



TABLE OF CONTENTS

Virginia Tobacco Region Revitalization Commission

Fall 2025 Committee & Commission Meetings

The Gallery @ Virginia International Raceway

1245 Pine Tree Road, Alton, Virginia

September 23 - 24, 2025

MEETING LOGISTICS

Itinerary, Lodging/Meeting/Reception Information 1

Map of VIR 3

SOUTHERN VIRGINIA COMMITTEE..... 4

Agenda 5

Grant Projects and Extensions & Modifications 6

ENERGY INGENUITY COMMITTEE 32

Agenda 33

Grant Projects..... 34

EDUCATION COMMITTEE 40

Agenda 41

Extensions & Modifications 42

SOUTHWEST VIRGINIA COMMITTEE..... 43

Agenda 44

Grant Projects and Extensions & Modifications 45

NEW COMMISSIONER ORIENTATION 47

Agenda 48

INCENTIVES & LOANS COMMITTEE..... 49

Agenda 50

Project Updates and Modifications..... 51

Economic Development Housing Incentive Pilot Program Updates..... 52

FULL COMMISSION 58

Agenda 59

Proposed Strategic Plan, Approved by Committee..... 60

Financial Summary 98

TROF Updates 100

VSBFA Loan Update..... 104

Current Committee Membership..... 105



ITINERARY

**Virginia Tobacco Region Revitalization Commission
Fall 2025 Tobacco Commission Meetings
The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, Virginia
September 23 - 24, 2025**

Tuesday, September 23, 2025

11:30am	Lunch available
12:05pm	Southern Virginia Committee
1:30pm	Energy Committee
2:15pm	Education Committee
2:30pm	Southwest Virginia Committee
4:00pm	Presentation on VIR and Tour of Skip Barber Racing School
6:30pm	Reception – The Pagoda @Virginia International Raceway

Wednesday, September 24, 2025

8:00am	Breakfast available
8:30am	New Commissioner Orientation
9:15am	Incentives & Loans Committee
10:45am	Full Commission
11:30am	Lunch available

THE VIRGINIA TOBACCO REGION REVITALIZATION COMMISSION
Cordially invites you to our
FALL RECEPTION
Tuesday, September 23, 2025
6:30 P.M.
The Pagoda @ Virginia International Raceway
1245 Pine Tree Road, Alton, Virginia 24520
Business Casual
RSVP by September 10, 2025, to Roz Stein
rstein@revitalizeva.org

Very special thanks to our sponsors!

Virginia International Raceway

1245 Pine Tree Road, Alton, Virginia



In 1955, a group of North Carolina car enthusiasts began their search for a racetrack location. They soon found the perfect site on the Virginia state line, and VIRginia International Raceway opened for business in August of 1957. As one of the first permanent American road racing tracks, VIR soon became a fixture on The Sports Car Club of America (SCCA) circuit and a favorite among racers due to its high-speed straights, challenging turns and dramatic elevation changes. But the track fell on hard times in the early 1970s and was closed following an SCCA endurance race on October 13, 1974.

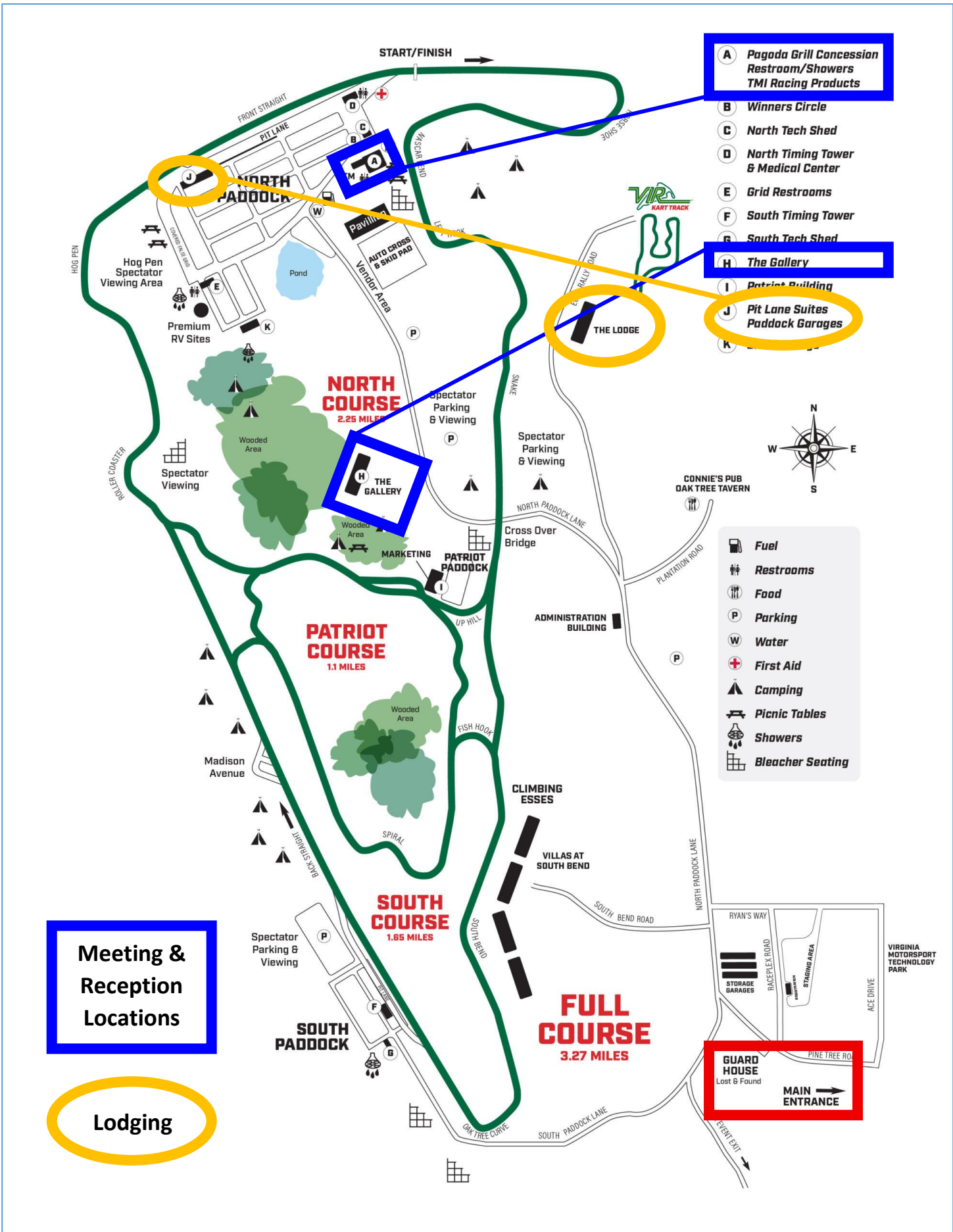
VIR reverted to farmland for 25 years until 1998 when investors Connie Nyholm and Harvey Siegel decided to leave their careers in New York real estate and resurrect VIR. Their vision for the weed-infested, overgrown facility was more expansive than anyone could have imagined.

Reopening in 2000, the historic track was renovated to become a world-class road racing circuit repaved and widened, while still following the track's original centerline. In addition, Nyholm and Siegel transformed VIR into America's first "Motorsport Resort," a unique combination of a racetrack, lodging, dining, skeet shooting, pistol, and rifle ranges, karting and more.

Within two years of reopening, VIR began hosting the top professional sports car and motorcycle racing series in America, as well as welcoming back the amateur racers of the SCCA, whose NC Region was thrilled to have their "home track" back. In early 2013, Siegel retired from ownership, and Nyholm became one of the only female majority owners of a racetrack in the country. Under her guiding hands, VIR has received international acclaim as one of the world's most beautiful and challenging circuits, and continues to push the envelope of how a racetrack is viewed.

Prior to the start of the 2014 season, Nyholm once again led the charge in initiating several updates at VIR including repaving the track's Full Course for the first time since 1999, widening the track by six feet at several locations to allow easier passing, moving the start and finish line to just after pit row for better viewing for spectators, and paving the North Paddock to ensure an even and smooth surface for fans and drivers alike.

Paraphrased from the [VIR website](#).



A Pagoda Grill Concession
Restroom/Showers
TMI Racing Products

B Winners Circle

C North Tech Shed

D North Timing Tower
& Medical Center

E Grid Restrooms

F South Timing Tower

G South Tech Shed

H The Gallery

I Patriot Building

J Pit Lane Suites
Paddock Garages

**Meeting &
Reception
Locations**

Lodging

- Fuel
- Restrooms
- Food
- Parking
- Water
- First Aid
- Camping
- Picnic Tables
- Showers
- Bleacher Seating

SOUTHERN VIRGINIA COMMITTEE



• In-Person Meeting •

AGENDA

SOUTHERN VIRGINIA COMMITTEE
The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520

Tuesday, September 23, 2025
12:00 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 715 669 419#**.

The Committee 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: **Warren Bryson at (804) 894-9659, wbryson@revitalizeva.org or Roz Stein at (804) 894-9651.**

Welcome and Call to Order	<i>The Honorable Lashrecse D. Aird, Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Approval of the <u>5/21/2025</u> Minutes (published on website)	<i>Mr. Walter “Buddy” Shelton, Chair</i>
Public Comment	
Grant Projects	<i>The Honorable James Campos, Executive Director Ms. Sarah Capps, Southern Regional Director</i>
Pending Projects	<i>Closed Session</i>
Extensions and Modifications	<i>Ms. Sarah Capps, Southern Regional Director</i>
Other Business	<i>Mr. Stephen Versen, Deputy Director</i>
Adjournment	

**FY26 Southern Virginia Program – 1st Round
Staff Summaries and Recommendations
September 23, 2025**

The Virginia Tobacco Region Revitalization Commission received fourteen applications for the July 17, 2025, application deadline of the FY26 Southern Virginia Program – 1st Round. Applications are grouped under the eligible investment categories below. The Tobacco Commission’s Southern Virginia Committee will act on these funding requests at its meeting on September 23, 2025, at 12:00 noon.

Req #	Organization	Project Title	Requested Amount	Staff Rec
Agribusiness				
4407	Appomattox FFA Alumni Association, Inc.	Appomattox FFA Alumni Agricultural Complex	\$ 400,000	\$ 400,000
4401	Institute for Advanced Learning and Research	Expanding Southern VA Entrepreneurial and Business Support in Controlled Environment Agriculture	\$ 500,000	Table
Business Development				
4396	Cumberland County	Cumberland Court House Area Plan	\$ 26,250 \$ 26,125	\$ 26,125
4395	Cumberland County	Cumberland Grocery Store	\$ 100,000	\$ 100,000
4399	Prince Edward County	Loud and Clear: Marketing Skills for Small Business Success: Pilot Phase 2	\$ 19,650	Table
4402	SOVA INNOVATION HUB CORPORATION	RISE THRIVE – Entrepreneur Support and Ecosystem Building	\$ 350,000	\$ 350,000
4404	Town of Altavista	The Spark Initiative: Fostering Creativity and Community Entrepreneurship	\$ 146,000	\$ 146,000
4405	Town of Crewe	Town of Crewe Food Hub & Microenterprise Hub	\$ 315,000 \$ 298,000	\$ 298,000

Appomattox FFA Alumni Association, Inc. (#4407)
Appomattox FFA Alumni Agricultural Complex
\$400,000 Requested

Executive Summary: The Appomattox FFA Alumni Agricultural Complex (AFFAAC) is a 96' x 132' pole barn designated for youth and agricultural workforce development. The facility will provide youth space to raise market and breed livestock under the mentorship and supervision of agricultural educators. There is dedicated space for modern and industry-relevant large animal handling equipment. The facility will be equipped with space to host regional 4-H, FFA, and producer events. Additionally, students enrolled in the new dual-enrollment Central Virginia Community College Veterinary Science course will utilize the space to foster hands-on experiences with large animals. Funds from the Commission will be used to offset the cost of construction and will go towards the purchase of supplies to equip the building for beef cattle, sheep, goat, and swine production. The primary audience that the AFFAAC will serve is the 466 students in our county who were enrolled in agricultural education courses at Appomattox Middle School and Appomattox High School. Enrollment in agricultural education and FFA membership represents 20% of the total student enrollment in our school system. Additionally, there are three livestock 4-H clubs in our county. Our FFA Alumni chapter boasts 256 members, including associate, annual, and lifetime members. We anticipate that the impact of our programs will greatly expand once the facility is completed, allowing us to host local and regional agricultural events. Assuming a useful life of 40 years, it is reasonable to estimate that over 18,000 students will benefit.

Matching Funds: A total of \$445,000 of Matching Funds were presented from the following sources:

- \$142,000 Appomattox FFA Alumni Association – money in hand
- \$4,000 – Channel Seed - approved
- \$50,000 AFID Infrastructure Grant – application intended
- \$148,000 Private contributions, and foundation grants – multiple applications intended
- \$101,000 In Kind – Private Contributions – design plans, equipment, and construction donations

Project Outputs:

- A 96' X 132' pole barn serving as a multi-purpose agriculture development facility will be constructed, providing a 12,672 square-foot facility to support agribusiness development and agriculture workforce education opportunities.

Staff Comments: The Appomattox FFA Alumni Association, Inc., is requesting \$400,000, along with \$450,000 proposed Matching Funds for construction and equipping of a multi-purpose agriculture facility. Recognized as one of the largest and most active FFA alumni chapters in Virginia, this 256-member FFA association has been planning the project for a number of years. The facility will be built at the 28-acre campus, to serve as a land laboratory, on a parcel owned by the FFA association and adjacent to Appomattox High School. A dedicated area will be provided for large animal handling equipment that can be used for agriculture training, demonstrations and events; this area is intended to benefit beef cattle, sheep, goats, and swine producers. Agriculture producers in eleven Southern Virginia localities are expected to benefit from the facility, with the highest benefit accruing to producers in Appomattox, Bedford, and Campbell Counties. The facility will serve as the future home of the Central Virginia Livestock Show sales including Virginia Quality Assured feeder calf sales. The new complex will be used for a dual-enrollment Veterinary Services course through Central Virginia Community College targeted to begin in Spring 2026.

The project is well planned, having completed a needs assessment, feasibility study, and architectural renderings in October 2024. These reports, along with an Operating Plan, were provided with the application. Two construction estimates were provided to substantiate project costs. A fundraising campaign is underway with an online giving platform. Over \$146K has been raised and a multitude of other funding opportunities are actively being pursued. The project schedule provides for construction to begin by the end of 2025, assuming fundraising goals are accomplished. Project milestones identify September 2026 as the targeted date for completion of construction and equipping.

The new facility will bring producers together to facilitate livestock expos, training, marketing programs, and workshops, addressing a gap in agricultural and workforce development and meeting space needs for Central Virginia. A reasonable approach was used for estimating the agribusiness outcomes, with an estimated 621 producers benefiting from the facility annually. The project directly supports agribusiness development by providing housing for student-owned livestock projects and lowering entry barriers for new and youth livestock producers. It will also create opportunities to expand VQA livestock sales resulting in an increase in net farm income. Strong letters of support were provided. While the project has an aggressive timeline and additional fundraising to accomplish, there is strong evidence of community support and significant momentum. Recognizing that a majority of the in-kind donations will accrue during the construction phase, staff is recommending \$50,000 of a \$400,000 award be allocated for equipment costs. This will ensure that the 1:1 match requirement will be satisfied during administration of a grant award.

Staff Recommendation: Staff recommends a \$400,000 grant award, with \$350,000 to be used towards construction of the building and \$50,000 used for the equipment.

Institute for Advanced Learning and Research (#4401)
Expanding Southern VA Entrepreneurial and Business Support in Controlled Environment Agriculture - \$500,000 Requested

Executive Summary: The proposed construction project will add needed greenhouse space at the Virginia Tech / IALR Controlled Environment Agriculture (CEA) Innovation Center. Since its start in 2020, the VT/IALR CEA Innovation Center has emerged as a pioneering model for collaborative innovation and workforce training in the CEA sector. Using the IALR's unique platform as a state-affiliated entity, the Center bridges business, academic, economic development, and workforce development interests. Currently the facility has reached its limit to support the various programs offered as well as business entities utilizing space, and expansion is needed to continue to facilitate growth of the sector. The greenhouse facility itself will be located on IALR's grounds adjacent to the two existing greenhouses that currently house the CEA Innovation Center. Importantly, the site is shovel ready and graded, and the greenhouse kit will be identical to the first two, which will all make the construction process relatively straight forward. The day-to-day operations of the new entrepreneur and business supporting greenhouse complex will be shared between VT and IALR.

Matching Funds:

- \$500,000 Southern Crescent Regional Commission – application filed

Project Outputs:

- 4,320 square-foot greenhouse facility will be constructed.

Staff Comments: This project is focused on expanding CEA activities at IALR. The Commission has made a number of investments over the years to support development of the Plant Sciences programs at IALR. These include two active grants for their Controlled Environment Agriculture Innovation Center: a \$365,520 award from 2020 (#3590) and a \$145,841 grant in 2023 (#4166), each of which has a balance of over \$145,000 for a combined balance of \$292,470 remaining in those project accounts. This proposal is for a new greenhouse to be added to the IALR plant research facilities targeted at serving entrepreneurs as a business support greenhouse. Outcomes following completion of the greenhouse include serving 15 agribusinesses annually. It is unclear how project objectives and outcomes of this project differs from what was intended with the Commission's previous investments and what can be accomplished in the existing greenhouses. There is a Controlled Environmental Agriculture Strategy and Roadmap for Go Virginia Region 3; however, this was not submitted with the application. Staff viewed the request as being premature and the applicant acknowledges they can provide a stronger proposal with additional time.

A \$487,878 cost estimate for greenhouse materials and installation was provided. No additional cost estimates were included to support the \$1 million budget. The Southern RFP requires an Operating Plan for proposed new or expanded facilities, and this was not provided. While Go Virginia Region 3 identifies CEA as a priority for the region, it does not appear that they have been approached to contribute funding. Neither has VDACS, whose AFID Infrastructure Grant Program should also be an option for funding support. Decisions on the Southern Crescent Regional Commission (SCRC) funding are expected to be announced by the end of September. Project Milestones provide a target date of March 2026 to initiate construction, which provides sufficient time for other funding opportunities to be pursued. Given the history of TRRC investments and the importance of other funders vetting the opportunity and partnering in the success, staff recommends waiting until the project is better developed before recommending funding.

Staff Recommendation: Staff recommends that the application be Tabled, contingent on approval of the Southern Crescent Regional Commission funding.

Business Development

Cumberland County (#4396) *Cumberland Court House Area Plan* ~~\$26,250~~ \$26,125 Requested

Executive Summary: Cumberland County is seeking funding to provide the match for the Cumberland Court House Area Plan—a strategic, non-construction planning initiative aimed at guiding future land use, infrastructure investments, economic development, and quality-of-life improvements within the County’s historic civic core. This project will be implemented in partnership with the Commonwealth Regional Council and will include data analysis, public engagement, and development of a formal, actionable plan to revitalize the Courthouse Village area. TRRC funds will support consultant services and administrative efforts that will ensure timely completion and adoption of the plan, enabling Cumberland County to attract investment, enhance service delivery, and lay the groundwork for implementation grants aligned with regional and state-level development goals.

Matching Funds:

- \$25,125 Cumberland County EDA

Project Outputs:

- Cumberland Court House Area Plan with identified targeted development zones, infrastructure gaps, and regulatory improvements

Staff Comments: Cumberland County is one of the more rural counties in Southern Virginia with the second smallest population (behind the City of Emporia). The Courthouse Village area serves as the county’s civic and economic hub. Development of a practical special area plan to guide development is identified as a priority economic development initiative of the county. Grant funds are requested for 50% of the estimated \$52,250 consultant services and an administrative fee. The outcome of this work will be to position the country for investment, job creation, and expanded business activity. Cumberland County is participating in Tobacco Commission-initiated BOOMS study project on behalf of the Cumberland Courthouse Village area, making this a priority project for funding consideration. DHCD’s Virginia Main Street (VMS) program previously provided funding for small area plans; however, that funding is no longer available, and when it was, this project area would not have been eligible. This is a very logical and appropriate planning project. The completed special area plan will directly address the need for coordinated land use, infrastructure planning, and commercial revitalization within the Courthouse Village area.

Staff Recommendation: Staff recommends approval of a \$26,125 award for 50% of project costs.

Cumberland County (#4395)
Cumberland Grocery Store
\$100,000 Requested

Executive Summary: The mission of Cumberland VA Grocery LLC (dba: Cumberland Grocery) is to be a trusted, community-focused grocery store that brings fresh, affordable, and locally sourced foods and quality meats to the residents of Cumberland and nearby rural areas, while supporting local agriculture and improving food access. Cumberland Grocery will be a full-service grocery store serving the food access needs of Cumberland County, a USDA-defined rural and low-access area. The store will offer fresh produce, dairy, dry goods, household staples, and an in-house butcher counter that features local meats and high protein staples—an underserved niche in the community. The business will create 10 to 15 local jobs and will source products from regional farms and suppliers whenever possible.

Matching Funds: An estimated \$597,908 of Matching Funds from the following sources:

- \$49,546 AFID grant – application approved
- \$49,546 Cumberland County/EDA – match for AFID
- \$100,000 Cumberland County/EDA – match for TRRC
- \$223,816 Private investment – equipment
- \$175,000 Private investment – building and renovations

Project Outputs:

- Opening of a rural independent grocery store with in-house butchery that supports the purchase of locally sourced meats, cheeses, vegetables, and fruits

Staff Comments: Cumberland County is requesting a “catalyst” small business incentive to support a new private business that is addressing an identified deficit in the community. The most immediate and transformative opportunity for the Cumberland Village Courthouse area is the opening of a grocery. Bringing a grocery store to the county is the highest priority in the County’s Comprehensive Plan adopted in 2023 and was the number one task of the New Business Task Force. The new grocery store is targeted to open in December 2025 and will be an anchor and a focal point of the Courthouse Village commerce area. The location will primarily serve residents in Cumberland, Buckingham, and Amelia Counties that are within a 15- to 20-mile radius. The Cumberland Grocery is expected to create 12 FTE jobs (10 FT and 6 PT employees) and result in approximately \$698,000 private capital investment. In addition to providing business development outcomes, this project directly supports agribusinesses in the region with a plan to primarily sell locally grown fruits and vegetables and locally sourced meat and poultry. A detailed Business Plan was provided. The business represents a partnership of three individuals with over three decades of experience running small businesses and over a decade working in and managing retail establishments; the three all have a commitment to addressing this need.

The Southern RFP allows for a small business incentive to support a new business that addresses a deficit in the community and that demonstrates the potential to be a catalyst for additional business development in underutilized business districts in the region. This project is ready to go with clearly defined outcomes and a strong market case. Recognizing that there is a private beneficiary, the Commission’s Funding Policies require a performance agreement between the County and the business demonstrating the public benefit of the project, which is a condition of the recommended award. The public benefit will be accomplished through the private investment and opening of the grocery store to the public and will be expanded through a commitment to selling local fruit and vegetables, meats, and poultry products, supporting agribusiness in the region. Small rural grocery stores typically operate with low profit margins. With continued development of the business plan, initial equipment costs estimates of \$236,500 have increased significantly. A detailed

equipment list estimating \$522,908 for equipment was provided. Public funding invested in this project will bridge the nearly \$300,000 cost increase. Staff recommends approval of a grant for up to 25% of documented equipment expenses. Additionally, match contributions for equipment will be provided from a VDACS AFID Infrastructure grant announced in June and from Cumberland County/EDA who is providing 1:1 match to both the AFID and the Commission's funding requests. In addition to the catalyst incentive, staff also recommends loan consideration to support start-up operating costs.

Staff Recommendation: Staff recommends approval of a \$100,000 grant for up to 25% of documented equipment expenses, contingent on approval of the required performance agreement by the Commission's Executive Director. Staff also recommends referral to the VSBFA for consideration of a loan to support start-up operating costs.

Prince Edward County (#4399)

Loud and Clear: Marketing Skills for Small Business Success: Pilot Phase 2

\$19,650 Requested

Executive Summary: Loud and Clear: Marketing Skills for Small Business Success: Pilot Phase 2 will provide hands-on digital marketing training, practical tools, and post-course consulting to help 12 to 20 small businesses in Prince Edward County strengthen their online presence and competitiveness. Commission funds will be used to support curriculum development and delivery by Letterpress Communications and the Longwood SBDC, award mini grants for marketing software like Canva Pro or ChatGPT Plus, and offer follow-up consulting sessions to ensure participants can implement what they learn. This initiative directly supports local small business growth, downtown revitalization, and regional economic diversification.

Matching Funds: Matching Funds were presented from these sources:

- \$14,737.50 Prince Edward County – money in hand
- \$4,192.50 Longwood SBDC (In Kind, 25%)

Project Outputs:

- 8 training sessions delivered for 12 to 20 small businesses
- 12+ marketing plans and brand guides completed
- 10+ live ad campaigns implemented by small businesses
- 12 to 20 technology access mini-grants awarded (match)

Staff Comments: This project supports a single county, and while it can be evaluated as a pilot, staff has questions about how it fits within the larger scope of small business development training and services that have been provided in the past. For example, Longwood SBDC has had a longstanding relationship with Letterpress Communications for delivery of marketing training programs. It is unclear how this would be different from that or from other services already facilitated by the SBDC. Virginia's Small Business Financing Authority also supports programs for small business. Other programs appear to have similar objectives such as the SOVA Innovation Hub's Rise Collaborate (refer to project #4402 below). The county understands these concerns and agrees to a recommendation to Table. If a gap in services is identified, which would validate the requested funding consideration by the Commission, staff suggests that at a minimum there be a requirement for participants to have a Business Plan. The request should also be evaluated in the context of a larger/broader regional project. Staff suggests that future funding consideration by the Commission be based on up to 50% of the new direct costs and for the in-kind match to be removed from the budget.

Staff Recommendation: Staff recommends the application be Tabled.

SOVA Innovation Hub Corp. (#4402)
Rise Thrive - Entrepreneur Support and Ecosystem Building
\$350,000 Requested

Executive Summary: The SOVA Innovation Hub Corporation, in partnership with regional collaborators, proposes RISE THRIVE - Entrepreneur Support and Ecosystem Building, a two-year initiative to strengthen rural entrepreneurship across Southern Virginia. Commission funds will be used to support two full-time RISE Business Navigators, development of the RISE THRIVE Accelerator curriculum, delivery of direct entrepreneur support services, and cost-sharing for professional services. The accelerator will be a 12-month, cohort-based virtual program delivered through a regional hub network, offering training, mentorship, and subsidized access to resources that increase social, knowledge, and financial capital. Entrepreneurs will receive support in areas such as IT, AI, legal, marketing, accounting, and other eligible professional services. Match funds will support outreach, regional ecosystem convenings, digital storytelling, and an annual entrepreneurship summit focused on facilitating collaboration across the region and increasing visibility for rural entrepreneurs. Entrepreneurs will be reimbursed for up to 50% of eligible service costs, multiplying the project's impact by expanding access to critical services and generating revenue for local providers. "RISE" stands for Regional Investment in Startups and Entrepreneurs. "THRIVE" reflects six key supports: Training, Hands-on Support, Resources, Insights, Value, and Execution. The model enhances access to social, knowledge, and financial capital.

Matching Funds: A total of \$395,00 of Matching Funds were presented from the following sources:

- \$200,000 Mid-Atlantic Broadband Corporation – application intended
- \$100,000 Private contributions, and corporate sponsors – applications intended
- \$45,000 Patrick & Henry Community College – money in hand
- \$35,000 In-Kind - Professional Services Providers – discounted service fees
- \$15,000 In-Kind - SOVA Innovation Hub Corporation – donated space for entrepreneur event/workshops and office/meeting space

Project Outputs:

- Creation of RISE THRIVE Accelerator curriculum
- Hiring 2 RISE Business Navigators
- 20 entrepreneurs enrolled in the first RISE THRIVE Accelerator cohort
- 30 entrepreneurs enrolled in the second RISE THRIVE Accelerator cohort

Staff Comments: The SOVA Innovation Hub, a nonprofit established by Mid-Atlantic Broadband Corporation, is requesting two years of operating support to create the RISE – THRIVE Entrepreneur Support program. This accelerator program will create a RISE THRIVE curriculum that pivots on four regional partner hubs and is expected to engage 50 entrepreneurs over two years in two cohorts. This project builds on relationship and capacity established with the initial phase of the RISE program, which was funded by Go Virginia. Two existing RISE Business Navigators initially hired in 2024, one at Patrick & Henry Community College (P&HCC) and one at Southside Virginia Community College (SsVCC), will be retained with Commission funding beginning in July 2026. Funding will also be used for curriculum design and to provide business incentives for a portion of eligible professional service expenses.

Entrepreneurs participating in the program will be eligible for the incentives if they operate a legally registered business in Virginia, demonstrate need and readiness for professional services support, align with traded-sector or scalable industry targets (advanced manufacturing, agribusiness, tech-enabled services, food production, health innovation, etc.), or demonstrate growth potential through job creation and revenue generation. The sub-award for business incentives will range from \$2,000 to \$10,000.

The application included a well-written summary of the project need and solution:

Entrepreneurship is a powerful tool for rural economic development, but in Southern Virginia, entrepreneurs face systemic barriers that limit their ability to succeed. These challenges include limited access to capital, affordable professional services, peer networks, and tailored business support. In a geographically large rural region, aspiring entrepreneurs and existing small business owners also experience isolation and lack visibility into regional opportunities and resources. While recent efforts have laid a strong foundation for entrepreneurship support, gaps remain in coordinated service delivery, localized capacity, and long-term relationship-building across sectors.

Simultaneously, there is growing momentum and regional interest in strengthening the entrepreneurial ecosystem. Entrepreneurs are starting to engage with local coworking spaces, digital tools, and virtual programming. With targeted investment, there is a clear opportunity to support rural innovators, activate underutilized community assets, and build lasting infrastructure for business creation, retention, and growth across the region. RISE THRIVE responds directly to this opportunity.

A strong narrative and work plan for accomplishing the project objectives was provided. The RISE THRIVE curriculum will be delivered virtually, making it available to participants in 14 counties and two cities within the Southern footprint. The four Hub locations that support program delivery include the SOVA Innovation Hub in South Boston, SEED Innovation Hub in Farmville, P&HCC's Dalton IDEA Center in Martinsville, and the Mini-Fab Lab at the P&HCC satellite location in Patrick County. With the approval of funding, the applicant plans to launch a corporate sponsorship program to provide matching funds. Organizations collaborating on the RISE initiative include Mid-Atlantic Broadband Communities Corporation, Longwood Small Business Development Center, and the Southern Virginia Regional Alliance. Implementation partners that house the RISE Navigators include Patrick & Henry Community College and Southside Virginia Community College. One of the biggest successes of the RISE program has been the partnership between SOVA Innovation Hub and Locus, a Community Development Financial Institution (CDFI) that has supported small business growth in Southern Virginia by connecting businesses with specialized lenders and other resources to address funding challenges and access to capital. In addition to the 50 entrepreneurs enrolled in the two cohorts, the project aims to create 15 new businesses and 15 new jobs.

***Staff Recommendation:* Staff recommends a grant award of \$350,000.**

Town of Altavista (#4404)

The Spark Initiative: Fostering Creativity and Community Entrepreneurship

\$146,000 Requested

Executive Summary: The Town of Altavista is requesting \$146,000 from the Virginia Tobacco Region Revitalization Commission to support two entrepreneurial development programs at the Spark Innovation Center: The Community Business Launch (CBL) and Create Small. Of the total request, \$106,000 will fund three years of the CBL program, which provides business training, mentorship, and financial support to help entrepreneurs launch and grow small businesses across the region. The remaining \$40,000 will support three years of the Create Small program, a creative entrepreneurship initiative that helps makers and product-based business owners turn their skills into sustainable ventures using Spark's makerspace. Together, these programs aim to drive rural economic growth, support job creation, and foster long-term business success.

Matching Funds: A total of \$150,461.53 of cash Match is presented from the following sources:

- \$60,000 Campbell County – money in hand
- \$50,000 DHCD Community Business Launch Grant – application approved
- \$40,461.53 USDA Rural Business Development Grant – application filed
- In-Kind – Town of Altavista and Altavista on Track – staff support
- In-Kind – Private – Property owner contributions and discounts for vacant space activation
- In-Kind – Spark Innovation Center – resources including lab access, equipment use, mentorship

Project Outputs:

- Delivery of business development training to 84 businesses
- Creative lab participation by 30 entrepreneurs in the Create Small program with assistance in launching product-based businesses utilizing the Spark Innovation Center
- Business launch incentives will be awarded to at least 10 businesses.

Staff Comments: Grant funds will be used towards two complementary business development initiatives that will benefit dozens of business startups and entrepreneurs throughout Campbell County and in the Town of Altavista. Funding will support a community business launch program. Incentives will be available to eligible participants in the structured 10-week business development training program provided by the Small Business Development Center Lynchburg Region (\$96,000). The second initiative is an expansion of the Create Small program assisting individuals with launching product-based businesses utilizing the Spark Innovation Center. The remaining funding will be used towards supplies and materials for the Create Small program (\$11,820), rental of space for two Create Small Market Days (\$1,200), updates to equipment for Spark Innovation Center (\$19,277.50), and to support costs for facilitating business training and advising by the SBDC over all three years (\$17,700). Matching funds will be contributed across all of these areas.

Recognizing the significant number of vacant storefronts in the downtown business district, staff has been discussing this project with the Town over the last few years. Earlier this year Altavista was selected for participation in DHCD's Community Business Launch program presenting the ideal opportunity. Supporting expansion of a CBL program is a funding priority under the Southern Virginia Program RFP, where the special initiative is supported by the SBDC serving the area. Following completion of the intensive training program an expert panel will evaluate and identify business ventures with high-growth potential and likelihood of success for consideration of business incentives. The applicant has agreed to review proposed business incentive for approval by Commission staff prior to awarding.

Altavista is participating in the BOOMS study project, which complements the community's interest in identifying economic opportunities in the downtown business district. This also gives Altavista priority

consideration for Business District Revitalization funding under the RFP for the Commission's Southern Virginia Program. In 2020 the Commission provided a \$184,306 grant to the Town of Altavista for creation of their *Innovation, Accelerator and Coworking Space*. Now named the Spark Innovation Center, the facility features a Creative Lab that serves as a launchpad for small-scale manufacturing and product-based businesses. Since opening in 2022, Spark has assisted over 70 businesses/entrepreneurs with business incubation and business development support. This request expands on that success. A very qualified team is leading this initiative with the following anticipated outcomes:

- 19 new businesses launched in Altavista or Campbell County locations
- 5 business expansions into previously vacant storefronts or industrial spaces
- At least 25 new FTE jobs created
- At least 10 vacant commercial or industrial properties reactivated
- 30 creative entrepreneurs trained and equipped to launch product-based businesses
- A stronger ecosystem of property owners, entrepreneurs, and support organizations collaborating

The Town reviewed the draft sub-award contract agreement guidelines with grants staff prior to submitting the application, evidence that all key elements for implementation are in place. The budget is well thought out with appropriate matching funds identified, and the required detailed equipment list and cost estimates were provided. A partnership agreement between Altavista, Altavista On Track, and Campbell County provides details on responsibilities for implementing the programs. The Campbell County Economic Development Office is a partner on the project and has committed \$60,000 towards business incentives; \$20,000 annually for each of the three years; and will allow the CBL program to be expanded to all areas of the county by year three. The Spark Innovation Center and this project can serve as a model that can be replicated in other rural communities in Southern Virginia. Staff fully supports funding of this request.

Staff Recommendation: Staff recommends approval of a \$146,000 grant, contingent on the Southern Regional Director's approval of the final sub-award agreement guidelines for business incentives.

Town of Crewe (#4405)

Town of Crewe Food Hub & Microenterprise Hub

~~\$315,000 Requested~~ \$298,000 Requested

Executive Summary: The Town of Crewe requests Tobacco Region Revitalization Commission funding to establish the Crewe Food & Microenterprise Hub, a publicly owned facility serving as a rural food aggregation center, retail anchor, and small business incubator. Commission funds will support building acquisition and infrastructure improvements to create a multi-use downtown space that addresses food desert conditions while supporting regional agricultural producers and microenterprise development. The project's mission is to create a sustainable hub that serves as a retail anchor, rural food aggregator, and platform for microenterprise and mobile food vendors, driving economic development and enhancing community health. The vision encompasses a dynamic, multi-purpose commercial space that improves food access, fosters entrepreneurship, supports local agriculture, and revitalizes downtown Crewe through year-round community engagement and commerce, ultimately strengthening the regional food system while serving as a replicable model for rural economic development.

Matching Funds: A total of \$364,548 of Matching Funds are proposed including \$299,548 cash contributions and \$65,000 In-Kind from the following sources:

- \$165,000 Town of Crewe – application intended for renovations
- \$65,000 Town of Crewe – In-Kind renovations
- \$50,000 VDACS AFID grant – application approved for equipment
- \$64,548, Private investment – grocer tenant equipment investment
- \$20,000 DHCD Community Vitality Grant – application intended

Project Outputs:

- Acquisition and renovation of 5,225 square-foot concrete block building and the adjacent lot for adaptive reuse, converting existing property into a food hub and enterprise hub
- Opening of a grocery store as an anchor tenant
- Improvements to vacant lot for development of Food Truck Corral and Farmers Market area

Staff Comments: Grant funds are requested to support acquisition and renovations of a building and adjacent lot at 120 East Caroline Avenue to be transformed into a comprehensive food-centered retail and micro-enterprise destination. This is a targeted downtown investment in the Town of Crewe, filling multiple gaps in the local economy with a single multi-use development. The proposed publicly owned property is designed to enhance downtown vibrancy, attract foot traffic, support microenterprise development, and serve as a catalyst for filling existing commercial building vacancies. A retail grocer will expand to provide a new location in Crewe serving as an anchor tenant. The larger vision for use of the property includes a seasonable farmers market and maker's market that would operate weekly from March to December. The project complements nearby businesses including Yoder's Country Market, selling homemade baked goods and specialty grocery items, which expanded to their new location in the Town of Crewe in spring 2024.

This is an adaptive reuse of an existing commercial property that will be transformed into a food-centered retail and microenterprise destination. The initial feasibility assessment, market analysis, and visioning for the project was completed under a DCHD planning grant. An operating plan was provided. Western Nottoway County is a USDA-designated food desert and a federally recognized economically distressed area. The new Hub facility will directly address these needs and is expected to serve ~28,000 residents within a 15 to 20 mile radius that includes Nottoway County and areas of Amelia, Prince Edward and, Lunenburg Counties.

This project represents a one-time cost to acquire and develop a publicly owned rural business enterprise center to serve as a catalyst for business commerce activities in the Town of Crewe. The project connects multiple enterprise areas that are all in close proximity, providing a destination for locals and visitors to the area. A solid market analysis and Business Plan were provided. Property acquisition costs are based on taxed assessed values, and a \$198,000 construction estimate for renovation of the 6,000 square-foot building was provided. Contributions from the Town of Crewe include \$165,000 towards the building acquisition and renovations, as well as In-Kind labor valued at \$65,000 for site preparation, water lines and taps, and interior building improvements to reduce overall project costs. Match from a VDACS AFID grant and private contributions will support equipment costs. The Town anticipates pursuing a Community Vitality Grant for overall enhancements for the new public space. The reduced request is based on a verbal agreement with the property owner on acquisition costs. Initial oversight of the enterprise hub would be handled by the Town's Community Development Coordinator. This position currently oversees the Downtown Crewe organization, whose formation was initiated in 2023 with the Town joining VMS network as an Exploring Main Street Community. The long-term plan is to transition oversight to this organization.

Initially the enterprise hub is expected to result in the launch or expansion of three businesses with at least eight jobs created, with additional business and agribusiness development outcomes expected annually as the distributed benefits and interests and utilization expand. The local grocer will have a heavy focus on local farm partnerships, and the project as a whole will build farm-to-retail infrastructure that allows for aggregation, branding, and promotion of local farm products, all of which supports agribusiness outcomes. The Town of Crewe is participating in the BOOMS study project, making this a priority for funding consideration. This project further complements other planning, momentum, and grant investments, recently made and currently being pursued, that are focused on realization of the Town's core infrastructure. This project will create a replicable model for other rural communities focused on spurring enterprise opportunities through the adaptive reuse of an existing commercial building and the activation of a vacant lot to become a public gathering space.

Staff Recommendation: Staff recommends approval of a \$298,000 grant award.

Sites & Infrastructure

Campbell County (#4397)

Seneca Commerce Park Sewer and Water Extension Project

\$439,275 Requested

Executive Summary: The Seneca Commerce Park Sewer and Water Extension Project involves the extension of sewer and water lines. This infrastructure project will provide water and sewer services to 27.4-, 18.2-, and 136-acre parcels. A detailed map was provided. As a result of the infrastructure update, these 181.6 acres will be upgraded from Tier 2 to Tier 4. The 136-acre parcel is one of the largest continuous undeveloped industrial parcels in the region. In furtherance of marketability, the Seneca Commerce Park is in a federally designated opportunity zone.

Matching Funds:

- \$439,275 Campbell County – money in hand

Project Outputs:

- An upgrade to the tier characterization for three parcels from Tier 2 to Tier 4
- 33,000 linear feet of 8” gravity sewer providing service to three parcels
- 900 linear feet of 12” waterline and hydrants

Staff Comments: This request is for 50% of the \$878,550 estimated cost to provide water and sewer service to three lots totaling 181 acres, increasing the business attraction readiness of available lots in the Seneca Commerce Park. This industrial park is centrally located along US Route 29, less than 10 miles south of the Route 460 interchange and Lynchburg Regional Airport. Over the years, the Commission has invested over \$2.7 million in Seneca under eight grants dating back to the first award in 2003, and with the most recent award of \$404,918 in 2023 (#4155) for two smaller sites. Estimates of the probable costs for the proposed water and sewer extensions were provided by the Campbell County Utilities engineer. This includes \$270,000 for waterline connection and \$681,000 for 3,300 linear feet of 8” gravity sewer and manholes, for a total of \$951,000. The county is covering the costs of survey and engineering (\$71,000), which are currently underway. This leaves \$880,000 of funding required for construction, construction administration, and inspection. The cost estimates were based on a weighted calculation for estimating that were rounded up, which is why the requested amount is slightly less.

Seneca is identified as a priority site for development by the Lynchburg Regional Business Alliance. The targeted industries include manufacturing, nuclear innovation support, automation, and food/beverage. This request represents phase one of a three-phase project to extend water and sewer into the larger 136-acre parcel and will bring utilities to the site. VEDP recently approved a \$300,000 award to Campbell County from the VBRSP to support due diligence and master planning on the 136-acre parcel. The county has a current prospect interested in one of the parcels that would create 100 jobs with average wage of \$55,000 and \$11.5 million private capital investment. Once developed the 136-acre site would be one of the largest parcels for the greater Lynchburg region. The project is ready to go with plans to advertise for bids in October, after funding is secured. The scope of this request, combined with the VEDP funding, will result in an upgrade in tier characterization for the three mentioned parcels from Tier 2 to Tier 4.

Staff Recommendation: Staff recommends a \$439,275 grant for up to 50% of construction costs.

Greensville County (#4398)
Characterization of New Sites
\$25,000 Requested

Executive Summary: Greensville County and the surrounding community have lost 1,000 jobs in the last eight months. Industrial development is vital to sustaining the region. The County has one undeveloped site under control. The site is being marketed and has captured potential client's interest. Once the site is sold, the County will not have sites for additional development. Timmons Group has created a database to locate the top five potential sites in the County. This grant will assist the County in becoming more competitive in Economic Development by evaluating and helping select potential industrial sites that will show best in the marketplace while having a reasonable cost of development to maximize the locality's return on investment. This information is necessary to make an educated decision on future development of the County.

Matching Funds:

- \$25,000 VEDP VBRSP – application intended

Project Outputs:

- Site characterization and assessment report for five potential sites

Staff Comments: Greensville County is requesting 50% of the \$50,000 estimated costs for site evaluation services to identify potential industrial and/or data center sites. Timmons has identified the five sites to be assessed. This study will evaluate site development constraints, available infrastructure, schematic concept plan, tier level, steps, and associated budget cost to advance the site to appropriate tier level. This work will include build-out analysis, estimated development costs, and a return-on-investment analysis. The Commission's consideration for investing in new sites is based on a lack of available sites in the locality and adjacent localities that is detrimental to their ability to recruit new industrial prospects. Applicants are required to provide an inventory of available sites in the surrounding region. A list of seven existing publicly owned sites in the City of Emporia and Greensville and Brunswick Counties was provided. Staff notes that there are also four publicly owned sites in each of the neighboring Sussex and Dinwiddie Counties. Greensville County has benefited from nearly \$27 million of Commission funds for the MAMAC Megasite, which is actively being marketed along with the other mentioned sites in the region. Greensville County now participates in the regional economic alliance, Virginia Gateway Region. Recognizing that VEDP will be more fully evaluating the regional and state need for sites with consideration of funding under the VBRSP program, staff recommends the award be contingent on approval this funding.

Staff Recommendation: Staff recommends a \$25,000 grant for 50% of the site evaluation study costs, contingent on approval of VBRSP funding as Match.

Patrick County Economic Development Authority (#4406)
Patrick County Strategic Site Readiness Initiative
\$91,000 Requested

Executive Summary: The Patrick County Economic Development Authority proposes to conduct an engineering design analysis for an onsite water storage solution intended for the Rich Creek Corporate Park, as well as a future sites evaluation of properties along the US-58 corridor stretching from the Town of Stuart to Henry County. Currently, the Corporate Park is only served by a 10" water line, and while a water tank and booster station are located on the property, both are privately owned and unavailable for any prospective industry hoping to conduct business at the site. The aim of this initiative is to explore the feasibility of another water storage tank that future tenants at the Park could utilize in their fire suppression systems; completing the engineering design now would enable the County to eventually pursue construction funding and move the site toward actual occupancy. As for the site evaluation, the US-58 corridor east of the Town of Stuart stands as a strategic economic artery for future business activity and growth, but it is hindered by a lack of appropriate infrastructure and ready-to-develop sites. The proposed site study would enable the County to determine, using GIS-based screening, which sites would be most suitable for development projects, and it would give the County infrastructure recommendations, concept plans, and cost estimates, among other things. By enhancing the accessibility of key resources in our Corporate Park in order to encourage new business activity there, and by analyzing the potential for development projects and suitable sites along a very critical corridor in the region, this two-pronged effort would serve the larger goal of promoting site readiness throughout the County.

Matching Funds:

- \$91,000 Patrick County EDA – money in hand.

Project Outputs:

- Engineering design for onsite water storage solution at Rich Creek Corporate Park
- Site characterization and assessment report for five potential sites

Staff Comments: The Patrick County EDA is requesting 50% of costs for two studies that are part of a Site Readiness Strategy for the county. Engineering design of a water storage tank at Rich Creek Corporate Park will cost \$95,000, and an assessment of five sites with the greatest development potential for a future industrial site will cost \$86,000. Estimates were provided by Dewberry Engineering. The engineering design services cost for the water tank is based on the scope outline in the Southern Virginia Regional Alliance's Business Ready Sites evaluation of Rich Creek. While the site is currently a Tier 5, the need for the water storage tank is a recommended improvement to address fire suppression concerns that is necessary to meet industry reliability standards. A letter of support was provided by the SVRA who has identified the Rich Creek Industrial Park as a priority for development in their region and who are committed to marketing this and the prospective new site alongside the Patrick County EDA. Patrick County borders North Carolina to the south, the Blue Ridge Mountains to the west, and the Smith River to the northeast, limiting options for development and employment. Rich Creek Corporate Park is the county's only industrial park with two small sites of five and 21 contiguous acres and a larger site with 55 contiguous acres currently available for light industry. The assessment of sites will focus along the US-58 corridor between the Town of Stuart and the Henry County line. The intention is to position this area to capitalize on future opportunities that are expected to result once widening of US 58 is completed. This is a reasonable request for advancing site opportunities in Patrick County and the area served by the SVRA.

Staff Recommendation: Staff recommends approval of a \$91,000 grant award.

Avoca Museum and Historical Society (#4394)

Avoca Museum Expansion Project

\$350,000 Requested

Executive Summary: The Avoca Museum is seeking Commission funding to support construction planning and the development of a new, expanded museum facility that will transform the site into a year-round destination for education, tourism, and community engagement. This project includes architectural planning, site preparation, and the construction of a multi-use building featuring an event space, classroom education center, expanded exhibits, and a new visitor center with a café and gift shop. Commission funds will directly support these efforts, helping to preserve regional history, boost local tourism, and create new economic and educational opportunities for the surrounding communities.

Matching Funds: A total of \$ 797,000 of Matching Funds were presented from the following sources:

- \$322,000 Private contributions – money in hand
- \$100,000 Cabell Foundation – application filed
- \$100,000 Virginia General Assembly – application intended (VA250)
- \$75,000 Town of Altavista – application filed
- \$200,000 In-Kind – Private contributions – contractor contributions

Project Outputs:

- Proposed – 4,000 square-foot multi-use building to provide an event space, classroom education center, expanded exhibits and visitor center with café and gift shop
- Revised – Feasibility Assessment and Business/Operating Plan (with proforma)

Staff Comments: The Avoca Museum and Historical Society is a nonprofit organization established in 1982 and charged with the collection, preservation, and interpretation of the cultural and natural history of this area of the region. The Avoca Museum property was deeded to the Town of Altavista in 1981 by Dr. Lindley M. Winston, the grandson of the last family inhabitants, as a memorial to his family. The site features a historic Victorian dwelling, rebuilt for a second time in 1901 following a fire, that showcases the striking architecture from this period of American history. The mansion includes 4,648 finished square feet on two floors, as well as porches and decks, and has been refurbished to display the style of the Victorian Era. The museum grounds include a ~1880 cabin, a preproduction batteau (demonstrating the shallow-draft boats from 18th and 19th century used to transport tobacco and other goods on local waterways), and a three-acre site for the Arboretum and manicured gardens. The property includes an outdoor event tent and a separate building providing restrooms, a visitor center, and offices for staff.

The proposed project requests funding to support A&E and site work towards the \$1,250,000 estimated cost for construction of what is represented as an Event Center. Architectural renderings from CJMW Architecture were provided with the application. The proposal presents a concept for a 4,000 square-foot multi-use building to provide an event space, classroom education center, expanded exhibits, and a visitor center with café and gift shop. The plan for the location of the new building clustered near the existing office building is well thought out and preserves the views of the mansion and gardens. The larger plan for the Avoca expansion includes renovations to the existing office building for expanded exhibition space.

The Commission's Southern RFP limits Tourism Destination Infrastructure investments to heritage tourism sites or outdoor recreation destinations that have the ability to attract a measurable increase in visitors and visitor spending from outside the Tobacco Region. Avoca has put in place mechanisms for tracking where visitors come from, whether from general admission and events, education programs, or private rentals. Visitation in 2024 was 9,636, with over 50% of visitors traveling from further than a four-hour drive away. Visitation is projected to double annually with the completion of the new event center. The Commission requires a feasibility study, economic impact study, business/operating plan, and a marketing plan for funding consideration. Initial or draft versions were provided, and staff at Avoca have committed to continuing to develop these required documents either internally or working with a third-party consultant.

While architectural renderings were provided, the project would benefit from a more formal feasibility assessment of the different uses of the new building and development of a business/operational plan for the expansion. One reason for the focus on an event center appears to be for supporting financial sustainability for the nonprofit. However, staff notes that, absent proper planning, the assumption of increased revenues is insufficient to document financial viability. Staff recognizes a significant amount of community support for the project based on over \$700,000 of fundraising pledges/donations received to date. Discussions with additional funders are ongoing. Multiple identified funding options for local and state funding towards construction would not be available until at least after the start of the next fiscal year in July 2026. The Commission's consideration will need to be based on final versions of the required documents and would be most appropriate as last dollar funding, as opposed to funding towards the A&E and site development on the front end. Staff is recommending funding to support additional critical planning to improve the ultimate financial viability when the project is ready to proceed. Commission staff has discussed these concerns with staff at the Avoca Museum, and they agree with the staff recommendations.

Staff Recommendation: Staff recommends **Tabling the request for construction funding to be reconsidered at a later date following completion of additional project planning.**

Staff recommends approval of a planning grant of up to \$15,000 for no more than 50% of the contractual services for a feasibility assessment and a business/operating plan.

Prince Edward County (#4403)
Prince Edward County Trailblazing
\$74,800 Requested

Executive Summary: Prince Edward County is requesting Tobacco Region Revitalization Commission funding to support Phase II of its comprehensive Wayfinding Signage Program, which focuses on fabrication and installation of eight vehicular Trailblazer signs. The signs will direct travelers to key tourism destinations: Hampden-Sydney College, Sandy River Reservoir, Briery Creek Lake, and the Manor Golf Club, thus enhancing regional connectivity, improving visitor navigation, and reinforcing the County's strategic investment in tourism infrastructure. Developed in partnership with Frazier Associates and aligned with Virginia Department of Transportation (VDOT) standards, this project advances a cohesive signage system that strengthens Prince Edward County's identity as a destination for recreation, culture, and economic opportunity.

Matching Funds:

- \$74,800 Prince Edward County – money in hand
- \$27,500 VTC ARPA grant – funding spent on planning and design

Project Outputs:

- Fabrication and installation of eight vehicular trailblazer signs; two each at four destinations

Staff Comments: Prince Edward County and the Town of Farmville, which also extends into Cumberland County, serve as vital regional economic hub for this area of Southern Virginia. Prince Edward County benefits from an estimated 140,000 visitors annually. The county features three Virginia State Parks (among several other publicly owned natural resource sites), the historic business district with tobacco warehouses from the late 19th century, and longstanding education institutions Hampden-Sydney College and Longwood University. Under this proposal Prince Edward County is requesting 50% of the \$177,100 estimated cost for advancing their wayfinding signage program by initiating Phase II for implementation. At \$17,950 each, fabrication and installation of eight trailblazer signs is estimated to cost \$143,600, plus an additional \$6,000 for administrative costs. Dedicated funding from the county's lodging tax revenues from hotels is approved for Match. A primary interest of this project is to capture visitors who are already in the area and to get them to stay longer and/or to return to the area for a future visit.

A grant from Virginia Tourism Corporation supported planning and design. The larger Prince Edward County Wayfinding Sign System is a collaborative effort of the county and the Prince Edward County Tourism Council. The council was established to advise the county on marketing activities and includes representatives from several of the targeted sites. A total of 15 destinations are part of the larger sign system: two primary destinations that the county has already committed to funding; and thirteen proximity destinations in the county and the Town of Farmville. Frazier Associates has completed the construction and intent documents (CID) for the gateway signs, gateway sign review and coordination for survey plans, and they have prepared the CID for submittal to VDOT for final review and approval. Outcome projections are for an increase of 7,000 net new trips and additional \$3 million in visitor spending annually as a result of the project. This is based on \$57 million current visitor spending from ~140,000 visitors in 2023. A conservative estimate for a 5% increase to the baseline is ~147,000 anticipated visitors, or 7,000 net new trips attributed to improved signage and wayfinding. The existing 553 direct jobs supported by tourism, along with \$4 million in state and local tax revenue, would also increase. This project is ready to start once funding is secured. Installation of the new signs will also allow the region to benefit from the increased visitation expected from the Virginia's 250th tourism initiatives.

Staff Recommendation: Staff recommends a grant award of \$74,800 for 50% of contractual expenses to manufacture and install signs and administrative fees.

Other Economic Development

Martinsville Economic Development Authority (EDA) (#4400) *Predevelopment for American Furniture Plant 10 Adaptive Reuse, Uptown Martinsville - \$1,000,000 Requested*

Executive Summary: The American Furniture Plant 10 (51 Lester Street), one of the Martinsville's largest properties at approximately 98,000 square feet on a 2.8-acre site, represents an ideal opportunity for community and economic revitalization. This former industrial structure sits immediately adjacent to the Uptown spur of the Dick & Willie Passage Trail and the property selected for a future municipal amphitheater. The site is a block away from the popular cultural and commercial Courthouse Square. The Martinsville Economic Development Authority (EDA) recently purchased the site from the City of Martinsville and is actively engaged in discussions with development teams to advance adaptive reuse of the property. The proposed TRRC project will conduct predevelopment work including building stabilization and additional studies. Completion of the work will encourage prospective proposals and accelerate redevelopment with a keen focus on addressing the housing priority needs of the region, part of a standing strategy to restore vibrancy in Martinsville's downtown commercial district.

Matching Funds: A total of at least \$1,033,876 Match is proposed for stabilization costs.

- \$403,325 Martinsville EDA – purchase of building in 2024
- \$450,000 Harvest Foundation – applications intended
- \$100,551 Virginia Brownfields Assistance Fund and US EPA Brownfield Grant – Phases 1 and 2 Environmental Site Assessment work completed between 2022-2025.
- \$80,000 DHCD IRF Planning Grant – 2022 Feasibility Study

Project Outputs:

- 98,000 square-foot building stabilized for future development
- Historic Tax Credits process (Phase 1) completed
- Pro Forma for ~100-unit housing complex completed
- Additional funding sources for implementation secured

Staff Comments: This application was submitted by the newly constituted Martinsville EDA whose purpose is to accelerate key economic development objectives for the City of Martinsville and the surrounding region. A primary objective for the EDA is the restoration of vibrancy to the City's Central Business District; with a key strategy targeted at driving development of 500 new housing units. To advance this interest, in 2024, with funding from the City of Martinsville, the EDA acquired the property referenced as the American Furniture Plant 10. This property is one of the largest underutilized buildings in the City of Martinsville and presents a prime opportunity for redevelopment.

A Feasibility Study on the property was completed in December 2022 by CJMW Architecture with funding from DHCD's IRF program. This included a structural assessment of the building, site review, and concept layouts for mixed-use redevelopment. At the time of this study, the main adaptive reuse was for a boutique hotel with associated retail space; that plan did not survive beyond preliminary discussions with a development team. The EDA is now focused primarily on residential for conversion to a housing complex, with a smaller non-historic portion of the building to be considered for commercial/retail space. Project funding is to support predevelopment work including building stabilization and site and structural clean up.

A preliminary cost estimate of \$2,150,000 was provided, which includes replacement of the roof. Soft costs for final architectural design, civil engineering plans, and historic tax credits are estimated at \$187,250, and \$1,962,750 is estimated for construction. Stabilization costs without the roof is estimated at \$1,400,000. This estimate was provided by a construction contractor with extensive experience in completing adaptive reuse housing redevelopment projects in this region of Virginia. The Structural Assessment Report and photos from Master Engineers & Designers provides the recommendations for repairs that should be made to stabilize the building in preparation for full rehabilitation. Analysis of these costs and field visits were conducted to arrive at estimated costs for critical stabilization work that is needed regardless of the final use of the property. A Phase 1 and Phase 2 Environmental Site Assessment were completed in 2022 and 2025. The demand for a broad range of housing units is well documented in regional studies, including a Housing Market Study and Needs Analysis completed by Novogradac Consulting in 2020 for the City of Martinsville and Henry County; and further validated under other regional studies.

The Southern RFP allows projects outside of the identified funding strategies to be considered when clearly in alignment with TRRC's Strategic Plan, and with approval by staff in advance of submission. The American Furniture Plant 10 closed operation in the early 1990's, at which time the factory had ~115 employees. This funding will bring the building closer to a turnkey point, providing a stable and clear clean slate for putting the building back into use for the community. Stabilization work is estimated to take five months. The EDA is committed to leveraging funding from the Commission to accomplish what it views as a monumental investment in Martinsville. A partner letter from the Harvest Foundation indicates their interest. As one of the largest vacant buildings in the City of Martinsville, redevelopment of this property will undoubtedly be a catalyst for restoration of vibrancy to the City and help to address the housing crisis in the region.

***Staff Recommendation:* Staff recommends approval of a \$1,000,000 grant award.**

EXTENSION & MODIFICATION REQUESTS:

Brunswick County

Stonewall Industrial Site Development Project (#4159)

Current Project Period: 10/12/2023 - 10/12/2026 – Revision to Scope Request

Staff Comments: In October 2023, the Commission approved a \$1,117,230 grant for 50% of the A&E and construction costs for development of a 21-acre graded pad site at the Stonewall Industrial Site. Brunswick County acquired the property and invested in engineering and master planning. The funding for the graded pad is no longer needed, and the county is requesting an amendment to the scope of this project to allow available funding to be used to support critical utility infrastructure improvements necessary for the site. This request is being driven by a major economic development opportunity. The site is currently under a purchase agreement anticipated to result in a \$250 million capital investment. Brunswick County was awarded a \$1 million VBRSP grant to support costs for installing a culvert under US Route 58 to extend utility lines into the park. The construction contract to install a water line by boring under US-58, along with the installation of sewer across the US-58 bore location, will cost \$1,452,912.40. The county is requesting that \$500,000 of grant funds be reallocated to support the portion of costs that exceed the VBRSP grant. While off-site utility expenses are typically only considered for loan funding, boring under US-58 is an exceptional cost. It is reasonable for the Commission to provide grant assistance for this portion of the total project costs for provision of public infrastructure to serve this site. Ensuring that utilities are in place and operational is critical to keeping the project on track and supporting the company's infrastructure needs.

Staff Recommendation: Staff recommends approval of the scope and budget revision request.

South Boston IDA

John Randolph Hotel Redevelopment Project (#3289)

Current Project Period: 9/20/2017 - 9/30/2025 – Extension Request

Staff Comments: This \$600,000 grant from September 2017 is to support A&E and renovation costs to redevelop the John Randolph Hotel property owned by the South Boston IDA. There remains a balance of \$385,324.65 on the TRRC project account to support renovations. The grant has faced a number of delays associated with changes in the original operator/developer and the need to identify additional financing. Project costs have increased from \$7.8 million to \$13 million. An amended lease agreement and performance agreement with a new development team, The Rook Hotels, LLC, was executed in February 2024. Following a bridge loan being denied in September 2024, changes were made to the investors (which now includes National Hospitality Services as the majority owner) and a new LLC called Rock at South Boston, LLC, was created. A bridge loan was approved by Locus in February 2025. A construction agreement is in place and with expectation for renovations to begin in September, once all outstanding legal concerns are resolved. While the Commission's approval of an extension last September 2024 was expected to be the "final" extension, there have been extenuating circumstances and significant effort invested by all parties involved to find a solution to allow this project to proceed. South Boston's Town Manager has indicated that a six-month extension would likely be sufficient; staff suggests extending it for a full year.

Staff Recommendation: Staff recommends approval of a final extension to September 30, 2026.

Brunswick County Industrial Development Authority
Brunswick County Produce Project (#3889)
Current Project Period: 9/21/2021 - 9/30/2025 – 2-Year Extension Request

Brunswick County Industrial Development Authority
Produce Project (#4107)
Current Project Period: 1/5/2023 - 1/5/2025 – 2-Year Extension Request

Staff Comments: The Commission approved two \$500,000 grants for the Brunswick County Produce Project for a 45,000 square-foot produce-handling facility at the I-85 Business Park. The facility will support a farmer cooperative that collaborates in organic produce production, aggregation, and distribution. Eight member farms in the Southern Virginia Vegetable Packing, LLC, will lease the facility, and Old Dominion Organic Farm, one of the members, is expected to be the primary operator. The facility is expected to have at least \$8.3 million in annual sales, with a plan to increase annual purchasing to support 60 jobs and 20 farms across Southern Virginia. Due to rising construction costs and ongoing economic instability, construction bids exceeded the initial budget of \$5 million and is now over \$8 million. Rebidding and securing additional financing has delayed the project. There is currently a \$2 million funding deficit despite having secured a \$2 million loan from TRRC's lending program with VSBFA, and an additional \$500,000 of grant funding from the Southeast Crescent Regional Commission towards construction costs. The project team is currently exploring New Market Tax Credits for the final funding gap. Once full financing is in place, the A&E estimates substantial completion within twelve months of initiating the construction contract. A rough estimate for final completion is the 2nd quarter of 2027. To allow sufficient time for completion, staff recommends approving extensions for both grants through December 31, 2027.

Staff Recommendation: Staff recommends approval of an extensions for grants #3889 and #4107 through December 31, 2027.

City of Danville

SVMP Site Grading and Improvements – Lot 2 (#3663)

Current Project Period: 9/28/2020 - 9/30/2025 –

Revision to Scope and Extension Request

Pittsylvania County

SVMP Site Grading and Improvements – Lot 2 (#3659)

Current Project Period: 9/28/2020 - 9/30/2025 –

Revision to Scope and Extension Request

Staff Comments: The Commission approved a total of \$2,005,076 under two grants, \$1,262,201 to Pittsylvania County and \$742,875 to City of Danville, in September 2020, to support grading of a 50-acre site at the Southern Virginia Multimodal Park. This is the former Burlington Industries site located in the Town of Hurt, and the localities have partnered with the Town to form the Staunton River RIFA. The RIFA is under an option agreement to purchase the entire 800+-acre SVMP from the current owner Hurt Partners, LLC. When the two grants were approved, and also when they were extended in September 2024, the funding was contingent on Project Wahoo locating to the site. Over the last year, the RIFA and VEDP have been negotiating with a new, confidential prospect with greater economic outcome potential that would be able to take advantage of unique attributes of this property. Pittsylvania County, on behalf of and in partnership with the City of Danville, is requesting that both grants be extended for an additional two years and the award conditions be updated to reflect the new prospect.

Staff Recommendation: Staff recommends approval of two-year extensions on grants #3663 and #3659, to September 30, 2027, with the grant awards contingent on the prospect locating to this site. Staff recommends this approval provide for (i) repayment of the grant if funds are paid before the prospect acquires this site and prospect fails to locate at this site, or (ii) withholding all reimbursements until prospect locates at the site.

ENERGY INGENUITY COMMITTEE



· In-Person Meeting ·

AGENDA

ENERGY INGENUITY COMMITTEE

**The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520**

**Tuesday, September 23, 2025
1:30 P.M.**

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **715 669 419#**.

The Committee 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: **Warren Bryson** at (804) 894-9659, wbryson@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order	<i>The Honorable Thomas A. Garrett, Jr., Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Introduction	<i>The Honorable James Campos, Executive Director</i>
Approval of <u>5/20/25</u> Minutes (published on website)	<i>The Honorable Thomas A. Garrett, Jr., Chair</i>
Public Comment	
Grant Projects	<i>Mr. Jerry Silva, Director of Regional Energy Development and Innovation</i>
Project Update	<i>Mr. Jerry Silva, Director of Regional Energy Development and Innovation</i>
Other Business	<i>Mr. Stephen Versen, Deputy Director</i>
Adjournment	

**FY26 Energy Ingenuity Program (5th Round)
Staff Summaries and Recommendations
September 23, 2025**

The Commission received four pre-applications for the June 23, 2025, submission deadline of the FY26 Energy Ingenuity Program (5th Round). Three applicants were invited to submit full proposals, and two applications were ultimately received by the July 21, 2025, deadline. The Energy Committee will act on these applications at its meeting scheduled for September 23, 2025, at 1:30 p.m. Both applications were submitted under the Energy Execution – Implementation category.

Req #	Organization	Project Title	Requested Amount	Staff Recommendation
Energy Execution – Implementation Grants				
4408	Commonwealth Center for Advanced Logistics Systems (CCALS)	Establishing an Energy-Centric UAS Center for Critical Infrastructure	\$490,000	\$490,000
4409	Old Dominion Electric Cooperative	Old Dominion Electric Cooperative’s Manufactured Home Weatherization Program	\$500,000	No Award

Total (2 requests)	\$990,000	
Recommendation		\$490,000

Financial Viability Assessment: The following staff report represents the Financial Viability Assessment completed for all applications considered for funding. Proposals and the related and required attachments are studied by the grant review team. The information and all correspondence, research, and additional information received are incorporated as part of the viability assessment. A recommendation to approve funding for an application by Commission staff represents a determination that the project appears to be financially viable with consideration of all agreed-upon terms and conditions of the award.

Energy Execution – Implementation Grants

Old Dominion Electric Cooperative

Old Dominion Electric Cooperative’s Manufactured Home Weatherization Program (#4409)

\$500,000.00 Requested

Project Summary:

Demand for power is rapidly increasing, driven by the increase in large loads (data centers that support AI), the electrification of transportation, onshoring of industries, and more frequent extreme weather events. Aging infrastructure, peak load surges, and limited generation capacity all challenge grid stability, particularly during periods of high energy usage. At the same time, many power plants across the region have been retired or are forecasted to retire early due in large part to environmental concerns and related regulations. In this context, home weatherization programs offer a strategic solution by reducing household energy consumption through insulation, air sealing, and energy-efficient upgrades. By lowering overall demand and easing stress during peak times, these measures not only improve comfort and reduce utility bills for residents, but they also play a crucial role in bolstering grid resiliency and reliability. Old Dominion Electric Cooperative’s (ODEC) mission is to provide both reliable and competitively priced energy. Working in line with TRRC’s mission, ODEC is exploring programs that will enhance grid resiliency while also providing cost savings to members, namely a weatherization initiative. ODEC is seeking \$500,000 in grant funding through the TRRC Energy Ingenuity Fund to fast-track a targeted allocation of this weatherization program for manufactured homes, addressing critical gaps and serving households that are not reached by existing programs. ODEC’s initiative is focused on manufactured homes in the Southern region of Virginia, specifically within the TRRC footprint, due to the significant number of manufactured homes in that region. The program will focus on those utilities that serve rural and disadvantaged communities, including Southside Electric Cooperative, Mecklenburg Electric Cooperative, Community Electric, and Prince George Electric Cooperative. The program provides a pathway for Virginia families to see energy bill savings of up to \$50 per month per household. In addition, the program has a workforce development component, creating local jobs for energy auditors and contractors who will install energy-saving measures. Most importantly, this program provides relief to families who need it the most, meeting some of TRRC’s key funding priorities to develop innovative solutions and provide access to affordable, reliable, renewable, and clean energy resources in this region.

Matching Funds:

- \$500,000 Old Dominion Electric Cooperative, money in hand

Project Outputs:

- Energy efficiency renovations for 75 to 100 homes at a cost of \$6,000-\$7,000 per home. These renovations will result in approximately \$50/month in energy savings.
- Grid resiliency will be increased through .4MW of savings to the grid.

Staff Comments:

Old Dominion Electric Cooperative requests \$500,000 to support the implementation of the ODEC Manufactured Home Weatherization Program, targeted to homeowners in 17 Southern Virginia counties. ODEC indicates that this request supports year one of a five-year program. Additional TRRC funding requests are anticipated to support subsequent years. If the applicant continues to request \$500,000 for each program year, TRRC's investment in this initiative could total \$2.5M or more. The application did not include a plan to sustain the program without the need for additional grant funding. Commission and matching funds will be used to provide insulation upgrades, HVAC system improvements, air sealing and weather stripping, and appliance upgrades to qualified manufactured homes. Between \$6,000 and \$7,000 will be spent per residence. These improvements are expected to result in \$50/month in energy savings for participating households.

This program appears to emulate the state-funded Weatherization Assistance Program (WAP) that is administered by the Virginia Department of Housing and Community Development (DHCD). WAP receives approximately \$6,000,000 in federal funds from the US Department of Energy and will cover manufactured housing. The FY2025 budget is \$6.2 million, which is available to support housing renovations in the upcoming year. Eligibility for WAP is based on 60 percent of the median state income (\$80,403 for a family of four) or 200 percent of the federal poverty income (\$62,400 for a family of four), whichever is higher. The proposed ODEC program does not appear to be income based; therefore, ODEC proposes to spend TRRC funds on weatherization for owners of manufactured homes who could potentially pay for these improvements themselves. A large majority of Southern Virginia localities targeted by the ODEC program have a median household income that is well within the 60 percent eligibility, meaning that many Southern Virginia residents are already eligible for the DHCD program. Although the application proposes to serve homeowners that do not meet the qualifications for WAP, no specific evidence was provided. Due to the significant overlap between the proposed program and the existing DHCD WAP program, Commission support for the ODEC project is not appropriate. The Commission's Funding Policies expressly state that supplanting existing programs is an ineligible use of grant funds.

In addition to reducing energy bills for participating households, the ultimate goal of the project is to lower peak-energy demand which then enhances grid resilience. The program is estimated to contribute 0.4MW in energy capacity savings to the grid. While this is an admirable result that aligns with the Energy Ingenuity Fund's objective of increasing energy resiliency in the region, the residential nature is a limiting factor. The intent of this funding program is to develop enhanced energy infrastructure across the region to allow increased and sustained economic development growth. The proposed program does not serve any non-residential units, particularly industrial or commercial properties. These types of users offer greater potential for energy savings which, in turn, can generate additional economic development activity. Previous projects supported by the Energy Ingenuity Fund have resulted in 1MW or more of increased energy capacity. This project's estimated 0.4MW capacity falls well short of this threshold. Support for this proposal could set a precedent of supporting lower-impact, residential-focused projects that do not provide the long-term impacts required by the program. Support for this application could also result in similar applications from other electrical cooperatives throughout the region.

Staff Recommendation: Staff recommends no award.

Commonwealth Center for Advanced Logistics Systems (CCALS)
Establishing an Energy-Centric UAS Center for Critical Infrastructure (#4408)
\$490,000.00 Requested

Project Summary:

Building on the success and findings of TRRC planning grants #4311 and #4322, CCALS is requesting TRRC Energy Implementation funding to support the creation of an Energy-Centric Unmanned Systems Innovation and Training Center for Critical Infrastructure (“the Center”) – a regional anchor for research, training, testing, and commercialization of advanced Unmanned Aircraft Systems (UAS) technologies supporting energy and critical infrastructure applications. Led by the Commonwealth Center for Advanced Logistics Systems in partnership with the UAS Center at SBD and supported by four demonstration sites/field operations in the TRRC footprint, the Center will serve as a catalyst for energy-centric UAS research, innovation, and training. To support a comprehensive and scalable approach, the Center will pursue both hydrogen-hybrid propulsion systems and advanced communications technologies as distinct technical domains, while also exploring their convergence in integrated UAS platforms. This dual-track strategy allows for the development of specialized knowledge and workforce pathways in each area while enabling deployment of combined solutions for infrastructure resilience and secure drone operations. By integrating hydrogen-hybrid propulsion with RF spectrum awareness, resilient communications, and critical infrastructure inspection, the Center will bridge applied R&D with urgently needed workforce training and experiential opportunities. The Center will also serve as a national demonstration site for secure, alternative-energy drone platforms operating in grid, broadband, and critical infrastructure environments.

Matching Funds:

- A total of \$490,000 in matching funds will be provided by CCALS. At this time only matching funds for Phase I are committed. The applicant will continue to fundraise for Phase II. Phase I match includes:
 - \$100,000 Department of Aviation
 - \$100,000 CCALS
 - \$18,000 CCALS – in-kind
 - \$17,000 Richard Bland College Foundation – in-kind
 - \$10,000 George Mason University Rapid Prototyping and Research Center – in-kind

Project Outputs:

- The Energy-Centric UAS Center for Critical Infrastructure will be established
- A specialized workforce training program will be developed and will serve 100 participants within three years.

Staff Comments:

The proposed project is the result of two TRRC Energy Ingenuity Fund planning grants, #4311 and #4322, approved in January 2025. Based on the results of those planning grants, as well as recent federal policy announcements, the applicant is ready to progress to the implementation phase. During implementation, the Energy-Centric UAS Center for Critical Infrastructure (“the Center”) will be established. The Center plans to serve as a regional anchor for research, training, testing, and commercialization of advanced Unmanned Air Systems (UAS) technologies. Through collaboration with the Virginia Department of Aviation and others, four demonstration/field operations sites will be established in the TRRC region. These sites include three general aviation airports (Dinwiddie, Danville, and Lonesome Pine) and Richard Bland College. While these locations will provide opportunities for the Center to test a variety of Advanced Air Mobility (AAM) functions, the use of Commission funds will focus on the utilization of UAS in Infrastructure Resilience.

The Center will explore the use of UAS in energy and critical infrastructure areas such as inspecting power lines and other energy-related installations. Additional utilities including broadband and water systems can also benefit from the use of Beyond Visual Line of Sight (BVLOS) operations. These systems allow operators to access views of infrastructure that would not otherwise be possible to ground based observers. The potential for use by region-based utility partners was well documented through several letters of support submitted with the application. These letters also expressed the need for specially trained employees to conduct BVLOS operations. The workforce training component of the Center’s operational plans is among the most compelling outcomes of the project. The application predicts that, by the end of the three-year grant period, 100 participants will be trained to fill jobs in energy, supply chain, and unmanned systems and related technologies. Average salaries for jobs in this field range from \$45k to \$65K for entry-level employees to \$80k to \$100K for specialized and advanced hires. Although this project does not directly result in the development or expansion of energy infrastructure in the region, the primary objective of the Energy Ingenuity Fund, it does support the maintenance and protection of critical energy infrastructure (both existing and future). Additionally, the workforce development component will ensure that the region produces highly trained, specialized operators to fill positions in this growing field.

Despite staff’s overall support for the scope of this application, care will be required throughout the life of the grant to ensure that all funds are spent in accordance with all Commission Funding Policies. The budget allocates funding on a 1:1 basis to support the hiring of two full-time staff members (\$67,500 TRRC and \$67,500 match for each position) as well as fellowships (\$15,000 each from TRRC and match). Under the Contractual Services line item, each line item also reflects a 1:1 allocation of expenses between TRRC and matching funds. These line items support the development of hydrogen infrastructure at the four sites, contracts with subject matter experts, instructors, and other location costs. Several of these expenses appear to relate to the \$45,000 total in-kind match listed in the application’s budget. The Commission’s Funding Policies state that any expense currently listed in an organization’s operating budget can only be submitted as in-kind match. Per TRRC’s policies, no more than 25 percent of a project’s total match can be ‘in-kind’. The current project budget appears to be within these limits but will

require ongoing monitoring to ensure that the appropriate ratios of cash and in-kind match are maintained throughout the life of the grant.

At this time matching funds have been secured only to support Phase I, representing the first 18 months of the project. Phase II appears to represent the second 18 months of the three-year grant period. Due to the extremely high level of support for this project from industry partners and federal and state agencies including Virginia Department of Energy and the Virginia Innovation Partnership Corporation, staff is confident that Phase II match funding will be quickly secured. The Commission's standard Letter of Agreement for projects approved under the Energy Ingenuity Fund contains language requiring that all matching funds are secured within one year of the award date. This language will ensure that match is in place prior to the disbursement of Phase II funding. Additionally, revenues earned through the Center's workforce training programs will be used to sustain future operations.

Staff Recommendation: Staff recommends a grant award of \$490,000.

EDUCATION COMMITTEE



· In-Person Meeting ·

AGENDA
EDUCATION COMMITTEE

The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520

Tuesday, September 23, 2025
2:15 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 715 669 419#**.

The Committee 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: **Warren Bryson** at **(804) 894-9659**, **wbryson@revitalizeva.org** or **Roz Stein** at **(804) 894-9651**.

Welcome and Call to Order	<i>Ms. Amanda Cox, Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Introduction	<i>The Honorable James Campos, Executive Director</i>
Approval of <u>5/20/2025</u> Minutes (published on website)	<i>Ms. Amanda Cox, Chair</i>
Public Comment	
Extensions and Modifications	<i>Ms. Emily Van Pelt, Southern Regional Grants Specialist</i>
Update: Large Animal Veterinary Incentive Program	<i>Mr. Stephen Versen, Deputy Director</i>
Other Business	<i>The Honorable James Campos, Executive Director</i>
Adjournment	

FY26 Education - Staff Recommendations
September 23, 2025

EXTENSION & MODIFICATION REQUESTS:

Institute for Advanced Learning and Research (#4082)

ExTRA: Expanding Talent through Registered Apprenticeships

Current Project Period: 10/5/2022 – 10/5/2025

Request for a 2-Year Extension and Budget Revision

Staff Comments: In October 2022, the Commission approved a \$497,890 grant to the Institute of Advanced Learning and Research to support a regional apprenticeship program. TRRC funding has provided two years of support for the Apprenticeship Coordinator position along with employer incentives to provide the related technical instruction. IALR is requesting a two-year extension and reallocation of funding in order to continue work with new employers and apprentices (including new program and apprentice registration) to expand Registered Apprenticeships in the region.

The original goals of the program were to register 108 apprentices over a three-year period and have 61 of those apprentices complete their apprenticeships and earn Journeyworker credentials. To date, the Apprenticeship Coordinator has successfully supported 26 employers in registering 36 distinct apprenticeship program occupations that resulted in 113 apprenticeship opportunities. Twelve individuals have completed their apprenticeship terms and earned their Journeyworker credentials in fields such as carpentry, plumbing, and emergency medical services. The time between employer inquiry, program registration, and apprentice hiring varies significantly. Additionally, program terms can last up to four years, making it difficult for many apprentices to complete their programs within the initial three-year grant period. This is a key reason for requesting this extension.

The additional time will enable IALR to reach and exceed the goal of 61 Journeyworker credentials while providing consistent, hands-on support to employers and apprentices during this program. There remains a \$420,237 balance on the TRRC project account with the majority of this funding budgeted for related technical instruction. A condition placed on the grant required Federal Pell Grants, state Fast Forward, and G3 funding to be utilized prior to TRRC funds being committed. As a result of this, and based on the apprenticeship training requirements for employers, less funding is needed for these costs. Staff is recommending extending the grant through December 31, 2027, and IALR is requesting a budget revision to reallocate \$97,000 from Transfer Payments to Personal Services to continue funding up to 50% of the Apprenticeship Coordinator position.

Success of this program has been recognized with the 2024 Virginia Works Outstanding Apprenticeship Intermediary Award and the IALR designation as a U.S. Department of Labor Apprenticeship Ambassador. The revised budget and extension will allow IALR to continue to work with employers and apprentices, expanding Registered Apprenticeships in the region.

Staff Recommendation: Staff recommends approval of the revised budget request and an extension through December 31, 2027.

SOUTHWEST VIRGINIA COMMITTEE



▪ *In-Person Meeting* ▪

AGENDA

SOUTHWEST VIRGINIA COMMITTEE
The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520

Tuesday, September 23, 2025
2:30 P.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **715 669 419#**.

The Committee 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: **Warren Bryson** at (804) 894-9659, wbryson@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

The Honorable T. Travis Hackworth, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the 5/20/2025 Minutes
(published on website)

The Honorable T. Travis Hackworth, Chair

Public Comment

Extensions and Modifications

Ms. Sara Williams, Southwest Regional Director

Other Business

Mr. Stephen Versen, Deputy Director

Adjournment

Southwest Virginia Committee

September 23, 2025

The Southwest Virginia Committee will meet on Tuesday, September 23, 2025 at 2:30 p.m. to consider the following grant extensions.

Tazewell County IDA

Cultural Arts of Southwest Virginia Corporation (#3557)

Approved for \$225,000 in October 2019 (\$161,383 balance)

Staff Overview and Comments:

This grant was approved to assist with the cost of developing Theater 3 within the Tazewell Cinema building. Tazewell County IDA is the grantee however the beneficiary is a non-profit formed around the time of the grant's approval, Cultural Arts of Southwest Virginia Corporation. The building is owned by a for profit entity, Tazewell Cinema & Entertainment LLC, however the space developed as a result of this project is controlled by the non-profit. Since the grant's approval, only a small amount of funding has been released. The project has been delayed due, in part to issues with boundary adjustments affecting an adjacent landowner which resulted in additional site work. To reduce project costs, the majority of work performed has been self-contracted by the beneficiary and a single local contractor was used on a job-by-job basis. No formal contract detailing the scope of the work, associated costs, or an estimated completion time was developed. The lack of a formal contract, or professional cost estimates, was concerning. The extension approved in September 2023 contained a condition that the grantee conduct a competitive bidding process to identify qualified contractors.

The project update provided in September 2025 included updated cost estimates for the completion of Theater 3. The scope of the project has been reduced to remove the planned additions and will now focus only on the renovation and furnishing of the original Theater 3 space. The grantee solicited cost estimates from multiple contractors/ vendors in compliance with the contingency placed on the grant in 2023. The updated cost to complete Theater 3 is \$141,000. Commission funds can support up to 50% of this cost. Upon execution of a formal contract between the grantee and the contractor, describing the scope of work and associated cost, expenses will become eligible for reimbursement under the grant. Expenses incurred prior to the date of the signed contract will not be eligible for reimbursement. The Southwest Regional Director will review the contract prior to execution to ensure it complies with the requirements of the grant. The project is expected to be completed within 6-9 months.

Staff recommends the approval of a final extension until October 31, 2026.

Southwest Regional Recreation Authority
Creating a Sportsman's Economy for Southwest Virginia (#3564)
Approved for \$125,000 in October 2019 (\$80,676 balance)
Request for final extension

Staff Overview and Comments:

This grant was approved five years ago to assist with the development of a Rifle/Pistol Complex intended to allow SRRA to diversify recreation opportunities for visitors. Commission funds were allocated for Dixon Range for property and improvements and equipment. Under the original scope of the project, a historic cabin was to be restored and renovated to house restroom facilities and offices. The Dixon Range property was donated to SRRA with a condition that the cabin be restored. Once the project was underway, former SRRA leadership made the decision to dismantle the cabin and to construct a pole barn in its place. At this time, the cabin remains deconstructed, and the conditions required by the property donor are unmet. In September 2023, a change in scope and extension to allow remaining grant funds to be used to reconstruct the cabin was approved. A single contractor was identified with the qualifications required to complete the task; however the company was not available to begin the job within the extension period. The additional extension provided a year ago allowed SRRA to proceed with the project, but, due to supply chain issues, the project is behind schedule. The trusses and windows required to complete the project are backordered. To avoid closing the grant before the project is complete, additional time is required. A one year extension, which will allow ample time for completion, is suggested.

Staff recommends the approval of a one-year extension through September 30, 2026.

NEW COMMISSIONER ORIENTATION



▪ *In-Person Meeting* ▪

AGENDA

NEW COMMISSIONER ORIENTATION

**The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520**

**Wednesday, September 24, 2025
8:30 A.M.**

If participating in the meeting by phone, dial: 1-332-249-0607 and enter access code: 715 669 419#.

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: **Warren Bryson** at (804) 894-9659, wbryson@revitalizeva.org or **Roz Stein** at (804) 894-9651.

Welcome and Call to Order

The Honorable James “Will” Morefield, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Public Comment

New Commissioner Orientation

*The Honorable James Campos, Executive Director
Stephen Versen, Deputy Director
Stephanie Kim, Director of Finance*

Adjournment

INCENTIVES AND LOANS COMMITTEE



• In-Person Meeting •

AGENDA

INCENTIVES AND LOANS COMMITTEE

**The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520**

Wednesday, September 24, 2025

9:15 A.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 715 669 419#**.

The Committee 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: **Warren Bryson** at **(804) 894-9659**, **wbryson@revitalizeva.org** or **Roz Stein** at **(804) 894-9651**.

Welcome and Call to Order

The Honorable Daniel "Danny" Marshall, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the 5/20/2025 Minutes
(published on website)

The Honorable Daniel "Danny" Marshall, Chair

Public Comment

Project Updates and Modifications

Mr. Jordan Butler, TROF Program Manager

Pending Projects and Loan Negotiations

Closed Session

**Economic Development Workforce
Housing Incentive Pilot Program Updates**

Mr. Stephen Versen, Deputy Director

Other Business

The Honorable James Campos, Executive Director

Adjournment

Incentives & Loans Committee

September 24, 2025

The Incentives and Loans Committee is meeting on September 24, 2025 at 9:15 am. The following summary provides staff overview and comments on each item to be considered.

1. Halifax County IDA

Hitachi Energy USA (3943)

Request for alteration of performance agreement to allow for building sale and return of funds to Commission

Staff Overview and Comments: The Commission has provided multiple grants to the Halifax County IDA for the benefit of Hitachi Energy USA, dating back to spring of 2006. These grants have been successful, and today Hitachi maintains an operation that employs hundreds of individuals in Southern Virginia. The purpose of the three earliest of these grants (#1055, #1158, and #1159) was to assist with the design, construction, and equipping of a facility for the company in South Boston. Those three grants collectively amount to \$6 million of Commission funds for the project.

In July of 2022, the locality, the company, the IDA, and the Commission entered into a Tobacco Region Opportunity Fund Performance Agreement (#3943) (the "New Performance Agreement"), governing the terms of a new grant and performance requirements of the Company. Under this new performance agreement, the company is obligated to design, construct, and equip an addition to the Facility and increase its total capital investment in the Facility to \$9,000,000, along with \$28,000,000 in Machinery and Tools investment, and to Maintain 165 New Jobs at the Facility. The performance period for the TROF grant ended in July, and staff is currently working to verify performance.

At the same time, all parties entered into a Performance Agreement (the "Building Sale Agreement") which outlines the terms for Hitachi Energy USA to purchase the original facility that was constructed with the original three Commission grants. The building is currently held in trust for the Commission by the IDA. The core of the agreement states that the Industrial Development Authority of Halifax County can purchase the building for \$6 million and subsequently sell the building to Hitachi for \$6 million, but only after July 11, 2029, and provided that Hitachi meets certain performance targets (such as job creation and investment) by July 17, 2025. The full proceeds of the sale, \$6 million, would then be returned to the Commission to cover the full amount of the three original grants.

The company now believes they have met all of the performance obligations outlined in the new TROF performance agreement and desires to purchase the building prior to the July 11, 2029, date outlined in the building sale agreement. Staff, after consulting with counsel, sees no reason why the building sale should not progress, assuming certain requirements are met.

Staff Recommendation: Staff recommends that the Commission allow the building sale agreement to be altered such that the building can be sold as of January 1, 2026, subject to the written approval of the Executive Director that all conditions outlined in the building sale agreement have been met, including verification of performance related to the current TROF grant (#3943), prior to the sale and that proceeds of the sale totaling \$6 million are returned to the Commission following the sale.

Economic Development Workforce Housing Incentive Pilot Program

Fall 2025 Staff Report and Recommendations

At its May 2025 meeting, the Commission made its first round of awards under this program to three projects: Halifax, Tazewell, and Wytheville. These projects represented \$1.4M in awards, supporting the creation of 125 new units for households earning between 80 and 150% of the Area Median Income (AMI). For FY26, the program’s objectives were expanded and clarified to:

“Enhance the appeal of the Tobacco Region for major economic development projects by increasing the supply of workforce housing units in the region by:

- Serving as a catalyst for the revitalization of historic business districts through market-proving investments in workforce housing development.
- Serving as part of the incentive package for new and expanding employers through the coordinated development of new affordable housing options for their new employees.
- Playing a unique role in leveraging major new investment in workforce housing projects, especially those supported by Virginia Housing.”

Since then, interest in the program has remained strong, and the Commission’s partnership with Virginia Housing has strengthened. Staff is pleased to share that there are now three workforce housing projects under consideration that meet each of the three program objectives above.

1. Project Safe – Scott County

The initial intention of the Commission’s Economic Development Workforce Housing Incentive Pilot Program was to provide communities with a tool to attract new jobs and investment. This tool would preferably be included in the state’s incentive package that a company considers when making its investment decisions. That is the circumstance with Project Safe where Scott County has made new workforce housing part of its local incentive package by leading development of a new community with units reserved for households earning between 80 and 150% of the AMI. For this project, Scott County is requesting the maximum award amount of \$1M for needed off-site infrastructure improvements to enable this development to proceed. The project will include commitments for at least 50 new workforce housing units, as well as major grant and financing support from Virginia Housing.

Staff recommends Committee approval of an award of \$1M from the Economic Development Workforce Housing Incentive Pilot Program to Scott County to assist in locating Project Safe to the Commonwealth, contingent on the project’s announcement, the securing of support from Virginia Housing for at least 50 new workforce housing units, and Executive Director approval of a complete application and grant agreement.

2. Westlake Area Improvement – Franklin County

Playing a unique role in leveraging major new investment in workforce housing projects, especially those supported by Virginia Housing, is one of the stated objectives of this program. Franklin County is requesting assistance to do just this through a unique proposal through which the County, Commission, and private developers split the cost of an approximately \$1.5M, three-phased signalized intersection improvement at the intersection of Route 122 and Parkcrest Drive in the county's growing Westlake area. These improvements will allow major new commercial and housing development to occur on nearby parcels, leading to the construction of approximately 100 new apartments, 100 new single-family homes, and 160 owner-occupied townhouses and condos, approximately 50% of which are expected to be owned/rented by families earning between 100 and 150% of AMI. Additionally, it is expected that at least 24 of the new apartments will be funded through Virginia Housing's Workforce Housing Incentive program, which, as part of its grant award, will monitor usage of the units, ensuring that they are rented to families earning between 80 and 120% of AMI for a period of at least ten years. These developments will also support the new employees of Traditional Medicinals, an herbal tea production facility that just broke ground on a new \$47M, 57 job facility in Franklin County's Summit View Business Park. This project is further detailed in the attached "Franklin County Housing Grant Proposal."

Staff recommends Committee approval of a \$500,000 award from the Economic Development Workforce Housing Incentive Pilot Program to assist Franklin County with improvements to the intersection at Route 122 and Parkcrest Drive Staff, contingent on securing support from Virginia Housing for at least 50 new workforce housing units and the Executive Director receiving a complete application and grant agreement.

3. Chase City Lofts – Town of Chase City

The former Lee Elementary School in downtown Chase City, a town in Mecklenburg County, has been sitting largely vacant in recent years and is at risk of further decay and becoming a burden to the community. Recently, the Town of Chase City began working with an experienced redeveloper of historic properties, Edwin Gaskin of Echelon Resources, to whom they are planning to sell the building for a nominal fee. Gaskin has a long history of successful projects throughout the Commonwealth, including several in the Commission footprint: Henry Uptown in Martinsville (25 apartments and 6,000 sf of commercial space), Imperial Lofts in South Boston (71 apartments and 40,000+ sf of commercial space), Halifax Lofts in Halifax (37 apartments), and Chatham Lofts in Chatham (31 apartments) Gaskin proposes repurposing the school into 17 new apartments at a cost of just under \$4M, benefiting from approximately \$1.25M in equity from the sale and state and Federal historic tax credits soon after the completion of construction.

In August, Gaskin approached staff about the potential for pursuing up to \$800,000 in grant funds through the new workforce housing program to close the financing gap to make the project viable. Based solely on the program's goals, the strong support from the town, and the track record of the developer, staff would consider this a strong application. However, following an

evaluation of the project's pro forma and financing needs, and taking into consideration the Town of Chase City's strong support for the project, staff suggested the Chase City IDA consider pursuing a low-interest loan from the Commission on behalf of the developer through its lending partnership program with the Virginia Small Business Financing Authority (VSBFA), possibly in combination with Commission workforce housing grant funds. Chase City is also pursuing approximately \$150,000 in stabilization grant funds from Virginia Housing in support of the project.

After additional analysis, staff determined that the project could be made viable at the lowest overall cost to the Commission by forgoing Commission grant support and instead providing only a low-interest loan to the IDA at a fixed rate 3.5% for ten years. This is 150 to 200 basis points below the interest rate typically recommended for these types of loans. In exchange for the low-rate, staff is requesting the developer commit to reserving 25% of the units at the facility for households earning between 80 and 150% AMI for the life of the Commission loan. The Town of Chase City and the developer both support this approach.

As of the date of this report, VSBFA is working with Chase City to complete the loan application and the underwriting in advance of making a loan recommendation to the Commission, per the TRRC MOU with VSBFA. Because this loan is more than \$3M, it would require approval by the Full Commission. Staff support this project and recommend that if VSBFA provides a credit memo recommending the loan for approval, sufficiently in advance of the upcoming Incentives and Loans committee meeting, that the committee recommend approval of the loan request.

Franklin County Housing Grant Proposal

September 3, 2025

BACKGROUND

The Westlake area of Franklin County has been designated by the County as a designated growth area. West Piedmont Planning District Commission (WPPDC) and the Roanoke Valley Alleghany Regional Commission (RVARC) recently completed housing studies demonstrating the need for affordable and workforce housing opportunities in Franklin County. The County also just completed an update to its Comprehensive Plan and Westlake Village Plan. The County obtained a VA Housing grant as part of this effort and housing was identified as a critical need. The County is also currently updating its zoning ordinance which includes, in part, revisions to facilitate more residential development opportunities within the County. Because these efforts to designate this area as “open for development” and the County’s need for additional housing units, this area is experiencing increasing interest in higher-density housing of all types and a broader range of commercial development. With this increased growth also comes the need for infrastructure improvements.

In response to these development pressures, Franklin County has been actively working with Western Virginia Water Authority to increase water and sewer capacities and the VA Department of Transportation to make needed safety improvements along the Route 122 corridor through programs such as Smart Scale. In addition, the County has convened multiple developers to collaboratively work to identify critical infrastructure will enhance access to currently underutilized buildable areas and lift transportation-related restrictions on certain properties. By coordinating across multiple stakeholders, the County can facilitate infrastructure improvements that are not financially viable within each project’s individual scope.

A. Boone Real Estate Inc. has secured approvals for 160 owner-occupied condominiums and townhomes and has begun land clearing and grading activities. They are also working to acquire additional property and obtain approval to construct up to 100 single-family owner-occupied homes. A. Boone is currently working with a national builder, Ryan Homes, on both projects. They are also working with the County and West Piedmont PDC to secure a VA Housing planning grant for this project.

R. P. Fralin Inc. is a regional builder who has already constructed three residential apartment buildings (96 units) in the Westlake area and, with the proposed improvements, has the capacity to develop four additional buildings (another 96 units). Demand for housing in the area remains strong, as evidenced by a waiting list for the recently completed apartment units.

Other developers have expressed interest in commercial development in and around this same area if the critical infrastructure needs can be addressed.

Grant funding would significantly reduce the financial burden on individual developers, ensuring that housing prices remain affordable and that the necessary infrastructure costs are not passed down to future homeowners or tenants. In doing so, it supports the County's goal of maintaining moderate and accessible housing prices while enabling smart, coordinated growth in the Westlake area. The County has been looking for opportunities to leverage County and private investment with state funding designated for increasing affordable and workforce housing in Virginia.

The critical infrastructure needs for the success of these housing projects and associated commercial growth is a 3-phased signalized intersection improvement at the intersection of Route 122 and Parkcrest Drive. This improvement is expected to lead to over \$100 million in investment in residential and commercial projects in the immediate vicinity.

PROPOSAL

Since housing is the primary focus of this effort, the County is seeking to secure grant assistance the Virginia Tobacco Region Revitalization Commission (TRRC) through the newly allocated Economic Development Workforce Housing Incentive Pilot Program. The County recently had groundbreaking event for Traditional Medicinals in the Summit View Business Park that will include development of their new \$47 million East Coast manufacturing facility. The project is anticipated to bring at least 57 new jobs to Franklin County, with plans for future growth. It's also projected to generate an additional 181 indirect jobs and deliver over \$62 million in economic impact to the area.

The proposal seeks to obtain approximately 1/3 of the cost for critical infrastructure to facilitate additional housing development totaling approximately \$1.5 M from the TRRC. The County proposes to leverage this funding (approximately another 1/3) from VA Housing through their Workforce Housing Incentive Grant funding who has already been engaged in this process. The final 1/3 funding is proposed to be leveraged from County and private investment.

In addition, the County and developers have also partnered with VDOT to develop a solution that meets future transportation needs along the Route 122 corridor. This infrastructure development is expected to initially lead to major new commercial development and the creation of approximately 100 new rental apartments, 100 new owner-occupied single-family units and 160 owner-occupied townhouses and condos - approximately 50% of which are expected to be owned/rented by families earning between 100-120% of AMI. Additionally, at least 24 of the new apartments will be funded through Virginia Housing's Workforce Housing Incentive program, who, as part of their grant award, will monitor that the units will be rented to families earning between 80-120% of AMI for a period of at least ten years.

SUMMARY

Franklin County believes this is a very collaborative proposal that can transform the Westlake community by providing workforce housing opportunities to the area to support economic development activity occurring throughout the County. This proposal brings together multiple planning efforts from years past designed to facilitate this type of activity. It also brings together multiple state agencies and private developers working toward the same goal of creating quality and affordable housing.

Franklin County requests the support of the TRRC to provisionally/conditionally approve match funding of up to \$650,000 under the Economic Development Workforce Housing Incentive Pilot Program for this initiative in Franklin County to create up to 200 additional housing units (single-family and multi-family). The award of this funding is tied to the project collaborating with and obtaining funding from VA Housing for workforce housing opportunities in Franklin County and funding from Franklin County and the developers of the projects.

FULL COMMISSION



· In-Person Meeting ·

AGENDA

FULL COMMISSION

**The Gallery @ Virginia International Raceway
1245 Pine Tree Road, Alton, VA 24520**

**Wednesday, September 24, 2025
10:45 A.M.**

If participating in the meeting by phone, dial: **1-332-249-0607** and enter **access code: 715 669 419#**.

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, contact: **Warren Bryson at (804) 894-9659, wbryson@revitalizeva.org or Roz Stein at (804) 894-9651.**

Welcome and Call to Order	<i>The Honorable James “Will” Morefield, Chair</i>
Call of the Roll	<i>The Honorable James Campos, Executive Director</i>
Approval of the <u>5/21/2025</u> Minutes (published on website)	<i>The Honorable James “Will” Morefield, Chair</i>
Public Comment	
Executive Director’s Report	<i>The Honorable James Campos, Executive Director</i>
Strategic Planning Committee Report Adoption of 2025-2027 Strategic Plan	<i>Mr. Edward Blevins, Chair</i>
Southern Virginia Committee	<i>Mr. Walter “Buddy” Shelton, Chair</i>
Energy Ingenuity Committee	<i>The Honorable Thomas A. Garrett, Jr., Chair</i>
Education Committee	<i>Ms. Amanda Cox, Chair</i>
Southwest Virginia Committee	<i>The Honorable T. Travis Hackworth, Chair</i>
Incentives & Loans Committee	<i>The Honorable Daniel “Danny” Marshall, Chair</i>
Other Business	<i>Mr. Stephen Versen, Deputy Director</i>
Adjournment	



2025-2027

Strategic Plan

Virginia Tobacco Region Revitalization Commission

2025-2027 Strategic Plan

Virginia Tobacco Region Revitalization Commission

Prepared by

The Virginia Tech Center for Economic and Community Engagement

Strategic Planning Team

Scott Tate, PhD, Project Director

John Accordino, PhD, Virginia Commonwealth University

Sheryl Bailey, PhD

Elli Travis, PhD

Carrie Chenery

Will Heltzel

Sadhana Manthapuri, PhD

July 2025

Table of Contents and Figures

The 2025-2027 Strategic Plan at a Glance: Focus, Sustain, Engage	5
Vision	5
Strategic Priorities for 2025-2027	5
About the Commission.....	6
Strategic Plan Process.....	8
Regional Situation Analysis – Key Points	9
Regional Challenges.....	9
Regional Achievements Since 2000 and Opportunities for the Future.....	9
The 2025-2027 Strategic Plan.....	11
Vision	11
Priority 1: Focus.....	11
Goal 1. An Economically Competitive Region	13
Goal 2. An Entrepreneurial Region.....	15
Goal 3. A Talent-Rich Region.....	16
Goal 4. A Vibrant, People-Attracting Region	17
Goal 5. A Capacity-Growing Region.....	19
Priority 2: Sustain.	20
Goal 1. Sustain and Preserve	20
Goal 2. Steer Strategically.....	21
Goal 3. Focus and Integrate to Maximize Impact.....	23
Goal 4. Grow Capacity with New Financial Resources	24
Priority 3: Engage	25
Goal 1. Maintain and Build on Organizational Strengths.	25
Goal 2. Enhance and Build on Collaboration Within the Commission and Between the Commission and Other Organizations.	25
Goal 3. Support the Nonprofit Foundation for the Advancement of Southern and Southwest Virginia.	26
Conclusion	27
Appendices	28
Figure 1: Tobacco Region Footprint	7
Figure 2: The Commission’s Theory of Impact: How activities lead to transformational goals	12
Figure 3: Economic Competitiveness Activities and Project Outputs	13
Figure 4: Entrepreneurial Region Activities and Outputs.....	15
Figure 5: Talent Rich Region Outputs	16
Figure 6: A Talent Attracting Region Activities and Outputs.....	17
Figure 7: Capacity Growing Region Activities and Outputs.....	19
Figure 8: Two-Tier Annual Budget Framework.....	21
Figure 9: Seven Financial Policies for Financial Sustainability and Strategic Goal Alignment.....	22
Figure 10: Integrate Systems for Strategic Strength and Flexibility	23
Table 1: 5x5 Transformational Goals Matrix	28

Acronyms

CEDS - Comprehensive Economic Development Strategy
DHCD - Virginia Department of Housing and Community Development
GO Virginia – Growth and Opportunity for Virginia
IALR - Institute for Advanced Learning and Research
IT - Information Technology
MSA - Master Settlement Agreement
RFP - Request for Proposals
SCHEV - State Council of Higher Education for Virginia
TROF - Tobacco Region Opportunity Fund
TRRC - Tobacco Region Revitalization Commission
VBRSP - Virginia Business Ready Sites Program
VCCS - Virginia Community College System
VDOE - Virginia Department of Energy
VEDP - Virginia Economic Development Partnership
VIPC - Virginia Innovation Partnership Corporation
VOEE - Virginia Office of Education and Employment
VTC - Virginia Tourism Corporation

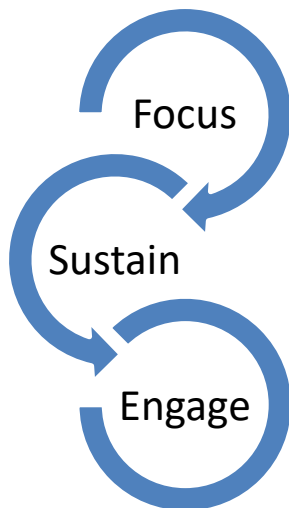
The 2025-2027 Strategic Plan at a Glance:

Focus, Sustain, Engage

Vision

The Tobacco Region Revitalization Commission seeks to accelerate regional transformation, giving citizens expansive opportunities for education and employment, and providing communities the benefits of economic stability, diversification, and enhanced prosperity. In particular, the Commission seeks to meet the region’s specific challenges related to a historic dependence on tobacco production, textile and furniture manufacturing, and coal production.

Strategic Priorities for 2025-2027:



1. **FOCUS:** *Transformational Investments* to address the region’s most significant barriers and take advantage of the most promising economic opportunities to establish:

- An economically competitive region – through focused investments in growing economic sectors (including agribusiness, advanced manufacturing, and knowledge work) and supportive infrastructure (sites and buildings);
- An entrepreneurial region – by supporting entities that help startups in selected industries;
- A talent-rich region – by helping more people enter the workforce and earn industry-related credentials or post-secondary degrees in target industry sectors;

- A vibrant, people-attracting region where people want to live, achieved through place-making investments and support of initiatives that attract and retain people.
- A capacity-growing region – by supporting the non-profit Foundation for the Advancement of Southern and Southwest Virginia and other entities that help localities develop and implement projects and generate resources.

2. **SUSTAIN:** *Financial Stewardship* that puts the Commission on sound footing until 2050 by adopting long-term financial planning best practices that:

- Sustain and preserve: Maintain financial sustainability with annual budgets linked to long-term financial planning.

- Steer strategically: Adopt financial policies to manage limited assets and focus on priority areas.
- Focus and integrate to maximize impact: Link strategic goals, financial policies, long-term financial plans, annual budgets, operations, and program results closely together.
- Grow capacity with new financial resources: Attract and retain new financial resources with track record of proven results to augment capacity.

3. **ENGAGE:** *Enhanced Organizational Effectiveness* through:

- Increased staff capacity to develop impactful projects;
- Frequent collaboration with partners at the national, state, regional, and local level, including local chambers of commerce and other organizations involved in economic development in the footprint;
- Support for the Foundation for the Advancement of Southern and Southwest Virginia to increase capacity for developing projects and leveraging new resources.

About the Commission

In 1998, the Attorneys General of 46 states signed the Master Settlement Agreement (MSA) with the four largest tobacco companies in the United States to settle state suits and recover billions of dollars in costs associated with treating smoking-related illnesses. A portion of the MSA proceeds funded the creation of the Tobacco Region Revitalization Commission (the Commission). The purpose of the Commission is to use proceeds from the tobacco settlement to provide grant and loan funds to advance economic revitalization and development in communities in Southwest and Southern Virginia that were formerly dependent on the tobacco industry.

MISSION: THE TOBACCO REGION REVITALIZATION COMMISSION IS CREATED AS A BODY CORPORATE AND A POLITICAL SUBDIVISION OF THE COMMONWEALTH AND AS SUCH SHALL HAVE, AND IS VESTED WITH, ALL OF THE POLITIC AND CORPORATE POWERS AS ARE SET FORTH IN THIS CHAPTER. THE COMMISSION IS ESTABLISHED FOR THE PURPOSES OF DETERMINING THE APPROPRIATE RECIPIENTS OF MONEYS IN THE TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION FUND AND CAUSING DISTRIBUTION OF SUCH MONEYS FOR THE PURPOSES PROVIDED IN THIS CHAPTER, INCLUDING USING MONEYS IN THE FUND TO ... REVITALIZE TOBACCO-DEPENDENT COMMUNITIES. —

SECTION 3.2-3101, CODE OF VIRGINIA

Chapters [31](#) and [31.1](#) of [Title 3.2](#) of the [Code of Virginia](#) contain statutes governing the Commission. It is composed of 28 members, ten of whom are elected officials who represent communities in the

Commission funding areas have evolved over time. Since 2001, grant and loan funds have been expended in the following categories: Sites and Infrastructure 30%; Workforce Development 18%; Broadband 14%; Scholarships 13%; Research and Development 8%; Business and Economic Development Initiatives 5%; Tourism 5%; Agribusiness 4%; Healthcare 3%.

The Commission's non-grantmaking committees are the Executive Committee and Strategic Planning Committee. The Executive Committee is the Commission's rulemaking and administrative committee. The Commission has the option to create new committees on an ad-hoc basis for special purposes.

The Commission is required to complete a strategic plan to guide its work every two years. This plan fulfills that requirement. Although it maintains the Commission's traditional goals and tools, it also adds new priorities that focus the Commission's funding targets and financial management more strategically, to enhance the Commission's effectiveness as a partner in regional transformation.

The Commission is at a pivotal moment as an organization where limited resources require stronger financial models, increased collaboration, enhanced organizational systems, narrowed project focus, and targeted external outreach to maximize the longevity of impact, grow the region's population, and support community aspirations for the future.

Strategic Plan Process

The Commission engaged a consulting team led by the Virginia Tech Center for Economic and Community Engagement to work with staff and the Strategic Planning Committee in developing this plan.

The team collected and analyzed data that included:

- Economic, labor market, and demographic data on regional conditions and trends;
- Existing regional plans and strategies including GO Virginia Growth and Diversification Plans, Comprehensive Economic Development Strategy (CEDS) plans; strategic workforce plans; Virginia Economic Development Partnership (VEDP) strategies; and others;
- Input sessions (in-person and virtual) with stakeholders in the Tobacco region footprint (four sessions with over 120 people);
- Interviews with other state entity leaders in workforce and economic development, Commissioners, staff, former staff, and regional leaders (29 interviews) soliciting views on the Commission's strengths and areas for improvement;
- An electronic survey instrument with 196 total responses;
- Program area focus group conversations in economic development; agribusiness; placemaking and tourism; and workforce and education (four sessions with 8 - 12 participants in each session);

- Portfolio review, including an analysis of the past five years of Commission funding data and information on funded projects;
- Financial information and fiscal planning scenarios from the present until 2050.

From this data, the team created a technical report, which serves as a companion report to this strategic plan. The *Technical Report Companion* includes a situation analysis of economic conditions in the Tobacco Commission’s region, as well as an extensive analysis of the Commission’s work, including its strengths and achievements to date and areas for improvement. The team discussed these findings with staff and the Strategic Planning Committee on multiple occasions. These discussions resulted in the three strategic priorities and actions detailed in this document. The plan builds upon the Commission’s considerable strengths and achievements, and it articulates actions to enhance its performance, regional impact, and viability for many years to come.

Regional Situation Analysis – Key Points

Regional Challenges

The Virginia Tobacco Region, comprising approximately 11.5% of the Commonwealth’s population, faces continuing demographic and economic challenges. With just over one million residents, the region has experienced persistent population decline; all five of Virginia’s fastest-shrinking counties are located in the Commission footprint. The region is also aging, with higher proportions of residents aged 55+ and fewer millennials than comparable regions. Its labor-force participation rate (57%) is significantly below the Virginia average (65.8%), and its educational attainment also lags behind state metrics. The region has still not completely recovered from the massive losses it suffered decades ago in manufacturing (especially textiles and furniture), agriculture (especially tobacco cultivation and processing), and coal mining. These challenges are not unique to Virginia or even to the United States. Every industrialized country has experienced the decline of employment in its manufacturing, agriculture, and mining sectors, and movement of population from rural to urbanized areas is a worldwide phenomenon.

Regional Achievements Since 2000 and Opportunities for the Future

The region can boast many stories of economic success, including post-pandemic job growth in key sectors, such as manufacturing and IT (especially in Mecklenburg/ Greensville); resurgent downtowns; tourism and outdoor economy sector growth; and more. In interviews and focus groups conducted for this plan, regional stakeholders and state leaders stated Commission investments have had a substantial positive impact on the people and communities of Southwest and Southern Virginia. Over 93% of survey respondents in Southwest Virginia and over 80% of respondents in Southern Virginia described Commission funding as having a significant to very significant positive impact on their

region's economy. These investments include Broadband infrastructure, industrial sites (including mega sites) and infrastructure, workforce development (including the Institute for Advanced Learning and Research), the cultural economy (including the Southwest Virginia Cultural Heritage Center), and many other investments. Most recently, the Commission has focused on the energy sector as a means of driving growth in the regions it serves with a focus on establishing a "best-in-class" energy economy. This strategy is designed to capitalize on the region's skilled workforce, abundant natural resources, and other strengths to promote an energy-focused economy for the Tobacco Region. However, today the Commission has only a small portion of the funds remaining from its securitization of its MSA payments in 2005 and 2007.

Regional stakeholders, state leaders, and experts expressed very strong support for the Commission to continue its work well into the future. They cited a continued need for the Commission to invest in areas such as industrial sites and infrastructure, agriculture and agritourism, entrepreneurship, recreation, placemaking, and workforce development. At the same time, they called for a sharper programmatic focus on transformational investment, local capacity development, strategic management of the Commission's finances, and a more collaborative Commission that expands resources and impact via partnerships with other entities. This plan is the Commission's response.

The 2025-2027 Strategic Plan

Vision

The Virginia Tobacco Region Revitalization Commission seeks to accelerate regional transformation, giving citizens expansive opportunities for education and employment, and providing communities the benefits of economic stability, diversification, and enhanced prosperity. In particular, the Commission seeks to meet the region's specific challenges related to a historic dependence on tobacco production, textile and furniture manufacturing, and coal production.

Priority 1: Focus

Make Transformational Investments to address the region's most significant barriers and take advantage of the most promising economic opportunities.

The Commission will:

- Focus on a narrow set of transformational goals that address the region's most significant economic barriers and explore the most promising economic opportunities;
- Pursue a clearer, narrower, and more refined set of strategies and associated programs that align with regionally defined priorities;
- Refine and more fully utilize an augmented set of short- and long-term success metrics.

The Commission will invest for strategic impact, rather than focusing solely on need or activity area. The Commission will assess all programs and projects on their potential to advance "future state" goals.

To date, the Commission's program RFPs and applications have included "deliverables" (short-term outputs) and "outcomes" (long term). The Commission will expand and augment these requirements to align with updated strategic goals.

The Commission will continue to focus funding on addressing the most significant barriers to regional economic vitality through investments in: industrial sites and assistance to firms in key industry sectors (including advanced manufacturing, agribusiness, and knowledge work), regional workforce improvements, enhancements to downtown vitality, and other strategies to attract and retain talent, entrepreneurial vibrancy, and local capacity to lead and grow new initiatives.

Applications that do not align with a RFP's funding priorities, cannot show how the applicant will achieve its targeted success metrics, or are otherwise incomplete, will be deemed by staff to be unresponsive and hence not presented for a funding decision.

The following five Transformational Goals will advance **economic revitalization** by focusing investments and activities towards these desired future states:

- **An Economically Competitive Region**
- **An Entrepreneurial Region**
- **A Talent-rich Region**
- **A Vibrant, People-attracting Region**
- **A Capacity-growing Region**

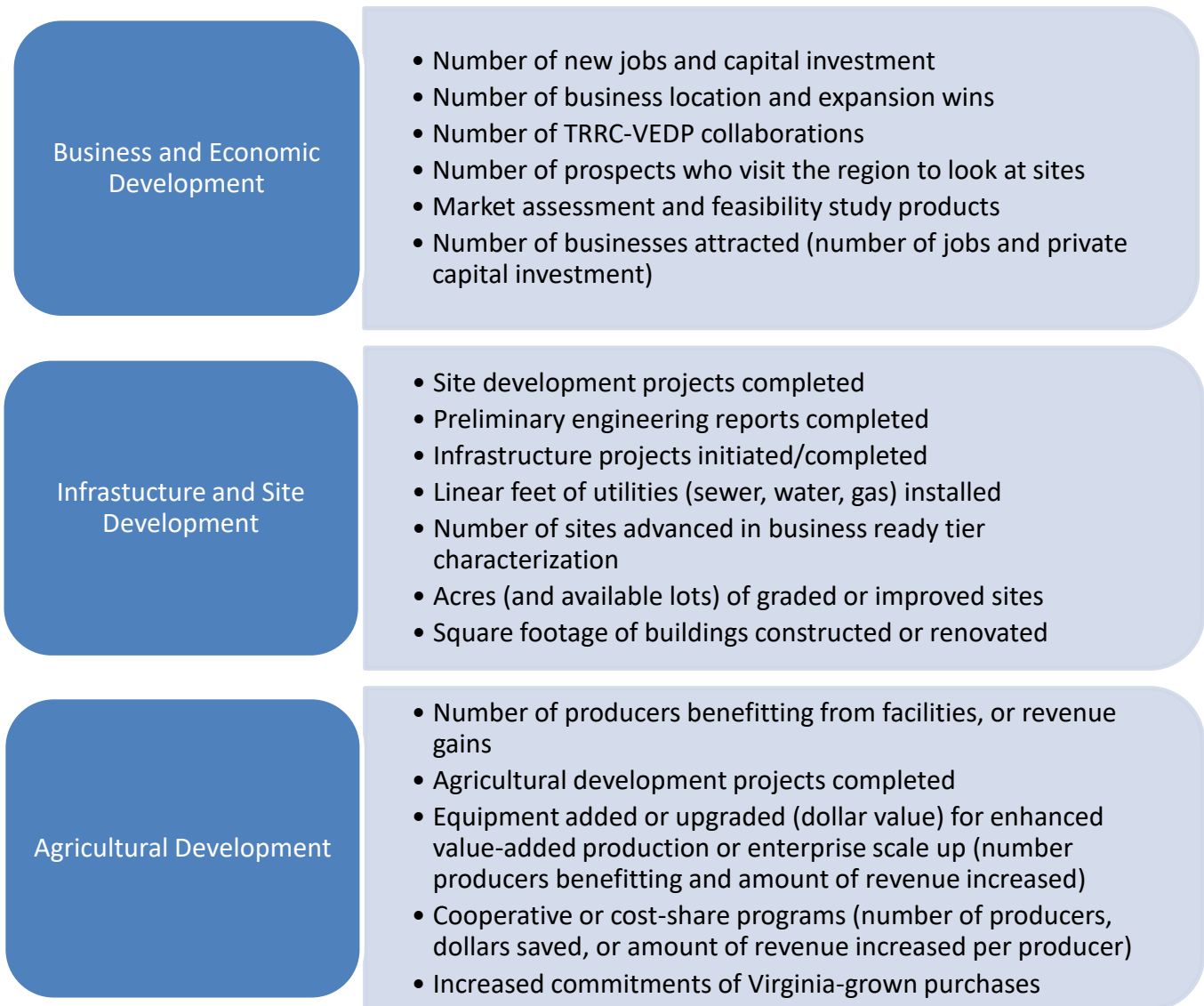
Figure 2: The Commission’s Theory of Impact: How activities lead to transformational goals

Activity Types	Desired Short-term Outcomes	Desired Medium-term Outcomes	Desired Long-term Outcomes
<ul style="list-style-type: none"> • Economic competitiveness projects: Business recruitment and expansion • Infrastructure and site development • Industry attraction • Agricultural facility development • Talent development projects: Workforce training programs • Industry credentials and degrees • Educational facilities • Skills-aligned programming • People attraction projects: Tourism destinations • Cultural preservation • Downtown revitalization • Visitor experiences • Regional branding • Entrepreneurial growth projects: Startup support services • Business incubation • Entrepreneurial resources • New business creation • Capacity building: Resource generation • Partnership development • Organizational strengthening • Collaborative initiatives 	<ul style="list-style-type: none"> • Business and Innovation Interest: Investment inquiries • Agricultural advancement adoption • Entrepreneurial motivation • Destination appeal recognition • Enhanced Skills and Knowledge: Industry qualifications • Best practice awareness • Technical competencies • Infrastructure Awareness: Site readiness understanding • Technology adoption readiness • Regional collaboration engagement 	<ul style="list-style-type: none"> • Economic Behaviors: Business expansion decisions • Agricultural prosperity practices • Infrastructure utilization • Investment attraction • Entrepreneurial Ecosystem: New business launches • Capital access success • Support capacity expansion • Talent Development: Educational participation increases • Skill certifications • Job placement in target sectors • Talent retention and attraction • Community Development: Local employment creation • Economic diversification • Community vitality improvements • Regional competitiveness enhancement 	<ul style="list-style-type: none"> • Regional Excellence: Comprehensive post-secondary education system • Well-trained workforce meeting employer needs • Increased regional prosperity indicators • Community Development: Vibrant places • Reduced disparities • Community resilience • Preserved heritage • Sustainable development practices • Economic Transformation: Sustainable economic base • Increased local employment • Decreased unemployment • Strong tax base • Living wage employment

Goal 1. An Economically Competitive Region

- WHY: Invest in the region’s growing economic sectors and help the region better compete for firm locations and expansions.
- FOCUS: Industry development, economic development, and agribusiness development; aligned infrastructure investments (sites and buildings) for growth-oriented industry sectors. (See Appendix E for a summary of key industry sectors in the region.)
- CORE ACTIVITIES AND PROJECT OUTPUTS:

Figure 3: Economic competitiveness activities and project outputs

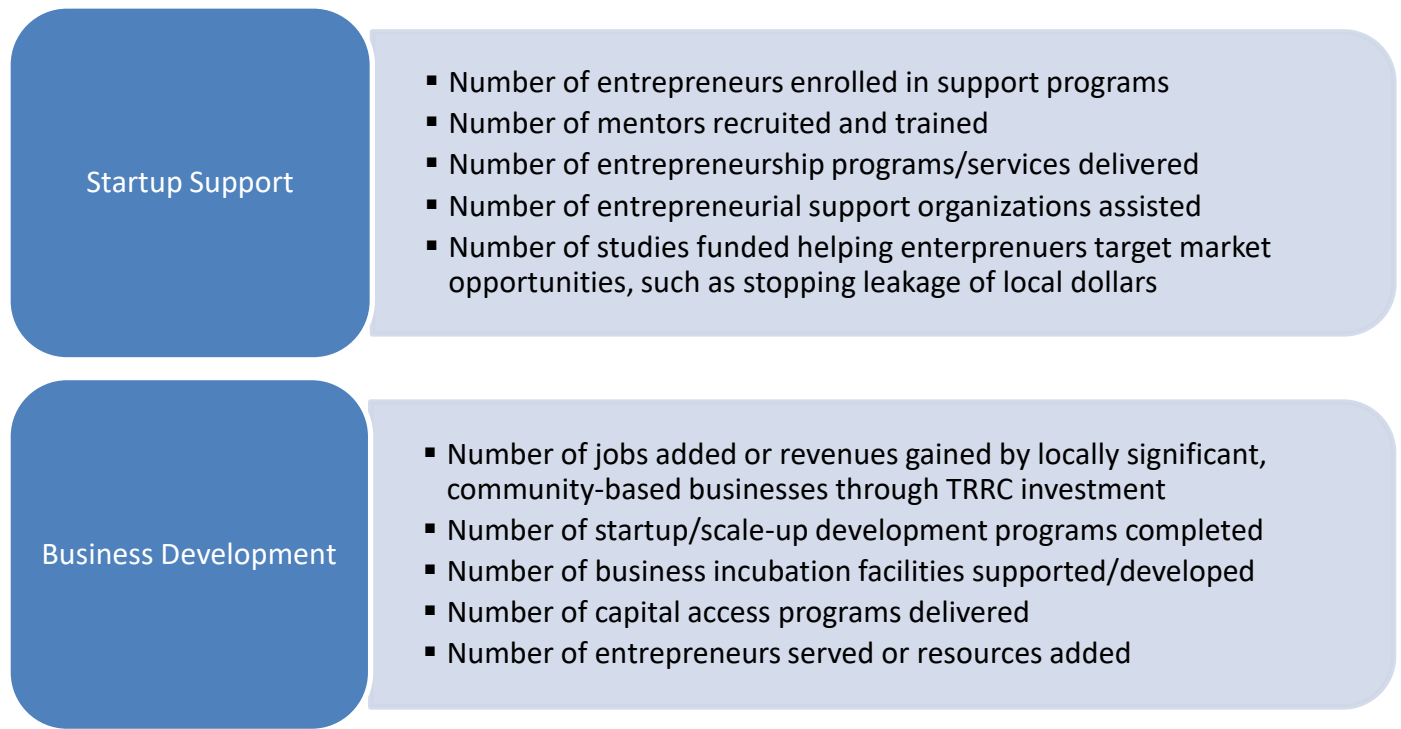


- SHORT-TERM OUTCOMES:
 - Companies in key sectors adding jobs or gaining revenues
 - Enhanced site competitiveness (number of sites advanced to higher VBRSP tier)
 - Increased prospect visits and information requests (year-over-year)
 - Agricultural businesses experiencing direct annual sales revenue growth
 - Private capital investment amounts leveraged by TRRC activities
 - VEDP announcements in footprint with Commission support
 - Number of businesses recruited to or expanding in the region
 - Number of new jobs created, number of new jobs with above median salaries or wages
- MEDIUM- TO LONG-TERM OUTCOMES:
 - Growing tax base
 - Number of prospects attracted to the region
 - Number of business expansions in target sectors
 - Growth measures for key industry sectors (employment, revenue, establishments)
 - Farmer income and agricultural market expansion
 - Improved regional competitiveness
 - Increases in year-to-year private capital investment in region
- The Commission will review and refine its role in providing economic development incentives for attracting prospects and retaining companies in the region. This includes a review of the Tobacco Region Opportunity Fund (TROF). The strategic planning process identified a need to more precisely target the Commission's role in industry incentives. If incentives are continued, smaller localities (more rural and under-resourced) in the Commission footprint may need to be prioritized for Commission funding. Many localities strongly prefer grants to loans and report TROF to be prohibitive as currently structured. Any incentive programs will be designed and implemented in closer coordination with economic development allies to be clear, compelling, accessible, non-duplicative, and deal-closing in nature.

Goal 2. An Entrepreneurial Region

- WHY: Be a place that better helps businesses start and grow.
- FOCUS: Support entities that help startups and locally owned small businesses in selected industry sectors, and support entrepreneur development and existing business growth in smaller and under-resourced communities.
- CORE ACTIVITIES AND PROJECT OUTPUTS:

Figure 4: Entrepreneurial Region Activities and Outputs



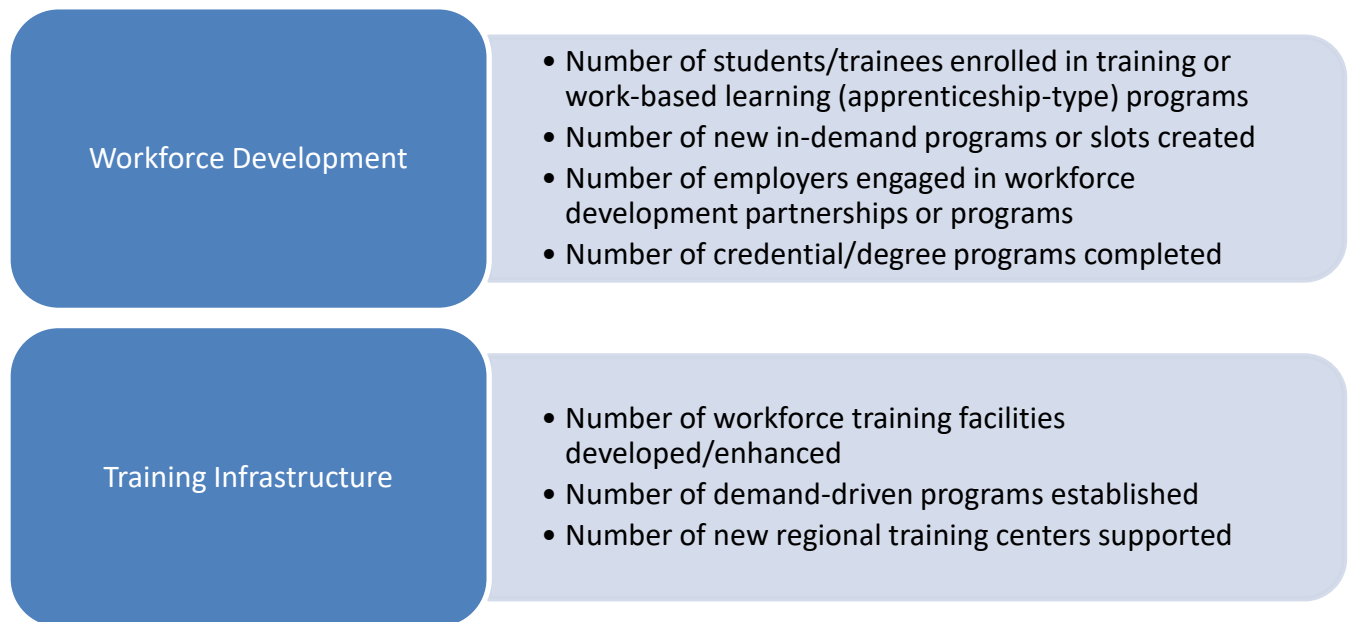
- SHORT-TERM OUTCOMES:
 - Entrepreneurs and locally significant small businesses supporting key sectors served and actively engaged in programs
 - New mentors/resources added to support entities
 - New businesses created or expanded through supported programs
 - Startups accessing capital and experiencing initial growth
 - Enhanced entrepreneurial support infrastructure

- MEDIUM- TO LONG-TERM OUTCOMES:
 - Number of startups experiencing sustained growth in revenues or jobs
 - Number of existing small businesses helped to expand (especially through hiring assistance, economic gardening, etc.)
 - Amount of total capital accessed by regional startups
 - Regional entrepreneurship ecosystem maturity and sustainability
 - Business survival and growth rates
 - Reduced leakage of local dollars in key industry sectors
 - Growing local tax base

Goal 3. A Talent-Rich Region

- WHY: Better help in growing skills and talents of region’s workforce and expanding the supply of available and qualified workers in the region.
- FOCUS: More people with industry-related credentials, post-secondary degrees, or work-based experiences, especially in key industry sectors (see Appendix D).
- CORE ACTIVITIES AND PROJECT OUTPUTS:

Figure 5: Talent-Rich Region Outputs

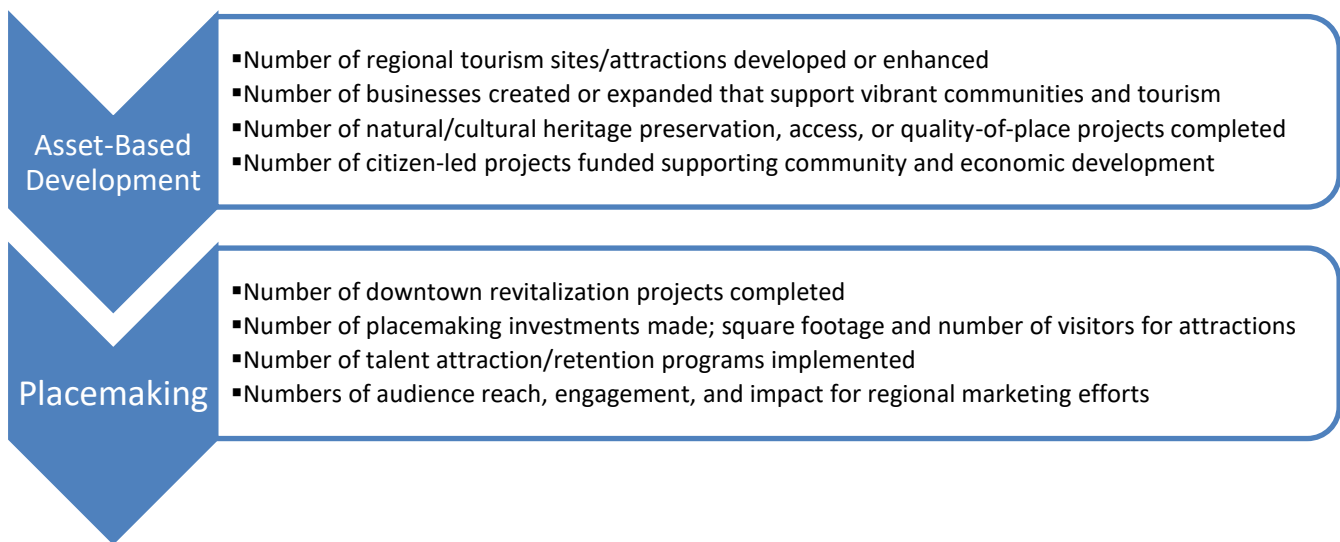


- SHORT-TERM OUTCOMES
 - People earning industry-related credentials or post-secondary degrees in target sectors
 - Increased enrollment in target sector programs
 - Enhanced skills alignment with regional employer needs
 - Improved training facility capacity and utilization
- MEDIUM- TO LONG-TERM OUTCOMES:
 - Number of jobs filled in key sectors by program graduates
 - Number of new jobs added in key sectors (also reduction in vacancies)
 - Increased regional labor force participation rate
 - Reduced skills gaps in target industries
 - Growth in post-secondary educational attainment levels

Goal 4. A Vibrant, People-Attracting Region

- WHY: Be a place of vibrant communities, where people want to visit, live, and locate.
- FOCUS: Make select place-making and asset-aligned investments to encourage vibrant communities that attract and retain people, businesses, and investment.
- CORE ACTIVITIES AND PROJECT OUTPUTS:

Figure 6: A Talent-Attracting Region Activities and Outputs



- SHORT-TERM OUTCOMES:
 - Increased local income from meals tax, sales tax, bed tax in historic downtowns through increased visitor spending
 - Increased commerce activities
 - New direct jobs created at tourism destinations
 - Private capital investment in regional tourism businesses
 - Increased downtown visitation/business activity
 - Increase in unduplicated number of visitors to site(s) in the region
 - Increase in annual revenue from ticket sales or tourism business sales revenue
 - Estimated increase in annual visitor spending in the region
 - Private capital investment at tourism business(es) (only include taxable assets – real and personal property)
 - Number of direct jobs created at tourism destination
 - Number of visitors engaged, impact from regional marketing efforts
- MEDIUM- TO LONG-TERM OUTCOMES:
 - Reduced leakage of local dollars
 - Number of people locating in the region
 - Enhanced regional attractiveness and livability
 - Number of people returning to or staying in the region
 - Regional population growth or stabilization
 - Talent retention rates among graduates and young professionals
 - Improvement in regional quality-of-life indicators

Goal 5. A Capacity-Growing Region

- **WHY:** Grow capacity of communities and their support organizations to help themselves through Commission grants and expert assistance from Commission and Foundation staff.
- **FOCUS:** Support the Foundation for the Advancement of Southern and Southwest Virginia and invest in staff of partner organizations to assist in development and implementation of projects or generation of resources.
- **CORE ACTIVITIES AND PROJECT OUTPUTS:**

Figure 7: Capacity-Growing Region Activities and Outputs



- **SHORT-TERM OUTCOMES:**
 - Number of partner organizations with new staff serving region
 - Organizations reporting increased success in securing matching funds
- **MEDIUM- TO LONG-TERM OUTCOMES:**
 - Growth in size or capacity of regional support organizations or “hub” entities (staff, resources generated, etc.)
 - Number of presentations by footprint organizations at community and economic development conferences

Priority 2: Sustain

Follow Financial Stewardship Policies that put the Commission on a sound financial footing well into the future.

Goal 1. Sustain and Preserve

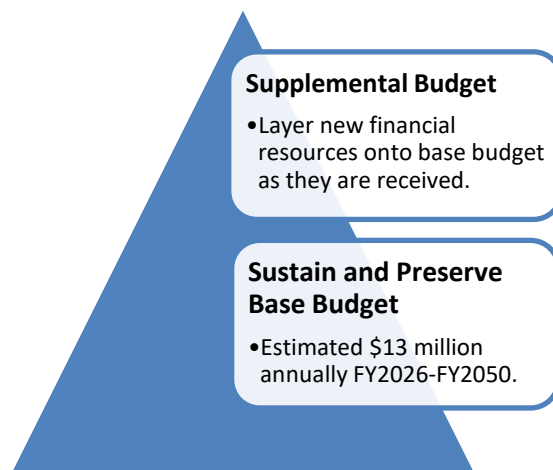
Maintain financial sustainability with annual budgets linked to long-term financial planning.

- The research team conducted a comprehensive analysis of the Commission’s financial position, taking all Commission funds and operations into account. As noted in the Regional Situation Analysis (and discussed in the *Technical Report Companion*), the Commission’s work is still needed in the region, and regional and local stakeholders expressed strong support for the Commission to continue its work. However, as of February 28, 2025, the Commission’s endowment stands at only \$103.8 million, having declined steadily from its initial amount of approximately \$1 billion in 2007. In order to continue its work for many years to come, the Commission will follow financial policies, in conjunction with goals articulated in Priorities 1 and 3 that allow it to reduce spending while maximizing impact.
- To support this goal, the research team created six long-term financial policy scenarios for the 2025-2050 period. These are detailed in the *Technical Report Companion* that accompanies this strategic plan, with the preferred scenario included in the Appendix to this document. Each scenario represents a different philosophical approach to asset management – from preservation of the corpus of \$103.8 million and judicious use of the unobligated carryforward balances in the Tobacco Indemnification and Community Revitalization (TICR) Fund that would allow the Commission to spend an estimated average of \$13 million per year through 2050, to accelerated investment and large expenditures over the short- to medium-term that would largely exhaust the Commission’s financial resources within the next decade.
- Of the six scenarios, the preferred course of action is for the Commission to sustain its grant-based contributions to the Tobacco Region through an average annual base budget of an estimated \$13 million through 2050 using interest earnings only for the annual base budgets. This scenario entails no spending of the \$103.8 million corpus and judiciously stretching out the use of the unobligated carryforward balances in the TICR Fund. This preferred scenario also preserves the Commission’s ability to function beyond the 25-year planning period with estimated annual budgets of \$7 million in FY2051 and beyond. Four other grant-funding scenarios entail modest to substantial spending of the corpus in annual budgets, which, as noted above, would exhaust the Commission’s resources over the next decade. In addition to these scenarios, the research team also considered a scenario in which the Commission would

expend \$5 million per year in loans, while also spending funds from the \$103.8 million corpus. This scenario choice would allow for an estimated median annual budget of \$14.5 million through 2050 but essentially exhausts the endowment by the end of that period.

- To sustain and preserve its long-term viability, the Commission will establish a two-tier annual budget process incorporating the Sustain and Preserve Base Budget and the Supplemental Budget. The Sustain and Preserve Base Budget will entail an estimated \$13 million through FY2050 based on interest earnings only, judicious use of the TICR Fund’s unobligated carryforward balances, and no spending of the endowment, thereby establishing a sustainable platform for growth. The Supplemental Budget will allow the Commission to grow annual budgets by layering new financial resources onto the base budget as they are received.

Figure 8: Two-Tier Annual Budget Framework



Goal 2. Steer Strategically

Adopt financial policies to advance the Commission’s financial health, financial sustainability, and strategic goal alignment.

- The Commission will make annual spending decisions with one eye on the long-term future. Thus, the Commission will adopt a suite of financial policies that will form the steering system for long-term financial sustainability and strategic goal alignment. Seven financial policies are recommended to frame out an effective and strategic steering system. Working together holistically and reinforcing each other, these policies will enhance the financial health and financial sustainability of the Commission and its credibility with the communities it serves, the public-at-large, and potential new funding sources. See Appendix C for details on the seven recommended financial policies.

Figure 9: Seven Financial Policies for Financial Sustainability and Strategic Goal Alignment

1. Long-term Financial Planning
2. Endowment
3. Structurally Balanced Budget in Alignment with Long-Term Sustainability of the Commission
4. Report on How the Budget is Balanced
5. TCR Fund Reserves
 - Operating Reserve
 - Strategic Opportunity Reserve
6. Use of One-Time Revenues
7. Grants and Other Funding Sources

- Administrative procedures will be aligned to be consistent with the adopted financial policies. Further, the Director of Finance will report potential non-alignment on any proposed Commission action, as well as annually on the overall alignment and non-alignment with all financial policies.
- To maintain continuity and respond to emerging circumstances, the Commission will annually reaffirm and update the financial policies as an integral part of the annual long-term financial plan update and annual budget process. Policy changes may be needed as the Commission continues to advance its mission and goals, as the region it serves continues to evolve, and as the organization continues to progress and adapt to provide pertinent services. Any recommended changes will be presented to the full Commission and approved during the annual budget process.
- If an expanded revolving loan fund (RLF) is established, it will be developed as part of the Supplemental Budget with a distinct RLF Financial Plan to avoid eroding the capacity to maintain the Sustain and Preserve Base Budget at the estimated average \$13 million through FY2050.
- While the recommended Financial Policies work holistically together and reinforcing each other, they also provide a framework for responding to opportunities as they arise and for charting a plan to maintain the financial health and long-term financial sustainability of the Commission. Adopting a policy of limiting average annual base spending to \$13 million in grant funds does not mean that the Commission will never exceed that amount through the Supplemental Budget mechanism. In some years, as opportunities arise, the Commission may choose to spend more than \$13 million by supplementing the Base Budget with releases from the Strategic Opportunity Reserve into the Supplemental Budget or by temporarily augmenting the annual base budget above the sustaining \$13 million amount. However, if the Commission chooses to release funds

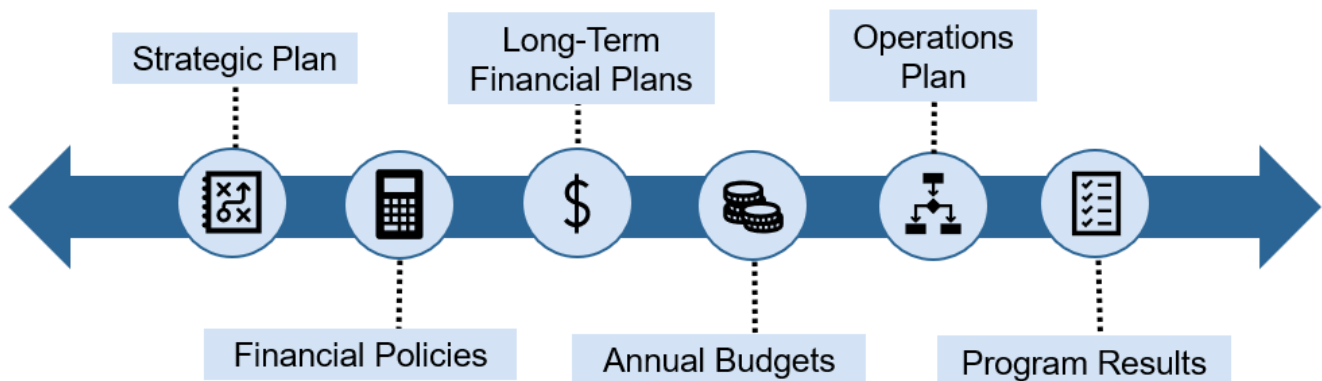
from the Strategic Opportunity Reserve or temporarily increase the annual budget above the sustaining \$13 million, it will be with the acknowledgment that such spending will be offset by lower spending levels in subsequent years with an adopted plan to replenish funds used in alignment with the Long-Term Financial Plan and long-term sustainability of the Commission.

Goal 3. Focus and Integrate to Maximize Impact

Synchronize management and planning systems for strategic strength and flexibility.

- Purposefully and strategically link strategic goals, financial policies, long-term financial plans, annual budgets, operations, and program results closely together. Synchronize management and planning systems to promote heightened focus, impactful choices among priorities, and augmented results.

Figure 10: Integrate Systems for Strategic Strength and Flexibility



- Most importantly, harmonize annual planning systems to spotlight opportunities and pressures and to frame a platform for strategic and proactive action. Further, integrating the annual planning systems closes gaps that can arise in opportunities, avoids disconnects that can naturally occur between separately pursued systems, and decreases risks.
- As set forth in *Priority 1: Focus*, the Commission will pursue a clearer, narrower set of goals to address the region's most significant economic barriers and explore the most promising economic opportunities, using an expanded set of short- and long-term performance metrics.

Goal 4. Grow Capacity with New Financial Resources

Attract and retain new financial resources to augment capacity.

- The Commission will build on the \$13 million annual base budget through the Supplemental Budget mechanism by layering on new financial resources as they are received.
- The Commission will increase the total amount of resources devoted to specific projects by:
 - Expanding development capabilities, performance metric systems, and results verification (See Priority 1: Focus);
 - Increasing collaboration with other funding entities at the regional, state, and national levels; and
 - Supporting the non-profit Foundation for the Advancement of Southern and Southwest Virginia, so that it can attract funds for projects the Commission is also supporting (See Priority 3: Engage).

Priority 3: Engage

Enhance Organizational Effectiveness and Collaboration

As detailed in the *2025-2027 Strategic Plan Technical Report Companion*, regional stakeholders praised the Commission for its contributions to regional development, its nimbleness in responding to funding opportunities, and its knowledgeable, accessible, and responsive staff. At the same time, stakeholders called on the Commission to become more outward-facing and collaborative with state, regional, and local organizations, and to align its funding strategies with those of national and state-level agencies. Ensuring Commission investments are better shared across the region was also identified as a priority, which will be accomplished through intentional engagement with lower capacity communities.

The Engage priority area focuses on specific actions the Commission will undertake to enhance its own effectiveness and strengthen its impact by collaborating with other organizations.

Goal 1. Maintain and build on organizational strengths

- The Commission will maintain flexibility and responsiveness, but within a clearer strategic framework, with a narrower set of funding priorities and a tighter set of criteria to assess new projects while retaining the ability to fund pilot-scale, or smaller, projects.
- The Commission will continue to support, value, and develop its staff, while adding capacity and expertise to support functions that include enhanced monitoring and reporting, project development, and partner engagement.
- The Commission will continue to fulfill its role as a champion for the economic vitality of its region and will enhance its ability to do so through collaboration with others.

Goal 2. Enhance collaboration between the Commission and other organizations that provide funding within the Commission's region, seeking alignment between their efforts and the Commission's efforts

- For each of the goals articulated in *Priority 1: Focus*, the Commission will identify relevant national, state, and regional partners and will determine the roles they play, their funding programs, and the relationship of these programs to the Commission's goals and programs.
- The Commission will conduct an analysis of key relationships and communication channels of relevant partners to establish communication channels for program alignment.
- The Commission will convene a regular meeting of core funding partners, including the Virginia Economic Development Partnership, the Virginia Department of Housing and Community Development, the Virginia Community College System, and the U.S. Economic Development Administration.

- The Commission will convene regional organizations in the Tobacco Commission footprint on a regular basis. These include planning district commissions, regional economic development organizations, workforce development boards, community colleges, and others.

Goal 3. Support the Nonprofit Foundation for the Advancement of Southern and Southwest Virginia

In its 2020 and 2023 Strategic Plans, the Commission supported the idea of developing the Foundation as a separate legal entity, aligned with the Commission’s mission but functioning independently, to build local capacity, generate new resources, and advocate for the region. The Foundation will seek both private and public sector grants that will leverage and thereby enhance funding for the Commission’s programs. These funds will help to increase the Commission’s impact in the region despite its reduced annual expenditures. (See Priority 2.)¹

- The Commission will engage in a three-year “proof of concept” process for launching the Foundation. During this time, the Commission will:
 - Engage a consultant to assist the Foundation in developing an organizational mission, scope of work, and staffing plan.
 - Enhance engagement with the governing board for the Foundation.
 - Support the Foundation in funding a director. The ideal director will be:
 - Entrepreneurial – the Foundation is a startup venture.
 - Results oriented – the focus is on resource generation and building capacity of local and regional organizations in the Commission footprint.
 - Professional – the Foundation needs to become a “best in class” organization for resource generation and a model of professionalism and respectability as a trusted steward of funds.
 - Service minded – the Foundation must align with the Commission mission and work for the good of the region, especially of the more under-resourced or rural parts of the Tobacco Region footprint.
- The Commission will invite the Foundation to prepare and submit a three-year funding request to include the following deliverables and elements in its scope of work:
 - A detailed operational and staffing plan, including a three-year budget with funding levels for Foundation staff and operations;
 - A grants and fundraising plan with analysis of fundraising opportunities and goals;
 - A financial management plan that includes fund disbursement policies, controls, and related details.

¹For example, where currently the Commission might invest \$500,000 in an infrastructure project, an active Foundation might be able to secure \$250,000 from other sources for that project, so that the Commission would need to invest only \$250,000.

Conclusion

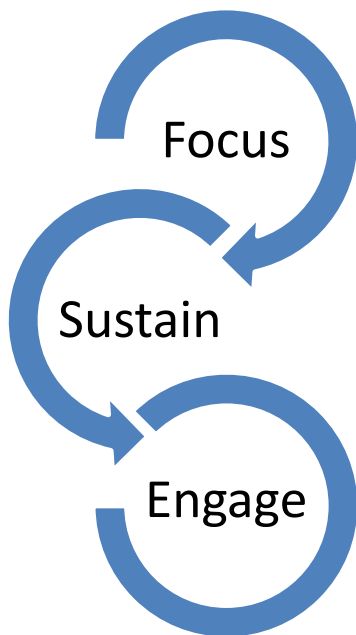
This plan outlines three strategic priorities: Focus, Sustain, Engage. All three are CRITICAL to the Commission’s continued success and impact.

Focus means the deliberate identification of transformational investments to address the region’s most significant barriers and to take advantage of the most promising economic opportunities.

Sustain means the Commission will prioritize recommended investment thresholds and exercise clear financial policies and practices to ensure the continued ability to carry out its mission well into the future.

Engage means the Commission continues to strive to be an excellent collaborator and to strengthen its own effectiveness and reach through all the tools at its disposal including the Foundation for the Advancement of Southern and Southwest Virginia.

The Commission is proud of its progress during the past 25 years in revitalizing communities formerly dependent on tobacco cultivation and processing, furniture and textile production, and coal mining. Much work remains to be done, yet the Commission’s base of funds has declined significantly from when it began its work decades ago. To continue its efforts and to achieve meaningful impact, the Commission must adopt new approaches.



The Commission embraces this challenge. By sharpening its focus on transformational investments with carefully monitored outputs and outcomes, following best practices in evaluating project applications, forging stronger, complementary relationships with public, private, and non-profit partners, supporting the Foundation for the Advancement of Southern and Southwest Virginia, and carefully stewarding its remaining funds, the Commission will continue its mission of bringing lasting economic prosperity to the region.

Appendix A

Table 1: 5x5 Transformational Goals Matrix

5 Goals "future state"	5 Challenges or Barriers	5 Solutions and Focus Areas	5 + Intended Impacts and Outcomes	Key Partners
Economically competitive region	<p>Insufficient industrial sites</p> <p>Growth challenges for firms in key sectors such as agribusiness</p>	Invest in this region's growing economic sectors: agribusiness, advanced manufacturing, tourism	<ul style="list-style-type: none"> • New jobs and investments in target sectors from Commission-funded activities • Enhanced regional business competitiveness and ability to compete for firm locations and expansions • Increased private capital investment leveraged through Commission activities • Growth in key economic sectors (agribusiness, advanced manufacturing, tourism) • Improved regional competitiveness rankings and market position • Sustainable agricultural sector growth and market diversification 	<p>VEDP</p> <p>VDOE</p> <p>GO Virginia</p> <p>DHCD</p> <p>Virginia Cooperative Extension</p> <p>IALR</p>
Talent-rich region	Workforce supply and skills gaps	Invest in workforce development to increase supply and quality for target industries	<ul style="list-style-type: none"> • Notable growth in regional population with enhanced skills aligned to target industries • Reduced workforce supply and skills gaps in key economic sectors • Increased regional labor force participation rate above current 57% • Growth in post-secondary educational attainment levels • Enhanced pipeline of skilled workers for target industry sectors • Stronger workforce development infrastructure and capacity 	<p>VCCS</p> <p>SCHEV</p> <p>VOEE</p>
Vibrant, people - attracting region	<p>Declining downtowns</p> <p>Lack of targeted strategies to attract and retain talent</p>	Invest in placemaking and targeted talent attraction and retention projects that support tourism, workforce, and entrepreneurship	<ul style="list-style-type: none"> • Population growth or stabilization, reversing current decline trends • Enhanced regional attractiveness and quality of life for residents and visitors • Increased talent retention rates among graduates and young professionals • Revitalized downtowns and enhanced placemaking that supports economic growth • Growth in tourism sector and outdoor economy • Strategic talent attraction initiatives that bring new residents to the region 	<p>VEDP</p> <p>VCCS</p> <p>Higher education institutions</p> <p>DHCD</p> <p>VTC</p>

Entrepreneurial region	Lower levels of entrepreneurial vibrancy	Invest in building a vibrant entrepreneurial community focused on key industry sectors of agribusiness, tourism, and small manufacturing	<ul style="list-style-type: none"> • Vibrant startup ecosystem generating new businesses and sustainable job growth • Enhanced regional innovation capacity and entrepreneurial culture • Increased access to capital and business support resources for startups • Improved business survival and growth rates in target sectors • Regional entrepreneurship ecosystem maturity and self-sustainability • Strategic support for startups in agribusiness, tourism, and small manufacturing 	VIPC The Launch Place SBDC
Capacity-growing region	Lower levels of local capacity and resources to lead and grow new initiatives	Invest in the Foundation, Commission staff, and partner organizations to implement these strategies and help connect and grow resources	<ul style="list-style-type: none"> • Self-sustaining regional development ecosystem with enhanced local capacity • Increased ability of communities to develop and implement projects independently • Enhanced resource generation and leveraging capacity beyond Commission investments • Strengthened regional advocacy and representation capabilities • Sustainable Foundation for the Advancement of Southern and Southwest Virginia • Enhanced collaboration and coordination among regional development partners 	Virginia Cooperative Extension DHCD

Appendix B: Financial Analysis

This analysis examines the fiscal realities facing TRRC as it manages the remaining 10% of its original endowment. This section presents guiding considerations that shape TRRC's financial outlook, including statutory limitations, historical investment returns, and bond repayment obligations. It identifies two seemingly contradictory challenges: reducing spending while maximizing impact. The heart of the analysis explores six distinct financial planning scenarios through 2050, each representing a different philosophical approach to asset management—from corpus preservation to accelerated investment. These models illustrate various trajectories for TRRC's endowment and annual budgets, providing a framework to evaluate trade-offs between immediate regional investment and long-term institutional sustainability.

Guiding Considerations

The Tobacco Indemnification and Community Revitalization Endowment was funded with proceeds from bonds sold by the Tobacco Settlement Financing Corporation (TSFC) in 2005 and 2007. The Endowment has steadily declined from approximately \$1 billion to \$103.8 million corpus (roughly 10%) as of February 28, 2025. The Commission's annual 50% share of the MSA payments are pledged to repay the bonds through FY2047. Statutory constraints limit the amount of annual corpus invasion to a maximum of 15% with a three-fourths vote of the Commission.

Limited assets are available for regional investments (grant awards) as of FY2025, which will constrain the available funds and strategic alternatives going forward. Major constraints include:

- The Commission's share of MSA payments is pledged to the bonds through FY2047.
- Interest earnings overall have averaged 1.7% for the last 10 years.
- Restricted endowment funds are yield-restricted due to tax-exempt bond federal law.

Annual budgets and funding sustainability will require careful, strategic management going forward. Judicious use of unobligated fund balance and accumulated interest earnings (\$136M estimate as of February 28, 2025) can also support annual budgets during the financial planning period.

Two Critical Challenges

The Commission has two critical challenges, which on their face are in conflict, but may be handled in conjunction with each other through tighter strategic focus and follow through.

1. Reduce total annual funding levels and more intentionally manage its remaining funds.
2. Maximize the impact of its expenditures and build greater organizational and regional capacity to drive economic transformation.

Recommended Scenario

This report identified six financial management scenarios, each of which is detailed in the *Technical Report Companion* that accompanies this strategic plan. The financial scenarios illustrate the fundamental tension TRRC faces between preserving its corpus for long-term sustainability and making impactful investments in the near term. This appendix describes Scenario A, which is the preferred scenario, based on Commission feedback. This strategy preserves the corpus indefinitely but reduces annual base budgets below the recent annual average to approximately \$13 million.

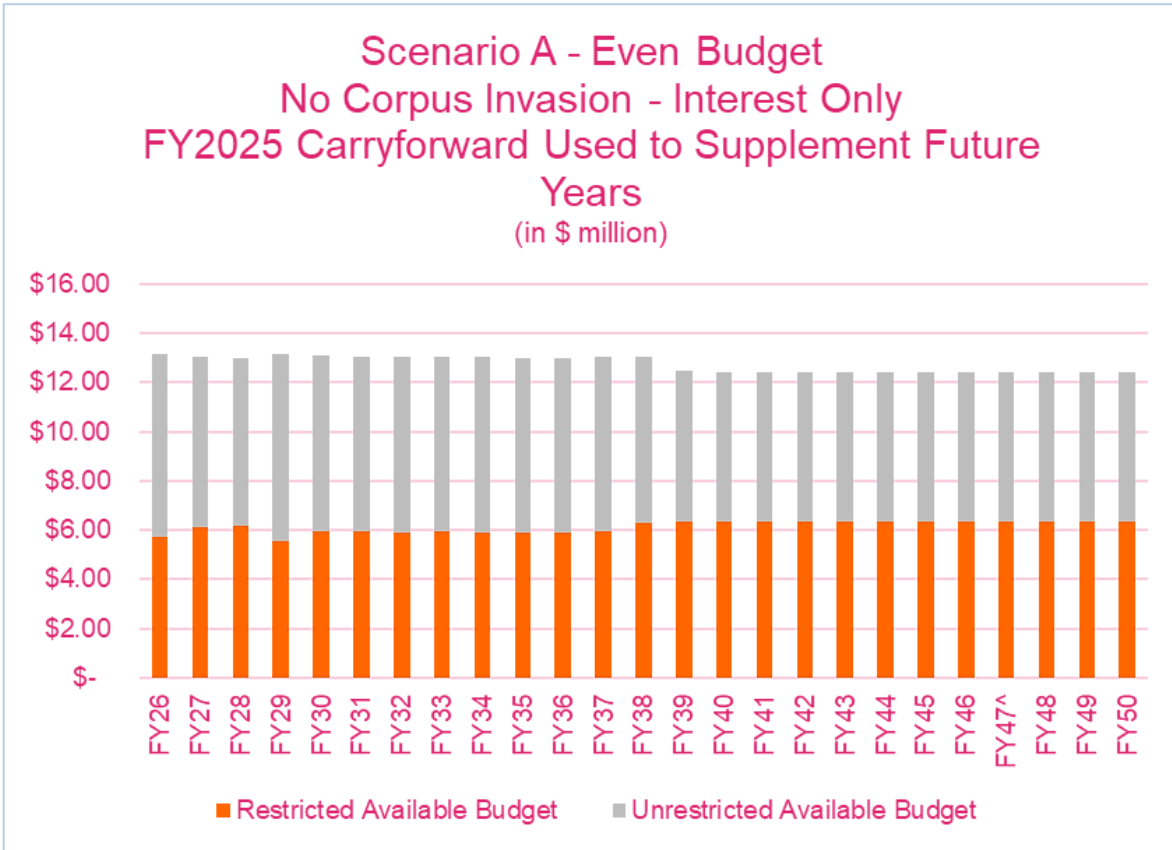
Assumptions incorporated into this scenario planning include:

- 25-year financial planning period: FY2026–FY2050
- No new assets or funding sources through FY2050
- Use of unobligated funds and accumulated interest earnings (\$136M estimate) for annual budgets in FY2026–FY2050
- Build back the fund balance reserve as some current obligated funds become de-obligated through adoption of financial policies and continued multi-year financial plans
- Existing loan repayments continue as currently scheduled
- 10-year historical average return on investments

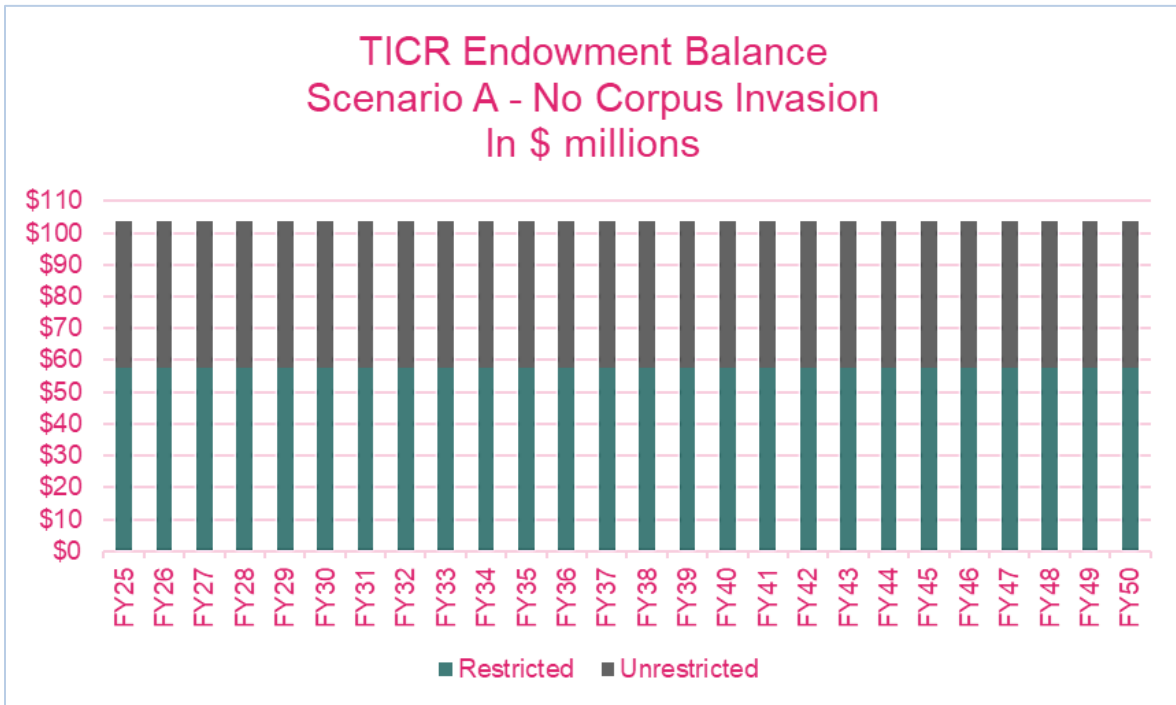
Scenario A: Interest Only, No Corpus Invasion, Even Budget

- **Annual Budget Estimate:**
 - FY2026-FY2033: \$12.4M-\$13.1M
 - FY2026-FY2033: Median \$13.0M
 - FY2051 and Beyond: \$7.0M (annual potential)
- **Unobligated Fund Balances Used FY2026-FY2050**
- **Endowment Estimate:**
 - FY2025: \$103.8M
 - FY2050: \$103.8M

Available Budget (Scenario A)



TICR Endowment Balance (Scenario A)



Appendix C: Recommended Financial Policies

Financial Policies = Steering System for the Strategic Path Forward

- The Commission will adopt a suite of financial policies that will form the steering system for long-term financial sustainability and strategic goal alignment. Seven financial policies are recommended to frame out an effective and strategic steering system. Working together holistically and reinforcing each other, these policies will enhance the financial health and financial sustainability of the Commission and its credibility with the communities it serves, the public-at-large, and potential new funding sources.
- Administrative procedures will be aligned to be consistent with the adopted financial policies. Further, the Director of Finance will report potential non-alignment on any proposed Commission action, as well as annually on the overall alignment and non-alignment with all financial policies.
- To maintain continuity and respond to emerging circumstances, the Commission will annually reaffirm and update the financial policies as an integral part of the annual long-term financial plan update and annual budget process. Policy changes may be needed as the Commission continues to advance its mission and goals, as the region it serves continues to evolve, and as the organization continues to progress and adapt to provide pertinent services. Any recommended changes will be presented to the full Commission and approved during the annual budget process.

1. Long-Term Financial Planning

- **Annually update the Long-Term Financial Plan** with a forecast of sources and uses of funds for 10 to 20 years and a projection of the long-term sustainability of the Commission before the annual budget process.
- Long-Term Financial Plan will be **updated before the annual budget process**.
- As part of the budget message, the **Director of Finance advises the Commission of potential long-term positive and adverse trends** along with their analysis of the trends.

2. Endowment

- **To protect the long-term viability of the Commission, the endowment corpus is maintained at total book value of \$103.8 million as of February 28, 2025.**
- **Thus, the endowment will generate annual interest earnings into perpetuity as the primary source of support of the Commission's mission and strategic goals.**
- **Annual interest earnings can be used for annual budgeting for programs and operations** within the framework of a Long-Term Financial Plan and the long-term sustainability of the Commission.

3. Structurally Balanced Budget in Alignment with the Long-Term Sustainability of the Commission

- **Annual Budget = Sustain and Preserve Base Budget + Supplemental Budget**
- Annual budgets will be **structurally balanced and aligned with the Long-Term Financial Plan**.
- **Recurring revenue will equal or exceed recurring expenditures in all budgets** to maintain long-term financial sustainability.
- **Sustain and Preserve Base Budget Recurring Revenues** = (a) Interest earnings on Tobacco Indemnification and Community Revitalization (TICR) Endowment and TICR Fund, (b) unobligated carryforward balances as of February 28, 2025, or (c) loan repayments from existing loans as of February 28, 2025.
- **Supplemental Budget Recurring Revenues** = Renewing and sustainable revenues from new funding sources beyond existing assets as of February 28, 2025.
- **Distinct and Expanded Revolving Loan Fund (RLF) will reside in Supplemental Budget, if established.**
- **A distinct RLF Financial Plan** will be developed if an expanded RLF is established. The plan:
 - Outlines schedule of annual contributions from the Annual Base Budget, Strategic Opportunity Reserve, or other new funding sources, to build up the RLF to self-replenishment status.

- Specifies how loan repayments are invested back into the fund to make new loans.
- Outlines policy for any drawdowns of interest earnings from the RLF to the Base Budget that also protects the self-replenishment of the RLF.
- **If a structural imbalance occurs** in the Annual Budget, Sustain and Preserve Base Budget, or the Supplemental Budget:
 - **A plan will be developed as part of the annual budget process and implemented to bring the budget back into the structural balance** in alignment with the Long-Term Financial Plan and financial sustainability of the Commission.

4. Report on How the Budget is Balanced

- **During the annual budget process**, the Director of Finance will provide a **report on how the Proposed Budget is balanced and in alignment with the Long-Term Financial Plan** and long-term sustainability of the Commission.
- **If structural balance changes between the Proposed and Adopted Budgets**, the Director of Finance will **clearly delineate the changes and the resulting structural balance in the Adopted Budget**.

5. TCR Fund Reserves

- **Operating Reserve (OR):**
 - Maintained to **protect the Commission from short-term risks and to promote its long-term sustainability**.
 - Shall be equivalent to **two times the average annual budget over the last five years**.
 - **If these reserves are used, a plan will be developed and implemented to replenish the funds used** in alignment with the Long-Term Financial Plan and long-term sustainability of the Commission.
- **Strategic Opportunity Reserve (SOR):**
 - Maintained to **build capacity for strategic projects or initiatives**, the establishment of a **new program or approach**, and/or the **expansion of a revolving loan program** at the discretion of the Commission.
 - **Establish with \$10 million from unobligated carryforward balances** (as of February 28, 2025).
 - **Annual budget process can deposit additional amounts in SOR** in alignment with Long-Term Financial Plan and long-term sustainability of the Commission.

- **If these reserves are used, a plan will be developed and implemented to replenish the funds used** in alignment with the Long-Term Financial Plan and long-term sustainability of the Commission.

6. Use of One-Time Revenues

- Once the annual budget is brought into structural balance, **one-time resources shall not be used for current or new ongoing expenses.**
- **One-time revenue examples:** One-time grants, investment earning spikes, budget savings, and similar non-recurring revenue.
- **Appropriate uses of one-time resources:** Establishing and rebuilding the Operating Reserve, the Strategic Opportunity Reserve, and other nonrecurring expenditures.

7. Grants and Other New Funding Sources

- **Commission staff will seek out, apply for, and effectively administer federal, state, and other grants** that address the Commission's priorities and policy objectives and provide a positive benefit to the Commission and the region it serves.
- **Before any grant is pursued, staff will provide a detailed pro-forma that addresses the immediate and long-term costs and benefits to the Commission.**

Appendix D: Organizational Chart

Tobacco Region Revitalization Commission

Organizational Chart

August 2025



Appendix E: Key Industry Sectors

The *Technical Report Companion* provides a situation analysis of economic conditions and key industries in the Tobacco Commission region. In general, regional economic activity can be divided into two broad categories: industries and sectors that mostly serve the local population and those more reliant more on export or trade outside the local area. It is important to recognize that the dynamics within sectors are complex and include a mix of local and non-local (traded) aspects. To identify the key industry sectors in the TRRC, an examination was made of industry characteristics in the region, target industry sectors from sub-regions (such as those identified in GO Virginia regions or Comprehensive Economic Development Strategy documents), combined with feedback from area stakeholders.

The most commonly appearing sectors cited as economic drivers include a core three primary economic drivers and another five secondary economic drivers. The three core areas of importance across the region, in which TRRC should encourage projects, are:

- Manufacturing and materials
- Information Technology and technology-based enterprises, including communication
- Agriculture and food and beverage processing

Secondary economic drivers are important but vary in size and relevance across the region. They represent areas in which the TRRC should invest, with discretion. Secondary economic drivers are:

- Tourism (creative and cultural, outdoor, recreation, and experience economy-based enterprises)
- Life sciences and biomedical (including health care, to the extent it plays an outsized economic role despite not being a primarily traded sector)
- Energy and natural resources
- Business and professional services
- Transportation, logistics, and warehousing

If a project does not include a focus on one or more of these industry sectors, the project is likely to be less of a fit for Commission funding. Moreover, Commission funding may be more appropriate for high-impact opportunities that seek to spur new enterprises or to help companies scale in one or more of these areas.

A project may be in these sectors but still be less of a fit if it does not represent a substantive possibility to grow or add jobs or businesses in that sector or hold promise to grow the overall sector in the region.

Tobacco Region Revitalization Commission

Financial Summary

As of July 31, 2025

TICR Fund Balance	\$ 233,114,995
Restricted Endowment Balance	\$ 57,663,578
Unrestricted Endowment Balance	\$ 46,109,311
Restricted Endowment Accum Interest	\$ 1,352,146
Unrestricted Endowment Accum Interest	\$ 2,901,588
Total Cash & Investments	\$ 341,141,617

Cash Disbursements - this month	\$ 1,668,143
Cash Disbursements - FYTD	\$ 3,608,315

Fund	Unobligated Balances
Education	\$ 2,950,181
Education-Workforce Training	\$ 6,879,408
Education-TAP	\$ 664,450
TROF (Deal Closing)	\$ 15,186,737
Southside Economic Development	\$ 6,655,332
Southern Va Committee	\$ 23,854,877
Southwest Va Committee	\$ 5,272,144
Agribusiness	\$ 3,112,648
Energy Ingenuity	\$ 12,651,190
Housing Pilot Project	\$ 3,600,000
Rural Investment Accelerator	\$ 10,000,000
Megasite Prospect Incentive	\$ 17,375,889
Lending Program	\$ 23,392,877
Administration	\$ 2,927,568
TICRC General Account	\$ 21,853,530
FY2026 Budget Balance	\$ 156,376,832

Tobacco Region Revitalization Commission
Statement of Revenues, Expenditures, and Changes in Fund Balance (Cash Basis)
As of July 31, 2025

	<u>FY26 Budget</u>	<u>YTD Actual</u>	<u>YTD Actual as % of Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Other Revenue (all cost codes)	\$ -	\$ 61,130.98		61,130.98
Total Revenues	\$ -	\$ 61,130.98		\$ 61,130.98
EXPENDITURES				
Administration				
Salaries, Fringe Benefits, Per Diems	\$ 1,964,950	\$ 137,061.60	7.0%	\$ 1,827,888.40
Contractual Services	360,400	32,449.42	9.0%	327,950.58
Supplies and Materials	9,000	1,005.94	11.2%	7,994.06
Transfer Payments	263,800	-	0.0%	263,800.00
Rent, Insurance, Agency Svc Charges	296,750	17,313.74	5.8%	279,436.26
Furniture and Equipment	4,500	3,934.61	87.4%	565.39
Subtotal - Administration	\$ 2,899,400	\$ 191,765.31	6.6%	\$ 2,707,634.69
Community Revitalization	20,831,513	3,416,550.10		
Total Expenditures	\$ 23,730,913	\$ 3,608,315.41		
Revenues Over (Under) Expenditures	\$ (23,730,913)	\$ (3,547,184.43)		
OTHER FINANCING SOURCES (USES)				
Transfers In (endowment and earnings)	\$ -	\$ -		
CASH BALANCE, June 30, 2025	\$ 236,662,179	\$ 236,662,179.42		
CASH BALANCE, July 31, 2025	\$ 212,931,266	\$ 233,114,994.99		

Active TROFs with Concluded Performance Periods September 2025

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Remaining	Notes
2845	1/14/2014	12/31/2013	12/31/2017	Scott	Secure Mountain LLC.	Performance Period Ended	Full performance not met	Revenue Sharing Only	\$460,000.00	\$29,550.00	Staff is working to collect final clawback payments and close.
2850	2/25/2014	12/31/2013	12/31/2021	Bristol	CBH Bristol, LLC.(aka Creative Boutique Hotels/The Sessions Hotel)	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Reviewing final performance data. Need updated data from locality. Staff following up to close.
2889	3/27/2014	7/1/2020	6/30/2025	Tazewell IDA	Dominion Aquaculture/Proj. Jona	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Working to determine performance and next steps with locality.
2941	8/1/2014	6/30/2014	6/30/2017	Russell	APPALACHIAN BIOFUELS, LLC	Performance Period Ended	Full performance not met	Negotiated repayment plan - monitoring performance of negotiated revised performance terms	TBD		Under an agreement with Appomattox County the remaining grant portion of this project (\$210,000) will be used for another project to be determined. Staff is working to determine if the requirements of this agreement have been met and close the file.
2999	1/15/2015	12/31/2014	6/30/2024	Grayson County Economic Development Authority	Oak Hall Industries (Oak Hall Cap & Gown)	Performance Period Ended	Gathering Performance Data	repayment required	TBD	TBD	Gathering performance data and working to close.
3266	3/6/2017	12/31/2016	12/31/2020	Wise	DP Facilities, Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Locality recently sent updated data that will hopefully allow us to calculate performance and close. Staff evaluating.
3295	6/8/2017	3/31/2017	6/30/2024	Greensville County	Oran Safety Glass, Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data			Extension through 6/30/24 granted by Commission. Gathering performance data and working to close.
3296	4/27/2017	3/31/2017	3/31/2020	Tazewell	Trina Health of Pounding Mill, LLC	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Gathering info from locality to determine final performance and close file.
3340	9/12/2017	6/30/2017	6/30/2020	Appomattox	Innovatio Sealing Technologies, LLC	Performance Period Ended	Full performance not met	Repayment due	\$80,000.00	\$0.00	Receiving remaining loan payments and will close. Clawback satisfied.
3375	12/7/2017	9/30/2017	9/30/2022	St. Paul, Town of	Willis LLC c/o St. Paul IDA	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Have requested further data from the locality to establish performance.
3393	12/7/2017	9/30/2017	9/30/2020	Buchanan	Trina Health of Pounding Mill, LLC DBA Trina Health Town Center	Performance Period Ended	Performance Not Met	Repayment Due	\$55,000.00	\$55,000.00	Clawback due. Working with locality to set up clawback arrangements.
3448	6/6/2018	3/31/2018	3/31/2021	Nottoway County	UAV Pro	Performance Period Ended	just loan payments	just loan payments	n/a	n/a	Earned portion of grant disbursed. Loan payment due 7/1/25. Staff working to collect.
3451	7/17/2018	6/30/2018	6/30/2023	Smyth County Economic Development Authority	Speyside Bourbon Cooperage, Inc.	Performance Period Ended	Disbursed payment based on performance.	Disbursed payment based on performance.	n/a	n/a	Payment disbursed. Open only for revenue sharing.
3452	7/17/2018	6/30/2018	6/30/2021	Smyth-Washington Regional Industrial Facilities Authority (SWIFA)	Speyside Bourbon Cooperage, Inc.	Performance Period Ended	Full performance met	Revenue Sharing Only	\$0.00	\$0.00	Revenue Sharing Only
3455	7/25/2018	12/31/2017	12/31/2020	Halifax IDA	Aquatic	Performance Period Ended	Funds Disbursed	Revenue Sharing Only	\$0.00	\$0.00	Revenue Sharing Only
3481	10/9/2018	9/30/2018	9/30/2022	Franklin County	Empire Bakery Commissary	Performance Period Ended	Full Performance Not Met	Repayment Due	TBD	TBD	Working with locality on clawback to be due.
3482	10/15/2018	9/30/2018	9/30/2023	Danville-Pittsylvania RIFA	Harlow Fastech LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Loan modification granted at May '25 meeting.
3483	10/15/2018	9/30/2018	9/30/2023	Prince Edward	Yak Attack	Performance Period Ended	Earned Funds Disbursed	Open only for rev sharing.			Funds disbursed. Moving to revenue sharing only status.

Active TROFs with Concluded Performance Periods September 2025

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Remaining	Notes
3485	11/1/2018	9/30/2018	9/30/2023	Smyth County Economic Development Authority	Smyth County Machine and Fabrication LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Gathering data to determine performance.
3501	12/12/2018	09/30/2018	09/30/2021	Danville, City of	Essel Propack	Performance Period Ended	Award disbursed	Open only for rev sharing.	\$0.00	\$0.00	TROF award disbursed. Project remains open solely for rev sharing payments.
3502	12/12/2018	9/30/2018	9/30/2023	Franklin County	McAirlaids, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data			Gathering info from locality to determine final performance and close file.
3506	2/12/2019	12/31/2018	12/31/2023	Smyth County Economic Development Authority	Scholle IPN	Performance Period Ended	Award disbursed	Open only for rev sharing.	n/a	n/a	Award disbursed. Open only for rev sharing.
3507	6/6/2019	3/31/2019	3/31/2023	Russell County IDA	PolyCap	Performance Period Ended	Full Performance Not Met	Repayment Due	TBD	TBD	Working to arrange clawback payments with locality.
3544	4/30/2019	9/30/2019	9/30/2022	Joint IDA of Wythe County, VA	Seven Sisters Brewery, LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	TBD		Working with locality on performance data. Next loan payment due 8/1/25.
3545	4/30/2019	03/31/19	3/31/2022	Carroll IDA	Blue Ridge Designs, LLC	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	\$0.00	\$0.00	Loan fully repaid. Working to gather data and close.
3546	4/30/2019	03/31/19	3/31/2022	Galax, City of	MOOG Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	TBD		Gathering performance data.
3550	5/22/2019	03/31/19	3/31/2022	Danville, City of	Litehouse Inc.	Performance Period Ended	Gathering Performance Data	Reviewing Performance Data	n/a	n/a	Disburse post-performance - only receive what is earned. Reviewing performance data to determine performance.
3608	10/25/2019	09/30/19	9/30/2024	Pittsylvania County	Morgan Olson, LLC	Performance Period Ended	Award disbursed	Open only for rev sharing.	n/a	n/a	Open only for revenue sharing purposes.
3612	12/9/2019	09/30/19	9/30/2022	Pittsylvania County	Just Greens, LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Extension granted at May '25 meeting. Reviewing performance data and working to close.
3654	3/31/2020	3/31/2020	3/31/2023	Grayson County Economic Development Authority	Metalworx Inc.	Performance Period Ended	TROF Disbursed	TROF Disbursed	n/a	n/a	TROF disbursed. Revenue sharing ongoing.
3672	9/11/2020	6/30/2020	6/30/2023	Washington County	SPIG Industry LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Will be closed under "Did Not Materialize".
3674	5/3/2021	5/3/2021	5/3/2024	Town of Blackstone	Blackstone Hotel Partners, LLC.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3685	12/21/2020	5/1/2021	5/1/2025	Smyth County EDA	Woodgrain Millwork, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data to determine final performance.
3701	12/21/2020	12/21/2020	12/21/2023	Pittsylvania County	Intertape Polymer Corporation	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data. Jobs met, establishing CapEx.
3709	12/21/2020	12/21/2020	12/21/2023	Joint IDA of Wythe County, VA	Klockner Pentaplast of America, Inc.	Performance Period Ended	TROF Disbursed	TROF Disbursed	n/a	n/a	Funds disbursed. Moving to revenue sharing only status.
3734	7/28/2021	7/28/2021	7/28/2024	City of Danville	Kegerreis Digital Marketing, LLC	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Working to close as DNM.
3735	4/5/2021	4/15/2021	4/15/2024	Pittsylvania County	J&J Truck Sales, Inc.	Performance Period Ended	TROF Disbursed	TROF Disbursed	n/a	n/a	Earned porion of award disbursed. Moving to revenue sharing only status.
3754	6/1/2021	6/1/2021	6/2/2025	Danville-Pittsylvania RIFA	Walraven, Inc.	Performance Period Ended	Gathering Performance Data	Gathering Performance Data	n/a	n/a	Gathering performance data.
3774	6/15/2021	6/15/2021	6/15/2024	Pittsylvania County	Staunton River Plastics, LLC.	Performance Period Ended	Performance Period Ended	Gathering Performance Data	n/a	n/a	Gathering performance data and working to determine if an extension request is appropriate.
3892	9/22/2021	9/22/2021	9/22/2024	Joint IDA of Wythe County, VA	Blue Star NBR, LLC.	Performance Period Ended	Performance Period Ended	Reaching out to locality. Working to close as DNM.	n/a	n/a	Will be closed under "Did Not Materialize".

Active TROFs with Concluded Performance Periods September 2025

Project Number	Date Approved	Start Date	End Date	Organization	Project Title	Performance Period Status	Status 1	Status 2	Clawback Amount	Clawback Remaining	Notes
3912	9/22/2021	9/22/2021	9/22/2024	Danville-Pittsylvania RIFA	Tyson Food Inc.	Performance Period Ended	Performance Period Ended	Awaiting Disbursement Request	n/a	n/a	Gathering data to determine final performance.
3943	7/18/2022	7/18/2025	7/18/2022	Halifax IDA	Hitachi Energy USA	Performance Period Ended	Performance Period Ended	Gathering Performance Data	n/a	n/a	Gathering data to determine final performance.
TOTALS									\$595,000.00	\$84,550.00	

TROF Awards
FY 2019 - FY 2025

Project #	Date Approved	Status	Organization	Project Title	Jobs Promised	Capital Investment Promised	Approved Grant Amount	Approved Loan Amount	Total Approved Amount
4247	2/25/2025	Approved - active	Russell County IDA	Simmons Equipment Co. Inc	75	\$7,490,000	\$66,500	\$66,500	\$133,000
4333	1/7/2025	Approved - active	Lee County EDA	Project Maggie	27	\$1,505,000	\$50,000	\$0	\$50,000
	FY 2025		# of Projects	2	102	\$8,995,000	\$116,500	\$66,500	\$183,000
4228	3/25/2024	Approved - active	Town of Blackstone	JKOZ Engineering/ Proj. J.E.T.	16	\$1,300,000	\$10,000	\$10,000	\$20,000
4182	10/25/2023	Approved - active	Russell County IDA	Tate Access Floors Inc	170	\$11,300,000	\$146,000	\$0	\$146,000
	FY 2024		# of Projects	2	186	\$12,600,000	\$156,000	\$10,000	\$166,000
4078	9/24/2022	Approved - active	Halifax County IDA	IperionX Technology LLC	108	\$82,135,431	\$570,000	\$0	\$570,000
3965	9/19/2022	Approved - active	Halifax County IDA	Skip Barber Racing School	24	\$8,900,000	\$32,500	\$0	\$32,500
3976	8/11/2022	Approved - active	Dinwiddie County	DroneUp, LLC	145	\$18,850	\$111,000	\$0	\$111,000
3943	7/18/2022	Approved - active	Halifax County IDA	Hitachi Energy USA	165	\$37,000,000	\$220,000	\$0	\$220,000
	FY 2023		# of Projects	4	442	\$128,054,281	\$933,500	\$0	\$933,500
3912	9/22/2021	Approved - active	Danville-Pittsylvania Regional Industrial Facility Authority	Tyson Foods, Inc.	376	\$295,452,718	\$707,500	\$0	\$707,500
3734	7/28/2021	Approved - active	City of Danville	Kegerreis Digital Marketing, LLC	62	\$1,500,000	\$44,500	\$44,500	\$89,000
	FY 2022		# of Projects	2	438	\$296,952,718	\$752,000	\$44,500	\$796,500
	FY 2021		# of Projects	11	892	\$174,242,825	\$1,146,000	\$450,000	\$1,596,000
	FY 2020		# of Projects	9	1,809	\$245,184,219	\$4,106,000	\$2,516,000	\$6,622,000
	FY 2019		# of Projects	20	1,334	\$215,915,399	\$4,490,000	\$2,665,000	\$7,155,000