



COMMONWEALTH of VIRGINIA

Office of the Governor

Terence R. McAuliffe
Governor

January 30, 2015

The Honorable Walter A. Stosch
Co-Chairman
Senate Finance Committee
Senate of Virginia

The Honorable Charles J. Colgan
Co-Chairman
Senate Finance Committee
Senate of Virginia

The Honorable R. Lee Ware, Jr.
Chairman
House Finance Committee
House of Delegates

The Honorable Tim D. Hugo
Vice-Chairman
House Finance Committee
House of Delegates

The Honorable S. Chris Jones
Chairman
House Appropriations Committee
House of Delegates

The Honorable R. Steven Landes
Vice-Chairman
House Appropriations Committee
House of Delegates

Dear Messrs. Chairmen:

The Honorable Walter A. Stosch
 The Honorable Charles J. Colgan
 The Honorable R. Lee Ware, Jr.
 The Honorable Tim D. Hugo
 The Honorable S. Chris Jones
 The Honorable R. Steven Landes
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I am writing to update you on the recent activities with respect to the Governor's Agriculture and Forestry Industries Development Fund (AFID) during the preceding six-month period as required by § 3.2-309 of the Code of Virginia.

The General Assembly created the AFID incentive program during the 2012 legislative session, funding it at \$1 million per year beginning in FY2013, with \$750,000 of each year's amount dedicated to AFID Facility Grants and \$250,000 to AFID Planning Grants.

AFID Facility Grant Program

Through December 31, 2014, 18 AFID Facility Grants have been awarded in 16 localities supporting a variety of agriculture and forestry based economic development projects. Fourteen of those localities have entered into the required Performance Agreements and requested disbursements from the fund, while progress is being made in developing the Performance Agreements for the most recent awards. The Secretary of Agriculture and Forestry and the Virginia Department of Agriculture and Consumer Services (VDACS) continue to receive a tremendous number of inquiries and expressions of interest in the program, with multiple projects in various stages of consideration by the secretariat with the opportunity for numerous announcements to be made during the next six months.

During the second half of calendar year 2014, a total of \$490,000 was committed in AFID Facility Grant funds to assist five new and expanding projects in the Commonwealth. Summaries of these projects are listed below:

Announced AFID Facility Grant Projects for the period July - December, 2014

Independence Lumber (announced August 2014) Reconstruction of sawmill at existing lumber operation	
Location	Grayson County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$100,000 AFID Funds • \$20,000 Virginia Jobs Investment Program (VJIP) – training • \$150,000 Tobacco Region Opportunity Fund
Other funds from the political subdivision and their use	• \$175,000 Local Match – Grayson County Performance Grant (cash reimbursement of taxes over a five year period)
New jobs	Twenty-Five (25) – plus 57 jobs saved
New investment	\$5,050,000
Minimum purchase of Virginia-grown products	22 million board feet (mbf) in annual timber purchases, of which 20 mbf will come from Virginia (60 mbf over three years)
Projected impact on agricultural and forestal producers	Major new sawmill to support area loggers, forest land owners
Timetable for project completion	Rebuild to be completed by 2015
Prevailing average wage in locality	\$26,882/year
Average wage of project	\$15.00/hour or \$31,200/year

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Retail Relay, Inc. DBA Relay Foods – (announced September 2014) Online grocery store and farmers market	
Location	City of Richmond
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$50,000 AFID – building improvements • \$57,600 VJIP – training • \$145,000 Enterprise Zone Job Creation Grant – expansion assistance • \$83,200 Enterprise Zone Real Property Improvement Grant – expansion assistance
Other funds from the political subdivision and their use	• \$50,000 over three years from local enterprise zone contributions and local hiring incentives
New jobs	Seventy-five (75)
New investment	\$710,000
Minimum purchase of Virginia-grown products	\$406,305 in new purchases of Virginia meat, milk and produce
Projected impact on agricultural and forestal producers	Relay’s retail platform and dedication to sourcing local provides a powerful, cost-effective retail and distribution network for numerous local agricultural and specialty foods producers
Timetable for project completion	2014 - 2016
Prevailing average wage in locality	\$53,856/year
Average wage of project	\$19.51/hour plus benefits

Black Hops Farm (announced December 2014) New hops production and processing facility	
Location	Loudoun County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	• \$40,000 AFID Funds – to assist construction of new hops production and processing facility
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$39,700 Cash Match • \$300 Permit Fee Waiver
New jobs	Eleven (11) Part-time and Seasonal Employees
New investment	\$911,500
Minimum purchase of Virginia-grown products	2,150 pounds of Virginia hops over three years
Projected impact on agricultural and forestal producers	Project will revolutionize hops production in Virginia by making commercial scale production economically viable
Timetable for project completion	2015 – 2017
Prevailing average wage in locality	\$59,921/year
Average wage of project	\$13,009/year

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Copper Fox Distillery (announced December 2014) New production facility for craft distiller	
Location	City of Williamsburg
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$50,000 AFID Funds – to assist with building renovations • \$19,600 (estimated) VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$204,000 reduced priced sales of City-owned site and repair work done to site
New jobs	Twenty-eight (28) – 25 full-time and 3 FTEs
New investment	\$2,025,000
Minimum purchase Virginia-grown products	\$457,710 or 1,087 tons of Virginia grain over four years
Projected impact on agricultural and forestal producers	Project creates new market for specialty grain producers and highlights role of Virginia agriculture products in craft spirits
Timetable for project completion	Expansion to begin in 2015 and be completed by 2018
Prevailing average wage in locality	\$34,843/year
Average wage of project	\$28,214/year

Seven Hills Food, LLC(announced December 2014) Major new independent meat processing facility	
Location	City of Lynchburg
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$250,000 AFID Funds – assist with building renovations • \$34,400 VJIP – training • \$30,300 Enterprise Zone Job Creation Grant – project equity • \$100,000 Enterprise Zone Real Property Improvement – project equity
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$250,000 Lynchburg Economic Development Authority Strategic Initiatives Grant – building upgrades • \$25,000 Local Enterprise Zone Redevelopment Program – building upgrades
New jobs	Forty-three (43)
New investment	\$2,900,000
Minimum purchase of Virginia-grown products	12,000 cattle and hogs over three years
Projected impact on agricultural and forestal producers	Major new market for independent Virginia producers of finished cattle and hogs
Timetable for project completion	Expansion to begin 2015 and be completed by 2018
Prevailing average wage in locality	\$40,831/year
Average wage of project	\$31,256/year

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In addition, there are 13 previously announced AFID projects underway. Their status is detailed below.

Ongoing AFID Facility Grant Projects

Homestead Creamery, Inc. (announced December 2012) Manufacturer of dairy-related products using locally sourced milk to make a variety of products, including glass-bottled milk, ice cream, flavored milk and novelties.	
Location	Franklin County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$60,000 AFID Funds - used for building expansion and renovations, • \$12,240 VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$30,000 Franklin County – cash • \$45,000 Tobacco Region Opportunity Fund • Funds for building expansion and renovations
New jobs	Twenty (20)
New investment	\$1.1 million
Minimum purchase of Virginia-grown products	\$1,485,669 (~75% milk, ~25% in cream, eggs and produce)
Projected impact on agricultural and forestal producers	Impact on Virginia agriculture is especially strong. Over 45 Virginia producers will benefit directly. Homestead Creamery promotes other Virginia products through its store, home deliveries & other activities.
Timetable for project completion	Expansion to begin in 2013 and be completed by 2016
Prevailing average wage in locality	\$29,665/year
Average wage of project	\$13.95/hr or \$29,016/year

Greencore USA. (announced March 2013) Expansion of sandwich and packaged food production operation.	
Location	Stafford County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$75,000 AFID Funds – AFID funds used for training, site improvements or other activities • \$154,000 VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$75,000 Stafford County – cash • Local funds used to off-set project costs
New jobs	Three-Hundred and Fifty (350)
New investment	\$5.75 million
Minimum purchase of Virginia-grown products	40,200 lbs of produce over three years (13,400 lbs annually)
Projected impact on agricultural and forestal producers	Although the requirements of the Performance Agreement will have only a limited impact of Virginia agricultural producers, Greencore has expressed a willingness to work with VDACS and their customers to source additional Virginia produce in the future for new product lines, such as salads, which could lead to

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	a greater positive impact to the agricultural sector from this project.
Timetable for project completion	Expansion to begin in 2013 and be completed by 2016
Prevailing average wage in locality	\$46,646/year
Average wage of project	\$29,000/year

Red Sun Farms (Agricola El Rosal) - (announced January 2013) New, high-technology, climate controlled greenhouses operation on 45 acres – this is the first United States location for this major Mexican greenhouse producer.	
Location	Pulaski County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$100,000 AFID Funds- used for site improvements • \$350,00 Governor's Opportunity Fund • \$113,600 VJIP – training • \$200,000 Enterprise Zone Real Property Investment Grant • \$38,400 Enterprise Zone Job Creation Grants
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$2,000,000 for site preparation • 100 acres of land (valued at \$20,000 per acre) for a total value of \$2,000,000 • Local funds used to off-set project costs
New jobs	One-Hundred-Forty-Two (142)
New investment	\$21 million
Minimum purchase of Virginia-grown products	13,550,400 lbs of tomatoes grown at facility
Projected impact on agricultural and forestal producers	Although the facility will not be directly purchasing products from other producers, the presence of such a large producer of tomatoes and peppers will attract packaging, shipping and related companies that will benefit the agriculture industry in the region and state.
Timetable for project completion	Expansion to begin in 2013 and be completed by 2018
Prevailing average wage in locality	\$34,758/year
Average wage of project	\$26,583/year

Shamrock Farms - (announced January 2013) New, state-of-the-art dairy manufacturing facility producing extended shelf life (ESL) products.	
Location	Augusta County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$50,000 AFID Funds - used for site improvements. • \$250,000 Governor's Opportunity Fund • \$650,000 (up to) Economic Development Access Funds • \$45,000 VJIP – training • \$50,000 VJIP – cost avoidance for training • \$10,000 (up to) Major Business Facility Jobs Tax Credit
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$800,000 cash • 40 acres of land (valued at \$32,000 per acre) for a total value

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	of \$1,280,000 <ul style="list-style-type: none"> • \$45,000 matching VJIP dollars • Local funds used to off-set project costs
New jobs	Sixty (60)
New investment	\$50 million
Minimum purchase of Virginia-grown products	\$13,550,000 or 7.54 million gallons of Virginia milk over three years
Projected impact on agricultural and forestal producers	The facility will be a significant new purchaser of milk, at least 30% (and likely much more) of which will come from Virginia
Timetable for project completion	Expansion to begin in 2013 and be completed by 2014
Prevailing average wage in locality	\$38,360/year
Average wage of project	\$39,553/year

Franklin Lumber, LLC - (announced June 2013) Restart of the former Franklin International Paper 60 million board feet pine sawmill facility in Isle of Wight County	
Location	Isle of Wight County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$150,000 AFID Funds - to be spent on construction and installation costs for new building to house gas-fired boiler • \$71,000 VJIP – training • \$260,000 Enterprise Zone Job Creation Grants
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$74,900 Local enterprise zone 25% machinery & tools discount • \$10,000 Local enterprise zone jobs grant • \$91,000 Local Economic Development Incentive Grant • Local funds used to off-set project costs
New jobs	Seventy-two (72)
New investment	\$14.8 million
Minimum purchase of Virginia-grown products	1.45 million tons of logs purchased over five years. A minimum of 40% (580,000 tons) of the logs will come from Virginia.
Projected impact on agricultural and forestal producers	Project will have significant positive impact on loggers (who are estimated to earn \$5.7M annually from this facility) and forest landowners (annual payments to landowners are estimated at \$2.3M) in an area hard hit by the closure of the International Paper facility.
Timetable for project completion	Expansion to begin in 2013 and be completed by 2018
Prevailing average wage in locality	\$38,523/year
Average wage of project	\$42,500/year

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Dan River Plants - (announced July 2013)	
Expansion/relocation of Dan River Plants (tissue culture/plant propagation) as it is spun-off from Danville's Institute of Advanced Learning and Research (IALR)	
Location	Pittsylvania County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$150,000 AFID Funds – to be spent on site improvements • \$21,600 VJIP – training • \$78,000 Enterprise Zone Job Creation Grants
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$200,000 Reduced price sale of 20 acres in industrial park • \$10,000 Local enterprise zone jobs grant • \$341,000 in Tobacco Commission Funds, previously committed to Pittsylvania County IDA for grading, site prep and running a natural gas line to the site • Local funds used to off-set project costs
New jobs	Twenty-seven (27)
New investment	\$2.3 million
Minimum purchase of Virginia-grown products	\$7.7 million in sales over three years of tissue-cultured plants produced on-site
Projected impact on agricultural and forestal producers	In addition to the significant plant production jobs and investment, the facility is the first of its kind in Virginia, providing plant propagation services that will be a strong and unique resource for Virginia's nursery industry
Timetable for project completion	Expansion to begin in 2013 and be completed by 2016
Prevailing average wage in locality	\$31,250/year
Average wage of project	\$42,500/year

Virginia Produce Company - (announced September 2013)	
Expansion/relocation of Virginia Produce Company (produce grading, packing and distribution)	
Location	Carroll County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$200,000 AFID Funds - to be spent for building improvements • \$20,000 VJIP – training • \$20,000 Enterprise Zone Job Creation Grants • \$100,000 Enterprise Zone Real Property Improvement Grant • \$200,000 Tobacco Region Opportunity Fund
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$1,056,500 Reduced price sale of county owned building • \$28,613 Local enterprise zone benefits • \$23,718 Grant based Machinery & Tools Taxes paid • \$13,090 Grant based on Real Estate Taxes paid • \$40,000 Cash grant from Carroll County • Local funds used to off-set project costs
New jobs	Twenty-five (25) New Jobs and Fifty (50) FTEs
New investment	\$2.54 million
Minimum purchase of Virginia-grown products	\$12 million of Virginia grown produce over three years
Projected impact on agricultural and forestal producers	Significant positive impacts on current and prospective produce

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	growers in the region – both through increased sales of current crops and opportunities for new crops; project also provides positions for disabled individuals in partnership with the Mount Rodgers Industrial and Developmental Center
Timetable for project completion	Expansion to begin 2013 with first stage completed Spring 2014
Prevailing average wage in locality	\$27,109/year
Average wage of project	\$19,261/year

Shenandoah Processing, LLC - (announced December 2013) Start-up of medium-scale (50,000 birds/day), organic-certified, custom poultry processor.	
Location	City of Harrisonburg
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$50,000 AFID Funds - used for building improvements • \$79,050 VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$50,000 Cash grant from City of Harrisonburg • Local funds used to off-set project costs
New jobs	One-hundred-and-two (102)
New investment	\$2.2 million
Minimum purchase of Virginia-grown products	25 million chickens processed over the first three years of operation, valued at approximately \$160M
Projected impact on agricultural and forestal producers	Significant positive impact on Valley poultry growers who will have a new market niche to exploit, a use for old (but viable) poultry houses, and a new processing option for their flocks.
Timetable for project completion	Processing birds by early 2014 with additional capacity improvements made through 2016
Prevailing average wage in locality	\$31,250/year
Average wage of project	\$35,498/year

Montague Farms, Inc.- (announced March 2014) New bagging line, warehouse and lab to allow access to new sprouting Natto soybean market	
Location	Isle of Wight County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$14,700 AFID Funds – for warehouse construction
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$14,700 provided over three years through refunds of local taxes paid • Local funds used to off-set project costs
New jobs	Three (3)
New investment	\$618,490
Minimum purchase of Virginia-grown products	\$3.9M (7.5 Metric Tons) in Natto soybean purchases over three yrs (\$7.8M, 11 Metric Tons over five yrs).
Projected impact on agricultural and forestal producers	Provides area farmers access to new, high-value Korean

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	sprouting soybean market generating an anticipated \$1.43M in additional farm revenue through 2017.
Timetable for project completion	Project completed and serving area producers
Prevailing average wage in locality	\$35,833/year
Average wage of project	\$39,067/year

Trout River Dry Kiln, LLC - (announced March 2014) Large, new hardwood dry kiln facility adjacent to Trout River Lumber's flooring operation (Trout River is a major supplier of hardwood flooring to Lumber Liquidators)	
Location	Nottoway County (Town of Crewe)
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$100,000 AFID Funds – site improvements • \$36,000 VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$115,720 in donated land in the Crewe industrial park (5.26 acres valued at \$22,000 per acre)
New jobs	Forty (40)
New investment	\$5,467,500
Minimum purchase of Virginia-grown products	\$30.6M of Virginia lumber purchases to produce 34 million board feet (mbf) of hardwood for flooring over three years
Projected impact on agricultural and forestal producers	Creates a major new demand for Virginia hardwood, providing new market opportunities for sawmills, loggers and landowners
Timetable for project completion	Construction is underway. Project to be completed early 2015
Prevailing average wage in locality	\$31,828/year
Average wage of project	\$24,856/year

Vireol Bio Energy, LLC - (announced April 2014) Restart and upgrade of former Osage Bioenergy ethanol plant	
Location	City of Hopewell
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$250,000 AFID Funds – site improvements • \$60,000 VJIP – training • Enterprise Zone Job Creation Grant: \$180,000 • Enterprise Zone Real Property Improvement Grant: \$100,000 • Biofuels Production Incentive Grant Program (BPIG): up to \$3,295,000, as authorized in the FY15 – FY16 biennial budget.
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$250,000 (at least) awarded as Machinery & Tools tax rebate through City's local Enterprise Zone incentive
New jobs	Seventy (70) – 45 direct, 25 qualifying contractor positions
New investment	\$26,200,000
Minimum purchase of Virginia-grown products	21.7 bushels of Virginia grown grain over three years
Projected impact on agricultural and forestal producers	A massive new market for Virginia grown grain. Annually, facility will consume as much as ~15% of Virginia's entire corn crop and ~18% of Virginia's wheat and barley crops
Timetable for project completion	Production is underway, with major investments planned for the next five years.

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Prevailing average wage in locality	\$49,229/year
Average wage of project	\$50,075/year

Bloomaker USA - (announced June 2014) Expansion of Bloomaker (producer of "long-life tulips" and other flowers)	
Location	Augusta County
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$50,000 AFID Funds – natural gas line extension • \$8,000 VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$58,000 in matching cash funds (\$50K for natural gas line, \$8K for employee training)
New jobs	Ninety-eight (98) – 8 new jobs and 90 FTEs
New investment	\$2,000,000
Minimum purchase of Virginia-grown products	\$17.6M in new plant sales over three years
Projected impact on agricultural and forestal producers	In addition to supporting Greenhouse/Nursery industry, project provides important cold-weather employment for ag workers
Timetable for project completion	Construction underway. Project to be completed by early 2015.
Prevailing average wage in locality	\$39,183/year
Average wage of project	\$20,800/year (New jobs \$45,760/year, FTEs at \$9/hour – they will avg. \$18,720 over six-to-seven mo. period

Retail Relay, Inc., d/b/a Relay Foods - (announced June 2014) Expansion of on-line grocer specializing in local foods	
Location	City of Charlottesville
Grant amount committed from AFID Other funds committed by the Commonwealth How these funds will be used	<ul style="list-style-type: none"> • \$50,000 AFID Funds – building improvements • \$20,000 VJIP – training
Other funds from the political subdivision and their use	<ul style="list-style-type: none"> • \$50,000 in matching cash funds – building improvements
New jobs	Twenty-Five (25)
New investment	\$735,000
Minimum purchase of Virginia-grown products	\$353,309 of new purchases of meat, milk & produce in 3 years
Projected impact on agricultural and forestal producers	Relay's retail platform and dedication to sourcing local provides a powerful, cost-effective retail and distribution network for numerous local agricultural and specialty foods producers
Timetable for project completion	Construction underway, will be mostly completed in year one.
Prevailing average wage in locality	\$44,447/year
Average wage of project	\$20.44/hour plus benefits

AFID Facility Grant Total Economic Development Impact

As of December 31, 2014, there have been a total of 18 announced AFID Facility Grant projects totaling \$1,789,700 in grant funds committed or expended. These 18 projects account for 1,266 new jobs created and \$145,310,000 in new capital investments. These agribusiness companies have, on

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average, committed to purchase from Virginia approximately 72% of all the additional agricultural and forest products they will use to meet their new value-added processing needs.

AFID Planning Grant Program

As part of the budget language funding the AFID program, \$250,000 in each year was set-aside to encourage localities to think strategically about how they can better support and integrate agriculture and forestry-based industries into their community's overall economic development efforts. The AFID Planning Grants Program was developed with input from industry stakeholders, as well as the Virginia Association of Counties and the Virginia Department of Housing and Community Development.

AFID Planning Grant applications are accepted on a rolling basis, allowing for applicants to work with the AFID Fund Coordinator to refine their project and submit stronger applications. During the second half of the calendar year 2014, Governor McAuliffe announced four AFID Planning Grant awards totaling \$61,190, covering five localities. Below is a summary of each project:

Project Title: Fauquier County Cost of Community Services Study

Applicant: Fauquier County

Amount Requested: \$6,190

Summary: Fauquier County sought funding to complete a cost of community services study to obtain a better understanding of the fiscal impacts of various land use categories. This study, like a similar one before it for Fauquier, will be completed by UVA's Weldon-Cooper Center. The study will document, among other things, the fiscal impact working agricultural lands offer the County. The County Agricultural Committee will oversee the project.

Project Title: Feasibility of Alternative Energy Production Options using Local Agriculture and Forestry Feedstocks in Buckingham County, Virginia

Applicant: Buckingham County

Amount Requested: \$10,000

Summary: Buckingham County sought funding to have an outside consultant conduct a feasibility analysis and planning proposal for alternative energy options for public buildings using local agriculture and forestry feedstocks in the County. The study will include an economic feasibility analysis of local

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government and school buildings for conversion to biomass heating systems, feedstock availability, and a review of policies and ordinances that might assist or impede possible conversion. This effort will develop a template for other communities to follow for evaluating possible conversion of their public buildings to biomass heat.

Project Title: **Buckingham Agricultural Resource Network (BARN)**

Applicant: Joint: Commonwealth Regional Council (lead) with Appomattox, Buckingham and Cumberland Counties contributing funds

Amount Requested: \$35,000

Summary: The Buckingham Cattlemen's Association, representing 235 producers over 20 counties in Central Virginia, sought funding to partner with local governments, VDACS and the Tobacco Commission to construct a large new multi-use facility and outside sales arena that will allow for on-site sale of cattle and hay that will offer them substantial cost savings, as well as provide a viable venue for other activities to benefit the broader community. Grant funds will be used for the completion of interior finishes, including the installation of over \$18,000 worth of kitchen equipment donated by Buckingham County Schools.

Project Title: **Charles City County Agriculture and Forestry Economic Development Plan**

Applicant: Charles City County

Amount Requested: \$10,000

Summary: Charles City County recently contracted a consulting firm to conduct a Economic Development Strategic Plan for the County. After learning of the AFID Planning Grant, the County decided to seek funding to add a robust agriculture and forestry component to this plan. Specific issues to be addressed include: improving land-use and zoning policies, developing eco- and agri-tourism, timber industry expansion, and supporting a new wine industry. The County is pledging an additional \$5,000 in local funds and \$5,000 of staff time toward this project.

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Since the inception of the AFID Planning Grant, \$465,190 in awards has been announced, funding 22 projects in 48 localities. Multiple projects are in various stages of consideration by the secretariat with the opportunity for numerous announcements to be made during the next year.

Should you have any questions, please do not hesitate to contact me or the Secretary of Agriculture and Forestry, Todd Haymore.

Sincerely,

A handwritten signature in black ink, appearing to read "Terence R. McAuliffe", written over a faint circular stamp or watermark.

Terence R. McAuliffe

TRM
Enclosures

cc: The Honorable Todd P. Haymore, Secretary of Agriculture and Forestry
The Honorable Emmett W. Hanger, Jr., 24th Senate District
The Honorable John C. Watkins, 10th Senate District
The Honorable Edward T. Scott, 30th House District
Jason Powell, Senate Finance Committee Staff
Anne Oman, House Appropriations Staff
Sandra J. Adams, Commissioner, Virginia Department of Agriculture and Consumer Services