

SOUTHERN VIRGINIA COMMITTEE



• In-Person Meeting •

AGENDA

SOUTHERN VIRGINIA COMMITTEE

**The MET, Patrick & Henry Community College
67 Motorsports Drive, Martinsville, VA 24112**

Wednesday, September 25, 2024

11:00 A.M.

If participating in the meeting by phone, dial: **1-332-249-0607** and enter access code: **623 690 842#**.

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

Welcome and Call to Order

Mr. Walter “Buddy” Shelton, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the 5/21/2024 Minutes
(published on website)

Mr. Walter “Buddy” Shelton, Chair

Public Comment

Grant Projects

*The Honorable James Campos, Executive Director
Ms. Vicki Humphreys, Grants Director*

Extensions and Modifications

Ms. Vicki Humphreys, Grants Director

Other Business

The Honorable James Campos, Executive Director

Adjournment

**FY25 Southern Virginia Program
Staff Summaries and Recommendations
September 10, 2024**

The Virginia Tobacco Region Revitalization Commission received sixteen applications for the July 31, 2024, application deadline of the FY25 Southern Virginia Program. Applications are grouped by the four eligible investment categories. The Tobacco Commission’s Southern Virginia Committee will act on these funding requests at its meeting on September 25, 2024, at 11:00 a.m.

Req #	Organization	Project Title	Requested Amount	Staff Recommends
Agribusiness				
4222	Buckingham Cattlemen's Association	Parking expansion of the BCA BARN facility and Beef Hub	\$ 90,000	Withdrawn
4269	Cumberland County	Cumberland County Agricultural Economic Development Plan	\$ 20,000	\$ 20,000
4274	Franklin County	Harvesting Success: Markets for All	\$ 10,000	No Award
4270	Olde Dominion Agricultural Foundation	Enhancements to benefit co-mingling cattle sales and campsite visitors	\$ 350,128	\$ 350,128
Business Development				
4271	Town of Halifax	Halifax Exxon Redevelopment Project	\$ 305,000	\$ 285,729
4279	Pittsylvania County	Revitalization of Hurt's Staunton Plaza	\$ 700,000	\$ 610,257
4276	Virginia's Gateway Region	Regional Economic Development Marketing Support for Dinwiddie & Sussex Counties	\$ 75,000	\$ 75,000

Sites and Infrastructure				
4212	County of Bedford	New London Phase 2.1	\$ 1,107,500	\$ 750,000
			\$ 750,000	
4272	Brunswick County Industrial Development Authority	Greenhouse Project	\$ 208,820	\$ 96,910
4275	City of Danville	Coleman Site Graded Pad	\$ 4,018,375	\$ 1,500,000
4278	Dinwiddie County IDA	Dinwiddie County Innovation Park	\$ 3,117,940	\$ 1,617,940
			\$ 2,500,000	
4226	Franklin County	Increasing Sewer Capacity for Summit View Business Park, Franklin County	\$ 1,500,000	Withdrawn
4268	Greensville County	FASTA Tier 5 Project	\$ 1,150,000	\$ 1,150,000
4224	Sussex County	Sussex Green Enterprise Park: Infrastructure Planning & Design	\$ 1,929,372	\$ 406,250
			\$ 406,250	
Tourism				
4277	Dan River Basin Association	Marketing and Infrastructure Planning for the Southern VA Blueways System	\$ 147,500	\$ 107,250
4273	Patrick Henry Memorial Foundation	Highway Signage to Promote Tourism for Red Hill & Quarter Place	\$ 86,250	\$ 81,250

TOTAL (16 requests)

\$12,317,323

\$ 7,050,714

Buckingham Cattlemen's Association

Parking expansion of the BCA BARN facility and Beef Hub (#4222)

~~\$90,000.00 Requested~~ Withdrawn

Executive Summary: The Buckingham Cattlemen’s Association has been striving to increase the opportunities and markets of cattle producers across the state and provide a trustworthy source of replacement cattle and services. It was a great honor to be supported by the Tobacco Region Revitalization Commission (TRRC), Virginia Department of Agriculture and Consumer Services, Buckingham and surrounding counties, and the Commonwealth Regional Council, in the construction of the Buckingham Agriculture Resource Network (BARN). The BARN facility has been expanding and adding services to the community since its construction. Recently, the TRRC and USDA Rural Business Development grant funded the BCA BARN Beef Hub. It provided a Refrigerator/Freezer unit and Refrigerator trailer at the BARN facility to assist producers in the piedmont region with accessibility to USDA processing and cooperative hauling, free delivery, and a finished beef program that simplifies the process for producers. We have and continue to exceed our expectations of the impact these programs and this facility is having in central and southside Virginia. In addition to this, many entities and communities, including local agritourism businesses and the local Amish community have been interested in using the facility to further its diverse use. However, they have voiced concerns about the limited parking capacity for livestock trailers and potential buyers. The limited parking space has posed a deterrent for large-scale events and farmers’ markets, as well as potential for additional sales and events. Since sales and events that can accommodate a high-volume of participants, as well as a high-volume of livestock, can bring in additional money and premiums, this expansion will benefit the community of Buckingham County and all those around it. Funds will be used to purchase and develop adjoining land for more parking.

Staff Comments: The Commission helped to create the BARN facility as a regional agricultural event center with \$815,860 contributed towards property acquisition, construction of building, and equipping with the first grant awarded in January 2013. The facility offers a 50’ X 60’ conference room for indoor workshops/events and a 140’ X 240’ outdoor arena with bleachers and capacity for 600 people and including a covered cattle handling working area. More recently a \$186,000 grant (#3756) awarded in May 2021 is supporting the cold storage facility for the BCA BARN Beef Hub.

An expanded parking facility will allow more livestock trailers and potential buyers for cattle sales and more vehicles during other events. The scope for the parking expansion project is still in development with the number of acres (between 3-5 acres) to be acquired and details of the purchase agreement are still being determined. The acreage and the size of the expanded parking area will inform the estimates and related opportunities to expand events in support of increasing new farm income for agriculture producers in the region. Matching funds are all being pursued. While the initial timeline was to have the parking available by November 2024, the applicant agrees with the staff recommendation to Table the application to allow time for the scope to be developed further and matching funds to be secured.

Staff Recommendation: This application was Withdrawn. No action required.

Cumberland County
Cumberland County Agricultural Economic Development Plan (#4269)
\$20,000.00 Requested

Executive Summary: Cumberland County is rural in nature and lacks the residential density required to attract certain businesses, including a traditional grocery store. Therefore, residents commute long distances to access food or for employment. To combat this, Cumberland County is seeking \$20,000 in grant funding to develop an Agricultural Economic Development Plan to identify gaps within the current agriculture centered economy. Once the gaps are identified, the consultant will provide strategic goals and recommendations on ways to grow Cumberland's agriculture sector to fill these gaps. This plan will also identify alternative models to the traditional grocery store that will make use of local agriculture to address the food desert within the County. Once this plan is complete, it will provide the County and its stakeholders with a roadmap to support and grow Cumberland's agricultural and local food economy through strategic investment in local market gaps.

Matching Funds:

- \$20,000 in 1:1 Matching Funds from Virginia AFID Planning Grant, application intended

Project Outputs

- Agricultural Economic Development Plan

Staff Comments: The Agricultural Economic Development plan will allow Cumberland County to pursue economic development opportunities suitable for the locality's rural nature. This is a modest request focused on reasonable areas of growth for Cumberland's agriculturally based economy. The scope of the intended study will examine three separate but related areas of potential growth. Through the planning process, the County will identify opportunities for larger or more intensive scale agriculture. The local food economy, including the marketing of locally grown and value-added products will be examined and growth opportunities for these businesses, including agritourism and other business options, will be identified. The plan will also address food access and food security concerns. Cumberland County is a rural food desert which lacks the density required for a traditional grocery store. Alternative models, utilizing locally grown agricultural products, will be outlined.

Financial Viability Assessment: A review of key viability criteria reveals an early-stage request for funding for increasing access to food outlets for community residents by identifying agricultural economic development assets in the County. The budget was well-structured and supported by a current quote from a third party specializing in these types of studies. Commitments for matching funds are not yet secured, which will necessitate a contingency being added to the recommendation to reduce risk and avoid long-term commitment of Commission funds. If the matching funds can be secured, the project will become viable and allow for the determination of the most effective strategies for mitigating the food desert conditions in the County and providing additional markets for area agricultural producers.

Staff Recommendation: Staff recommends a grant award up to \$20,000 for 50% of contractual expenses to complete an Agricultural Economic Development Plan contingent on acquisition of at least 1:1 matching funds.

Franklin County
Harvesting Success: Markets for All (#4274)
\$10,000.00 Requested

Executive Summary: This project seeks to elevate awareness of local farmers markets through comprehensive and strategic marketing initiatives, with targeted marketing to promote the availability and benefits of SNAP and WIC. By educating the community about these programs, we aim to facilitate greater access to nutritious food options for local families in need, thereby supporting public health and food security. Our markets feature a diverse array of vendors, including producers from neighboring communities. By increasing market visibility, we anticipate a rise in visitor numbers, which will directly contribute to higher sales for these vendors, ensuring more dollars go into the pockets of our hardworking local farmers.

Matching Funds:

- \$10,000 cash in hand from Franklin County for marketing programming and signage, marketing campaign and matching funds for SNAP/WIC markets

Project Outputs

- Market analysis
- Development of marketing materials – print, social, video

Staff Comments: This request is intended to increase awareness of the County’s farmers markets, particularly for those residents that receive SNAP and WIC benefits. Although each location currently uses social media to promote market events, the proposed project will result in a unified marketing approach. A formal marketing plan is not in place, but the applicant notes that a plan will be developed once a meeting has been held with the market managers. It is unclear if the markets are aware of the project.

Although the application states a clear focus on attracting recipients of SNAP and WIC benefits, it is unclear whether the promotional materials including the creation of flyers, posters, videos, signage, etc., will only be focused on this particular audience or if the content could be modified to also reach a broader audience. Applications supported under the Agribusiness investment category must document how the project will directly result in increased net farm revenue for region-based producers. A well-developed marketing plan is required to ensure that the project improves access to healthy and nutritious food for low-income families but also increases community awareness and attendance at farmers' markets.

Financial Viability Assessment: A review of key viability criteria indicates the lack of a marketing plan to identify strategies for promoting the County’s farmers markets, or any formal survey of current market participants to determine their marketing needs or ideas. The budget includes \$6,000 in SNAP funding to be used as match, but it is not clear how this funding is related to the completion of the project objectives. Based on the current presentation, Staff is not confident that the project would be an effective use of Commission funds.

Staff Recommendation: Staff recommends no award.

Olde Dominion Agricultural Foundation, Inc.

Enhancements to benefit co-mingling cattle sales and campsite visitors

(#4270)

\$350,128.00 Requested

Executive Summary: With the use of TRRC and matching funds, Olde Dominion Agricultural Foundation (ODAF) will have the equipment and infrastructure needed to better promote and support regional agriculture at the Olde Dominion Agricultural Complex (ODAC). This will be accomplished through a multifaceted approach. Funds will be used for a new bath house to support visitors to the camping areas. Additionally, the acquisition of a new skid steer and dump trailer will aid in the efficient movement of dirt and manure during events and co-mingling sales at ODAC. Alongside new equipment and a bath house, funds will be used to construct a new shavings and manure management area (Dry Stack Shelter) away from the current campgrounds to manage waste until it can be removed from the complex or sold for operating revenue. Finally, funds will be used to purchase and install roof fans in the cattle co-mingle barn.

Matching Funds:

- \$350,128 in 1:1 Matching Funds from Danville Regional Foundation, application intended.

Project Outputs

- Equipment purchases of a skid steer and dump trailer
- Installation of roof fans
- Construction of a dry stack shelter
- Construction of a bathhouse

Staff Comments: This request will enhance the existing facilities at ODAC which serves a critical role in promoting regional agricultural marketing opportunities in Southern Virginia. The complex is comprised of a 53,000SF heated indoor arena with capacity for 3,000 people, 8,000SF of flexible conference room/ banquet hall space, two warm up arenas, four barns (including a cattle handling co-mingle barn) with a 200+ stall capacity as well as a covered farmers market pavilion. Multiple agricultural agencies are in the complex. While the complex serves a variety of agricultural users, it is valuable for regional cattle farmers who can co-mingle loads of cattle and obtain higher sale prices. The application notes that in 2023, 2,394 head of cattle were sold for nearly \$1.2M. Recently the Cardinal News published an article about the importance of ODAC's co-mingling opportunities for cattle farmers. It noted that the cattle sold in 2023 earned a \$512 premium.

The improvements proposed in this application will allow ODAC to increase operational efficiency and provide a more comfortable environment for livestock. The acquisition of a skid steer and dump trailer will reduce labor costs and allow for more effective maintenance of the complex which will allow it to support a larger number of events. Installing roof fans will mitigate heat stress which can adversely affect the livestock's health and productivity. The addition of a bath house will provide additional amenities for campers.

Financial Viability Assessment: A review of key viability criteria reveals an early-stage request for funding for improving efficiency and marketability as a recognized asset for agribusiness in Southern Virginia. The budget was well-structured and supported by current quotes from several vendors.

Commitments for matching funds are not yet secured, which will necessitate a contingency being added to the recommendation to reduce risk and avoid long-term commitment of Commission funds. If the matching funds can be secured, the project will become more viable and ODAC would be able to increase the value it provides to the farmers utilizing the facility for livestock sales.

Staff Recommendation: Staff recommends a grant award up to \$350,128 for 50% of equipment and construction costs contingent on securing 1:1 matching funds within one year of award.

Business Development

Town of Halifax

Halifax Exxon Redevelopment Project (#4271)

\$305,000.00 Requested

Executive Summary: The Town of Halifax is seeking \$305,000 from the Southern Virginia Program to help redevelop the former Exxon Gas Station at 100 S. Main Street. In December 2021, the Town of Halifax was afforded a unique opportunity to acquire the former Exxon property for less than the appraised value. The Town now has the opportunity to partner with Patel, LLC to transform it into a restaurant, bottle shop, and beer & wine bar that will radically transform the downtown area. The Town will lease the property to Patel, LLC for no less than ten (10) years, allowing the Town to dictate how the property is redeveloped to achieve local and regional economic development goals and to assist the developer with up-front cash needs on an expensive endeavor with inherent risks.

Matching Funds: A total of \$1,436,600 Matching funds were presented from the following sources:

- \$1 million award from IRF, approved
- \$250,000 cash in hand from Patel, LLC
- \$186,600 cash in hand from Town of Halifax

Project Outputs

- Site improvements
- VDOT Commercial Entry Review/Permitting
- 1 new business with 15 jobs, 6 of which are full-time employees

Staff Comments: This project will result in the establishment of a new business in the Town of Halifax. Through the creative redevelopment of a long vacant and blighted former gas station, the Town will enhance its core downtown area. The project received a \$1M Industrial Revitalization Fund award earlier this year, but due to budgetary constraints, several exterior site improvement activities were removed from the project scope. The funds requested in this application will allow these activities, which are needed to improve connectivity and commercial access to adjacent property, to be completed. Upon completion, the building will be leased to Patel, LLC for no less than ten years. Patel will invest an additional \$250,000 for Furniture, Fixtures, and Equipment

(FFE), tenant upfits, and start-up costs related to the establishment of a restaurant, bottle shop, and beer and wine bar. The project will support the creation of 15 new jobs. Patel is an experienced restaurateur who has established similar businesses in North Carolina.

Most of this request (\$300,000) will be used for physical improvements to the property. The construction line item will be reduced by \$17,100 to reflect the removal of signage and site amenities including picnic tables, fire pits, and chairs which are not critical to the sitework component. These expenses appear more suitable for purchase by the tenant. A small portion (\$5,000) is requested to support grant administration provided by Southside PDC. Historically grant administration has not been an eligible use of TRRC funds however, the current Southern Virginia RFP (Request for Proposals) includes limited support to planning district commissions when the organization is directly involved in the coordination and administration of a project on behalf of member localities when the PDC is not already receiving payment from its member localities. This support is meant to assist localities with capacity constraints for seeking and administering grants. The allowance must not exceed 10% of the grant request and is limited to a maximum of \$5,000 for an individual project. The budget provided with the application requests \$5,000 for support for the PDC, with the remaining budgeted amount to be paid by the Town of Halifax. This amount exceeds the 10% limitation, and as such will be reduced to \$2,829 to correspond with the recommended budget.

Financial Viability Assessment: A review of key viability criteria indicates that this well-documented project proposal has been fully developed and costs are supported by quotes from third party contractors. Matching funds from appropriate sources are already in hand, and Commission funding will act as the last dollars to fill the necessary gap toward completion. Staff feel confident that the Town is well-positioned to ably carry out the project.

Staff Recommendation: Staff recommends a grant award up to \$285,729 for site improvements and associated PDC services.

Pittsylvania County

Revitalization of Hurt's Staunton Plaza (#4279)

\$700,000.00 Requested

Executive Summary: The requested grant funds will be allocated towards renovations of the Staunton Plaza in Hurt, VA, which include a new roof, updating the building's facade, refurbishing interior suites, and a modern, digital sign at the entrance. Tobacco Commission funds will be pointed towards the portions of the new roof, facade, and specific interior suites, including the co-working and virtual learning spaces, to increase workforce development opportunities in Hurt and the surrounding area.

Matching Funds: A total of \$1,837,890 Matching funds were presented from the following sources:

- \$1,637,890 from Danville Regional Foundation, application intended
- \$200,000 from Pittsylvania County IDA, application intended

Project Outputs

Roof replacement

Staff Comments: This funding request supports the redevelopment of a mostly vacant former retail space. The Staunton Plaza has 71,011 SF of space and currently is divided into 11 suites, the largest of which was a former Winn Dixie at 27,700 SF. The declining condition of the property has been detrimental to attracting economic development prospects over the years due to its prominent location on the major thoroughfare in this small town. The Town purchased the property in 2023 using ARPA funding with the intent to renovate the space to attract new tenants and address community needs. A USEPA Brownfields Assessment and Planning Grant was used to conduct due diligence on the property including environmental assessments, soil sampling, and conceptual planning. The TRRC application supports Phase 1 of a multi-phase redevelopment plan.

This renovated space will support a new childcare center, a virtual learning lab and community meeting space. As of 2023 approximately 36% of the Town's citizens lacked internet access. The creation of the learning lab will provide a valuable resource for these residents seeking to access educational and work opportunities, while also serving as a co-working space for small businesses. The Plaza will also house community meeting space, and the Staunton River Regional Industrial Facilities Authority will have dedicated office space at the site.

Due to the variety of intended uses for the redevelopment space, only a portion of which align with this program's investment priorities, care must be taken to determine the appropriate level of support expected from the Commission. Although childcare is a well-documented need across the region, it is not an eligible funding category for TRRC. The learning lab/coworking space best fits the goals of this program but represents only a modest percentage of the property's total square footage. The future use of the former Winn Dixie suite has not been determined but will be renovated and later leased to a new tenant. Despite this wide variety of future uses, the redevelopment of this property into an attractive and vibrant space is a positive outcome for this community. Under TRRC's Business Development investment category, the redevelopment of vacant, underutilized buildings resulting in the creation of professional office space for individuals or small businesses is a stated goal. When the Winn Dixie space is considered, it appears that approximately 43.5% of the property's total square footage has the potential to accomplish this goal. The replacement of the Plaza's roof is a particularly urgent need as it is critical to the stabilization of the property. The estimated cost of the roof replacement, which can begin as early as January 2025, is \$1,402,890. A reduced award of \$610,257 to assist with the roof expense will allow the Town to move ahead with this work as soon as all funding is in place. This amount is calculated using the 43.5% property square footage that best fits the objectives of this program.

Financial Viability Assessment: A review of key viability criteria reveals an early-stage request for funding for a business development project. The budget structure was modified to better match the funding priorities of the Commission, and the associated figures were documented with current quotes from several vendors. Commitments for matching funds are not yet secured, which will necessitate a contingency being added to the recommendation to reduce risk and avoid long-term commitment of Commission funds. If the matching funds can be secured, the project will become more viable and the upgrades to the property would benefit the community's image and hopefully lead to increased opportunities for economic development.

Staff Recommendation: Staff recommends a grant award of up to \$610,257 for 43% of the roofing costs contingent on securing commitments at least 1:1 matching funds within one year of award.

Virginia's Gateway Region

Regional Economic Development Marketing Support for Dinwiddie & Sussex Counties (#4276)

\$75,000.00 Requested

Executive Summary: Virginia's Gateway Region is requesting \$75,000 over three years (\$25,000 each year) for assistance in marketing Dinwiddie and Sussex Counties to attract new businesses to the area. These funds will be matched by \$75,000 over three years (\$18,750 in kind and \$56,250 cash in hand) from county contributions. TRRC funds will be used for lead generation, travel and marketing activities.

Matching Funds: A total of \$135,150 in Matching funds were presented from the following sources:

- \$28,125 from Dinwiddie County to Virginia's Gateway, over 3 years
- \$28,125 from Sussex County to Virginia's Gateway, over 3 years
- \$78,900 from travel expenses, estimated over 3 years

Project Outputs

- 2 new businesses recruited to the region
- 50 jobs created
- \$35,000,000 in private capital investment

Staff Comments: The funds requested in this application will assist VGR, a regional marketing organization, with expenses related to business attraction activities. Only two counties in VGA's seven county service region are in the TRRC region (Dinwiddie and Sussex). The request amount is based on a 2/7 proportion of the total cost of the organization's planned activities. The Commission funds are requested to be used over a three-year period to support lead generation, travel, and marketing activities. While these are all eligible activities, due to TRRC's extensive documentation requirements for expenses related to travel, Staff believes that a restructuring of the budget would simplify the reimbursement process. Under the new budget structure, TRRC funds will be used for only lead generation and marketing activities. The travel expenses would be paid with matching funds. The budget estimates presented with the application indicate that this change would only impact the specific use of Commission funds and would not impact the total grant amount. Lead generation events are often held in out of state or international locations. According to TRRC's Funding Policies, these activities must receive pre-approval from TRRC Staff. In this case, Staff will verify the event's purpose to ensure that its lead generation potential is clearly identified and funds will assist with the registration costs for these events while matching funds would pay for the travel expenses associated with each event.

The Commission has provided assistance to regional marketing organizations for several years, including a grant in 2018 which approved funding to each organization serving TRRC region localities. This funding has proven to be critical to ensure that the RMOs have adequate resources to effectively market the region.

Financial Viability Assessment: A review of key viability criteria indicates a reasonable approach to assisting a regional marketing organization where only a portion of their service territory lies within the Commission’s geographical footprint. The budget structure was modified to create efficiencies for both the applicant and Commission Staff in presenting expenses for reimbursement. Matching funds from appropriate sources are already in hand. Staff will monitor planning and outcomes to measure the effective use of the funds.

Staff Recommendation: Staff recommends a grant award up to \$75,000 for up to 50% of lead generation and marketing materials contingent upon a yearly travel plan being approved and documentation provided of companies met with during travel.

Sites & Infrastructure

County of Bedford

New London Phase 2.1 (#4212)

~~\$1,107,500.00 Requested~~ **\$750,000 Revised Request**

Executive Summary: The ultimate goal of this project is to finish the site development of the New London Business & Technology Center and create two pad-ready sites. However, given the total cost and the timeline, the Economic Development Authority would like to do the project in a phased approach. The initial phase of the proposed project (2.1) could be completed in 16 months, and would: 1) extend Meade Road to 100' beyond the entrance to Lot 16; 2) add a gravel road extension to provide access to Dominion's power line; 3) extend water and sewer lines; 4) add sidewalks, lighting, and a gravel parking lot for the park amenities; and 5) partially clear and grub the site. The next phase (2.2) will create two pad-ready sites to accommodate a 170,000 SF building and a 300,000 SF building for prospects.

Matching Funds: A total of \$2,250,000 Matching funds were presented from the following sources:

- \$1,500,000 - VEDP Virginia Business Ready Site Program for Phase 2.1, awarded.
- \$400,000 - Bedford County, requested for approval in FY25-29 capital improvements budget.
- \$350,000 - Bedford County EDA, cash in hand.

Project Outputs

- Design and construction of 2,200 linear feet of roadway and utilities.
- Clearing and grubbing of Lot 15.

Staff Comments: This funding request is for Phase 2 development of the New London site for the extension of Meade Road and on-site development to access an additional 220 acres of the property to address a demand for larger sites. The Tobacco Commission has invested \$7.9 million in site development and two buildings at New London Business & Technology Center (\$5.4 million went towards the property previously referred to as CAER which is now Liberty University's Center for Engineering Research and Education facility and includes a 28-acre Technology campus). New London currently hosts companies including Simplimatic Automation, Damage Prevention Solutions, Belvac Production Machinery, and RA Tools.

The original application requested a portion of the \$4.43 million total cost for Phase 2.1, with other funding sources including a \$2,215,000 request to VBRSP (Virginia Business Ready Sites Program) and \$1,507,500 proposed for local matching funds. The original scope of Phase 2.1 featured design and construction of 2,200 linear feet of roadway and utilities including installation of conduits and manholes for electrical and communications, street lighting, water, storm sewer, and sanitary sewer extension to Lot 15. Clearing and grubbing of Lot 15 would also occur.

The rescoped budget requests a reduced amount of \$750,000 from the Commission toward an overall project cost of \$3.0 million. This proposed project (Phase 2.1) could be completed within 16 months and will further extend the gravel portion Meade Road beyond the entrance to Lot 16; clear and grub lots 15 and 16; extend water and sewer lines; and add lighting as funds are available.

Long-term outcome projections for development of the larger of the two sites for a 25-acre pad ready site are based on two active prospects: one in the nuclear sector and a second for assembly and distribution. Both would require a site for a 300,000 square foot building. One is estimated to result in 250 new jobs and \$90,000 average salary/wage, and \$140 million private capital investment; and the second is estimated at 220 jobs and \$290 million private investment.

Staff notes that the Bedford County EDA currently has three available existing lots that are 20 acres or larger with road access in the already developed area of the 500-acre site. This includes Lot 4 (24.10 acres); a Tier 5 site identified as cleared and graded with 15 acres available and able to accommodate a 175,000 square foot building; Lot 9 (20.67 acres); and Lot 14 (48.59 acres) which the county indicates as unsuitable for a large building due to a seasonal wetland area in the center of the lot. While these are not sufficient to accommodate a 300,000 square foot building, they do represent an inventory of small and medium sized lots available for attracting companies to the region.

Financial Viability Assessment: A review of key viability criteria considers the revised budget from the applicant for completing a key development phase within a popular industrial park. At this point in the planning, major commitments in matching funds have been made by VEDP-VBRSP and the Bedford County EDA, with an additional \$400,000 under consideration in the Bedford County budget. The project's viability potential has increased with the progress on these funding commitments, and Staff feels comfortable with making a positive recommendation for moving forward with an award.

Staff Recommendation: Staff recommends a grant award up to \$750,000 for roadway construction and utilities.

Brunswick County Industrial Development Authority
Greenhouse Project (#4272)
\$208,820.00 Requested

Executive Summary: The successful implementation of Project Greenhouse at Roses Creek Farm in Brunswick County, VA, necessitates the purchase of nutrient, stream, and wetland credits totaling \$193,820. These expenses are crucial for meeting the stringent permitting requirements set by the Virginia Department of Environmental Quality (DEQ). However, this cost far exceeds the IDA's initial budget for permits. Securing this grant will be instrumental in offsetting these substantial fees, ensuring that the project can proceed without financial impediments. By covering these necessary permitting costs, the grant will enable Roses Creek Farm to adhere to all regulatory standards, paving the way for its groundbreaking work in sustainable agriculture and economic development in Brunswick County.

Matching Funds:

- \$96,910 in 1:1 Matching Funds from Saturn Bioponics

Project Outputs:

- Purchase of nutrient, stream and wetland credits as required by Virginia DEQ for the construction of Project Greenhouse

Staff Comments: The funds requested in this application are critical to the development of Project Greenhouse at Roses Creek Farm. The development of this property requires the purchase of nutrient, stream and wetland credits in order to meet Virginia Department of Environmental Quality requirements. Because the cost of these credits is higher than anticipated, assistance is needed to ensure that the purchase is completed in a timely manner and Project Greenhouse can proceed as planned. Rose Creek Farm will be the first US location for Saturn Bioponics, an international company specializing in hydroponic produce production. The Brunswick location will utilize approximately 14 acres of hydroponic greenhouse to produce lettuce for 12 months of the year. The project will result in the creation of 60 jobs.

A land purchase agreement between the BCIDA and Saturn Bioponics was included with the application. This agreement, dated November 2023, outlines the company's plans to purchase the 25.22-acre site from the BCIDA. A separate agreement documents the company's agreement to reimburse the IDA for 50% of environmental credit purchases, up to a maximum of \$96,910, upon closing on the property purchase. The applicant appears to be requesting 100% of the cost of the credits from TRRC. Based on the intended reimbursement by Saturn Bioponics, it appears that a reduced award, for approximately 50% of the cost of the credits, is appropriate.

Financial Viability Assessment: A review of key viability criteria reveals a site with an identified prospect needing additional support for environmental credits to complete the deal. The proposal's budget was modified to reflect the cost documentation provided and remove match funding declared for a separate road access project. The road access funding cannot be applied 50/50 across the expenses for the credit purchases being proposed for TRRC funding and presents a timing issue for reimbursement of expenses. It is preferable to see equal distribution of expenses across the pertinent budget line items between TRRC and the applicant organization. Staff believe this project

will be a positive investment by the Commission that will help the community to secure 60 projected new jobs.

Staff Recommendation: Staff recommends a grant award up to \$96,910 for 50% of the purchase of nutrient, stream, and wetland credits for Project Greenhouse, contingent on securing 1:1 match funding.

City of Danville

Coleman Site Graded Pad (#4275)

\$4,018,375.00 Requested

Executive Summary: The Coleman Site is a 158-acre industrial site owned by the Industrial Development Authority of Danville, Virginia (IDA). This site offers utility and transportation infrastructure conducive to large-scale manufacturing processes; however, it is undeveloped and has lost many projects due to the lack of a graded pad. The goal of this project is to complete site planning and engineering and construct an 80-acre graded pad, which will make the site more attractive to prospective industry by reducing risk and time to operations. Tobacco Commission funds will be used towards wetland and stream mitigation, grading, roadway extension, grading for a rail spur, and construction administration.

Matching Funds: A total of \$13,171,175 Matching funds were presented from the following sources:

- \$9,000,000 - VEDP Virginia Business Ready Site Program, awarded.
- \$3,000,000 - Danville Utilities, cash in hand.
- 1,171,175 – Danville IDA, cash in hand.

Project Outputs

- Final grading and stormwater plan for an 80-acre pad site
- Site development of an 80-acre pad site

Staff Comments: The funding requested in this application would further the development of an attractive and competitive industrial site within the city limits of Danville. Once complete the site will qualify as Tier 5 under the Virginia Business Ready Sites Program. The Coleman site is one of only four sites above 100 acres in the Southern Virginia region that has access to rail. It is the only site in the region with access to a water processing facility with 5MGD of capacity. The Coleman site, which is zoned for heavy industrial use, also features redundant electric infrastructure with 20MW of existing capacity that can be increased to 100MW with only small improvements to the substation. There is also access to natural gas and fiber infrastructure and sewer can be extended to the site within 18 months.

Since 2021, there have been 21 site inquiries from prospects. The construction of the proposed 80-acre pad will allow the City and IDA to present prospects with a location that can be developed quickly. The application notes that the pad's completion is expected to reduce a company's development timelines by about 19 months.

This is a highly competitive project which meets the objectives of the Southern Virginia Program RFP's Sites and Infrastructure investment category. Staff questions if the entire \$4,018,375 request amount is needed to complete the project. The Site Characterization Report, developed by Hurt & Proffitt and dated August 27, 2024, provides an estimate of \$16,218,550 reflecting the cost required to reach Tier 5 certification. Using this cost estimate, and considering the matching funds committed from Danville Utilities (\$3,000,000), Danville IDA (\$1,171,175), and VEDP – VBRSP (\$9,000,000), it appears that only \$3,047,375 is required to complete the funding package. Additionally, the FY25 Southern Virginia Program RFP limits support for Sites and Infrastructure projects to \$1,500,000. The Staff recommendation reflects this funding limit. Given the significant matching funds already committed to the project, the TRRC grant should also be limited to last dollar expenses after all other sources have been used.

Financial Viability Assessment: A review of key viability criteria reveals a site which has lost several prospects in its current condition. The proposal's budget was modified to reflect the cost documentation provided and the removal of a previous Commission grant to another organization that was included as match (Commission funds cannot be used to match additional Commission funds). All other declared match funding is in hand, and from a variety of appropriate sources which indicates solid support for the effort. The applicant has a strong track record in site development. Staff feels this project is a positive investment by the Commission that will help the community to achieve success in securing future prospects; however, Staff's recommendation is limited to the maximum amount of funding for projects in the Sites category.

Staff Recommendation: Staff recommends a grant award of \$1,500,000 which is the limit in this category per the RFP, contingent on matching funds being identified for the remaining \$1,547,375 part of the project, with Commission funding being used for last dollar expenses.

Dinwiddie County IDA

Dinwiddie County Innovation Park (#4278)

~~\$3,117,940.00 Requested~~ – \$2,500,000 Revised Request

Executive Summary: Dinwiddie County is in the process of developing the Dinwiddie Innovation Park. The Innovation Park is a mixed commercial and industrial development on the Dinwiddie South Central State Campus. The industrial park would provide economic opportunities for a technology-centered park and innovation hub and expand on the pharmaceutical cluster within the region. The grant application is for a portion of the property acquisition costs.

Matching Funds: A total of \$4,970,897 Matching funds were presented from the Dinwiddie County IDA for the following purposes:

- \$2,671,740 application intended for demolition of structures
- \$2,032,257 cash in hand for property acquisition
- \$266,900 cash in hand for contractual services (primarily storage tank removal)

Project Outputs:

- Purchase of approximately 300 acres of surplus land from the Department of General Services

Staff Comments: Dinwiddie County IDA's acquisition and redevelopment of the former South Central State Hospital Campus is a tremendous opportunity to create a 300-acre site adjacent to I-85 with close proximity to I-95. Due to the construction of a new Central State Hospital Campus, the existing campus has been declared surplus property by the Virginia Department of General Services. For over a decade the County has anticipated a potential acquisition of the property with a goal of utilizing the site for new economic development opportunities including those in the pharmaceutical and energy sectors. The site is adjacent to the recently expanded Dominion Energy Locks Campus which could provide an opportunity to recruit partnering industries to complement the High Voltage Laboratory. Transformer manufacturers have also expressed interest in the site due to the proximity to the Locks Campus. An active prospect has expressed interest in 150 acres on the northern side of the campus. This prospect is interested in developing warehousing, laydown yard space, and manufacturing space which would create 97 jobs and result in a \$72,500,000 capital investment.

The County recently made an offer to purchase the property for \$4,532,257. If awarded, the TRRC request will be applied to the purchase cost with the balance to be paid by the County. Acquisition is anticipated to occur before the end of 2024. A portion of the property would then be sold to the active prospect. No details were provided regarding the anticipated sales price, or the intended use of the proceeds, however the disposition is expected to occur by the end of January 2025. A Phase II Environmental Study will be required prior to the removal of underground storage tanks. These tanks were identified in the Phase I study already performed on the site. Once the tanks are removed the project can proceed with the demolition of existing structures. The demolition is estimated to cost \$2,671,740.

Despite Staff's enthusiastic support for this request, the full request amount cannot be recommended. The FY25 Southern Program Guidelines limit support for projects submitted under the Sites and Infrastructure investment category to \$1,500,000. The application originally requested \$3,117,940; however, that amount was reduced to \$2,500,000. Unfortunately, the reduced request still exceeds the stated \$1,500,000 funding limit. Before accessing the general Southern Program funding, localities must utilize any remaining allocation balances. Dinwiddie County has an allocation balance of \$1,617,940. Although this amount exceeds the category's funding limit, a reasonable concession is to allow the use of the full allocation balance to be used for property acquisition. The project timeline provided by the applicant anticipates a future application to assist with demolition expenses, and this may be another avenue through which the Commission can provide additional support for this project.

Financial Viability Assessment: A review of key viability criteria indicates a very promising opportunity for the development of a strategically located site for new business development, which is already attracting interest from prospects. The proposal had a well-developed budget with appropriate documentation of costs. All match funding is in hand. The applicant has a strong record of accomplishment in site development. To minimize the commitment's impact on Commission resources, a contingency on a relatively quick purchase would be in order. Given the solid combination of funding in place, favorable location, prospect interest and ample capacity to

complete the project, staff feels this project is a sound investment for the Commission at the recommended amount.

Staff Recommendation: Staff recommends a grant award of \$1,617,940, which is the amount left in the county's allocation, for the acquisition of 300 acres of surplus land from the Department of General Services, contingent on the purchase taking place within one year and at least 1:1 Matching funds being secured.

Franklin County

Increasing Sewer Capacity for Summit View Business Park, Franklin County (#4226)

~~\$1,500,000.00 Requested~~ Withdrawn

Executive Summary: Franklin County is looking to increase the sewer capacity at their Summit View Business Park. This main sewer line is the backbone of the overall U.S. 220 North corridor wastewater system, and the increased capacity will enable the Summit View Business Park to compete for a wider range of projects and better match the capacity of large acreage that includes one of the few 100-acre business sites in the Commonwealth. Planning funding is needed for engineering, inspection, and construction to increase the ultimate sewer line and treatment plant capacity to 400,000 gpd. The study will require an evaluation of the sewer collection system and possible upgrades to certain minor components of the collection system.;

Staff Comments: The focus of this \$1.5 million funding request is to address the wastewater capacity limitation which is the primary inhibiting factor for continued growth at Summit View Business Park in Franklin County.

Summit View encompasses 550 acres separated into North and South regions with both areas located adjacent to U.S. Route 220 in northern Franklin County. The vision for the business park with designated public open space is to serve as a community hub for jobs and recreation. The master plan estimates the potential for 15-20 new businesses with \$300 million in private investment and creation of 2,200 new jobs at ultimate build-out. The Commission has provided over \$3 million in funding under five grants to support the development of the property; as well as TROF incentives for private companies.

The North region hosts Stik-Pak Solutions Inc., a clean manufacturing company providing contract packing solutions. The company invested ~ \$10 million in a 50,000 square foot building and equipment on a 7-acre site in the North region of Summit View opening its operation in 2021. In 2020 the California based Traditional Medicinals committed to establishing its East Coast herbal tea manufacturing and processing facility on a 30-acre pad site in North area of Summit View. The company with plans to invest \$29.7 million and create 56 new jobs has not yet located to the site.

The South region of Summit View hosts the ValleyStar Credit Union's Administrative Campus which also opened its 19,000 square-foot administrative facility in 2021. The ValleyStar building has a high-tech feel designed by Spectrum Design taking advance of expansive views and natural materials with the landscape being a key feature of the interior space. The Summit View location

houses the credit union's executive team, IT and members from the accounting and marketing teams. The South region also hosts the Foothills Produce Auction which supports the vibrant agriculture sector of Franklin County's economy.

The primary objective of the proposed project, including the scope of work under the Matching funds request to VEDP's VBRSP, is to provide for between 400,000 gpd and 600,000 gpd for tenants at Summit View. The VBRSP assessment for Summit View identifies 110,000 gpd wastewater capacity available and a preliminary design for 250,000 gpd. A previous Commission grant for \$250K (#3597) supported expansion of the wastewater treatment capacity to 115,000 gpd, with construction of 7,100 linear feet of 8-inch sewer force main extension tying into the Town of Rocky Mount's sewer treatment system. Several aspects of the multi-phase project are needed in the next stages of planning/design and construction to provide the wastewater capacity solution. TRRC funding is requested for Phase 4B engineering and inspection, and for evaluation for possible updates to components needed for increasing capacity with the existing sewer collection system. Matching funds are requested for construction of 7,000 linear feet of force main and gravity sewer to connect to existing sewer line that dumps into pump station at Town of Rocky Mount's Wastewater Treatment Plan. A \$3.6 million estimate was provided for work requested for funding from VEDP.

Staff requested supporting cost estimates for the \$1.5 million requested from the Commission. A February 2024 estimate for \$224,195 from Whitman, Requardt & Associates engineers services that was provided to the Western Virginia Water Authority for costs to evaluate the sewer collection and system and identification of possible upgrades to components of the system was provided. This A&E work is for Phase 4B-Systems Inspection/Modeling. This would be underway in tandem with an evaluation of improvements needed to increase capacity. A separate cost estimate for ~ \$712,500 was provided by WVWA with potential costs for the Investigation and Study including engineering, pipe cleaning, CCTV, point repairs and patches, flow monitoring and contractor support. The rehabilitation work assuming 50% of the lines would need maintenance improvements was estimated by WVWA to cost \$755,492.

Recognizing that the scope of the total project for the wastewater solution is currently being vetted by VEDP which is the source of the largest portion of the project funding, it is recommended that the application be Tabled until the VBRSP Funding Committee Approval Committee decisions are made in June 2024. An award from the Commission should align in scope and amount with an award from VEDP. Tabling will also allow time for the County to further refine the cost estimate for the proposed work.

***Staff Recommendation:* This application was Withdrawn. No action required.**

Greenville County
FASTA Tier 5 Project (#4268)
\$1,150,000.00 Requested

Executive Summary: Funds will be used to clear a publicly owned industrial site and create an 8-acre graded pad for a future shell building of 50,000 square feet. The funds will also be used to complete the design of the shell building. These activities will create the only tier 5 site in the economically distressed region.

Matching Funds:

- \$1,150,000 – Greenville County, cash in hand.

Project Outputs

- 8-acre graded pad to include storm water pond
- Engineering of 50,000 square foot shell building

Staff Comments: The funding requested in this application will increase the tier certification of the 52-acre FASTA site, the only remaining publicly owned site in Greenville County, from Tier 4 to Tier 5. Over the past two years, six (6) prospects have requested information on the FASTA site. The potential investment by these prospects ranged from \$5.5M to \$40M with job numbers ranging from 50 to 150. Although due diligence has been performed on the site and development risks mitigated, the land is forested which makes it difficult to show to prospects who are concerned about the additional time that would be required to develop the location. This request will result in the development of a cleared and graded 8-acre pad. The shovel-ready site that will be developed will be more marketable to future clients. Upon completion, this will be the only Tier 5 site in the region.

Additionally, a 50,000 SF shell building will be designed for the location. The application notes that VEDP has strongly encouraged the development of the shell building due to increasing pressure from prospects looking for sites that can be quickly developed for occupancy. Completion of design will allow the County to present clients with a firm timeline and cost estimate to build on the graded pad.

The FASTA site is a highly marketable and strategically located site adjacent to I-95. A site plan has been developed, and upon the Commission's approval of funding, construction can proceed within a short time. Under the proposed timeline, construction bids will be accepted in March 2025 with site work beginning in May and completed within six months.

Financial Viability Assessment: A review of key viability criteria indicates an opportunity for the upgrading of a strategically located, publicly owned economic development site. The proposal had a well-developed budget with appropriate documentation of cost estimates. All match funding is in hand from the locality. The project is not extraordinarily complex, and staff feels it can be completed in a relatively short period following the award.

Staff Recommendation: Staff recommends a grant award up to \$1,150,000 for up to 50% of contractual and site construction costs.

Sussex County

Sussex County: Sussex Green Enterprise Park: Infrastructure Planning and Design (previously called “Sussex Megasite: Infrastructure Planning & Design”) (#4224)

~~\$1,929,372.00 Requested~~ \$406,250 Revised Request

Executive Summary: As a result of grant funding provided by the TRRC and VEDP in 2023, Sussex County recently completed several activities to take a fresh look at its Megasite (now called Sussex Green Enterprise Park), including: (1) master planning and conceptual design to maximize site layouts and uses, (2) evaluation of natural gas delivery opportunities, (3) updates to required environmental studies, and (4) assessments of options to increase the volume of water available to the site. Several other activities are nearing completion, which - in tandem with the others mentioned - will provide the County with a comprehensive roadmap and strategy to competitively advance the Sussex Green Enterprise Park toward the County's ultimate goal: site readiness and development. This request for additional funding is primarily focused on projects identified and/or informed by the 2023 grant that will reduce lead times in delivering essential infrastructure to the property, including: (1) Route 460 Waterline Design, (2) Designs for Treated Wastewater Facilities, (3) Electrical Demand Study, (4) Natural Gas Pipeline and Point of Delivery Design, (5) Well Exploration/Well Development to fully examine all available water options, and (6) a Route 460 Waterline Economic Impact and Market Study.

The project was tabled at the May 2024 Commission Meeting to continue refining the proposal and learn about pending funding from potential match sources. The project was ultimately reduced in scope, and Sussex County presented a revised proposal for consideration at the September Commission meeting for \$406,250 towards a total project cost of \$2.3MM. The original proposal requested \$1.9MM in Commission funding towards a total project cost of over \$11MM.

Matching Funds: A total of \$1,186,750 in matching funds were presented from the following sources:

- \$1,500,000 - VEDP Virginia Business Ready Site Program, awarded.
- \$366,750 – Sussex County, application intended.

Project Outputs:

- Treated wastewater facilities design
- Electrical demand study
- Natural gas pipeline design
- Natural gas point of delivery design
- Well exploration/Well development study
- Economic Impact Study of Route 460 water line

Staff Comments: This application is to support engineering and planning services for the Sussex Green Enterprise Park property, which is already a Tier 4 site. Since 2005, the Commission has invested over \$10.2 million in this site, primarily from the Megasite Program. Sussex Green has

1,130 acres, with the two largest contiguous developable acreage identified as 595 acres, and 112 acres, both of which have a Tier 4 site characterization. A 2018 letter certified the site as Tier 4 and the site was identified “as the only Tier 4 certified site over 1,000 acres with significant Norfolk Southern rail frontage... and a key strategic property within the Commonwealth of Virginia’s inventory of large sites.” The characterization as Tier 4 confirms all infrastructure is in place or would be deliverable within 12 months; and certifies that all permit issues have been identified and qualified.

When the Commission first approved funding the Sussex County Megasite in December 2010, total costs to develop the site were estimated at \$15.4 million and future costs of \$7.6 million for grading, water and sewer. The initial TRRC award of \$250,000 for PER and related engineering/assessment was premised on the need for evaluating potential pads, road and rail access, wastewater expansion and the reliability of the well water system before committing to site acquisition.

When grant funds were approved in 2012 towards acquisition of 982 acres including the mentioned 300-acre sub-parcel, the site was recognized as having existing on-site utilities for water, sewer, gas and electric, as well as direct road and rail access to the Port of Virginia. The site was celebrated as being well-positioned to accommodate a major supplier to the nearby Rolls-Royce plant in Prince George County. The Black Swamp Wastewater Treatment Facility adjacent to the site was expandable to 1.8 MGD, to provide 1.2 MGD capacity to the site; and the existing 12” waterline located east of the site had capacity to provide 1500-2000 GPM, with an additional 0.50 MGD available with tanks and booster pumps. It was conveyed to the Commission that the processed water could be increased to 1.8 MGD once industry located to the site; and the Sussex Service Authority was working with DEQ to increase the quantity of groundwater able to be withdrawn under their withdrawal permit. Other infrastructure at the site included two main electrical transmission lines (115k and 500kv) running through portions of the site; and natural gas was available at the intersection of Route 460 and Route 602 near the western edge of the site.

When Project Glove selected the Sussex Megasite as a finalist in 2021, it was discovered that the Commonwealth had implemented groundwater withdrawal limitations for the Potomac Aquifer, creating an inability to meet the company’s refined water demands. These groundwater regulations are expected to remain and may become even more restrictive due to increasing depletion of the aquifer. With this limitation identified, Virginia’s Gateway Region secured funding for a Preliminary Engineering Report to evaluate water supply alternatives to serve the Sussex County Mega Site.

This PER from March 2022 initially focused on 2 MGD use at the Megasite for build out; and in evaluating alternatives it became clear that there was a need for a long-term regional water solution benefiting multiple localities along the US 460 corridor which all rely on the groundwater aquifer. A majority of the average daily demand capacity for a new regional water system as presented in the PER would be for economic development sites. This included 2.261 MGD for the Western Corridor (plus 0.74 for municipal systems) and 3.26 MGD for the Eastern Corridor (plus 2.27 for municipal systems). The PER recommended initiating discussions with Prince George County and the City of Petersburg for a finished water supply, suggesting a combination of both could be implemented by establishing a temporary connection to the City of Petersburg while the Prince George alternative was developed. While the Petersburg system was noted as having 4.98 MGD capacity, the City had stated publicly that they are reluctant to sell water capacity to adjoining localities. The Prince George system had 0.96 MGD available capacity, and a new WTP providing

additional capacity would be required. The PER noted that more detailed negotiations would be needed regarding water sales rates, cost sharing, service area and capacity.

Sussex County has a population of ~ 10,275 making it the 2nd smallest county in Southern Virginia area based on population (with Cumberland being the smallest). It is considered double distressed based on both unemployment rate and poverty rate being greater than the statewide average; and the county has an above average fiscal stress index. The county makes it clear in the application that it has fiscal limitations and will be heavily dependent on state and federal funding sources to provide the substantial water and sewer infrastructure investments necessary for serving a major megasite prospect.

A \$61,050 grant from the Commission in January 2023, provided 50% of Match required for a VEDP VBRSP award focused on revisiting master planning and engineering activities to address water and the other more recently identified limitations for the Sussex Green site. The funding included identifying attainable industrial users (specifically for manufacturing and distribution sectors), based on the highest and best uses of the property and with low water requirements. This report is forthcoming. Sussex County staff indicate that the site with the current Tier 4 characterization is currently being targeted to low water users in manufacturing, distribution/warehousing, assembly and packaging.

While various engineering and planning work is presented for support in this application, the most critical need identified by Virginia Gateway Region is for a regional water solution for many localities in this area of the Commonwealth who are depending on groundwater withdrawal from the Potomac Aquifer.

Sussex County was awarded \$1,500,000 during the FY 2024 round of Virginia Business Ready Sites Program. Sussex County will utilize VBRSP funding to complete due diligence at the site and find alternative water options and prepare the site for natural gas that makes Sussex Green Enterprise Park a Tier 4 level. The project scope of services includes treated wastewater design, electrical demand study, natural gas pipeline design (60%), natural gas POD design (90%), easement acquisition, well exploration, and economic impact of Rt. 460 water line.

Financial Viability Assessment: A review of key viability criteria considers the revised budget from the applicant for completing key design and evaluation services for the Sussex Green Enterprise Park site. At this point in the planning, matching funds have been secured from VEDP-VBRSP and an additional \$366,750 request for match is currently pending with the County. The project's viability is strengthened by the progress on these funding commitments and the reduction in scope. Staff feels confident that the County will be able to complete the project in a timely manner.

Staff Recommendation: Staff recommends a grant award up to \$406,250 for contractual expenses.

Dan River Basin Association (#4277)

Marketing and Infrastructure Planning for the Southern VA Blueways System **\$147,500.00 Requested**

Executive Summary: The proposed project will develop a SOVA Blueways Master Plan that will assemble a coalition of interested stakeholders across a nine-county region to collaborate on a five-year marketing and infrastructure expansion strategy. The plan will capitalize upon the existing assets and develop a roadmap and methodology for long-term growth and sustainability of this economic cluster. An updated marketing infrastructure will refresh and boost investments already made over the past 20 years. The overarching goal is to establish Southern Virginia as a broadly recognized region for paddling and water-based recreation, dramatically increasing visitation and revenue from domestic and international tourists.

TRRC funds will be used for a planning consultant with experience in developing outdoor recreation ecosystems. The project will establish a baseline for economic impact and a methodology to track data as the proposed marketing strategies deliver impact across the project footprint.

Matching Funds: A total of \$127,500 Matching funds were presented from the following sources:

- \$45,000 from Harvest Foundation, application intended
- \$42,500 from Virginia Tourism Corporation, application intended
- \$40,000 from Danville Regional Foundation, application intended
- Additional in-kind match was included but not needed to meet the 1:1 match requirement

Project Outputs

- Master Plan for Virginia Blueways to include Phase 1 (Patrick, Henry, Pittsylvania, City of Danville, Halifax and Mecklenburg) and Phase 2 (Campbell, Charlotte, Franklin and Lunenburg) cost estimates
- Baseline Economic Impact Study
- Comprehensive Brand and Marketing Plan
- Sustainability plan
- Upgraded promotional materials
- 60 access point signs and installation

Staff Comments: Since 2011, the Commission has invested \$489,450 to develop access to blueways in Southern Virginia. These projects, while impactful for the communities in which they were located, were not linked through a larger regional initiative. Historically, the region's water assets, including Kerr, Gaston, and Smith Mountain lakes have served as economic engines for adjacent localities through real estate development and tourism opportunities. There are also numerous rivers that provide opportunities for paddling and fishing. The development of the proposed Master Plan will examine the regional blueways system across a nine-county region to inventory existing assets. The plan will also list new potential access points in the region. Future

construction projects will be prioritized, and cost estimates will be provided. Both the West Piedmont PDC and the Southern PDC prioritize tourism in each's Comprehensive Economic Development Strategy (CEDS). The development of the Southern Virginia Blueway master plan is a logical first step to guide the development of the regional system of water-based outdoor recreation opportunities.

Although Staff is supportive of this proposal, a reduced award is recommended. The budget provided with the application requests \$40,000 under the Personal Services line item to support the salaries of existing Dan River Basin Association staff. These funds represent a lump sum payment for estimated time spent administering the project. The Commission's Funding Policies prohibit the reimbursement of project administration expenses. The single exception to this policy is the newly added exception to support planning district commissions who are actively involved in the development and administration of projects. This support is limited to 10% of the request amount up to a maximum of \$10,000 for regional projects. The application also requests \$10,000 under the Contractual Services line item to support the West Piedmont PDC's assistance with the administration of this project. These line items represent 1/3 of the total request amount. The removal of the \$40,000 requested for DRBA staff reduces the total eligible project expenses to \$97,500. An additional \$9,750, representing 10% of the eligible activities, may be awarded to support WPPDC's assistance with the project. Based on these calculations, the total grant award should not exceed \$107,250.

Financial Viability Assessment: A review of key viability criteria indicates this is the first request in nearly 17 years from this applicant, which is a 501 (c) (3) tax-exempt organization. The Dan River Basin Association was established in 2002 to "preserve and promote the wilderness-like rivers of this border region of Piedmont North Carolina and Virginia." The proposal's budget was modified to remove organizational project administrative expenses and to bring Planning District Commission support into the limits of the policy stated in the program RFP. Match sources are identified but funding has not yet been committed, which will necessitate a contingency being added to the recommendation to reduce risk and avoid long-term commitment of Commission funds toward the project. The project is low in complexity and could be readily executed once funding is in place.

Staff Recommendation: Staff recommends a grant award up to \$107,250 for master planning, upgraded promotional materials and access point signs contingent on at least 1:1 matching funds being secured within one year of award.

Patrick Henry Memorial Foundation

Highway Signage to Promote Tourism for Red Hill & Quarter Place (#4273)

\$86,250.00 Requested

Executive Summary: Patrick Henry's Red Hill is seeking to attract and engage the influx of tourists to Virginia surrounding the 250th Anniversary of American independence and well beyond. With awareness and improved infrastructure, we can be a driving force in attracting more people to Southern Virginia. Given Red Hill's rural location, historic site signage along major highways and directional signage on minor roads is paramount to attracting visitors. Red Hill asks the Tobacco Commission to support the design, creation and installation of five major highway historic site signs to increase visibility of Patrick Henry's Red Hill and the Quarter Place as a significant destination for Virginia travelers. New and adequate signage will increase visitation and thus the demands on Red Hill's historic grounds. As important as increasing awareness and attracting new visitors is ensuring that our property is safe and accessible when they arrive. We request that a portion of the grant be designated for safer walkways and handicapped parking. The current parking area and walkway are highly inadequate to support the growing number of visitors as both were installed when our visitation was 1/10 of what we are already seeing. By adding 50 more parking spots (handicapped spots), and a tour bus turnaround and designated parking area, Red Hill will further accommodate large groups who will be visiting, staying, and spending in the region. The walkway is terribly uneven and slick in rain and cold, a new even and porous walkway is needed.

Matching Funds: A total of \$229,693 Matching funds were presented from the following sources:

- \$100,000 from the Jessie Ball duPont Religious, Charitable and Educational Fund, awarded October 2023
- \$25,000 from the E. Stuart James Grant Charitable Trust, application intended and awards in December 2024
- Additional funds to come from an anonymous individual donor

Project Outputs

- 10 Supplemental Guide Signs (five from TRRC and five from Matching funds)
- Reconfigured and expanded parking lot with handicapped parking and bus parking
- Installation of porous sidewalk

Staff Comments: This request is to improve visibility and accessibility for Red Hill, a historically significant site in Southern Virginia. The estate, the final home of Patrick Henry, is preparing for an influx of visitors due to the upcoming Virginia Revolution 250 Commemoration (VA 250). The current parking area was designed during a time of substantially lower visitation and lacks adequate space to accommodate tour buses and other larger vehicles. Red Hill has documented over 150 inquiries from five major tour bus conferences. This project will add 50 more parking spaces (including handicapped spots). A tour bus turnaround and designated parking area will also be added. The existing walkway is uneven and dangerous, especially during inclement weather, resulting in numerous falls and injuries. This surface will be replaced to provide a safer, more accessible, surface.

Red Hill's current visitation is estimated to be 12,000 visitors per year. The estate is located in a remote and rural area lacking in proximity to other historical and tourist attractions. Increased

signage will allow the site to increase visibility to those who are passing through the area due to VA 250 commemorative events or other types of travel. Commission funds will assist with the purchase of five VDOT Supplemental Guide Signs (SGS). An additional 10 Tourist Oriented Directional Signs (TODS) will be purchased with matching funds.

This is a modest request with the potential to significantly increase visitation at this unique historic asset. A 200% increase in tour bus visits is expected while general visitation is estimated to double. The budget is reasonable for the scope of the project, however \$5,000 is requested under the Personal Services line item to support a portion of the Red Hill CEO's salary. This is not an eligible use of TRRC funds and is not included in the recommended award amount.

Financial Viability Assessment: A review of key viability criteria reveals a modest request for a colonial era tourism site in Southern Virginia to take advantage of increased visitation from "VA 250," a special celebration of Virginia's history. The proposal had a well-developed budget with cost estimates that were substantiated through the sign vendors for VDOT. Sufficient match funding is in hand, with applications intended for additional funds in excess of the required 1:1 match. The project is low in complexity and can be readily executed once funding is in place. The applicant has seasoned management in place and a track record for successfully carrying out previously funded projects. This investment has potential for increasing regional economic impact from the capacity created for safer, more accommodating traffic from a wide variety of visitors to Southern Virginia's historic tourism assets.

Staff Recommendation: Staff recommends a grant award up to \$81,250 for up to 50% of the cost of Supplemental Guide Signs and an expanded parking lot.

OTHER BUSINESS:

South Boston IDA

John Randolph Hotel Redevelopment Project (#3289)

Current Project End Date: 9/30/2024 - 1 Year Extension Requested

Staff Comments: This \$600,000 grant from September 2017 is to support A&E and renovation costs to redevelop the John Randolph Hotel property owned by the South Boston IDA. There remains a balance of \$385,324.65 on the TRRC project account to support renovations. The grant was initially delayed when the original operator/developer pulled out of the project. The Town reached an agreement with a new developer, The Rook Hotels, in April 2022. They plan to convert the property into a boutique hotel with at least 30 rooms, a restaurant, and a rooftop bar. Total renovation costs are now \$14.5 million, and financing includes a IRF grant/loan for \$3.0 million secured in December 2022, historic and new market tax credits for \$4.95 million, a \$4.0 million private loan secured by the Town of South Boston, along with private investment of \$2.1 million. Replacement of the roof was completed in December 2023. A construction agreement was executed on 6/28/24 with Burton Construction and renovations are targeted to begin October 1, 2024.

Staff Recommendation: Staff recommends approval of a final extension to September 30, 2025, to complete renovations to the John Randolph Hotel.

Pittsylvania County

SVMP Site & Grading Improvements Lot 2 (#3659)

Current Project End Date: 9/30/2024 - 1 Year Extension Requested

Staff Comments: Pittsylvania County is requesting a one-year extension for site and grading improvements to Lot 2 in the Southern Virginia Multimodal Park. This project was awarded in September 2020 with a contingency that Project Wahoo locate in the SVMP. This company has not located yet as financing details are still being completed. The company has invested over \$2 million in preliminary design of the facilities, developed financial models needed for projections and performed necessary due diligence. An announcement is expected by May 2025 and then site improvements can begin. The project total is \$4,370,153. \$1,262,201 was awarded for Pittsylvania County's share of the project and remains in the project account.

Staff Recommendation: Staff recommends approval of a one-year extension to September 30, 2025.

City of Danville

SVMP Site & Grading Improvements Lot 2 (#3663)

Current Project End Date: 9/30/2024 - 1 Year Extension Requested

Staff Comments: The City of Danville is requesting a one-year extension for site and grading improvements to Lot 2 in the Southern Virginia Multimodal Park. This project was awarded in September 2020 with a contingency that Project Wahoo locate in the SVMP. This company has not located yet as financing details are still being completed. The company has invested over \$2 million in preliminary design of the facilities, developed financial models needed for projections and performed necessary due diligence. An announcement is expected by May 2025 and then site improvements can begin. The project total is \$4,370,153. \$742,875 was awarded for the City of Danville's share of the project and remains in the project account.

Staff Recommendation: Staff recommends approval of a one-year extension to September 30, 2025.