SOUTHERN VIRGINIA COMMITTEE



- In-Person Meeting - A G E N D A

SOUTHERN VIRGINIA COMMITTEE

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

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

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

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

Welcome and Call to Order The Honorable Lashrecse D. Aird, Chair

Call of the Roll

The Honorable James Campos, Executive Director

Approval of the <u>5/21/2025</u> Minutes

(published on website)

Mr. Walter "Buddy" Shelton, Chair

Public Comment

Grant Projects The Honorable James Campos, Executive Director

Ms. Sarah Capps, Southern Regional Director

Pending Projects Closed Session

Extensions and ModificationsMs. Sarah Capps, Southern Regional Director

Other Business Mr. Stephen Versen, Deputy Director

Adjournment

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

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

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

Sites and Infrastructure									
4397	Campbell County	Seneca Commerce Park Sewer and Water Extension Project	\$	439,275	\$	439,275			
4398	Greensville County	Characterization of New Sites	\$	25,000	\$	25,000			
4406	Patrick County EDA	Patrick County Strategic Site Readiness Initiative	\$	91,000	\$	91,000			
Tourism									
4394	Avoca Museum and Historical Society	Avoca Museum Expansion Project	\$	350,000	\$	15,000			
4403	Prince Edward County	Prince Edward County Trailblazing	\$	74 , 800	\$	74 , 800			
Other Economic Development - Housing									
4400	Martinsville Economic Development Authority (EDA)	Predevelopment for American Furniture Plant 10 Adaptive Reuse, Uptown Martinsville	\$	1,000,000	\$ 1,000,000				

TOTAL (14 requests) \$ 3,836,975 \$ 2,965,200

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

Agribusiness

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

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

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

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

Project Outputs:

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

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

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

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

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

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

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

Matching Funds:

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

Project Outputs:

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

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

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

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

Business Development

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

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

Matching Funds:

• \$25,125 Cumberland County EDA

Project Outputs:

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

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

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

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

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

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

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

Project Outputs:

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

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

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

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

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

Prince Edward County (#4399) Loud and Clear: Marketing Skills for Small Business Success: Pilot Phase 2 \$19,650 Requested

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

Matching Funds: Matching Funds were presented from these sources:

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

Project Outputs:

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

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

Staff Recommendation: Staff recommends the application be Tabled.

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

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

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

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

Project Outputs:

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

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

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

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

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

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

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

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

Town of Altavista (#4404) The Spark Initiative: Fostering Creativity and Community Entrepreneurship \$146,000 Requested

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

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

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

Project Outputs:

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

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

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

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

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

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

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

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

Town of Crewe (#4405) Town of Crewe Food Hub & Microenterprise Hub \$315,000 Requested \$298,000 Requested

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

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

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

Project Outputs:

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

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

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

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

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

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

Sites & Infrastructure

Campbell County (#4397) Seneca Commerce Park Sewer and Water Extension Project \$439,275 Requested

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

Matching Funds:

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

Project Outputs:

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

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

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

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

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

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

Matching Funds:

• \$25,000 VEDP VBRSP – application intended

Project Outputs:

• Site characterization and assessment report for five potential sites

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

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

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

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

Matching Funds:

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

Project Outputs:

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

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

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

Tourism

Avoca Museum and Historical Society (#4394) Avoca Museum Expansion Project \$350,000 Requested

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

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

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

Project Outputs:

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

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

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

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

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

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

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

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

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

Matching Funds:

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

Project Outputs:

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

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

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

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

Other Economic Development

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

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

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

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

Project Outputs:

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

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

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

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

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

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

EXTENSION & MODIFICATION REQUESTS:

Brunswick County

Stonewall Industrial Site Development Project (#4159)

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

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

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

South Boston IDA

John Randolph Hotel Redevelopment Project (#3289)

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

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

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

Brunswick County Industrial Development Authority

Brunswick County Produce Project (#3889)

Current Project Period: 9/21/2021 - 9/30/2025 – 2-Year Extension Request

Brunswick County Industrial Development Authority

Produce Project (#4107)

Current Project Period: 1/5/2023 - 1/5/2025 - 2-Year Extension Request

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

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

City of Danville

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

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

Revision to Scope and Extension Request

Pittsylvania County

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

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

Revision to Scope and Extension Request

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

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