

Economic Development

Fiscal Year 2026 Operating Budget

Description

The primary mission of the Office of Economic Development and Tourism is to create an environment conducive for new private sector investment, job creation, wealth creation, and quality of life improvements in the City of Danville. These goals are achieved through new business recruitment, business retention and expansion, the promotion of tourism assets, and the facilitation of entrepreneurial endeavors, which all come together to enhance the economic wellbeing of the community.

Revenues/Expenditures

	ACTUAL	ADOPTED BUDGET	PROPOSED BUDGET		
	FY2023	FY2024	FY2025	FY2026	Increase/ (Decrease)
Revenues					
Miscellaneous Revenue	\$19,650	–	\$0	\$0	\$0
Categorical Aid State	\$9,450	–	\$0	\$0	\$0
REVENUES TOTAL	\$29,100	–	\$0	\$0	\$0
Expenses					
Personnel Services	\$411,680	\$512,090	\$699,417	\$722,840	\$23,423
Employee Benefits	\$46,910	\$60,259	\$84,724	\$93,230	\$8,506
Purchased Services	\$164,246	\$212,557	\$294,573	\$333,090	\$38,517
Internal Service	\$57,408	\$61,293	\$53,340	\$85,200	\$31,860
Other Operating Expense	\$60,661	\$59,596	\$84,315	\$201,810	\$117,495
Capital Expenses	–	\$5,334	\$7,540	\$6,540	(\$1,000)
EXPENSES TOTAL	\$740,906	\$911,130	\$1,223,910	\$1,442,710	\$218,800
Net Cost to City	\$711,806	\$911,130	\$1,223,910	\$1,442,710	

Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
FTEs				
ASST DIR OF ECON DEV & TOURISM	0	0	0	1
ASST DIR OF ECONOMIC DEVELOPMT	1	1	1	0
DIRECTOR OF ECON DEV & TOURISM	0	0	0	1
DIRECTOR OF ECONOMIC DEV	1	1	1	0
ECONOMIC DEV PROJECT MANAGER	1	1	1	1
ECONOMIC DEV REAL ESTATE MANAGER	0	0	0	1
ECONOMIC DEVELOPMENT REAL ESTATE MANAGER	0	0	1	0
ECONOMIC DEVELOPMENT SPECIALIST	0	0	0	0
MARKETING AND COMMUNICATIONS COORD	1	1	1	0
MARKETING AND COMMUNICATIONS SPECIALIST	0	0	0	1
MARKETING AND RESEARCH MANAGER	1	1	1	0
MARKETING, COMMUNICATIONS, AND RESEARCH MANAGER	0	0	0	1
SENIOR SECRETARY	0	0	1	1
SPECIAL PROJECT MGR	1	1	1	1
FTEs	6	6	8	8

Tourism

Fiscal Year 2026 Operating Budget

Description

The primary mission of the Tourism Division within the Office of Economic Development and Tourism is to expand the awareness of the region as a destination and to maximize the economic impact by generating revenue and employment within our footprint. This division achieves these goals by aggressively branding and promoting the City and County to differentiate it from other regional competitors. This is done through advertising, promotions, trade events, and visitor experience initiatives in both the leisure and business travel sectors.

Revenues/Expenditures

	ACTUAL		ADOPTED BUDGET		PROPOSED BUDGET	Increase/ (Decrease)
	FY2023	FY2024	FY2025	FY2026		
Revenues						
General Property Tax	\$3,687	\$9,893	\$5,600	\$5,600		\$0
REVENUES TOTAL	\$3,687	\$9,893	\$5,600	\$5,600		\$0
Expenses						
Personnel Services	\$97,622	\$128,099	\$159,476	\$165,790		\$6,314
Employee Benefits	\$9,353	\$12,916	\$16,346	\$17,710		\$1,364
Purchased Services	\$73,027	\$340,562	\$551,620	\$769,500		\$217,880
Internal Service	\$3,305	\$5,323	\$5,040	\$5,380		\$340
Other Operating Expense	\$12,656	\$22,833	\$55,550	\$55,990		\$440
Capital Expenses	\$3,453	(\$1,146)	\$770	\$770		\$0
EXPENSES TOTAL	\$199,416	\$508,588	\$788,803	\$1,015,140		\$226,337
Net Cost to City	\$195,729	\$498,694	\$783,203	\$1,009,540		-

Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
FTEs				
TOURISM MANAGER	1	1	1	1
TOURISM SALES COORDINATOR	1	1	1	1
FTES	2	2	2	2

Visitor Center

Fiscal Year 2026 Operating Budget

Description

The Danville Visitor Center serves as the gateway and information center for Danville and Pittsylvania County, as well as the entire Southern Virginia region. Its primary goal is to educate travelers about offerings in the region and the state. Knowledgeable staff are available to assist visitors and provide access to hundreds of flyers and maps for area attractions. This facility is located along the Danville Expressway and features restrooms, a dog run, vending machines, and a gift shop. The gift shop is open every day of the year except for Thanksgiving Day, Christmas Day and New Year's Day. It is estimated that over 40,000 travelers visit the Danville Visitor Center annually

Revenues/Expenditures

ACTUAL		ADOPTED BUDGET		PROPOSED BUDGET	
	FY2023	FY2024	FY2025	FY2026	Increase/ (Decrease)
Revenues					
Revenue-Use Money/Property	\$1,285	\$1,417	\$1,800	\$1,800	\$0
Non-Categorical Aid State	\$100,000	\$200,000	\$200,000	\$200,000	\$0
REVENUES TOTAL	\$101,285	\$201,417	\$201,800	\$201,800	\$0
Expenses					
Personnel Services	\$68,026	\$115,892	\$155,107	\$208,210	\$53,103
Employee Benefits	\$5,447	\$9,971	\$13,299	\$17,690	\$4,391
Purchased Services	\$58,231	\$54,921	\$91,560	\$68,490	(\$23,070)
Internal Service	\$17,090	\$16,914	\$32,980	\$41,140	\$8,160
Other Operating Expense	(\$6,845)	\$19,213	\$26,477	\$56,000	\$29,523
Capital Expenses	\$4,719	\$185	\$3,680	\$3,680	\$0
Labor Expense Cross	\$1,851	\$2,383	–	–	\$0
EXPENSES TOTAL	\$148,520	\$219,479	\$323,103	\$395,210	\$72,107
Net Cost to City	\$47,235	\$18,061	\$121,303	\$193,410	–

Personnel

Position Title	FY2023	FY2024	FY2025	FY2026
FTEs				
VISITOR CENTER MANAGER	0	1	1	1
FTEs	0	1	1	1

Economic Development

FY 2026 Five-Year Capital & Special Projects Plan

Capital and Special Projects - FY 2026-2030

CAPITAL & SPECIAL PROJECT PLAN						5 YR TOTAL
	FY2026	FY2027	FY2028	FY2029	FY2030	
Department / Project						
60920 - Economic Development Incentive	\$4,639,380	\$5,240,850	\$7,487,600	\$10,063,930	\$11,856,200	\$39,287,960
60921 - River District Property Purchase & Improvement Plan	\$9,996,760	\$6,961,150	\$6,840,940	\$6,840,940	\$6,840,940	\$37,480,730
61097 - International Recruitment Implementation	\$50,000	\$150,000	\$100,000	\$100,000	\$100,000	\$500,000
61937 - E/D Industrial and Tourism Site Development	\$604,970	\$1,604,970	\$604,970	\$604,970	\$604,970	\$4,024,850
61957 - Debt Service Funding - IDA Bonds	\$8,000,000	\$0	\$0	\$0	\$0	\$8,000,000
61961 - Dan River Falls - DOEDT Office	\$212,990	\$0	\$0	\$0	\$0	\$212,990
ECONOMIC DEVELOPMENT TOTAL	\$23,504,100	\$13,956,970	\$15,033,510	\$17,609,840	\$19,402,110	\$89,506,530
DEPARTMENT / PROJECT TOTAL	\$23,504,100	\$13,956,970	\$15,033,510	\$17,609,840	\$19,402,110	\$89,506,530

Funding Sources - FY 2026

	CURRENT REVENUES	FUND BALANCE	DEBT FINANCING	GRANTS/CIA	OTHER	TOTAL
Department / Project						
60920 - Economic Development Incentive	\$844,570	\$0	–	–	\$3,794,810	\$4,639,380
60921 - River District Property Purchase & Improvement Plan	\$6,463,520	–	\$3,533,240	–	\$0	\$9,996,760
61097 - International Recruitment Implementation	\$50,000	–	–	–	\$0	\$50,000
61937 - E/D Industrial and Tourism Site Development	\$50,000	–	–	–	\$554,970	\$604,970
61957 - Debt Service Funding - IDA Bonds	\$4,000,000	\$4,000,000	–	–	–	\$8,000,000
61961 - Dan River Falls - DOEDT Office	–	–	\$212,990	–	\$0	\$212,990
ECONOMIC DEVELOPMENT TOTAL	\$11,408,090	\$4,000,000	\$3,746,230	\$0	\$4,349,780	\$23,504,100
DEPARTMENT / PROJECT TOTAL	\$11,408,090	\$4,000,000	\$3,746,230	\$0	\$4,349,780	\$23,504,100

Economic Development Incentives

FY 2026 Five-Year Capital & Special Projects Plan

Project Name: Economic Development Incentives
Project Number: 60920

Department: Economic Development
Division: Economic Development

Classification: Existing Non-Capital Project
Capital Priority: Strategically Important

Estimated Start Date: 07/01/2025
Estimated Completion Date: 06/30/2030

Comprehensive Plan Alignment Score: 0

Total Project Cost: \$39,287,960

Description:

Economic development incentives are tools designed to attract, retain, and expand businesses, foster job creation, and support local economic growth. The specific details of individual incentive agreements are confidential and are to be provided to City Council in a closed session.

Project Progress/Status:

Economic incentive details are provided to City Council in closed session.

Operating Budget Impact:

Economic incentive details are provided to City Council in closed session.

Return on Investment:

These incentives are tailored to meet the unique needs of businesses and communities while ensuring a strong return on investment for taxpayers.

Public Benefit/Community Impact:

While specifics cannot be disclosed due to confidentiality, the goal is always to align economic growth with community priorities.

Comments:

Funding Sources:

CAPITAL & SPECIAL PROJECTS						TOTAL
	FY2026	FY2027	FY2028	FY2029	FY2030	
Revenues						
Casino Revenue	\$844,570	\$0	\$0	\$0	\$0	\$844,570
Rebates	\$3,794,810	\$3,866,280	\$6,348,330	\$8,972,910	\$10,771,180	\$33,753,510
To Be Determined	\$0	\$1,374,570	\$1,139,270	\$1,091,020	\$1,085,020	\$4,689,880
REVENUES TOTAL	\$4,639,380	\$5,240,850	\$7,487,600	\$10,063,930	\$11,856,200	\$39,287,960

Planned Activities by Fiscal Year:

Economic incentive details are provided to City Council in closed session.

Historic District Property Purchase & Improvement Plan

FY 2026 Five-Year Capital & Special Projects Plan

Project Name: Historic District Property Purchase & Improvement Plan
Project Number: 60921

Department: Economic Development

Division: Economic Development

Classification: Existing Capital Project
Capital Priority: Strategically Important

Estimated Start Date: 07/01/2025
Estimated Completion Date: 06/30/2030

Comprehensive Plan Alignment Score: 0

Total Project Cost: \$37,480,730

Description:

The requested funds are to be used for redeveloping key properties in historic districts, including the River District, North Main Hill, the Old West End/Five Forks, and Schoolfield District. Through the vehicle of the Industrial Development Authority, the funds are used to purchase derelict downtown property, redevelop properties, partner with private sector developers for renovation projects, and assist economic development projects that want to locate in historic districts.

Project Progress/Status:

This is an existing, ongoing project.

Operating Budget Impact:

There is no operating budget impact.

Return on Investment:

The return on investment is realized through increased economic activity, business growth, and long-term financial benefits for the community.

Public Benefit/Community Impact:

The activities of this project investment ultimately strengthens the local economy, generates financial growth, and benefits the local community through job creation and business opportunities.

Comments:

Funding Sources:

CAPITAL & SPECIAL PROJECTS						TOTAL
	FY2026	FY2027	FY2028	FY2029	FY2030	
Revenues						
IDA BANS	\$3,533,240	\$3,788,770	\$3,788,770	\$3,788,770	\$3,788,770	\$18,688,320
Casino Revenue	\$6,463,520	\$2,211,960	\$2,211,960	\$2,211,960	\$2,211,960	\$15,311,360
To Be Determined	\$0	\$960,420	\$840,210	\$840,210	\$840,210	\$3,481,050
REVENUES TOTAL	\$9,996,760	\$6,961,150	\$6,840,940	\$6,840,940	\$6,840,940	\$37,480,730

Planned Activities by Fiscal Year:

FY2026 Details of activities are provided to City Council in closed session
FY2027 Details of activities are provided to City Council in closed session
FY2028 Details of activities are provided to City Council in closed session
FY2029 Details of activities are provided to City Council in closed session
FY2030 Details of activities are provided to City Council in closed session

International Recruitment Implementation

FY 2026 Five-Year Capital & Special Projects Plan

Project Name: International Recruitment
Implementation

Project Number: 61097

Department: Economic Development

Division: Economic Development

Classification: Existing Non-Capital Project
Capital Priority: Strategically Important

Estimated Start Date: 07/01/2025

Estimated Completion Date: 06/30/2030

Comprehensive Plan Alignment Score: 0

Total Project Cost: \$500,000

Description:

International recruitment allows the Office of Economic Development and Tourism great flexibility to recruit in areas with vibrant economies such as the European Market which is currently showing lots of activity and interest for capital investment and job creation in the U.S and specifically, Danville. This request includes funds that covers the costs of staff to travel internationally if necessary to close deals. This also covers the cost of the consulting contract with Hunton Andrews Kurth to assist with recruitment and economic development strategy.

Project Progress/Status:

This is an ongoing project.

Operating Budget Impact:

None

Return on Investment:

International recruitment efforts are a strategic investment aimed at leveraging international markets to attract capital investment and drive job creation in Danville. The project enhances our ability to identify and close lucrative deals that will stimulate local economic growth. This targeted approach promises a strong return on investment by increasing business activity, boosting tax revenues, and fostering long-term economic resilience.

Public Benefit/Community Impact:

This project will have a significant public benefit by creating new job opportunities, expanding local services, and elevating Danville's profile as an attractive destination for international investors, ultimately contributing to a more vibrant and prosperous community.

Comments:

Funding Sources:

CAPITAL & SPECIAL PROJECTS					TOTAL	
	FY2026	FY2027	FY2028	FY2029	FY2030	
Revenues						
Casino Revenue	\$50,000	\$0	\$0	\$0	\$0	\$50,000
To Be Determined	\$0	\$150,000	\$100,000	\$100,000	\$100,000	\$450,000
REVENUES TOTAL	\$50,000	\$150,000	\$100,000	\$100,000	\$100,000	\$500,000

Planned Activities by Fiscal Year:

- FY2026 Support international consulting and travel
- FY2027 Support international consulting and travel
- FY2028 Support international consulting and travel
- FY2029 Support international consulting and travel

Industrial and Tourism Site Development

FY 2026 Five-Year Capital & Special Projects Plan

Project Name: E/D Industrial and Tourism Site Development

Project Number: 61937

Department: Economic Development

Division: Economic Development

Classification: Existing Capital Project
Capital Priority: Strategically Important

Estimated Start Date: 07/01/2025
Estimated Completion Date: 06/30/2030

Comprehensive Plan Alignment Score: 0

Total Project Cost:

Description:

To ensure our future economic competitiveness and continue to build the tax base, the Office of Economic Development and Tourism recommends the Industrial Development Authority, through funding from the City of Danville, purchase property to develop industrial and tourism sites within the city limits for prospective businesses.

Project Progress/Status:

This is an existing, ongoing project.

Operating Budget Impact:

There is no operating budget impact.

Return on Investment:

The return on investment is realized through increased economic activity, business growth, and long-term financial benefits for the community.

Public Benefit/Community Impact:

The activities of this project investment ultimately strengthens the local economy, generates financial growth, and benefits the local community through job creation and business opportunities.

Comments:

Funding Sources:

CAPITAL & SPECIAL PROJECTS					TOTAL	
	FY2026	FY2027	FY2028	FY2029	FY2030	
Revenues						
Casino Revenue	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Other Financing Sources	\$554,970	\$554,970	\$554,970	\$554,970	\$554,970	\$2,774,850
To Be Determined	\$0	\$1,050,000	\$50,000	\$50,000	\$50,000	\$1,200,000
REVENUES TOTAL	\$604,970	\$1,604,970	\$604,970	\$604,970	\$604,970	\$4,024,850

Planned Activities by Fiscal Year:

FY2026 Details of activities are provided to City Council in closed session
FY2027 Details of activities are provided to City Council in closed session
FY2028 Details of activities are provided to City Council in closed session
FY2029 Details of activities are provided to City Council in closed session
FY2030 Details of activities are provided to City Council in closed session

Debt Service Funding - IDA Bonds

FY 2026 Five-Year Capital & Special Projects Plan

Project Name: Debt Service Funding - IDA Bonds
Project Number: 61957

Department: Economic Development
Division: Economic Development

Classification: New Non-Capital Project
Capital Priority: Critical

Estimated Start Date: 07/01/2024
Estimated Completion Date: 06/30/2026

Comprehensive Plan Alignment Score: 0

Total Project Cost: \$10,000,000

Description:

Debt service for the IDA bonds will require a balloon payment in FY26 of \$10 million. The assignment of \$4 million excess casino funds from FY24 was committed to this at the end of FY24. Another \$2 million was included in the CSP budget for FY25. This CSP request would add the final \$4 million to that funding. The balloon payment of \$10 million is due to be paid in May 2026.

Project Progress/Status:

\$6 million of the required \$10 million payment has been funded through budgetary allocations in FY 24 and FY 25. The request for FY26 will complete this project.

Operating Budget Impact:

This retirement of the IDA debt will eliminate the need to budget debt service payments that would have been associated with a refinancing. The original debt was issued at an interest rate of 1.64%. If refinanced today, this would be a taxable bond issuance and would likely result in annual debt service of \$800,000 - \$850,000 over 20 years.

Return on Investment:

Extinguishing this debt will provide cost avoidance as the ongoing debt service from a refinancing will not be needed. This will also free up borrowing capacity for the IDA with regard to funding future projects.

Public Benefit/Community Impact:

Timely extinguishment of debt according to the original debt service plan gives confidence to our credit rating agencies in our ability to manage the City's debt portfolio. This will help the City maintain and/or improve its credit rating, resulting in lower borrowing costs for the City. Lower borrowing costs frees up available revenues for other purposes that will benefit the community.

Comments:

Funding Sources:

CAPITAL & SPECIAL PROJECTS						TOTAL
	FY2026	FY2027	FY2028	FY2029	FY2030	
Revenues						
Casino Revenue	\$4,000,000	\$0	\$0	\$0	\$0	\$4,000,000
General Fund Balance	\$4,000,000	\$0	\$0	\$0	\$0	\$4,000,000
REVENUES TOTAL	\$8,000,000	\$0	\$0	\$0	\$0	\$8,000,000

Planned Activities by Fiscal Year:

- FY24 - Set aside \$4 million
- FY25 - Appropriate \$2 million
- FY26 - Appropriate \$4 million
- FY26 - Make final payment of \$10 million

Dan River Falls - DOEDT Office

FY 2026 Five-Year Capital & Special Projects Plan

Project Name: Dan River Falls - DOEDT Office
Project Number: 61961

Department: Economic Development
Division: Economic Development

Classification: New Capital Project
Capital Priority: Critical

Estimated Start Date: 12/01/2025
Estimated Completion Date: 06/30/2026

Comprehensive Plan Alignment Score: 0

Total Project Cost: \$437,180

Description:

The Danville Office of Economic Development and Tourism is currently operating out of City Hall and, due to the increased number of employees in the office and the addition of the Tourism division, is in need of a larger space.

The City is evaluating the creation of a second Visitor Center for the River District located at Dan River Falls. City leaders have identified that efforts operating out of an existing building, a 700 square foot building located on site, would benefit from having a second location. With the secondary location, the tourism program can better serve tourists and travelers who are visiting the amenities in the River District.

Project Progress/Status:

FY2025 Identify office furniture needs and begin procurement process

Operating Budget Impact:

There will be additional costs for lease payments, utilities and supplies.

Return on Investment:

The relocation of the Office of Economic Development and Tourism to a new building is a strategic investment to support the department's growing workforce and expanding responsibilities. With additional space, staff can work more efficiently, collaborate effectively, and better serve businesses and investors looking to expand or establish operations in the community. The return on investment is realized through increased economic activity, business growth, increased tax revenues, and long-term financial benefits for the community.

Public Benefit/Community Impact:

A well-equipped office that accommodates the growing staff and expanded services enhances the city's ability to attract and retain businesses, secure economic development projects, and drive job creation, ultimately strengthening the local economy.

Comments:

Part of the project funding was included in the operating budget in previous years.

Funding Sources:

CAPITAL & SPECIAL PROJECTS						TOTAL
	FY2026	FY2027	FY2028	FY2029	FY2030	
Revenues						
Bonds	\$212,990	\$0	\$0	\$0	\$0	\$212,990
REVENUES TOTAL	\$212,990	\$0	\$0	\$0	\$0	\$212,990

Planned Activities by Fiscal Year:

FY2026 Purchase technology hardware and peripherals