounts, and money market funds with an original maturity of three months or less to be cash equivalents.

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et. Seq. of the *Code of Virginia*. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

CLASSIFICATION OF ACCOUNTS:

Coal and Gas Funds

On September 1, 1988, and on the first day of each month thereafter, each county and city shall remit to the Virginia Coalfield Economic Development Authority twenty-five percent of the revenues

collected during the next to last calendar month from the (i) gas road improvement tax pursuant to Section 58.1-3713 and (ii) local coal road improvement severance licenses tax pursuant to subsection B of Section 58.1-3741.

Pursuant to Section 58.1-3713.4, a county or city may levy an additional license tax on every person engaging in the business of severing gases from the earth. The license tax shall be at a rate not to exceed one percent of the gross receipts from the sale of gases severed within the county or city. In the counties of Buchanan, Dickenson, Lee, Russell, Scott, Tazewell, and Wise, and the City of Norton one-half of the revenues derived from such tax shall be paid to the Virginia Coalfield Economic Development Authority.

Tax Credit Funds

Pursuant to Section 58.1-439.2, Coalfield employment enhancement tax credit, for tax years beginning on and after January 1, 1996, but before January 1, 2017, and or after January 1, 2018, but before January 1, 2022 (for metallurgical coal only), any person who has an economic interest in coal mined in the Commonwealth shall be allowed a credit against the tax imposed by Section 58.1-400 and any other tax imposed by the Commonwealth. If the credit exceeds the person's state tax liability for the tax year, the excess shall be redeemable by the Tax Commissioner on behalf of the Commonwealth for ninety percent of the face value within ninety days after filing the return; however, for credit earned in tax years beginning on and after January 1, 2002, such excess shall be redeemable by the Tax Commissioner on behalf of the Commonwealth for eighty-five percent of the face value within ninety days after filing this return. The remaining ten or fifteen percent of the value of the credit being redeemed, as applicable for such tax year, shall be deposited by the Commissioner in a regional economic development fund administered by the Virginia Coalfield Economic Development Authority to be used for regional economic diversification in accordance with guidelines developed by the Virginia Coalfield Economic Development Authority and the Virginia Economic Development Partnership.

Civil Penalties Funds

Pursuant to the Code of Virginia, Title 45.2, Mines, Minerals and Energy Chapter 10, Virginia Coal Surface Mining Control and Reclamation Act of 1979, Article 2, Regulation of Mining Activity, Section 45.2-1021, any permittee who violates any permit condition or any other provision of this chapter or the regulations thereunder may be assessed a civil penalty by the Director, except that if such violation leads to the issuance of a cessation order, the civil penalty shall be assessed. Such penalty shall not exceed $5,000 for each violation except that if the violation resulted in a personal injury or fatality to any person, then the civil penalty shall not exceed $70,000 for each violation. All civil penalties shall be paid into a special fund in the State Treasurer's office to be used by the Director for enhancing conservation and recreational opportunities in the coal-producing counties of the Commonwealth. The Director shall transfer quarterly 50 percent of the fund balance to the Virginia Coalfield Economic Development Authority for the purposes of developing infrastructure and improvements at Breaks Interstate Park.

CFO Funds

The goal of the Virginia Coalfield Economic Development Authority (VCEDA) Communities for Opportunity (CFO) Loan Fund is to establish a revolving loan fund to encourage economic development in the coal producing counties of Virginia. Each proposed use of the CFO Loan Fund must have the concurrence of the Director of the Virginia Department of Housing and Community Development (VDHCD). Generally, VCEDA and VDHCD have determined that the optimum use of the CFO Loan Fund would be to encourage the development and growth of businesses in the VCEDA coal-producing counties where the development and growth of such businesses will create a unique opportunity in a specific community that would not otherwise be addressed without financial support from VCEDA. In order to maximize the resources of this program, all projects requesting funding under this program must have a source of matching funds sufficient to match every dollar requested from the VCEDA CFO Loan Fund with one dollar from some other source(s).

Education and Telehealth Funds

The Virginia State Budget, Chapter 2, Budget Bill - HB30, 2022 Special Session I, Item 115, R allocated $500,000 from the general fund in fiscal year 2023 and fiscal year 2024 for the Lenowisco Planning District Commission and Cumberland Plateau Planning District Commission, to be managed by the Virginia Coalfield Economic Development Authority (VCEDA). These funds are designated for initiatives intended to expand education and telehealth access.

Proceeds Held - The treasurer may invest and reinvest funds of the Authority pending their need. All monies received by the Authority pursuant to Section 15.2-6009, together with any matching funds received from state or federal sources, shall be applied and used only in the county or city from which the funds were received, unless the governing body of the county or city consents to their use in another county or city. Monies received pursuant to Section 58.1-3713.4 may be used at the discretion of the Authority for purposes and projects as determined by the Authority.

Virginia Coalfield Economic Development Authority
Statement of Cash Receipts & Disbursements—Year Ended December 31, 2022

		CASH RECEIPTS			CASH DISBURSEMENTS			
Coal & Gas Funds	**Balance 1/1/22**	**Receipts**	**Interest Earned**	**Loans Collections**	**Administrative & Business Dev. Expenses**	**Project Loans & Grants**	**Balance 12/31/22**	**Uncommitted Available Balance**
Buchanan County	$4,519,933	$4,370,204	$54,365	$321,500	$358,067	$1,568,766	$7,339,169	$5,132,269
Dickenson County	11,333,504	2,388,946	108,645	90,119	150,767	390,208	13,380,239	7,176,113
Lee County	143,869	1,045	1,359	22,059	82	-	168,250	148,250
City of Norton	468	-	4	-	-	-	472	472
Russell County	301,319	217,817	8,270	646,361	15,606	39,134	1,119,027	808,161
Scott County	25,556	3,929	233	-	214	-	29,504	29,504
Tazewell County	1,289,494	523,765	18,135	802,290	8,941	78,472	2,546,271	1,307,543
Wise County	3,758,517	302,275	28,672	754,453	25,961	1,200,000	3,617,956	3,617,956
Regional	4,390,567	1,243,447	40,353	57,865	414,443	443,625	4,874,164	3,679,650
Total Coal & Gas Funds	**$25,763,227**	**$9,051,428**	**$260,036**	**$2,694,647**	**$974,081**	**$3,720,205**	**$33,075,052**	**$21,899,918**
Other Funds:								
Tax Credit Funds								
Revolving Loan	$11,375,272	$226,476	$103,327	$1,718,119	-	$205,921	$13,217,273	$12,691,048
Workforce	16,820,502	-	130,071	-	-	416,289	16,534,284	5,294,372
Total Tax Credit Funds	**$28,195,774**	**$226,476**	**$233,398**	**$1,718,119**	**-**	**$622,210**	**$29,751,557**	**$17,985,420**
Civil Penalties Funds	$813,598	$215,804	$13,539	-	-	$96,199	$946,742	$157,974
CFO Funds	$27,443	-	$20	$41,555	-	-	$69,018	$69,018
Education & Telehealth	$27	$500,000	$2,398	-	-	$376,510	$125,915	$125,915

SOUTHWEST VIRGINIA'S e-REGION IS MARKETED BY VCEDA

VCEDA

VIRGINIA COALFIELD ECONOMIC
DEVELOPMENT AUTHORITY

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