



## Southwest Virginia Cultural Heritage Foundation Board of Trustees

Thursday, December 12, 2024 | 1:00 P.M.

### Minutes

1. **Call to Order and Welcome** – Delegate Will Morefield

2. **Roll Call** – Kim Davis

Attending: Delegate Will Morefield, Senator Travis Hackworth, Delegate Amy Laufer (v), Sharon Buchanon, Mike Cochran, Josh Hess, Dr. Adam Hutchison (v), David Matlock, Rita McClenny, Deborah Milton, Amanda Pillion, Leah Ross, Ruby Rogers (v), Aaron Sizemore, Julie Walters Steele (v), and Scotty Wampler (v).

v = *Virtual*

Absent: Senator Todd Pillion, Delegate Sam Rasoul, Kevin Byrd, Saul Hernandez, Bryan Horn, Dylan Locke, and Ellen Reynolds.

Guests: Becky Nave and Tyler Hughes

Staff Attending: Kim Davis, Tina Murray, Ryana DeArmond, and Paula Hurt

3. **Public Comment** – No individuals registered to present public comment during this meeting.

4. **Adoption of Agenda** – Presented by Delegate Will Morefield. Motion to accept the agenda by David Matlock. Second by Mike Cochran. Vote. Motion carried.

5. **Approval of Minutes from September 2024** – Delegate Will Morefield - Motion to accept the minutes from the prior meeting as presented by David Matlock. Second by Senator Travis Hackworth. Vote. Motion carried.

6. **Executive Director Report** – Kim Davis

- **Special Presentation:** Tina Murray has been honored with the prestigious DHCD Leadership Award in recognition of her outstanding contributions. Tina plays a pivotal role in managing all events and overseeing the operations of the building. Her efforts not only save on repair costs but also generate nearly \$250,000 in event revenue annually, showcasing her exceptional leadership and dedication.
- **Hosting House Appropriations Committee** - In October, we had the privilege of hosting the House Appropriations Committee, with over 30 Delegates in attendance. We presented an overview of our organization, highlighted accomplishments from the past five years, and detailed how allocated funds are utilized. The visit also included a tour and an opportunity for the Delegates to shop and engage with our offerings.



- **Haysi Trail Center Ribbon Cutting (October):** In October, we proudly hosted the ribbon cutting ceremony for the Riverwalk in Haysi, VA. This marks the completion of the final project under the ARC POWER 16 initiative, which included the construction of three Destination Centers, boat launches, trail development, and parking lot enhancements at key outdoor recreation areas.
- **ARC - Audit** - We have received notice that the ARC POWER 16 project will undergo an audit, as anticipated due to its extensive scope, the duration of the project, and the significant grant amount involved. The \$3.3 million grant included \$2.8 million allocated for construction and \$500,000 for non-construction activities, with an additional \$2.1 million in matching funds. The audit will be conducted by Castro & Company, LLC, based in Louisiana.
- **Hurricane Helene impact on Cultural Center**
  - The Cultural Center has sustained significant water damage due to Hurricane Helene, and we are actively collaborating with People Incorporated to address these ongoing issues, which worsen with each rainstorm.
  - Barker Construction has applied caulking to the warranty-covered sections of the metal roof, providing temporary relief by sealing problem areas. However, leaks persist during wind-driven rains, and a permanent solution, such as a full roof replacement, is under consideration.
  - An application for FEMA funding has been submitted to assist with repairs.
- **2024 Annual Report** – Finished and submitted to the Secretary of Commerce and Trade office with the goal of sending it to the Governor and General Assembly next week.

## 7. Financials – Paula Hurt

- **'Round the Mountain Financial Review:**
  - Reviewed the Profit & Loss statements and Balance Sheets as of September 30, 2024, which were distributed prior to the meeting.
  - Key Highlights:
    - 1st Quarter Revenue: Approximately \$9,000, including \$3,000 from partnership contributions and \$5,500 from grants.
    - Expenses: Minimal at just \$500, resulting in a profit of \$8,636 for the quarter.
    - 2nd Quarter Outlook: Expenses are expected to increase as work on the strategic plan progresses.
    - Cash Position: Currently at \$67,677, with Accounts Receivable in line and no outstanding Accounts Payable.



- **Friends of Southwest Virginia**

- Reviewed the Profit & Loss statements and Balance Sheets as of September 30, 2024, which were distributed prior to the meeting.
- Key Highlights:
  - Operating Revenue: \$253,453, with Facility Fee and Event Revenue at 42% of the budget. The 2nd quarter was exceptionally busy with events
  - Partnership Program revenue is at 11%, but reminder emails have been sent to partners, and payments are being received.
  - Operating Expenses: \$201,270, in line with expectations, resulting in a current operating profit of \$52,000.
  - Development Revenue and Expenses: Reflect a \$16,000 loss for the 1st quarter, with grant expense remittances pending submission. We chose to pay a few invoices because we knew with grant closeouts the funding would come in the second quarter.
  - Overall Profit: The organization posted a total profit of \$36,000 for the 1st quarter.
  - Cash Position: \$167,000 in the operating account and \$451,000 in savings, of which \$162,000 is restricted. Accounts Receivable and Accounts Payable are inline.
- Motion to Accept Financial Reports: Jimmy Adkins moved to accept the finance reports as presented, seconded by Larry Barton. The motion carried.

- **Audit Update:** Bostic Tucker has received all necessary audit information and completed their on-site visit. The audit, which includes single audits for grants exceeding \$1 million in grant income, is anticipated to be finalized by early 2025. Tax return extensions have been filed to allow for the additional time needed to complete the single audit process.

## 8. **Deputy Director of Operations Update** – Tina Murray

- **Building Updates**

- **Roof Issues:** Tina reported ongoing problems with the J Channel, which was improperly installed. Temporary fixes, such as applying caulk, provide short-term relief, but the issue repeatedly recurs. Although the roof is under warranty and repairs are covered, a complete roof replacement is the only permanent solution. Unfortunately, this is not covered under the warranty since the issue is attributed to the original installer, a company that is now out of business. Utilizing the reserve fund for a roof replacement is being considered, though it would be a significant expense.



- **Window Replacement:** A shattered window on the upper left side of the building requires replacement. This window is part of a curtain wall system (non-weight-bearing), and replacing the glass will involve removing part of the façade, adding complexity to the repair.
- **New SWVA Signage** - The new LOVE and SWVA signage has been installed outside the Cultural Center, adding a visually stunning and welcoming feature to the facility. These signs have already proven to enhance the experience for visitors, creating a safer and more inviting space.
- **Christmas in Southwest Virginia:**
  - The Cultural Center is beautifully decorated with Christmas lights, thanks to the efforts of our team. These festive displays create a warm and welcoming atmosphere, spreading holiday cheer to all who visit.
- **Endless Opportunities (EO) Career Commons:**
  - The exterior design of the Career Commons at the EO building project was completed on schedule. However, Hurricane Helene caused delays in the completion of interactive student labs. Despite these setbacks, the project remains on track for finalization in December.
- **Events Update:**
  - **The Crooked Road:**
    - Monthly jam sessions and performances continue to foster strong community engagement.
    - First Thursday: Features jam sessions complemented by an open café.
    - Third Thursday: Showcases performances by local talent.
    - New Initiative: Highlands Appalachia Songwriters now hold monthly meetings followed by performances.
  - **Virginia Highlands Community College Campus Events:**
    - Hosted performances by Ed Morgan's Older Adults group.
    - Partnered with Virginia Highlands Community College on several programs, including an event featuring Kazuhiro Inaba and Jack Hinshelwood, a networking event for their new Hospitality and Tourism program, and their annual Christmas party.
  - **Community Engagement:**
    - Participated in the Town of Abingdon's Halloween Trick-or-Treat, providing a safe and festive experience for families.
    - Hosted a Washington County Chamber of Commerce "After Hours" event celebrating the life and contributions of Sandy Ratliff.



- **Signature Events:**
  - **Made in SWVA:** This annual event celebrating local artisans was highly successful, attracting visitors from as far as Kentucky and Asheville.
  - **Gingerbread House Competition:** Held in collaboration with the Virginia Highlands Festival, the event highlighted creative entries and supported Damascus Disaster Relief through a silent auction.
  - **Breakfast with Santa –** We hosted a sold-out annual event with over 200 attendees with activities such as Story Time, Christmas crafts, a Gingerbread Scavenger Hunt, Reindeer Games, and photos with Santa.
- **SWVA Events:**
  - Welcomed over 200 UVA Wise students to the Virginia Talents Opportunity Partnership event.
  - Hosted the first wedding reception since the post-COVID reopening, providing a memorable experience for attendees.
  - Organized successful regional and corporate meetings, including events by Invest Appalachia and First Community Bank’s quarterly board meeting.
- **Group Tours:**
  - Welcomed several tour groups this quarter, including Witte Travel & Tours and US Tours, showcasing the region to a broader audience.

## 9. Marketing Update – Kim Davis

- **National Public Relations Campaign:** The campaign has been highly successful, with Southwest Virginia featured in 449 publications, achieving nearly 80 billion impressions, and generating \$736 million in earned media coverage. Efforts continue to focus on larger travel campaigns, with two media visits already planned for next year.
- **Special Thank You to Virginia Tourism** – Kim thanked Rita and the VTC team for the ongoing support of the grants VTC provides all tourism businesses, including DMOs, hotels, attractions, small tourism-related businesses, etc.
- **Visit SWVA Website Redesign:** In January, we will launch an RFP for a Marketing Firm to bid on redesigning all three websites the organization oversees, aiming to make them more appealing to visitors and more user friendly. The project timeline is 9-12 months:
  - ‘Round the Mountain: First to launch, aligning with the 20th Anniversary.
  - Friends: Scheduled for a summer launch.
  - Visit SWVA: Planned for a winter release.



- **Holiday Campaign:** The “Celebrate the Holidays in Southwest Virginia” campaign highlights festive activities across 19 counties. The initiative, supported by a Virginia micro-business grant, also features new blog content to engage holiday travelers.

#### 10. Development Update – Jen Otey/Kim Davis

- **Big Stone Gap Pump Track & Skate Park:** American Ramp out of Missouri won the bid from the RFP’s. Planning a site visit in January with consultant, and initial designs for the Pumptrack will be finalized in the Spring.
- **Gateways to Southwest Virginia: Outdoor Recreation Economy Planning Project:** The project focuses on the Powell and Clinch Rivers and the Blue Ridge Region near the West Piedmont area of the state. Fact sheets for both projects were distributed during the meeting, highlighting key details. Eight focus group meetings have been held across Scott County, the City of Norton, Patrick County, and the City of Martinsville to gather input and insights. A project video and website, <https://swvaoutdoors.org/>, were showcased to provide an overview and engage stakeholders. Destination by Design, based in Boone, NC, has been selected to lead the initiative.
- **Appalachian Regional Commission Outdoor Recreation Recovery Grant:** We received confirmation yesterday that this grant has been awarded. The project focuses on assessing outdoor recreation assets, identifying damage (both debris-related and structural), conducting cost and engineering analyses, and developing a comprehensive rebuilding strategy.
- **ARC POWER 24:** This project is set to launch in January, focusing on Creative Economy planning for the next decade. Key components include an asset inventory, an economic impact study, the development of a regional data dashboard, and a comprehensive strategy to shape the vision for the creative economy over the next 10 years.
- **ARC Area Development Grants:** Reminder the submission deadline for these grants has been extended until March.



#### 11. Old Business

- **SWVA License Plates Discussion** – Following up on the September Board Meeting, Kim outlined the timeline and requirements for creating a Southwest Virginia (SWVA) specialty license plate. To proceed, the project would need at least 1,000 participants to sign up and pay the fee, along with securing a legislator to champion the initiative. This project would likely roll out in 2026. The idea, initially suggested by Mike Cochran from the Town of Abingdon during the last Foundation meeting, involves key milestones: securing a legislator and completing the application process by Spring 2025, finalizing the plate design and collecting applications by Fall 2025, introducing and passing the bill during the January-February 2026 legislative session, and making plates available by July 1, 2026. During the Joint Finance Committee Meeting, it was decided to include this initiative in the regional survey for the Power 24 project this Spring to gauge interest before making a final decision.

#### 12. New Business

- None.

#### 13. Partner Update: 'Round the Mountain, Ryana DeArmond

- **Membership:** Current membership stands at 214, including 188 juried members. A county-by-county breakdown was provided.
- **Fall Jury Results:** Eight submissions were received, with seven applicants successfully passing the jury process.
- **Sales Performance:**  
October sales were down compared to the previous year, but November saw an increase, and December traffic has improved. Sales are expected to balance out by year-end.
- **Made in SWVA Event:**  
The event featured 20-22 participating artists, including both juried and non-juried members.
- **Strategic Plan/Feasibility Study:**  
Launched in November, the study will continue in January, focusing on ways to support artists and foster growth.
- **Artisan Conference:**  
Scheduled for April 3–5, the conference will kick off Round the Mountain's 20th Anniversary Celebration.

#### 14. Partner Update: Virginia Tourism Corporation, Rita McClenny

- **Hurricane Recovery Impact:** Occupancy rates increased by 21%, reaching 65%. Federal recovery funds are expected, and the Governor visited Southwest Virginia frequently after the disaster.
- **Micro-Business Grants:** On December 4, 108 micro-business grants were awarded, totaling \$170,000 in Southwest Virginia, with an average of \$10,000 per grant.



- **Fishing Lodge Initiative:** A luxury fishing lodge concept, developed by James Campos, the Department of Wildlife Resources, and VTC, is part of the PDC study. It incorporates input from localities and partnerships with a Boone-based company.
- **VA-1 Governor's Conference on Tourism:** The Crooked Road concert at the Cascades was a sold-out, magical evening of music, concluding with fireworks. The event benefited the Junior Appalachian Commissions and drew 25% first-time attendees. Next year's Governor's Conference is scheduled for 2026 in Danville.
- **Tourism Sports Legislation:** A new Sports Fund aims to support recruitment for events that generate hotel stays. Funding would be reimbursable, with possible advances.
- **General Assembly Session:** Begins January 8, 2025. Key dates include VRLTA reception on January 27, Tourism Day on January 28, and VML on January 29.
- **VTC Marketing Leverage Grant:** The grant program will open on February 11, 2025, and close on March 13, 2025.
  - VTC Grant Marketing Leverage Grant will open up Feb 11, 2025 and close on March 13.

15. **Partner Update:** The Crooked Road, Leah Ross

- **20th Anniversary Highlights:** Hosted 45 events across the Commonwealth, including showcases at the IBMA conference and Bristol Rhythm and Roots. The Crooked Road on Tour program saw significant growth, with musicians serving as strong ambassadors.
- **Funding and Media Coverage:** Increased funding from the Virginia Commission for the Arts and notable national, regional, and local media coverage.
- **New Initiatives and Recovery Efforts:** Developing a mobile app for The Crooked Road. Hurricane-impacted venues experienced minimal damage, and partnerships with Smithsonian and FEMA are underway for support.
- **Leadership and Board Engagement:** Aloura is transitioning to a new role, with interviews in progress for her replacement. Recent board meetings had strong attendance and participation, with committees functioning effectively.

16. **Regional Announcements**

- Congratulations to Aaron Sizemore, Friends Board Chair and Executive Director of Mount Rogers PDC, who received the Virginia Association of Planning Districts Presidents Award.

17. **Approval of next meeting date** – Senator Travis Hackworth proposed Thursday, March 13, 2025, at 1:00 p.m. as the next meeting date. A motion to approve the date was made by Rita McClenny, seconded by Josh Hess, and unanimously carried.

18. **Adjournment** – Senator Travis Hackworth