



▪ **ALL-VIRTUAL MEETING** ▪

**AGENDA**

**EXECUTIVE COMMITTEE**

**Thursday, May 9, 2024**

**9:30 A.M.**

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In accordance with §2.2-3708.3 of the Code of Virginia, public access for this meeting is being provided through electronic communications means. The public may participate in the meeting remotely by [clicking here to join](#). Enter **Meeting ID: 266 181 736 445** and **Passcode: LxKvmk**. You can join on your computer, mobile app, or room device.

If participating in the meeting by phone, please dial: **1-332-249-0607** and enter Conference ID: **670 112 587#**.

The Commission will not change the method by which it chooses to meet without providing a new meeting notice that is in accordance with the Virginia Freedom of Information Act. If you experience problems calling in, please contact: **Hannah Franke-Fuller** at **(804) 894-9659** or **[hfranke-fuller@revitalizeva.org](mailto:hfranke-fuller@revitalizeva.org)** or **Roz Stein** at **(804) 894-9651**.

If during the meeting, electronic transmission fails, the public may alert the Commission by calling 804-894-9652 or emailing [jbutler@revitalizeva.org](mailto:jbutler@revitalizeva.org). If alerted to a transmission failure, the Committee shall recess until public access is restored.

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**Welcome and Call to Order**

*The Honorable Will Morefield, Vice-Chair*

**Call of the Roll**

*The Honorable James Campos, Executive Director*

**Approval of the 4/16/24 Minutes**

*The Honorable Will Morefield, Vice-Chair*

(published on website)

**Public Comment**

**Foundation for the Advancement of  
Southern and Southwest Virginia, Inc.**

*Ms. Stephanie Kim, Finance Director*

**Personnel**

*Ms. Stephanie Kim, Finance Director*

**FY2025 Budget Amendments**

*Ms. Stephanie Kim, Finance Director*

**Other Business**

*The Honorable James Campos, Executive Director*

**Adjournment**

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3 **ARTICLES OF INCORPORATION**  
4 **FOR**

5  
6 **FOUNDATION FOR THE ADVANCEMENT OF**  
7 **SOUTHERN AND SOUTHWEST VIRGINIA, INC.**  
8

9 A Virginia Nonstock Corporation

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11 1. **Name.** The name of the corporation is

12 **FOUNDATION FOR THE ADVANCEMENT OF**  
13 **SOUTHERN AND SOUTHWEST VIRGINIA, INC.**  
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16 2. **Purposes.** The Foundation for the Advancement of Southern and Southwest  
17 Virginia, Inc. (the "Foundation") is organized exclusively for educational, scientific  
18 and charitable purposes as defined in Section 501(c)(3) of the Internal Revenue Code  
19 or the corresponding provision of any future federal tax statute (the "Code"),  
20 specifically, to provide financial and other support to the initiatives, programs,  
21 activities, and goals of the Tobacco Region Revitalization Commission the ("TRRC"), a  
22 Virginia public body constituted by statute as a political subdivision of the  
23 Commonwealth of Virginia. Subject to the limitations set forth below, the  
24 Foundation may conduct any or all lawful affairs, not required to be stated  
25 specifically in these Articles, for which corporations may be incorporated under the  
26 Virginia Nonstock Corporation Act.

27 3. **Activities and Powers.** (a) The Foundation shall not be operated for profit. It  
28 may engage only in activities that may be carried on by an organization exempt from  
29 federal income tax under Section 501(c)(3) of the Code and by a corporation to which  
30 contributions are deductible under Sections 170(c), 2055 and 2522 of the Code. To  
31 the extent consistent with Section 501(c)(3) of the Code, the Foundation may exercise  
32 any and all powers conferred upon nonstock corporations by Sections 13.1-826 and -  
33 827 of the Virginia Nonstock Corporation Act.

34 (b) No substantial part of the activities of the Foundation shall be the  
35 carrying on of propaganda, or otherwise attempting, to influence legislation  
36 (except as otherwise permitted by Section 501(h) of the Code); and the  
37 Foundation shall not participate in, or intervene in (including the publishing  
38 or distributing of statements), any political campaign on behalf of, or in  
39 opposition to, any candidate for public office.  
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41 (c) No part of the net earnings of the Foundation shall inure to the benefit  
42 of any trustee or officer of the Foundation or any person having a personal or  
43 private interest in the activities of the Foundation, except that the Foundation  
44 may pay reasonable compensation for services rendered and may make  
45 payments or distributions in furtherance of the purposes set forth in Article 2.

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4. **Members.** The Foundation shall have no members. All voting power, including without limitations power to vote on amending these Articles of Incorporation, shall be vested in the Board of Trustees.

5. **Trustees.** (a) The Board of Trustees shall consist of not less than five (5) and not more than nine (9) members. The initial Board of Trustees shall consist of the following nine (9) individuals:

| <u>Name</u>                           | <u>Address</u>  | <u>Term Ends</u>                           |
|---------------------------------------|---|--|
| The Honorable Daniel W. Marshall, III | P.O. Box 439<br>Danville, VA 24543                          | <i>Ex Officio</i><br>(TRRC Designee)       |
| The Honorable James E. Campos         | 701 E. Franklin St., Ste. 501<br>Richmond, VA 23219         | <i>Ex Officio</i><br>(TRRC Staff Designee) |
| The Honorable Don Merricks            | 1180 Astin Lane<br>Danville, VA 24540                       | 2025                                       |
| Ms. Shannon R. Blevins                | One College Ave.<br>Wise, VA 24293                          | 2025                                       |
| Ms. Becky Coleman                     | P.O. Box 217<br>Gate City, VA 25251                         | 2025                                       |
| The Honorable Edward Owens            | P.O. Box 946<br>South Boston, VA 24592                      | 2026                                       |
| Mr. Jeff Haley                        | 109 Fenton Pl.<br>Danville, VA 24541                        | 2026                                       |
| Mr. Butch Hamlet                      | 405 Riverside Drive<br>Bassett, VA 24055                    | 2026                                       |
| Ms. Nichole Hair                      | 1000 E. Main Street<br>Grayson Hall<br>Wytheville, VA 24382 | 2026                                       |

b) Each initial Trustee shall serve for a term expiring at the annual meeting of the Board in the year set opposite his or her name above, except that two (2) Trustees will serve in an *ex-officio* capacity: (i) a designee Commission member from the TRRC or his or her designee and (ii) a designated staff member of the TRRC or his or her designee with full voting privileges for as long as he or she serves the TRRC in their respective capacity. At any time, the TRRC can replace such designated trustee with another person meeting the requirements of such *ex-officio* trustee positions. As the terms of the initial Trustees and their successors expire, the Board of Trustees shall elect Trustees for two-year terms as set forth in the Bylaws of the Foundation. Vacancies on the Board shall be filled by majority vote of the remaining Trustees. At all times, at least

66 one Trustee must be a member of TRRC, but in no case may a majority of a  
67 quorum (inclusive of *Ex Officio* Trustees) of the Board of Trustees be  
68 comprised of TRRC members and staff. Annually and at least sixty (60) days  
69 prior to expiration of a term, the Board of Trustees shall seek from TRRC  
70 nominees for Trustees whose term is expiring, but the Board of Trustees is  
71 not required to fill a vacancy from such nominee list.

72 c) No Trustee shall be eligible to serve more than three consecutive two-  
73 year terms; but an initial Trustee named in these Articles for a shorter term or  
74 a Trustee elected to fill a vacancy may thereafter serve two full terms if  
75 elected.

76 d) Staff of TRRC shall also be eligible to serve as a Trustee.

77 6. **Business Office, Registered Office, and Agent.** The business offices where the  
78 books and records of the Foundation are kept shall be 701 East Franklin Street, Suite  
79 501, Richmond, Virginia 23219. The registered office of the Foundation shall be 13207  
80 Broncroft Court, Midlothian, Virginia 23113. The registered agent shall be Howard P.  
81 Estes, Jr., who is a resident of Virginia and a member of the Virginia State Bar and  
82 whose office is the Foundation's registered office.

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84 7. **Dissolution.** Upon the dissolution of the Foundation and the winding up of  
85 its affairs, the net assets of the Foundation shall be distributed exclusively to TRRC  
86 or one or more foundations dedicated to its support. If TRRC may not receive such  
87 distributions and no foundation dedicated to the support of TRRC is described in  
88 Sections 170(c)(2) and 501(c)(3) of the Code when distributions are to be made to it,  
89 the net assets of the Foundation shall be distributed to one or more entities organized  
90 and operated exclusively for charitable, scientific, or educational purposes and then  
91 so described, to be used to support economic development in the communities  
92 located within the service boundaries of TRRC.

93 8. **Indemnification.** (a) In this Article:

94 "applicant" means the person seeking indemnification pursuant to this  
95 Article;

96 "expenses" includes counsel fees;

97 "liability" means the obligation to pay a judgment, settlement, penalty, fine,  
98 including any excise tax assessed with respect to an employee benefit  
99 plan or reasonable expenses incurred with respect to a proceeding;

100 "party" includes an individual who was, is or is threatened to be made a  
101 named defendant or respondent in a proceeding; and

102 "proceeding" means any threatened, pending, or completed action, suit, or  
103 proceeding, whether civil, criminal, administrative, or investigative and  
104 whether formal or informal.

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106 (b) In any proceeding brought by or in the right of the Foundation, no  
107 Trustee or officer of the Foundation shall be liable to the Foundation for  
108 monetary damages with respect to any transaction, occurrence or course of

109 conduct, whether prior to or subsequent to the effective date of this Article,  
110 except for liability resulting from such person's having engaged in willful  
111 misconduct or a knowing violation of the criminal law or any federal or state  
112 securities laws.

113 (c) The Foundation shall indemnify (i) any person who was or is a party  
114 to an proceeding, including a proceeding as in the right of the Foundation, by  
115 reason of the fact that he is or was a Trustee or officer of the Foundation or  
116 (ii) any Trustee or officer who is or was serving at the request of the  
117 Foundation as a director, trustee, partner or officer of another corporation,  
118 partnership, joint venture, trust, employee benefit or other enterprise, against  
119 any liability incurred by him in connection with such proceeding unless he  
120 engaged in willful misconduct or a knowing violation of the criminal law. A  
121 person is considered to be serving an employee benefit plan at the  
122 Foundation's request if his duties to the Foundation also impose duties, or  
123 otherwise involve services by him, to plan or to participants in or beneficiaries  
124 of the plan. The Board of Trustees is hereby empowered, by a majority vote  
125 of disinterested Trustees, to enter into contract to indemnify any Trustee or  
126 officer in respect of any proceedings arising from any act or omission,  
127 whether occurring before or after execution of such contract.

128 (d) The provisions of this Article shall be applicable to all proceedings  
129 commenced after the adoption hereof, arising from any act or omission,  
130 whether occurring before or after such adoption. No amendment or repeal of  
131 this Article shall have any effect on these rights provided under this Article  
132 with respect to any act or omission occurring prior to such amendment or  
133 repeal. The Foundation shall promptly take all such actions, and make all  
134 such determinations, as shall be necessary or appropriate to comply with its  
135 obligation to make any indemnity under this Article and shall promptly pay or  
136 reimburse all reasonable expenses, including *attorneys' fees*, incurred by any  
137 such Trustee or officer in connection with such actions and determinations or  
138 proceedings of any kind arising there from.

139 (e) The termination of any proceeding by judgment, order, settlement,  
140 conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of  
141 itself create a presumption that the applicant did not meet the standard of  
142 conduct described in Section (b) or (c) of this Article.

143 (f) Any indemnification under section (c) of this Article (unless ordered  
144 by a court) shall be made by the Foundation only as authorized in the specific  
145 case upon a determination that indemnification to the applicant is proper in  
146 the circumstances because he has met the applicable standard of conduct set  
147 forth in section The determination shall be made:

148 (i) By the Board of Trustees by a majority vote of a quorum  
149 consisting of Trustees not at the time parties to the proceeding.

150 (ii) If a quorum cannot be obtained under subsection (i) of

151 this section, by majority vote of a committee duly designated  
152 by the Board of Trustees (in which designation Trustees who  
153 are parties may participate), such committee consisting solely  
154 of two or more Trustees not at the time parties to the  
155 proceeding; or

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157 (iii) By special legal counsel:

158 (A) Selected by the Board of Trustees or its  
159 committee in the manner prescribed in subsection (i) or  
160 (ii) of this section, or

161 (B) If a quorum of the Board of Trustees cannot be  
162 obtained, under subsection (i) of this section and a  
163 committee cannot be designated under subsection (ii) of  
164 this section, selected by majority vote of the full Board of  
165 Directors, in which selection Directors who are parties  
166 may participate.

167 Any evaluation as to reasonableness of expenses shall be made in the same  
168 manner as the determination that indemnification is appropriate, except that if  
169 the determination is made by special legal counsel, such evaluation as to  
170 reasonableness of expenses shall be made by those entitled under subsection  
171 (iii) of this section (f) to select counsel.

172 (g) (i) The Foundation shall pay for or reimburse the  
173 reasonable expenses incurred by any applicant who is a party to a proceeding  
174 in advance of final disposition of the proceeding in advance of final  
175 disposition of the proceeding or the making of any determination under  
176 section (f) if the applicant furnishes the Foundation:

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178 (A) A written statement of his good faith belief that  
179 he has met the standard of conduct described in section  
180 (c); and

181 (B) A written undertaking, executed personally or on  
182 his behalf, to repay the advance if it is ultimately  
183 determined that he did not meet such standard of  
184 conduct.

185 (ii) The undertaking required by paragraph (B) of  
186 subsection (a) of this section shall be an unlimited general  
187 obligation of the applicant but need not be secured and maybe  
188 accepted without reference to financial ability to make  
189 repayment.

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191 (iii) Authorizations of payments under this section shall be  
192 made by the persons specified in section (f).

193 (h) The Board of Trustees is hereby empowered, by majority vote of the  
194 quorum consisting of disinterested Trustees, to cause the Foundation to  
195 indemnify or contract to indemnify any person not specified (c) of this Article  
196 who was, is or may become a party to any proceeding, by reason of the fact  
197 that he is or was an employee or agent of the Foundation, or is or was serving  
198 at the request of the Foundation as director, trustee, officer, employee, or  
199 agent of another corporation, partnership, joint venture, trust, employee  
200 benefit plan or other enterprise, to the same extent as if such person were  
201 specified as one to whom indemnification is granted under section (c). The  
202 provisions of sections (c) through (g) of this Article shall be applicable to any  
203 indemnification provided pursuant to this section (h).

204 (i) The Foundation may purchase and maintain insurance to indemnify it  
205 against the whole or any portion of the liability assumed by it in accordance  
206 with this Article and may also procure insurance, in such amounts as the  
207 Board of Trustees may determine, on behalf of any person who is or was a  
208 Trustee, officer, employee or agent of the Foundation, or is or was serving at  
209 the request of the Foundation as a Trustee, officer, employee or agent of  
210 another corporation, partnership, joint venture, trust, employee benefit plan or  
211 other enterprise, against any liability asserted against or incurred by him in  
212 any such capacity or arising from his status as such, whether or not the  
213 Foundation would have power to indemnify him against such liability under  
214 the provisions of this Article.

215 (j) Every reference herein to directors, trustees, officers, employees or  
216 agents shall include former directors, trustees, officers, employees and agents  
217 and their respective heirs, executors and administrators. The indemnification  
218 hereby provided and provided hereafter pursuant to the power conferred by  
219 this Article on the Board of Trustees shall not be exclusive of any other rights  
220 to which any person may be entitled, including any right under policies of  
221 insurance that may be purchased and maintained by the Foundation or others,  
222 with respect to claims, issues or matters in relation to which the Foundation  
223 would not have the power to indemnify such person under the provisions of  
224 this Article. Such rights shall not prevent or restrict the power of the  
225 Foundation to make or provide for any further indemnity, pursuant to one or  
226 more indemnification agreements, bylaws, or other arrangements (including,  
227 without limitation, creation of trust funds or security interests funded by  
228 letters of credit or other means) approved by the Board of Trustees (whether  
229 or not any of the Trustees of the Foundation shall be a party to or beneficiary  
230 of any such agreements, bylaws or arrangements); provided however, that  
231 any provision of such agreements, bylaws or other arrangements shall not be  
232 effective if and to the extent that is contrary to this Article or applicable laws  
233 of the Commonwealth of Virginia.

234 (k) Each provision of this Article shall be severable, and an adverse  
235 determination as to any such provision shall in no way affect the validity of  
236 any other provision.

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Dated: \_\_\_\_\_, 20\_\_

**FOUNDATION FOR THE ADVANCEMENT OF  
SOUTHERN AND SOUTHWEST  
VIRGINIA, INC.**

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Howard P. Estes, Jr., Incorporator

DRAFT

# Tobacco Region Revitalization Commission Proposed FY2025 Budget

|  | <u>FY2024</u>  |
|--|----------------|
| Endowment Balance July 1, 2023         | \$ 122,085,751 |
| Minus June corpus invasion             | (18,312,863)   |
| Ending Endowment Balance June 30, 2024 | \$ 103,772,888 |
| Corpus Invasion-->                     | 15.0%          |

| <u>SOURCES of Funds</u> | <u>FY2024</u>        | <u>Proposed<br/>FY2025</u> | <u>% of<br/>Budget</u> |
|-------------------------|----------------------|----------------------------|------------------------|
| Interest Earnings       | \$ 3,762,348         | \$ 4,300,000               |                        |
| TICR Endowment          | -                    | 18,312,863                 |                        |
| Lending Program         | 18,208,351           |                            |                        |
| Carryforward            | 5,965,701            | 2,640,440                  |                        |
| <b>Total Sources</b>    | <b>\$ 27,936,400</b> | <b>\$ 25,253,303</b>       |                        |

## USES of Funds

### **Administration**

|                                     |                     |                     |              |
|-------------------------------------|---------------------|---------------------|--------------|
| Salaries, Benefits, Per Diems       | \$ 1,432,900        | \$ 1,819,995        | ^            |
| Contractual Services, Travel        | 237,800             | 358,600             | ^            |
| Supplies and Materials              | 11,000              | 10,000              |              |
| Transfer Payments                   | 334,300             | 323,800             |              |
| Rent, Insurance, Agency Svc Charges | 213,400             | 340,050             |              |
| Furniture and Equipment             | 7,000               | 6,000               |              |
| <b>Total Administration</b>         | <b>\$ 2,236,400</b> | <b>\$ 2,858,445</b> | <b>16.8%</b> |

|   |                      | <u>Unobligated<br/>Balance as of<br/>3/31/2024</u> |                      |               |
|---|----------------------|--|----------------------|---------------|
| <b>Tobacco Region Opportunity Fund</b>  | \$ -                 | \$ 21,908,728                                      | \$ -                 | 0.0%          |
| <b>Education</b>                        |                      |  |                      |               |
| Competitive                             | \$ 2,000,000         | \$ 6,526,348                                       | \$ -                 |               |
| Talent Attractions Programs             | \$ -                 | 4,162,950  | -                    |               |
| Workforce Financial Aid                 | 2,200,000            | 3,867,827  | * 2,200,000          |               |
|   | \$ 4,200,000         | \$ 14,557,125                                      | \$ 2,200,000         | 12.9%         |
| <b>Economic Development</b>             |                      |  |                      |               |
| Southern Va Committee                   | \$ 6,000,000         | \$ 30,580,069                                      | * \$ 6,000,000       |               |
| Southwest Va Committee                  | 3,500,000            | 5,094,587  | * 6,000,000          |               |
| <b>Total Economic Development</b>       | <b>\$ 9,500,000</b>  | <b>\$ 35,674,656</b>                               | <b>\$ 12,000,000</b> | <b>70.3%</b>  |
| <b>Megasite Prospect Incentive Fund</b> | \$ -                 | \$ 17,375,889                                      | \$ -                 | 0.0%          |
| <b>Lending Program</b>                  | \$ -                 | \$ 22,016,676                                      | \$ (3,500,000)       | -20.5%        |
| <b>Energy Innovation Fund</b>           | \$ 12,000,000        | \$ 12,000,000                                      | * \$ -               | 0.0%          |
| <b>Agribusiness</b>                     | \$ -                 | \$ -   | \$ 1,500,000         | 8.8%          |
| <b>Economic Dev Housing Pilot</b>       | \$ -                 | \$ -   | \$ 2,000,000         | 11.7%         |
| <b>General Account</b>                  | \$ -                 | \$ 2,640,440                                       | \$ -                 | 0.0%          |
| <b>Total Uses</b>                       | <b>\$ 27,936,400</b> | <b>\$ 126,173,514</b>                              | <b>\$ 17,058,445</b> | <b>100.0%</b> |

\*Amended from budget approved by Exec Comm 4/16/2024

\*Awards anticipated in May 2024