REPORT OF THE

A. L. PHILPOTT SOUTHSIDE ECONOMIC DEVELOPMENT COMMISSION PURSUANT TO HJR 451

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA



HOUSE DOCUMENT NO. 69

COMMONWEALTH OF VIRGINIA RICHMOND 1996

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Study Authority

In 1990, the General Assembly adopted House Joint Resolution No. 106, establishing a commission to propose recommendations to improve and enhance the economic development of Southside Virginia. The 23-member Southside Economic Development Commission, chaired for two years by the late A.L. Philpott, Speaker of the House of Delegates, included one member each from the House Committees on Appropriations, Finance, Agriculture, Education, and Labor and Commerce; one member each from the Senate Committees on Finance, Agriculture, Conservation and Natural Resources, Commerce and Labor, and Education and Health; and members from Southside Virginia, including two representatives each from local governments and from the business and industry communities, two local economic development officials, one representative each from the banking community, a major utility, and a four-year institution of higher education, and a community college president. The manager of the Southern Regional Office of the Division of Industrial Development, Department of Economic Development, served as an ex officio member of the Commission. The Commission defined Southside Virginia to encompass a 20-county, 5-city region.

Renamed the A. L. Philpott Southside Economic Development Commission in 1992, the Commission has continued its examination of economic, educational, financial, infrastructural, and industrial challenges facing the region pursuant to House Joint Resolution No. 300 (1991), House Joint Resolution No. 71 (1992), House Joint Resolution No. 412 (1993), House Joint Resolution No. 353 (1994), and House Joint Resolution No. 451 (1995). Over the past six years, the Commission's intense study has yielded numerous recommendations for the revitalization of the Southside region, such as the establishment of the Southside Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, and the support of the new Governor's School for Global Economics and Technology in Southside Virginia and the A.L. Philpott Manufacturing Research Center at Patrick Henry Community College. In 1994, the Philpott Commission was allocated \$675,000 to make grants in support of regional economic development initiatives. An additional \$25,000 was appropriated to the Commission in the 1995-96 budget.

1994 and 1995 Study Directives

House Joint Resolution No. 353 (1994) challenged the Commission to monitor the implementation of its previous recommendations and to "serve as a resource for the Southside Virginia Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority." House Joint Resolution No. 451 (1995) directed the Philpott Commission to implement its grants initiative; to review and monitor the progress of the Route 58 Corridor Development Program; and to consider such other issues as may be appropriate. Bolstering the directive to monitor the progress of Route 58 was House Joint Resolution No. 452

¹1994 Acts of Assembly, c. 966, § 1-35, Item 103(I); 1995 Acts of Assembly, c. 853, § 1-35, item 103(I).

(1995), which stated that additional review by the Philpott Commission "may facilitate the continued progress and completion of this crucial highway initiative."

Responding to these directives, the Philpott Commission has met seven times in the past two years in locations in Richmond and throughout Southside Virginia. In addition the Commission has addressed the status and process for disbursement of its grants; reviewed and approved additional grants applications; and examined the status of the Lake Gaston Pipeline Project, the activities of Regional Advisory Councils on Economic Development, and the future of Southside education and economic development entities.

Grants Initiative

The 1994 Appropriation Act allocated \$675,000 to the Philpott Commission for grants for economic development projects in Southside Virginia. Having reviewed development initiatives such as a capital access program, a revolving loan fund, and the Opportunity Fund, and input from Southside leaders and state economic development officials, the Commission agreed to implement its own grants initiative, comprised of awards made to eligible localities on a per capita basis. Awards, coupled with the match, could not exceed the cost of the proposed project. Consistent with the original Philpott Commission reports designating Southside Virginia as a 20-county, 5-city region, the eligible localities would include the Counties of Amelia, Appomattox, Brunswick, Buckingham, Campbell, Charlotte, Cumberland, Dinwiddie, Franklin, Greensville, Halifax, Henry, Lunenburg, Mecklenburg, Nottoway, Patrick, Pittsylvania, Prince Edward, Southampton and Sussex and the Cities of Danville, Emporia, Franklin, Martinsville, and South Boston.²

Acknowledging local "ownership" of economic development projects and regional efforts as priorities for the application of these funds, Commission members agreed in November 1994 on the following criteria for Commission grants:

- Regional emphasis. Priority would be given to multi-jurisdictional proposals, although individual localities may apply for Commission grants.
- **Purpose.** Eligible projects must reflect an economic development purpose, such as job retention or creation.
- Coordination with local development plan. Projects must complement any local strategic plan for economic development.

²1994 Acts of Assembly, c.966, § 1-35, Item 103(1); June 16, 1994, meeting summary; September 19, 1994, meeting summary; November 10, 1994 meeting summary. South Boston reverted from city to town status in 1995. The 1996 Session of the General Assembly passed House Bill 62, providing a new charter for the town. For purposes of this report, however, South Boston will be referred to as a city.

- Creativity of proposal. Those proposals that not only stimulate growth but also reflect innovation would receive more favorable consideration.
- Local approval. Express authorization for the project and approval of grant requests by the county board of supervisors or city council (not town council), as the case may be, would be required to ensure project validity as well as public support.
- Matching funds. Evidence of a cash match--not an in-kind contribution--for the grant amount would be required. For purposes of the Philpott Commission's review of applications, this evidence could be in the form of bank statements showing available funding; a binding commitment from a lending institution; or evidence of funds from local or private sources. Actual release of Philpott Commission funds, to be administered by the Department of Housing and Community Development, however, might require additional documentation of matching funds. Matching funds should be available as cash-in-hand as soon as possible, but in no event later than June 30, 1995. While a dollar-for-dollar match for grant moneys was required by the 1994 legislation, those projects for which the greatest amount of matching funds is pledged should receive more favorable consideration.
- Certification and accounting. Applicants must certify that grants will not supplant existing funding for initiatives. Grant recipients will provide an accounting of the application of grants for the Commission's audit.

To facilitate timely issuance of awards, the Commission established a January 5, 1995, deadline for receipt of grant applications. As of its January 23, 1995, meeting, the Commission had received grant proposals from 21 of the 25 Southside jurisdictions, for a total of \$575,748.53. The Counties of Amelia, Appomattox, Campbell, and Sussex had not submitted application for the Commission's \$675,000 grants program by the established January 5, 1995, deadline.

Commission members, designated by jurisdiction, reviewed the various grants applications. Following descriptions and recommendations for support of each proposal, the Commission approved the grants applications as a block at its January 23, 1995, meeting:

1. The <u>Virginia's Heartland</u> proposal was submitted by seven counties and one city: Brunswick, Charlotte, Cumberland. Greensville, Lunenburg, Nottoway, and Prince Edward Counties and the City of Emporia. The requested \$117,330 grant would support a three-year marketing campaign to promote the region as "Virginia's Heartland" through the development of brochures, displays, advertisements, insert sheets and targeted direct mailings. The funds would also be used to purchase computers and software for participating jurisdictions. Charlotte and Prince Edward Counties submitted alternative proposals for consideration if the Virginia's Heartland proposal failed to receive adequate support.

- 2. <u>Buckingham County</u> requested \$16,181.84 to construct a roadway into its industrial park site.
- 3. The <u>City of Danville</u> applied for \$66,693 in grant funds to grade land at the Dan River Inc. site at the Riverview Industrial Park.
- 4. <u>Dinwiddie County</u> applied for \$28,055.81 in Philpott grant funds for the construction of 10 new hangars for airplanes at the Dinwiddie Airport and Industrial Authority.
- 5. The <u>City of Franklin</u> requested \$9,885.34 to construct signs on Route 58 Bypass for the Pretlow Industrial Park.
- 6. Franklin County requested \$49,714.56 to support an industrial site selection study; the development of a targeted sector strategy for marketing the county to industry; and a preliminary engineering report to develop a 37-acre tract as a Smith Mountain Lake recreation park to enhance the county's tourism potential. The county submitted an additional proposal for \$10,000 in the event that the Philpott Commission does not receive requests from all eligible localities. The additional funds would be used to establish an Economic Development Organization in the county.
- 7. <u>Halifax County</u> requested \$36,495.56 to purchase industrial land to create a new training and employment center.
- 8. Martinsville Henry County submitted an application for combined funding of \$91,894.44 for two projects: to carry interest payments for the construction of a shell building in Henry County and develop marketing materials for the building; and to develop materials to market Martinsville/Henry County's potential for teleconomic/back office industry firms. A supplemental request for \$40,000 was submitted for the Commission's consideration in the event that some Southisde jurisdictions did not apply for their allocations. Matched by a cash contribution by the E.I. DuPont Corporation, this additional proposal would implement the County's "Call to Action" report, which included 27 recommendations to improve the area's economic development.
- 9. Mecklenburg County's \$36,757 grant request would fund five projects, including the improvement of a shell building by filling and grading in order to improve the potential for sale and expansion in Chase City; site preparation for the construction of a shell building at Lake County Industrial Park in Clarksville; the preparation of a four-color brochure and installation of a sign on Route 643 to promote the Interstate Industrial Park, as requested by the South Hill IDA; development of a two-color brochure for the Airport Industrial Park and an advertising campaign for the county by the Mecklenburg County Economic Development Office; and for the purchase of geographical information system computer hardware and software to be used by the Southside Planning District Commission to market industrial sites. The five

proposals would be matched by the each locality at the combined rate of \$21 in local funding for each Philpott dollar received.

- 10. <u>Patrick County</u> submitted a grant application for \$21,964.21 to be used for site development for a new industrial park. Specifically, the funds will be used for the development of an on-site pre-treatment wastewater facility.
- 11. <u>Pittsylvania County</u> requested \$69,981.77 to be used for site preparation for a shell building for its industrial park.
- 12. The <u>City of South Boston</u> requested \$8,795 to grade and seed three sites at the J. Aubrey Houghton Industrial Park.
- 13. Southampton County submitted a grant request for \$22,000 for the construction of water and sewer line extensions to serve the Southampton County Agri-Business Industrial Park for future industrial development.³

The Commission agreed to extend the grants application deadline for the four remaining jurisdictions to February 28, 1995. The disposition of funds would be deferred until these four localities have had an opportunity to claim their respective shares of the remaining \$99,251.47 appropriation. The actual release of funds to the approved localities would be governed by a contract process developed by the Division of Community Development, Department of Housing and Community Development, (DHCD). A formal grant agreement, prepared by DHCD, would be signed between the locality and the Philpott Commission. Localities would certify that matching funds are available, obtain any necessary loans and then submit documentation to DHCD for reimbursement.

In May 1995, the Commission approved grants applications for Appomattox County (\$15,549.04 for shell building project); Campbell County (\$59,799.77 for chipping/de-barking plant); and Sussex County (\$12,882.12 for inventory of industrial sites). To date, no action has been taken regarding the \$11,045.58 allocation earmarked for Amelia County; however, Amelia County officials were contacted again regarding the grants program and given an opportunity to apply. As of November 22, 1995, \$35,000 in Philpott Commission grant moneys had been disbursed.

The Commission has approved changes to several grants applications. The \$21,771.88 grant previously awarded to Prince Edward County for participation in the Virginia Heartland project will be applied instead to pre-construction services for a shell building. Similarly, in November 1995, the Commission authorized Greensville and Emporia to transfer their grant moneys from participation in the Virginia Heartland project to a multi-regional marketing effort. The Commission also approved a change in

³November 10, 1994, meeting summary; January 23, 1995, meeting summary.

the grant request in concept by the County of Appomattox, pending receipt of appropriate materials by DHCD.⁴

Per Capita Allocation of Philpott Commission Economic Development Funds

County	Population (1990)	Allocation
Amelia	8,787	\$11,045.58
Appomattox	12,298	\$15,459.04
Brunswick	15,987	\$20,096.25
Buckingham	12,873	\$16,181.84
Campbell	47,572	\$59,799.77
Charlotte	11,688	\$14,692.25
Cumberland	7,825	\$ 9,836.32
Dinwiddie	22,319	\$28,055.81
Franklin	39,549	\$49,714.56
Greensville	8,630	\$10,848.23
Halifax	29,033	\$36,495.56
Henry	56,942	\$71,578.21
Lunenburg	11,419	\$14,354.11
Mecklenburg	29,241	\$36,757.02
Nottoway	14,993	\$18,846.76
Patrick	17,473	\$21,964.21
Pittsylvania	55,672	\$69,981.77
Prince Edward	17,320	\$21,771.88
Southampton	17,550	\$22,061.00
Sussex	10,248	\$12,882.12
City		
Danville	53,056	\$66,693.36
Emporia	5,479	\$ 6,887.31
Franklin	7,864	\$ 9,885.34
Martinsville	16,162	\$20,316.23
South Boston	6,997	\$ 8,795.49
Total	536,977	\$675,000.00

Source: UVa Center for Public Service

As of May 9. 1996, three grants projects--those for the Cities of Danville and Franklin and for the Town of South Boston--have been completed. Many of the remaining projects are expected to be completed before autumn 1996. (See appendix).

May 12, 1995, meeting summary; November 22, 1995, meeting summary.

⁵May 9, 1996, correspondence of William C. Shelton, Deputy Director, Department of Housing and Community Development, to Del. Whittington W. Clement, Philpott Commission chairman.

Status of Southside Education and Economic Development Entities

Repeated testimony before the Commission cited strong justification for the continuation of the Southside Virginia Business and Education Commission (SVBEC), the Southside Virginia Marketing Council, and the Southside Virginia Development Authority. The 21-member SVBEC, supported by its own staff and the Longwood College Small Business Developmental Center, has met 13 times since its inception in 1991. The recipient of annual state appropriations, SVBEC has sponsored a number of successful forums in its efforts to build partnerships between the business and education communities. The SVBEC was awarded a \$20,000 grant from the Center on Rural Development (CORD) in 1992 and \$15,000 from Southside localities to boost its initial organizational and research efforts. The SVBEC received a \$75,000 state appropriation in each year of the 1994-96 fiscal biennium. Having hired a new executive director in 1994, the SVBEC has continued its support of the Southside Governor's School, studied the need for additional engineering degree programs in Southside, and was asked by the Philpott Commission in 1994 to coordinate with the Governor's Commission on Champion Schools and to examine tech prep, dual enrollments, and other education initiatives that affect the general student population. The SVBEC continues to be aided by four committees addressing administration and finance, workforce training, communication and information, and partnership/program development.⁶

The 13-member Marketing Council, created in 1992, has received over \$75,000 in state appropriations to date. The Council has also met 13 times, and has made "solid progress" in developing a computer-based marketing presentation. A marketing advisory committee and a research advisory committee have assisted the Council in marketing the region to outside industry and in promoting the expansion of existing businesses. The Council has sought bids for interest in developing a multimedia computer marketing presentation for the Southside region; a December 1995 completion date was expected for the Council's multimedia database project. The Council remains a significant force in securing Southside's economic future, as a central state agency cannot devote time and expertise to market any particular region of the Commonwealth.⁷

Also established in 1992, the Development Authority has yet to receive a state appropriation and has met only once. Express statutory authority to issue bonds may enhance its effectiveness; its efforts might supplement, rather than compete with, those of local, industrial development authorities. The Commission agrees that any discussion of dissolving or merging the Council or the Authority would be "premature," and that all three entities should focus on a few large projects, rather than fragment their efforts.

⁶June 16, 1994, meeting summary; May 12, 1995, meeting summary; see also, Va. Code § 9-145.16 e⁺ seq. (1993); 1994 Acts of Assembly, c. 966, § 1-36, Item 106 (D); 1995 Acts of Assembly, c. 853, § 1036, Item 106 (D).

⁷June 16, 1994, meeting summary; May 12, 1995, meeting summary; see also, Va. Code § 9-1-5.21 et seq. (1993 and 1995 Supp); 1992 Acts of Assembly, c. 893, § 1-33, Item 90(A); 1993 Acts of Assembly, c. 994, § 1-33, Item 90(A).

Increased coordination among the trio, as well as sufficient funding and staffing, are essential to the future of each organization.⁸

The A.L. Philpott Manufacturing Center serves over 1,300 manufacturers in a 23-county region. By statute, the Center's mission includes serving as a resource center for manufacturing modernization outreach; providing manufacturing technology consulting services; assisting in the implementation of advanced manufacturing technologies; and fostering the creation of manufacturing networks and the development of buyer and supplier relationships in Southside and throughout the Commonwealth. Annual state funding of \$150,000 supports 2.5 full-time equivalent positions at the Center. Private sector donations totaling \$10,000 from three sources have also supported the Center. Currently housed in rental office space in downtown Martinsville, the Center planned a move to a 25,000 square foot addition to the Philpott Technical Center on the Patrick Henry Community College (PHCC) campus. The Center received a two-year, \$1.6 million federal grant that will support the recruitment of five manufacturing extension specialists. Having organized its first educational outreach event in May 1994, the Center expects to focus on a comprehensive marketing effort.

As of June, 1994, the Governor's School for Global Technology and Applied Science served 228 students in 13 Southside school divisions (Amelia, Brunswick, Buckingham, Charlotte, Cumberland, Danville, Emporia/Greensville, Halifax/South Boston, Lunenburg, Mecklenburg, Nottoway, Pittsylvania, and Prince Edward). With central offices in Keysville and Danville, the Governor's School operates from sites at Averett College, Danville Community College, Longwood College, Saint Paul's College, and Southside Virginia Community College (Christanna and John H. Daniel campuses). The Governor's School received a \$410,000 state appropriation in 1994; the remainder of its budget is supplied by tuition from the 13 participating localities. Further growth is expected for this School as additional school divisions will likely participate in the Governor's School in the future. Included on the School's "wish list" is computer linkage between the various sites and, ultimately, throughout the region, to facilitate interactive distance learning.¹⁰

U.S. Route 58 Corridor Project

Created by the 1989 Session of the General Assembly, the U.S. Route 58 Corridor Development Fund and Program included authorization for \$600 million in revenue bonds for Rt. 58 construction and designated the first \$40 million in recordation tax revenues for program funding. An estimated \$1.1 billion will be necessary to complete the U.S. Rt. 58 project; the Program and Fund do not contemplate full funding for this initiative. Actions by the Commonwealth Transportation Board since the

^{*}June 16, 1994, meeting summary; May 12, 1995, meeting summary; see also, Va. Code § 15.1-1651 et seq. (1995 Supp).

⁹June 16, 1994, meeting summary; 1994 Acts of Assembly, c. 966, § 1-51, Item 190(C); 1995 Acts of Assembly, c. 853, § 1-51, Item 190(C).

¹⁰June 16, 1994, meeting summary.

inception of the Program include the issuance of \$200 million in transportation bonds in December 1989, which were partially refunded in May 1993; the adoption of the U.S. Route 58 Corridor Economic Development Program in May 1992; and the issuance of \$98.7 million in transportation revenue bonds in June 1993.

U.S. Route 58 Corridor Development Program: Current and Project Funding (in millions)

Route 58 Construc	tion Fund
• 1989 Original & 1993	
Partial Refunding Bond Iss	sues \$ 182.3
• 1993 Second Bond Issue	\$ 96.3
Total Deposits to Route 58	Construction Fund \$278.6
Six-year Improvement Pro Six-year Improvement Pro	<u> </u>
from VDOT Construction for Advanced Projects	\$ 42.6
FY 95 Balance Rt. 58 Corridor Developme	ent Fund \$ 44.8
Kt. 38 Comdor Developme	thir rund
• 1994-96 Biennium Approp	1 6 25 5
Not Required for Debt Se	ervice \$ 33.3
Total Funding Available to	June 30, 1996 \$ 401.5
Projected Future Bond Issu (assumes \$40 million annual ge	i i
and 6% rate for 25 years)	
mid-FY 1997\$181.0; mid	d-FY 1998 \$ 45.7 \$ 226.7
Total Sources of Funds	\$ 628.2

source: Virginia Department of Transportation, November 22,1995, Commission meeting.

As of October 30, 1995, program expenditures stood at \$204.9 million; the current U.S. Rt. 58 bond fund balance available was \$73.7 million. Future bond issues of

\$181 million and \$45.7 million, are planned for the middle of fiscal year 1997 and 1998, respectively. Recordation tax appropriations for the Program totaled \$15.3 million in fiscal years 1991, 1992, and 1993; in 1994, recordation taxes supplied \$22.3 million. The 1994-96 biennial budget provided the originally designated \$40 million in recordation taxes for the first time since the creation of the Program.

In 1989, Rt. 58 consisted of a four-lane 183.4 mile highway. An additional 65.6 miles have been completed since 1989, and 30.8 miles are currently under construction. Approximately 192 miles are in the preliminary engineering stage (including right-of way acquisition), and another 39.8 miles of future work are planned, for a total of 512 miles. Related corridor improvements increase the total length of the Rt. 58 Corridor Program to 559.3 miles.¹¹

The Commission continues to support the funding and construction schedules for U.S. Route 58. Timely completion of improvements to U.S. Route 58 will not only facilitate shipping and receipt of goods but also enhance travel within and throughout the region. Delays in the completion of this critical project will only exacerbate the economic challenges facing Southside Virginia.

Other Economic Development Issues Affecting Southside Virginia

Lake Gaston Pipeline Project

Galvanizing the Commission in 1995 was the Lake Gaston Pipeline Project. Commission members grappled with riparian rights issues and the broader public policy implications of transferring natural resources to those areas that have expanded beyond capacity. Recognizing Southside's dependence on manufacturing and industry's need for an adequate water supply, Commission members remain especially concerned that the expansion efforts of current potential Southside manufacturers might be drastically curtailed by any encumbrance on the region's water supply. The Commission also recognizes the need for a statewide water transfer policy and for balanced regional representation on the State Water Commission.

The Commission supports six principles, developed by "Fair Play for All Virginia," an unincorporated association formed to allow citizens and local governments to participate in fundraising for efforts to combat the pipeline, that should govern interbasin transfer policy:

• "Water should be taken from areas only to the extent that the sacrificing areas have surplus.

¹¹November 22, 1995, meeting summary; 1989 Acts of Assembly, c. 286; 1989 Acts of Assembly, Spec. Sess. II, c. 8; Va. Code §§ 33.1-221.1:2 (1990); 58.1-815 (1991).

- The taking areas should only take the amount of water they need after maximizing the use of all available water resources in their home regions.
- The taking areas should fairly compensate the sacrificing areas for the water they are taking, including the direct costs to localities and businesses resulting from the loss of water.
- Inter-basin transfers should only be allowed after a complete understanding of the impacts of those transfers on the sacrificing areas.
- No areas should suffer unnecessarily or benefit disproportionately by inter-basin transfers.
- All transfers should take place under a system in which both the taking areas and the sacrificing areas have equal representation on the oversight organization created to manage the water resources to ensure continued fairness."¹²

Cooperative Extension Service

The restructuring plan for the Cooperative Extension Service, developed pursuant to a self-study mandated by the Appropriation Act, also received Commission scrutiny in 1995. Already half its 1980 size, the Cooperative Extension Service was expected to witness a 40 percent reduction in administrative structure, effective November 1, 1995; various mid-level management personnel would be given agent and specialist roles. The Service lost 70 positions (46 of which were extension agents) to the Workforce Transition Act. It now has 230 extension agents, compared to the approximately 500 agents employed in North Carolina. Reductions in funded positions will challenge the Service to pursue other funding sources, to develop partnerships with local governments, and to expand the territories for which extension agents are responsible. The Service has sent a budget request to the Department of Planning and Budget to restore the \$2.5 million lost to the Workforce Transition Act. These funds were restored with the provision that they be spent on information technology, operations, and selected key vacancies.¹³

Regional Economic Advisory Councils

In continuing its study of economic development issues facing Southisde Virginia, the Commission also examined the coordination between Governor's Regional

¹²June 1, 1995, meeting summary.

¹³November 22, 1995, meeting summary; *see also*, 1995 Acts of Assembly, § 1-53, Item 220(A)(1); May 15, 1996 communication from Dr. C. Clark Jones, interim director, Virginia Cooperative Extension Service.

Economic Development Advisory Councils and regional development entities. Opportunity Virginia, a development initiative established earlier this year by executive order, combines a comprehensive, statewide strategic plan for economic development with regional economic development advisory councils. The advisory councils are directed "to foster regional cooperation for economic development marketing and visioning." The 18 regional councils are also to serve as host committees, at the Governor's request, when major investment prospects are identified, and to provide "grassroots" input for the statewide planning process. A steering committee comprised primarily of the chairs of each of the regional councils will oversee the development of the statewide plan. Included in the plan will be regional development overviews for each region.

Recognizing sometimes uneven--and, in some cases, duplicative--service coverage previously existing throughout the Commonwealth, the Governor's Regional Councils were designed to provide a more consistent pattern of regional development. The Regional Council boundaries were drawn to endorse the efforts of existing entities; the boundaries also create regional organizations where none existed before. The Southside region is primarily addressed by Regional Councils 10 and 11.¹⁴

Conclusions and Recommendation

Having completed six years of study, the work of the A.L. Philpott Southside Economic Development Commission will continue largely through the coordinated efforts of the SVBEC, the Southside Virginia Marketing Council, the Southside Virginia Development Authority, the A.L. Philpott Manufacturing Center, and the Governor's School for Global Technology. Although aided by the dedication and commitment of the region's business, education, and community leadership, these organizations will nonetheless face many challenges as the region moves into the next century. Addressing Southside Virginia's immediate and long-term development needs requires not only the enduring commitment and entrepreneurial spirit of its leaders, citizens, and industries, but also the continued support and review of the implementation of the Commission's recommendations and grants initiative. Therefore, the Commission makes the following recommendation:

RECOMMENDATION: That the A. L. Philpott Southside Economic Development Commission be continued for two additional years, to implement its previous recommendations, its grants initiative, to monitor the activities of the Southside Virginia Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, and to consider such other relevant regional economic development issues as it deems appropriate.

¹⁴September 19, 1994, meeting summary.

Respectfully submitted, The A.L. Philpott Southside Economic Development Commission

Del. Whittington W. Clement, Chairman

Del. William W. Bennett, Jr., Vice Chairman

Sen. Virgil H. Goode, Jr., Vice Chairman

Del. Watkins M. Abbitt, Jr.

Del. Ward L. Armstrong

Del. J. Paul Councill, Jr.

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House Joint Resolution No. 71 (1992).
House Joint Resolution No. 412 (1993).
House Joint Resolution No. 353 (1994).
House Joint Resolution No. 451 (1995).
House Joint Resolution No. 452 (1995).
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Va. Code §§ 9-145.16 et seq. (1993); 9-145.21 et seq. (1993 and 1995 Supp.); 15.1-1651 et seq. (1995 Supp); 33.1-221.1:2 (1990); 58.1-815 (1991).

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1989 Acts of Assembly, c. 286.
1989 Acts of Assembly, Spec. Sess. II, c. 8.
1992 Acts of Assembly, c. 893, § 1-33, Item 90(A).
1993 Acts of Assembly, c. 994, § 1-33, Item 90(A).
1994 Acts of Assembly, c. 966, § 1-35, Item 103(I); § 1-51, Item 190(C).
1995 Acts of Assembly, c. 853, § 1-35, Item 103(I); § 1-51, Item 190(C); § 1-53, Item 220(A)(1).
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Meeting summaries: June 16, 1994; September 19, 1994; November 10, 1994; January 23, 1995; May 12, 1995; June 1, 1995; November 22, 1995.

May 9, 1996, correspondence of William C. Shelton, Deputy Director, Department of Housing and Community Development, to Del. Whittington W. Clement, Philpott Commission chairman.

Previous Philpott Commission Reports:

House Document No. 42 (1991) House Document No. 45 (1992) House Document No. 67 (1993)

1994-1995 Meetings--A.L. Philpott Southside Economic Development Commission

June 16, 1994--10 a.m.--Carrington Center, Dibrell Bros., Inc., Danville. Discussion of Rt. 29 Southern Corridor Tourist Initiative: Status reports: Southside Virginia Business and Education Commission--Dr. William Dorrill, vice chairman; Southside Virginia Marketing Council and Southside Virginia Development Authority--C. Warren Green, Jr.; A.L. Philpott Manufacturing Center--Max Wingett; Governor's School for Global Technology and Applied Science--Richard Layman, Virginia Department of Education; Dr. Dorothea Shannon, Division Superintendent, Greensville--Emporia; discussion and review of potential funding options: Robert M. de Voursney, professor, University of Virginia Center for Public Service; Review of criteria for current grants programs for regional economic development; Recommendations for potential funding criteria by representatives of Southside local government and chambers of commerce: Larry Aydlett, Martinsville-Henry County Chamber of Commerce; Frank Novakowski, Martinsville-Henry County Economic Development Corporation; Robert P. Lawler, Jr.-County Administrator, Henry County; Raynell Lantor, Mayor of South Boston; Harry A. Wellons, Mayor of Victoria; John Rook, Industrial Development Commission, Victoria/ Kenbridge/ Lunenburg County; Elizabeth Johnson, Director, Emporia-Greensville Industrial Development Corporation; Jack W. Davenport, Director of Economic Development, City of Petersburg; Representative from Brunswick County.

September 19, 1994--2 p.m.--House Room 4, State Capitol Building, Richmond. Coordination of Governor's Regional Economic Development Advisory Councils and Regional Development Entities: Boyd S. Richardson, Jr., Director of Special Projects; The Honorable Robert T. Skunda, Secretary of Commerce and Trade; Potential Application of \$675,000 Appropriation for Southside Regional Economic Development: Robert de Voursney, professor, University of Virginia Center for Public Service, and Elizabeth Johnson, Southside Economic Developers.

November 10, 1994--10 a.m.--Halifax Regional Hospital, South Boston. Remarks by Frank Novakowski, Martinsville-Henry County Economic Development Corporation; Ken Woodley, *chairman*, Regional Council 11 (Farmville area); Audrey Milner, *chairman*, Southside Virginia Marketing Council; John Hudson, *director*, A.L. Philpott Manufacturing Center; discussion and review of potential funding criteria.

January 23, 1995--3 p.m.--House Room C, General Assembly Building, Richmond. Process for drawing down funds: Rob Blackmore, *Deputy Director*, Division of Community Development, Department of Housing and Community Development; Review of grants applications and development of recommendations.

May 12, 1995--10 a.m.--Chatham Square, Chatham. Process for disbursement of grants: Rob Blackmore, *Deputy Director*, Division of Community Development, Department of Housing and Community Development; Review and approval of remaining grant applications; Status of Lake Gaston Pipeline Project: Ewell Barr, Roanoke River Basin Association; Expansion of U.S. Rt. 501: Wayne Bales, *Plant Manager*, Brookneal OSB Facility, Georgia Pacific; Report on future of Southside Virginia Business and Education Commission, Southside Virginia Marketing Council, and Southside Virginia Development Authority: Robert M. de Voursney, *professor*, Weldon Cooper Center for Public Service, University of Virginia.

Thursday, June 1, 1995--Chatham Hall, Chatham. Discussion: Lake Gaston Pipeline Project; noon press conference, Congressman L.F. Payne.

November 22, 1995--Carrington Center, Dibrell Bros., Inc., Danville. Progress of U.S. Rt. 58 Corridor Project: David R. Gehr, Commissioner, Virginia Department of Transportation; Review of grants disbursements: William C. Shelton, Department of Housing and Community Development; Dr. C. Clark Jones, Interim Director, Virginia Cooperative Extension Service, VPI & SU.

Grants Applications and Allocations as of January 5, 1995

Virginia's Heartland: \$117,330

(\$ 117,333.11 combined allocation) (\$3.11 unused)
Brunswick, Charlotte, Cumberland, Greensville, Lunenburg, Nottoway, and Prince
Edward Counties and the City of Emporia

Buckingham County: \$16,181.84 (\$16,181.84 allocation)

Dinwiddie County: \$28,055.81 (\$28,055.81 allocation)

Franklin County: \$49,714.56 (\$49,714.56 allocation)

Halifax County: \$36,495.56 (\$36,495.56 allocation)

Martinsville - Henry County: \$91,894.44 (\$91,894.44 allocation) (Supplemental request for \$40,000 was submitted for the Commission's consideration in the event that some locations did not apply for their allocations).

Mecklenburg County: \$36,757 (\$36,757 allocation)

Patrick County: \$21,964.21 (\$21,964.21 allocation)

Pittsylvania County: \$69,981.77 (\$69,981.77 allocation)

Southampton County: \$22,000 (\$22,061.00 allocation) (\$61.00 unused)

City of Franklin: \$9,885.34 (\$9,885.34 allocation)

City of Danville: \$66,693 (\$66,693.36 allocation) (\$.36 unused)

City of South Boston: \$8,795 (\$8.795.49 allocation) (\$.49 unused)

Total appropriation: \$675,000.00 <u>Total applications:</u> \$575.748.53 \$ 99,251.47

Not applying (as of January 5, 1995):

Amelia \$11,045.58

Appomattox \$15,459.04 Campbell \$59,799.77

Sussex \$12,882.12

\$99,186.51

Unused alloc. 64.96

\$99,251.47

Status of Philpott Commission Grants as of November 22, 1995

Grantee	Grant	Date	Project Description	Project Status
Appomattox	\$15,459.04		support county's shell building project	county has not executed contract; is considering request to SEDC to change project scope
Buckingham	\$16,181.84	5/16/95	construct roadway into industrial park site	no activity to date
Campbell	\$59,799.77		construct sewer line extension to existing industrial property in Campbell County/Altavista Industrial Park	Commission approved amended project scope by mail ballot in late October. Contract being prepared
Danville	\$66,693.36	3/27/95	grade land at Dan River Inc. site in Riverview Industrial Park	City has issued contract for site grading; expected completion 12/95. Bldg. construction by industry to begin immediately following completion of grading
Dinwiddie	\$28,055.81	4/4/95	construct 10 new hangars for airplanes at Dinwiddie Airport and Industrial Authority	site work has already been done and construction is underway and should be completed by early 1996.
Franklin (city)	\$ 9,885.34	5/9/95	construct signs on Rt. 58 bypass for Pretlow Industrial Park	Project is under construction and is scheduled for completion in early December
Franklin (county)	\$49,714.56	3/30/95	conduct industrial site selection study, develop a target sector strategy to guide county marketing for industrial development, and a preliminary engineering report to develop a 37-acre tract as a Smith Mountain Lake recreation park to enhance county's tourism potential	industrial site selection study 50% complete; target industry study 25% complete; preliminary engineering report 90% complete
Halifax	\$36,495.56	6/19/95	purchase of industrial land to create a new training and employment center	land purchase is being negotiated and closing is expected in next 2 mos.
Henry	\$71,578.21	4/3/95	carry interest payments for construction of a shell building and develop marketing materials for the building	building is near completion and marketing materials have been developed
Martinsville	\$20,316.23	5/16/95	develop materials to market area's potential for teleconomic and back office industry firms	consultant under contract to develop marketing study for teleconomic and back office development

Status of Philpott Commission Grants as of November 22, 1995

Grantee	Grant	Date	Project Description	Project Status
Mecklenburg	\$36,757.02	4/3/95	 improvement of shell bldg. in Chase City; site preparation for proposed shell bldg. in Clarksville; preparation of marketing materials and sign for Interstate Industrial park; preparation of marketing materials for Airport Ind. Pk; development of advertising campaign for county; and purchase of Geographic Information System for Southside PD. to enhance marketing of industrial sites 	 engineering plans and specifications being prepared for Chase City shell bldg.; site preparation for Clarksville shell bldg. complete; county working with Va. Power on marketing materials for Airport Ind. Park; marketing materials and sign complete by 2/96; county advertising campaign 60% complete; and GIS purchase complete
Patrick	\$21,964.21	5/8/95	development of on-site wastewater pretreatment facility to serve new industrial park	project in planning phase; County working with 2 industrial prospects and pursuing funding through RECD and CDBG and plans to incorporate SEDC grant into larger project anticipated in spring 1996
Pittsylvania	\$69,981.77	6/28/95	site preparation for shell bldg. in industrial park	county nearing completion of final project design; constr. to proceed in early 1996
Prince Edward	\$21,771.88	6/19/95	develop site plans and design for county shell bldg.	county plans to construct bldg. in spring 1996 and will be proceeding with development of plans this winter
Southampton	\$22,061.00	3/31/95	construct water and sewer line extensions to serve Southampton county Agri-Business Industrial Park	project will be bid 1/96; constr. expected to begin 2/96
Sussex	\$12,882.12	6/1/95	develop inventory of sites within County available for economic development mktg.	

Status of Philpott Commission Grants as of November 22, 1995

Grantee	Grant	Date	Project Description	Project Status
South Boston	\$ 8,795.49	5/3/95	grade and seed 3 sites at the Aubrey J. Houghton Industrial Park	plans and specs. ready for new shell bldg. and will be bid in 12/95; construction to begin in 2/96. SEDC site preparation funds will be part of town's share of joint project with County of Halifax
Virginia's Heartland	\$95,558.12		support 3-year marketing campaign to promote region as "Virginia's Heartland" through the development of brochures, displays, advertisements, insert sheets, and targeted direct mailings. Funds also to be used to purchase computers and software for participating jurisdictions	project is not under contract. Issues include final determination of participating localities and scope of work. Additional commission action may be required prior to execution of contract.
Total	\$663,889.46			

^{*}difference between appropriation of \$675,000 and total above results from Amelia County not submitting request for \$11,045.58 allocation. In addition, due to rounding, \$64.96 remains unused.

Status Report for Grants Funded Through the A. L. Philpott Southside Economic Development Commission as of May 9, 1996

Grantee	Grant Amount	Draws To Date	Balance	Project Description	Project Status
Apponatiox County	\$15,459.04		\$15,459.04	To support the county's shell building project.	County has not executed contract; still working with site selection consultant to determine appropriate site and will finalize contract after site selection is complete.
Buckingham County	\$16,181.84		\$16,181.84	Construct a roadway into industrial park site.	Have laid out site for the roadway; awaiting decision whether they can purchase a strip of property that will allow them to bring the road all the way up to the main highway; expect decision by second week of May, then will proceed with construction of roadway.
Campbell County	\$59,799 77		\$59,799.77	Construct a sewer line extension to existing industrial property in Campbell County/ Altavista Industrial Park.	Contract is being signed this week and construction will begin within sixty days; entire project should be completed in September.
Danville, City of	\$66,693.00		\$66,693.00	Grade land at the Dan River Inc. site in the Riverview Industrial Park.	Site grading completed; building construction by industry is underway.
Dinwiddie County	\$28,055.81	\$28,055.81	\$0.00	Construct ten [20] new hangars for airplanes at the Dinwiddie Airport and Industrial Authority.	Site work completed; taxiways completed; pouring of floors currently underway; erection of structures begins mid-June and entire project should be completed by August 1.
Franklin, City of	\$9,885.34	\$9,885.34	\$0.00	Construct signs on Route 58 Bypass for the Pretlow Industrial Park.	Completed; signs are up.

Status Report for Grants Funded Through the A. L. Philpott Southside Economic Development Commission as of May 9, 1996

Grantee	Grant Amount	Draws To Date	Balance	Project Description	Project Status
Franklin County	\$49,714.56	\$32,121.00	\$17,593.56	Conduct industrial site selection study, develop a target sector strategy to guide County marketing for industrial development, and a preliminary engineering report to develop a thirty-seven acre tract as a Smith Mountain Lake recreation park to enhance the County's tourism potential.	Project should be completed by June 30.
Halifax County	\$36,495.56		\$36,495.56	Purchase of industrial land to create a new training and employment center.	Moving forward; may be using a portion of moneys for a sewer pump station at same site.
Henry County	\$71,578.21		\$71,578.21	Carry interest payments for construction of a shell building and develop marketing materials for the building.	Building is complete; have not yet made first payment.
Martinsville, City	\$20,316.23	\$20,316.23	\$0.00	Develop materials to market area's potential for teleconomic and back office industry firms.	Attending teleconomic conference May 11-12; brochures at printers now; have purchased mailing list and will do mailing when brochures are delivered.
Mecklenburg County	\$36,757.00	\$21,876.50	\$14,880.50	Improvement of a shell building in Chase City; site preparation for proposed shell building in Clarksville; preparation of marketing materials and sign for Interstate Industrial Park; preparation of marketing materials for Airport Industrial Park; development of advertising campaign for County; and purchase of Geographic Information System for Southside PDC to enhance marketing of industrial sites.	Clarksville shell building construction will be in progress by end of May; proceeding with installation of sign for Interstate Industrial Park; Virginia Power funded brochure for Airport Industrial Park; remaining funds of approximately \$3200 will be used for a marketing piece for the County; GIS purchase for Southside PDC is complete.

Status Report for Grants Funded Through the A. L. Philpott Southside Economic Development Commission as of May 9, 1996

Grantee	Grant Amount	Draws To Date	Balance	Project Description	Project Status
Patrick County	\$21,964.21		\$21,964.21	Development of an on-site wastewater pretreatment facility to serve new industrial park.	Construction of access road begins in May, and installation of utilities in June or July; entire project expected to be completed by November 1.
Pittsylvania County	\$69,981.77		\$69,981.77	Site preparation for shell building in industrial park.	Have received final plans and are mailing this week for final approval by state architect; site work to begin within 90 days; building construction to begin in June; completion expected by November 15.
Prince Edward County	\$21,771.88		\$21,771.88	Develop site plans and design for County shell building.	No activity to date; awaiting possible award of \$700,000 CDBG funds applied for; should know by first week of June.
South Boston, Town of	\$8,795.00		\$8,795.00	Grade and seed three sites at the Aubrey J. Houghton Industrial Park.	Complete.
Southampton County	\$22,000.00		\$22,000.00	Construct water and sewer line extensions to serve the Southampton County Agri-Business Industrial Park.	Bids were submitted April 24; currently negotiating costs with contractors; construction should begin in early June.
Sussex County	\$12,882.12	\$2,131.25	\$10,750.87	Develop an inventory of sites within County available for economic development marketing.	Inventory of sites is almost complete; design and production of marketing materials should begin within 90 days.
Virginia's Heartland	\$95,558.12		\$95,558.12	Support a three year marketing campaign to promote region as Virginia's Heartland through the development of brochures, displays, advertisements, insert sheets, and targeted direct mailings. Funds would also be used to purchase computers and software for participating jurisdictions.	The participating counties have been meeting regularly and an advertising agency has been contracted; logo has been
TOTAL	\$663,889.46	\$114,386.13	\$549,503.33	software for participating jurisdictions.	1
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Note: Difference between appropriation of \$675,000 and total above results from Amelia County not submitting a request for the County's original allocation of \$11,045.58. In addition, due to rounding of some contract numbers, \$64.96 remains unused.

Resolution of the A.L. Philpott Southside Economic Development Commission

AT A REGULAR MEETING OF THE A. L. PHILPOTT SOUTHSIDE ECONOMIC DEVELOPMENT COMMISSION HJR 353-1994 ON THURSDAY, JUNE 16, 1994, THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, Virginia's tobacco industry directly and indirectly employs over 128,000 people and provides over \$3.6 billion in annual compensation;

WHEREAS, over 11,000 Virginians are directly involved in the tobacco industry as tobacco farmers and more than 12,000 as manufacturing workers;

WHEREAS, over \$329 million of state and local tax revenue in Virginia can be attributed to the tobacco industry;

WHEREAS, Virginia's tobacco industry, directly and indirectly, contributes more than \$1.5 billion to federal tax coffers annually;

WHEREAS, federal excise taxes on tobacco have tripled in the past 12 years rising from 8 cents per pack in 1982 to the current 24 cents per pack;

WHEREAS, Congress is considering unfair proposals to further increase the federal excise tax on tobacco which range from doubling the current 24 cents per pack to an increase of \$2 per pack;

WHEREAS, tobacco taxes are being used as tools of social engineering in order to inappropriately change an adult's informed decision to use a legal product into a decision on whether or not it can simply be afforded;

WHEREAS, health care, and the reform of the health system, will benefit all Americans and the cost should be shared by all Americans;

NOW, THEREFORE SE IT RESCLVED that the A. L. Philpott Southside Economic Development Commission (HJR 353-1994) joins with the Virginians for a Sound Tobacco Economy (VASTE) in it's support of the right to produce, sell and consume tobacco and in full support and recognition of the value of tobacco to the Commonwealth of Virginia fully endorses:

- No new tobacco tax increases at any level of government;
- 2. A broad based financing mechanism for health care reform in which tobacco growers do not provide a disproportionate share of the financing since all Americans will use the system and share in its benefits.

The Honorable Whittington W. Clement, Chairman

HOUSE JOINT RESOLUTION NO. 451

Continuing the A. L. Philpott Southside Economic Development Commission.

Agreed to by the House of Delegates, February 23, 1995 Agreed to by the Senate, February 21, 1995

WHEREAS, the General Assembly, pursuant to House Joint Resolution No. 106 (1990), established a commission to propose recommendations to improve and enhance the economic development of Southside Virginia (the "A. L. Philpott Southside Economic Development Commission" or the "Commission") and subsequently authorized the Commission to continue its examination of economic, educational, financial, infrastructural, and industrial challenges facing the region pursuant to House Joint Resolution No. 300 (1991), House Joint Resolution No. 71 (1992), House Joint Resolution No. 412 (1993), and House Joint Resolution No. 353 (1994); and

WHEREAS, over the past five years, the Commission's intense study has yielded numerous recommendations for the revitalization of the Southside region, such as the establishment of the Southside Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, and the support of the new Governor's School for Global Economics and Technology in Southside Virginia and the A.L. Philpott Manufacturing Research Center at Patrick Henry Community College; and

WHEREAS, the 1994 Appropriation Act allocated \$675,000 to the Philpott Commission for grants for economic development projects in the 20-county, five-city region of Southside Virginia; and

WHEREAS, these grants are contingent upon matching local or private funds and will support those projects meeting specific criteria established by the Commission including, among other things, local approval; evidence of specific economic development purpose, such as job creation or retention; multijurisdictional focus; and coordination with local strategic development plans; and

WHEREAS, the Commission has alerted Southside leaders and economic development representatives regarding this grant allocation initiative, and has established a January 5, 1995, deadline for the receipt of grant applications from eligible Southside localities; and

WHEREAS, recognizing that adequate infrastructure is essential to the development of Southside Virginia as an active participant in the Commonwealth's economic prosperity, the Commission has also examined the transportation needs of the region over the course of its five-year study; and

WHEREAS, the development and ultimate completion of U.S. Route 58 are critical to the economic future of Southside Virginia, as the highway would provide an east-west corridor to facilitate shipping and receipt of goods by Southside businesses, enhance travel within and through Southside, and improve the overall quality of life in the region; and

WHEREAS, the continued guidance of the Philpott Commission is necessary to ensure the successful administration of its grants initiative, to monitor the progress of the Route 58 Corridor Development Program, and to take such other action as may be appropriate; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the A. L. Philpott Southside Economic Development Commission be continued for one additional year only to implement its grants initiative; to review and monitor the progress of the Route 58 Corridor Development Program; and to consider such other issues as may be appropriate. The membership of the Commission shall continue as constituted in 1994, with the addition of one member of the House of Delegates, to be appointed by the Speaker of the House of Delegates. Any vacancies shall be filled by the Governor, the Speaker of the House, and the Senate Committee on Privileges and Elections, as appropriate.

The legislative members of the Commission shall be compensated as specified in § 14.1-18 of the Code of Virginia, and all members of the Commission shall be reimbursed for their actual expenses incurred in the performance of the work of the Commission. The Commission may accept and expend gifts, grants, or donations from public or private sources that will enable it to meet its objectives.

The direct costs of this study shall not exceed \$7,950.

The Division of Legislative Services shall provide staff support for the study. All agencies of the Commonwealth shall provide assistance to the Commission, upon request.

The Commission shall submit any final findings and recommendations to the Governor and the 1996 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

HOUSE JOINT RESOLUTION NO. 452

Requesting the A. L. Philpott Southside Economic Development Commission to review and monitor the progress of the Route 58 Corridor Development Program.

Agreed to by the House of Delegates, February 4, 1995 Agreed to by the Senate, February 21, 1995

WHEREAS, the A. L. Philpott Southside Economic Development Commission (the Commission) was established pursuant to House Joint Resolution No. 106 (1990) to propose recommendations to improve and enhance the economic development of Southside Virginia and has continued to examine the economic, educational, financial, infrastructural, and industrial challenges facing the region pursuant to House Joint Resolution No. 300 (1991), House Joint Resolution No. 71 (1992), House Joint Resolution No. 412 (1993), and House Joint Resolution No. 353 (1994); and

WHEREAS, recognizing that adequate infrastructure is essential to the development of Southside Virginia as an active participant in the Commonwealth's economic prosperity, the Commission has examined the transportation needs of the region over the course of its five-year study; and

WHEREAS, the development and ultimate completion of U.S. Route 58 are critical to the economic future of Southside Virginia, as the highway would provide an east-west corridor to facilitate shipping and receipt of goods by Southside businesses, enhance travel within and through Southside, and improve the overall quality of life in the region; and

WHEREAS, while improvements to Route 58 have eased a number of Southside's transportation woes, many bypass and other construction efforts have yet to be completed, and these unfinished promised improvements may actually diminish Southside's marketability; and

WHEREAS, in § 1-122. Item 565D of the 1992 Appropriation Act, the General Assembly expressed its intent to "restore full funding to the Route 58 Corridor Development Program prescribed in § 58.1-815 of the Code of Virginia, as soon as economic and state revenue conditions in the Commonwealth warrant"; and

WHEREAS, additional review of the U.S. Route 58 Corridor project may facilitate the continued progress and completion of this crucial highway initiative; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the A. L. Philpott Southside Economic Development Commission be requested to review and monitor progress on the U.S. Route 58 Corridor project.

The Division of Legislative Services shall provide staff support for the study. All agencies of the Commonwealth shall provide assistance to the Commission, upon request.

The Commission shall be continued for one year only and shall submit its final findings and recommendations to the Governor and the 1996 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

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HOUSE JOINT RESOLUTION NO. 101

Offered January 22, 1996

Continuing the A. L. Philpott Southside Economic Development Commission.

Patrons—Clement, Abbitt, Armstrong, Bennett, Councill, Crouch, Dudley, Ingram, Reynolds and Ruff; Senators: Goode, Hawkins, Holland and Lucas

Referred to Committee on Rules

WHEREAS, the General Assembly, pursuant to House Joint Resolution No. 106 (1990), established a commission to propose recommendations to improve and enhance the economic development of Southside Virginia (the "A. L. Philpott Southside Economic Development Commission" or the "Commission"); and

WHEREAS, pursuant to House Joint Resolution No. 300 (1991), House Joint Resolution No. 71 (1992), House Joint Resolution No. 412 (1993), House Joint Resolution No. 353 (1994), and House Joint Resolution No. 451 (1995), the General Assembly subsequently authorized the Commission to continue its examination of economic, educational, financial, infrastructural, and industrial challenges facing the region; and

WHEREAS, over the past six years, the Commission's study has yielded numerous recommendations for the revitalization of the Southside region, such as the establishment of the Southside Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, as well as supporting the new Governor's School for Global Economics and Technology in Southside Virginia and the A. L. Philpott Manufacturing Research Center at Patrick Henry Community College; and

WHEREAS, the 1994 Appropriation Act allocated \$675,000 to the Philpott Commission for grants for economic development projects in the 20-county, five-city region of Southside Virginia; and

WHEREAS, addressing Southside Virginia's immediate and long-term development needs requires not only the enduring commitment and entrepreneurial spirit of its leaders, citizens, and industries, but also the continued support and review of the implementation of the Commission's recommendations and grants initiative; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the A. L. Philpott Southside Economic Development Commission be continued for two additional years, to implement its previous recommendations, its grants initiative, the activities of the Southside Virginia Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, and to consider such other relevant regional economic development issues as it deems appropriate.

The Commission shall consist of twenty-three members as follows: seven members of the House of Delegates, to be appointed by the Speaker of the House; four members of the Senate, to be appointed by the Senate Committee on Privileges and Elections; and twelve members of the Southside region of the Commonwealth, to be chosen as follows: six members, comprised of two representatives from local governments, two from the business and industrial communities, and two local economic development officials, three of whom shall be appointed by the Speaker and three of whom shall be appointed by the Senate Committee on Privileges and Elections; and six citizen members, three of whom shall be appointed by the Speaker and shall include a representative of a major utility and of a four-year institution of higher education, and three of whom shall be appointed by the Senate Committee on Privileges and Elections, and shall include one representative of a community college and of the banking community. Any vacancies shall be filled by the Speaker of the House or the Senate Committee on Privileges and Elections, as appropriate.

The legislative members of the Commission shall be compensated as specified in § 14.1-18 of the Code of Virginia, and all members of the Commission shall be reimbursed for their actual expenses incurred in the performance of the work of the Commission. The Commission may accept and expend gifts, grants, or donations from public or private sources that will enable it to meet its objectives.

The direct costs of this study shall not exceed \$4,950.

The University of Virginia Center for Public Service shall provide staff support for the study. All

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agencies of the Commonwealth shall provide assistance to the Commission, upon request.

The Commission shall submit any additional findings and recommendations to the Governor and the 1998 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for processing legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

Offici Passed By	al Use By Clerks
The House of Delegates without amendment with amendment substitute substitute w/amdt	Passed By The Senate without amendment with amendment substitute substitute w/amdt
Date:	Date:
Clerk of the House of Delegates	Clerk of the Senate

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HOUSE BILL NO. 348

Offered January 15, 1996

A BILL to continue the A. L. Philpott Southside Economic Development Commission.

Patrons—Clement, Abbitt, Armstrong, Bennett, Councill, Crouch, Dudley, Reynolds and Ruff; Senators: Goode, Hawkins, Holland and Lucas

Referred to Committee on Rules

Whereas the General Assembly, pursuant to House Joint Resolution No. 106 (1990), established a commission to propose recommendations to improve and enhance the economic development of Southside Virginia (the "A. L. Philpott Southside Economic Development Commission" or the "Commission"); and

Whereas, pursuant to House Joint Resolution No. 300 (1991), House Joint Resolution No. 71 (1992), House Joint Resolution No. 412 (1993), House Joint Resolution No. 353 (1994), and House Joint Resolution No. 451 (1995), the General Assembly subsequently authorized the Commission to continue its examination of economic, educational, financial, infrastructural, and industrial challenges facing the region; and

Whereas, over the past six years, the Commission's study has yielded numerous recommendations for the revitalization of the Southside region, such as the establishment of the Southside Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, and the support of the new Governor's School for Global Economics and Technology in Southside Virginia and the A. L. Philpott Manufacturing Research Center at Patrick Henry Community College; and

Whereas, the 1994 Appropriation Act allocated \$675,000 to the Philpott Commission for grants for economic development projects in the 20-county, five-city region of Southside Virginia; and

Whereas, addressing Southside Virginia's immediate and long-term development needs requires not only the enduring commitment and entrepreneurial spirit of its leaders, citizens, and industries, but also continued support and review of the implementation of the Commission's recommendations and grants initiative; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. § 1. That the A.L. Philpott Southside Economic Development Commission is hereby continued for two years. The Commission shall monitor the implementation of its previous recommendations, its grants initiative, the activities of the Southside Business and Education Commission, the Southside Virginia Marketing Council, and the Southside Virginia Development Authority, and relevant regional economic development issues as it deems appropriate. The Commission shall consist of twenty-three members as follows: seven members of the House of Delegates, to be appointed by the Speaker of the House; four members of the Senate, to be appointed by the Senate Committee on Privileges and Elections; and twelve members of the Southside region of the Commonwealth, including six members, comprised of two representatives each from local governments and the business and industrial communities and two local economic development officials, one each to be appointed by the Speaker and the Senate Committee on Privileges and Elections; and six citizen members, three of whom shall be appointed by the Speaker and shall include a representative of a major utility and of a four-year institution of higher education; and three of whom shall be appointed by the Senate Committee on Privileges and Elections and shall include one representative of a community college and of the banking community. Any vacancies shall be filled by the Speaker of the House, and the Senate Committee on Privileges and Elections, as appropriate. The legislative members of the Commission shall be compensated as specified in § 14.1-18 of the Code of Virginia, and all members of the Commission shall be reimbursed for their actual expenses incurred in the performance of the work of the Commission. The Commission may accept and expend gifts, grants, or donations from public or private sources that will enable it to meet its objectives. The University of Virginia Center for Public Service shall provide staff support for the Commission.



201 High Street, Farmville, Virginia 23909-1899

May 28, 1996

TO:

FROM:

Brenda Atkins, Special Assistant to the President for Legislative Relations

SUBJECT:

Commission

Attached is the A.L. Philpott Southside Economic Development Commission Report Approval Form signed (approving the report) by Dr. Dorrill.

While the report is approved as written, we do have several comments that should be considered for the final report. Under the section entitled "Status of Southside Education and Economic Development Entities," the following would strengthen the Southside Virginia Business and Education's (SVBEC) paragraph and provide a more thorough analysis of what the Commission is actually doing:

(1) In 1995, the SVBEC undertook a major initiative called Bridging Work with Education. Working with local school divisions and local business and industry the program is designed to [1] profile jobs - determine the level of generic skills each job requires in up to eight separate skill areas; [2] assess high school students to determine how effectively they are being taught workplace skills (how well an individual's skills match the skills needed for a profiled job - done at the 9th and 12th grade levels); and [3] work with the school divisions to build curricula that will help students develop the skills they need to succeed on the job. The purpose of this program is two-fold. First, it will help ensure businesses and industries that there is a workforce in place that can handle the jobs offered; and, secondly, provide Southside's young people with the job skills they need to be gainfully employed in the Southside area.

The following school divisions are participating in this program: Amelia, Brunswick. Charlotte, Franklin, Lunenburg, Mecklenburg, and Pittsylvania. Several other school divisions, including Prince Edward are in the process of becoming involved. By the end of June of 1996, 81 jobs will be profiled. The assessment of community college students is also underway.

This program, the first undertaken in Virginia, has now become a model of other areas of the state.



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- (2) The SVBEC's "Educators in the Workplace Program" actively works with business and industry and the local school divisions. This is a summer program that provides educators the opportunity to explore the issue of preparing students for employment now and in the future. The program involves ten days of participation -- five days in seminars and workshops and five days in a work-study experience at a business or industry. There are currently 20 businesses in 12 localities that are participating in this program. The purpose is to give teachers experience working in the businesses and industries in the area where their students may eventually work so that they can see first-hand what skills are needed and why.
- (3) The SVBEC has been funded \$300,000 for the 1996-98 biennium. (This funding is the result of a budget amendment sponsored by Southside legislators after the Governor had eliminated the program.)

I think you will agree that the Bridging Work with Education Project and the Educators in the Workplace Program are both programs designed to do exactly what the Philpott Commission envisioned when it established the SVBEC -- that is, working with business and industry and the local school divisions to enhance the curriculum and educational opportunities, enhance workforce skills, and enhance economic development and growth opportunities in Southside Virginia. I suggest you call Dr. Elaine Fogliani, Executive Director of the SVBEC, for background and additional information on these programs. Her telephone number is (804) 395-2735. I think the addition of this information to the report would benefit both the SVBEC and the Philpott Commission.

If you have any questions, or I can provide any additional information, please call me at (804) 395-2027.