

# **SOUTHERN VIRGINIA COMMITTEE**



## **AGENDA**

### **SOUTHERN VIRGINIA COMMITTEE**

The Sessions Hotel  
833 State Street, Bristol, VA 24201  
Wednesday, May 11, 2022  
3:15 P.M.

In accordance with §2.2-3708.2.D.2 of the Code of Virginia, the public may witness and participate in this meeting remotely (only audio participation will be utilized). **The meeting number is: 2630 485 7439 and the password is: 56978797. If participating via phone, dial: 1-408-418-9388 (toll) utilizing the above meeting number and passcode. If joining remotely, utilize the following link:**

<https://virginiatobaccocommission.my.webex.com/virginiatobaccocommission.my/j.php?MTID=m926386995f30aae6963c1aade6df44fl>

If you experience problems calling in or transmission, please call: 804-894-9652 or email at [JButler@revitalizeva.org](mailto:JButler@revitalizeva.org). Any person needing accommodations in order to participate in the meeting should contact Ms. Joyce Knight, at 804-894-9651 at least (5) five days prior to the meeting, so that suitable arrangements can be made. In accordance with §30-179 of the Code of Virginia, the public may provide comment on their experience with this electronic meeting format. A copy of the comment form may be found here: [http://foiacouncil.dls.virginia.gov/sample%20letters/reporting\\_reqs.htm](http://foiacouncil.dls.virginia.gov/sample%20letters/reporting_reqs.htm).

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**Welcome and Call to Order**

*Mr. Walter "Buddy" Shelton, Chair*

**Call of the Roll**

*Andy Sorrell, Deputy Director*

**Approval of the 1/6/22 Minutes**

*(published on website)*

**Public Comments**

**FY 22 Funding Applications**

*Sarah Capps, Southern Regional Director*

**Extensions and Modifications**

*Sarah Capps, Southern Regional Director*

**Other Business**

*Andy Sorrell, Deputy Director*

**Public Comments**

**Adjournment**

# Virginia Tobacco Region Revitalization Commission

## FY22 Southern Virginia Program – May 11, 2022 Staff Summaries and Recommendations

The Commission received nine applications by the March 2, 2022 application deadline for the FY22 Southern Virginia Program. Applications are grouped below by economic development investment category under the FY2022 Southern Virginia Program Guidelines & Request for Proposals. The Southern Virginia Committee will act on these applications at its meeting May 11, 2022 at 3:15 pm.

| Req#                            | Organization  | Project Title   | Requested Amount    | Recommended         |
|---------------------------------|---|---|---------------------|---------------------|
| <b>Business Development</b>     |   |   |                     |                     |
| 3960                            | Patrick County Economic Development Authority                 | Patrick County Business Development Center                                | \$ 500,000          | \$ 500,000          |
| <b>Sites and Infrastructure</b> |   |   |                     |                     |
| 3956                            | Brunswick County  | Stonewall Site Development Project  | \$ 27,000           | \$ 27,000           |
| 3957                            | Franklin County   | Tier Improvements of Dogwood Site at Summit View Business Park            | \$ 1,500,000        | \$ 1,500,000        |
| 3958                            | Greensville County  | Interstate Interchange Utility Improvements                               | \$ 279,033          | \$ 0                |
| 3961                            | Prince Edward County  | Water Tank - Prince Edward Heartland Innovation Technology Park           | \$ 530,100          | \$ 530,100          |
| 3962                            | Town of Rocky Mount   | Cox Site Master Plan - Franklin County - Rocky Mount Industrial Park      | \$ 44,940           | \$ 44,940           |
| 3964                            | Virginia's Heartland Regional Industrial Facilities Authority | VHRIFA Business Readiness - Virginia's Heartland Regional Industrial Park | \$ 112,400          | \$ 112,400          |
| <b>Tourism</b>                  |   |   |                     |                     |
| 3959                            | Old Brunswick Circuit Foundation                              | Dromgoole House Historic Retreat Center                                   | \$ 50,000           | \$ 0                |
| 3963                            | Town of Stuart  | The Star Theatre Economic and Market Feasibility Study                    | \$ 7,500            | \$ 7,500            |
| <b>TOTAL (9 requests):</b>      |   |   | <b>\$ 3,050,973</b> | <b>\$ 2,721,940</b> |



## BUSINESS DEVELOPMENT

### Patrick County Economic Development Authority *Patrick County Business Development Center (#3960)* \$500,000 Requested

#### ***Project Summary:***

The Patrick County Economic Development Authority proposes to redevelop ~ 16,000 SF of blighted commercial property in the Town of Stuart, Virginia for use as a Business Development Center. The EDA invested \$120,000 in November 2020 to acquire two adjacent building parcels both with storefronts located on Slusher Street. Patrick County lacks space for business development and the EDA intends to provide space dedicated to advancing business interests in the community. The Feasibility Study for the Patrick County Business Development Center was completed in October 2021. It noted that all organizations interviewed had closely aligned visions on the potential use of these buildings, a promising sign about the collective commitment to the success. Broadband access was the highest priority for business services along with the provision of reception services, printing, co-working spaces, semi-private work stations, private offices and meeting rooms, and collaborative spaces.

#### ***Matching Funds:***

- \$700,000 federal funding request submitted to Appalachian Regional Commission
- \$505,593 committed from Patrick County

#### ***Project Outputs:***

- First phase of redevelopment of 16,000 square feet of two blighted properties to serve as a business development center with co-working space, individual offices and a café/common area.
- Within three years of opening 30 business assisted, 10 businesses leasing space, 5 new business created, at least 15 jobs retained and 30 new jobs created. Aggregate results will increase annually.

#### ***Staff Comments:***

Grant funds will provide \$500,000 toward the \$1.7 million costs for the first and primary phase of renovations to create the business development center. The facility will provide services and centralized resources for entrepreneurs and small businesses to expand and grow. A \$25,000 grant (#3664) from September 2020 was for the market assessment and feasibility study completed by Summit Design & Engineering Services. The Feasibility Study shows a shared community vision for this property to support a system to create, retain and grow businesses by providing leased and co-working space at an affordable costs. The facility will provide high-speed internet connections. The application included a letter from Total Action for Progress indicating Business SEED Capital, Inc. would provide staffing at the center. Other letters of support are provided from the Patrick County Chamber of Commerce, Longwood SBDC, and West Piedmont PDC. A detailed cost estimate for \$1,705,593 total development cost was provided.

***Financial Viability Assessment:*** Together with the recently completed feasibility study and the matching funding commitment from Patrick County, there is strong local and regional (both from the feasibility and the funding perspective) support for this project. Such a project is a strong way to continue the revitalization of small downtown areas and this business development center will serve as a hub for entrepreneurship in the region. To ensure risk is properly mitigated, funding for the project should be conditioned upon securing all requested funding (such as has the pending ARC application).

***Staff Recommendation:*** Staff recommends approval of the \$500,000 grant award, contingent on the applicant securing all required funding to complete the first phase of renovations.



## SITES AND INFRASTRUCTURE

### Brunswick County

#### *Stonewall Site Development Project (#3956)*

\$27,000 Requested

**Project Summary:** Grant funds are requested for 50% of the \$54,000 engineering due-diligence costs for the Stonewall Industrial Park property in Brunswick County. This is a 398 acre site owned by Brunswick County with direct access to US 58 and located across from the Dominion Natural Gas Power Plant. Completion of the requested due diligence activities will include a Tier 4 certification for the Stonewall property allowing the site to be marketed by the Virginia Economic Development Partnership. The property is currently undeveloped and wooded with a moderately rolling terrain. Stonewall is identified as highly developable under VEDP's site assessment program with 2.8 million square feet established to fit onto the site outside of constraint areas for wetlands, stream channels and flooding. The application presents the site is connected to electricity, natural gas, water, sewer and broadband.

**Matching Funds:** Brunswick County has committed \$27,000 in matching funds.

#### **Project Outputs:**

- Engineering deliverables will include topographic surveys, wetlands delineation and confirmation, cultural resources evaluation, threatened and endangered species review and a final report.
- Letter certifying site as Tier 4, in accordance with VBRSP tier system.

#### **Staff Comments:**

This is the first request to the Commission to support investments in Brunswick County's Stonewall property. Virginia's Growth Alliance has identified a regional need to increase the inventory of large sites for marketing to prospects and Stonewall site is a priority for the regional alliance to develop and market. Advanced Manufacturing, Aviation, Data Centers, Distribution and Logistics, Health Care, Plastics and Polymers, UAS and Wood Products are identified as the targeted sectors. The VBRSA assessment from September 2019 identifies five A&E due-diligence cost items to move the park from Tier 2 to Tier 3. The Cultural Resource Review, Threatened & Endangered Species Review, and Waters of the US Delineation and COE Confirmation are included in the scope of this funding request. The required 1' Topographic Survey and Traffic Impact Analysis are reported as already completed. Additional engineering to move the park from Tier 3 to Tier 4 is also reported to be underway. While one design schematic demonstrated for how 2.8 million square footage could be accommodated on the property, this would be a maximum level of development with the highest cost and impact to water features. A more modest development plan for the property shows two large distribution center buildings, one at 650,000 square feet and the second at 313,278 square foot, recognizing the site will be highly marketable for Distribution and Logistics.

**Financial Viability Assessment:** This is a modest request to raise the park from a Tier 2 to Tier 3 status and once additional engineering is complete, to Tier 4. VGA has identified a regional need to increase the inventory of large sites and has specifically identified the Stonewall property to market to prospects. With local matching funds and the project outputs including multiple engineering deliverables and ultimately characterization as a Tier 4 site, this project demonstrates it can be successful.

**Staff Recommendation:** Staff recommends a \$27,000 grant award.



## Franklin County

### *Tier Improvements of Dogwood Site at Summit View Business Park (#3957)*

**\$1,500,000 Requested**

#### ***Project Summary:***

Grant funds are requested for ~ 30% of the \$4,928,000 estimated cost for grading a 55+/- acre building pad ready site on the Dogwood site at Summit View Business Park in northern Franklin County. The graded pad would be to accommodate a one million square foot facility and associated parking, loading and trailer space. The construction contract will include erosion and sediment controls, storm sewer piping, and required stormwater best management practices. The full 118 acre Dogwood site would be available if needed for development. The Roanoke Regional Partnership confirming its support for the project and committing to marketing the site for advanced manufacturing companies in the sectors of food and beverage, and equipment manufacturing and others for targeted industries.

#### ***Matching Funds:***

- \$1,017,870 grant from VEDP's Business Ready Sites Program approved in January 2022
- \$2.5 million committed by Franklin County

#### ***Project Outputs:***

- 55+/- acre graded pad site

#### ***Staff Comments:***

Nearly \$16 million has been invested by Franklin County in Summit View Business Park with another \$19 million investments through federal and state grant funding assistance. The Tobacco Commission has awarded four grants totaling \$1,569,649 for development of Summit View including a \$210,689 grant (#3469) for the Southern Access Road Segment D3 and a \$250,000 grant (#3597) toward sewer extension to the site. Summit View with 550 total acres and its location on US 220 has been successful in securing three companies: Traditional Medicinal, Valley Star Credit Union and Stik-Pack Contract Packing for a combined \$51 million capital investment and creation of 136 new jobs.

The requested funding for grading a 55-acre pad is for attraction of a major prospect to the region providing for building pad large enough to accommodate one million square foot facility and the associated parking, loading and trailer space. The 55 acres are part of a larger 118 acre site. Summit View is a mega-site by VEDP's definition and classified as highly developable under the Virginia Business Ready Sites Program. It is one of few large sites in the Roanoke Regional Partnerships economic development region making it highly attractive to prospects. In order to achieve Tier 4 certification the water and sewer infrastructure, electrical capacity and natural gas available to the site must be able to be completed within 12 months. Economic development outcomes based on two recent prospect visits are estimated at 700 jobs @ \$52,000 average salary and \$100 million private capital investment.

***Financial Viability Assessment:*** Summit View Business Park in Franklin County is a successful park that supports several large companies currently and this grant request would permit the county to offer one of the few large pad sites in the Roanoke Regional Partnerships service area. VEDP has classified the site as highly attractive to business prospects and has committed over \$1 million towards the projects via its Business Ready Site Program in addition to the \$2.5 million the county has committed. This project is likely to be successful and quickly attract and land a targeted industry.

***Staff Recommendation:*** Staff recommends approval of a \$1.5 million grant award.



Greensville County  
*Interstate Interchange Utility Improvements (#3958)*  
\$279,033 Requested

***Project Summary:***

Grant funds are requested for 50% of the \$525,566 estimated cost for replacing a force main to provide sewer service for commercial development on the west side of I-95 at the Exit 4 interchange. The County has invested over the last several years to increase water and sewer capacity around the interchange to serve the commercial development interests. In order to successfully market the west side, the County will replace an undersized problematic 1.5" forcemain with a new 4" forcemain which will be connected to existing infrastructure in the area. The county indicates a recent commercial announcement for \$2 million investment and 40 jobs; and another client who is proposing to invest \$7.5 million and create 30 new jobs.

***Matching Funds:***

- \$279,033 funding committed by the Greensville County Water and Sewer Authority

***Project Outputs:***

- Replace 1,400 linear feet of existing 1.5" force main with 4" forcemain expanding sewer capacity to serve additional commercial development interest at Exit 4.

***Staff Comments:***

The project requests funding for off-site utility infrastructure to serve a commercial development area off Interstate 95, in Greensville County near the border with North Carolina. Between 2010 and 2015, the Commission awarded four grants totaling \$247,774 to support water and sewer infrastructure costs for expanding capacity and service at Exit 4. Since then the Commission adopted a Strategic Plan which limits infrastructure investments for water and sewer to project that serve a strategic economic development site, and limitation of funding assistance for off-site utility construction costs as loans. This project is for replacing an existing sewer line to expand capacity to serve commercial development for interstate travelers, and does not meet the Commission's requirement for serving an economic development site. This project is ineligible to be recommended for grant funding. Staff suggests the applicant can apply for loan assistance through the Commission's Community Business and Lending Program.

***Financial Viability Assessment:*** When the Commission considers grant applications for off-site utility infrastructure, the Southern Virginia program guidelines and the Strategic Plan directs that such applications should be serving a strategic economic development site such as industrial park. This project proposes to serve more general commercial uses that cater to interstate travelers. While the Commission's strategic plan does not support a grant for this project, because of its commercial nature and its ability to increase local tax revenues and likely generate user revenues by the utility provider, a low-interest community business lending program loan should be considered.

***Staff Recommendation:*** Staff recommends no award.



## Prince Edward County

### *Water Tank - Prince Edward Heartland Innovation Technology Park (#3961)*

\$530,100 Requested

#### ***Project Summary:***

Grant funds are requested for 100% of A&E costs for design of a water tank and booster pump station at the Heartland Innovation Technology Park (HIT Park) in Prince Edward County, near the Town of Farmville. The HIT Park was a top ranked site for location of a data center from a 2018 study contracted by Mid-Atlantic Broadband Community Corporation with Timmons Group that evaluated 65 sites in Southern Virginia. Prince Edward Industrial Development Authority purchased the property in 2019, with the intent to develop it as a data center site. The HIT Park property is 280 acres and is in the Dominion Energy service territory. It is located 1.1 miles off US-460 Business. Matching funds for the TRRC funding request are provided through a VEDP grant supporting A&E design of the water and sewer lines to tie the HIT Park to the Town of Farmville's public water and sewer systems.

#### ***Matching Funds:***

- \$640,000 grant from VEDP's Virginia Business Ready Sites Program approved in January 2022.

#### ***Project Outputs:***

- A&E design for elevated water tank and booster pump station.
- A&E design for water and sewer to connect park to Town of Farmville public utilities (match).

#### ***Staff Comments:***

This is the first funding request to the Commission the Heartland Innovation Technology Park. TRRC funding is for 100% of A&E costs for design of an on-site elevated water tank and booster station. VEDP funding for A&E design of water and sewer line connections is Match. Prince Edward County invested \$1.5 million in the park with acquisition of the 287 acres for development and marking to the data center industry. The site is located along two Dominion transmission lines and is served by Mid-Atlantic Broadband. The VBRSP assessment identifies the HIT Park as Tier 2 designation.

Staff inquired about due-diligence to move the park to Tier 3 designation, and this is expected to be completed in June 2022. This request and the VEDP funding are for engineering services that would be needed for Tier 4. Road infrastructure would be necessary for construction of a large data center/ Transportation infrastructure design and/or construction to position the site for delivery to a prospect within 12 months or less is one of the requirements for a Tier 4 designation in addition to water/sewer service provision within 12 months. An estimate of \$7.18 million total probable project cost for the elevated water storage tank and booster pump station is dated February 2022 and was provided by Timmons Group. Of this total, professional services prior to construction is estimated at the \$530,100 amount requested from the Commission. In reviewing the project with VEDP, it was noted that the water and topographic features make the site suitable for a data center or for an IT campus type of development.

***Financial Viability Assessment:*** This project proposes to utilize grant funding to increase the Tier level of a business park that has been previously identified as a top site in southern Virginia for a data center. The locality has further shown its commitment to attracting the data center industry by recently creating local tax incentives for such facilities. The state's support is demonstrated via the funding approved from the business ready sites program. While staff has noted some concern with the road infrastructure that may be needed for large data center, that should not keep the site from attracting a data center in the near future as its tier level is increased and the necessary utility infrastructure becomes available.

***Staff Recommendation:*** Staff recommends approval of a \$530,000 grant award.



## Town of Rocky Mount

### *Cox Site Master Plan - Franklin County - Rocky Mount Industrial Park (#3962)*

\$44,940 Requested

#### ***Project Summary:***

Grants funds are requested for 50% of the \$89,879 estimated costs for due-diligence engineering on the publically owned Cox Property (38 acres) within the Franklin County – Rocky Mount Industrial Park. The Virginia Economic Development Partnership currently designates the park as Tier 2 under the Virginia Business Ready Sites Program. The objective of this project is to raise the tier level characterization of this site to improve the marketability for business attraction. Developing the Cox site supports the next stage of expansion of the Franklin County - Rocky Mount Industrial Park, a total of 167 acres and the current home to 6 businesses employing an estimated 527 workers in the Town of Rocky Mount, at the geographic center of Franklin County. The Town of Rocky Mount acquired the property in 2004 for \$1,085,145. A target area of < 15 total acres is identified for pad ready development.

#### ***Matching Funds:***

- \$44,939.50 match committed by the Town of Rocky Mount

#### ***Project Outputs:***

- A&E due-diligence completed for 38-acre cox property. This scope includes preliminary geotechnical survey, boundary survey, 1' topographical mapping, phase 1 environmental site assessment, cultural resource review, threatened & endangered species review, waters of the US designation and US COE confirmation, and master planning of the property.
- Letter certifying site as Tier 3/4, in accordance with VBRSP tier system.

#### ***Staff Comments:***

This project supports the next steps for expansion of the Franklin-County – Rocky Mount Industrial Park, home of several food and beverage, manufacturing and value-added forestry product companies. The Commission invested \$628,665 in this park under two previous grants. A third award of \$587,788 approved in January 2012 was for grading of a 5-acre pad site, which the Town and County intended to expand with financing to grade a larger 17-acre pad estimated to cost ~ \$2.7 million. Ultimately the financing did not come through and the project was never completed. Initial development of the industrial park was jointly by the Town and Franklin County; while new current expansion plans are solely by the Town. Thompson & Litton provided A&E estimate for due-diligence activities on the 38 acre Cox Property with the park. The site already has access to public utilities, fiber, and electricity; and is adjacent to Norfolk Southern rail line. Economic projections for developing two pads on the targeted < 15 acres area are estimated at 100 new jobs and \$27 million private capital investment. These are based on averaging of two recent expansions announced for business located in this park.

***Financial Viability Assessment:*** This is a modest request to improve the marketability of the site for business prospects by increasing the site's tier level from a 2 to a 4 status with the completion of due diligence activities. The Town has committed to match funding and while the pad-ready amount of acreage available on the property is limited (less than 15), it still has the ability to support at least two pad sites that already have needed infrastructure such as public utilities, fiber and electricity.

***Staff Recommendation:*** Staff recommends approval of a \$44,940 grant award.



Virginia's Heartland Regional Industrial Facilities Authority (#3964)  
*VHRIFA Business Readiness - Virginia's Heartland Regional Industrial Park*  
\$112,400 Requested

***Project Summary:***

The Virginia Heartland Regional Industrial Park is a 402 acre site in Charlotte County owned by a regional economic development partnership of six counties (Amelia, Buckingham, Charlotte, Cumberland, Lunenburg and Prince Edward Counties). Approximately 300 developable acres remain within park. The Virginia's Heartland Regional Industrial Facilities Authority is requesting \$112,400 for 50% of A&E costs to complete site planning on Lot 10 (\$69,500 total); and planning and design documents to raise the entire park from a Tier 2 to a Tier 4 designation (\$155,300 total). Site plans for Lot 10 are being prepared to address the needs of an active prospect that the VHRIFA has been working with for more than a year. Raising the Tier Level designation will allow the entire park to be marketed by VEDP.

***Matching Funds:***

- \$112,400 Match committed from Virginia's Heartland Regional Industrial Facilities Authority

***Project Outputs:***

- Complete site planning for Lot 10 – Geotechnical report, site plan services including storm water management planning, required permits and construction documents.
- Due-diligence completed to raise park to a Tier 4 designation. This includes boundary surveys, topographical survey, wetlands delineation and confirmation assessments, preliminary geotechnical report, and required environmental review.
- Letter certifying site as Tier 4, in accordance with VBRSP Tiering system.

***Staff Comments:***

Virginia's Heartland Industrial Park is targeted to agriculture, food processing, timber and wood products industries which align with the resources and workforce in the community. The park is considered a strategic property for the Commonwealth with major infrastructure requirements already in place including road and rail access, and telecommunications services via a MBC node. Virginia's Growth Alliance and the VHRIFA have been in ongoing discussions with a prospect interested in constructing a value-added agriculture processing facility at the park, which would have extended economic benefit to agricultural producers in the region. Lot 10 is identified for this prospect. The Commission has invested \$3.3 million under six grants starting with the agency's first grant awards in January 2001. The most recent award of \$20,000 was in September 2021 for the preliminary engineering report to establish an onsite water supply necessary to serve targeted industrial development. Virginia's Growth Alliance has confirmed that this property is priority for development in the region and supports this request.

***Financial Viability Assessment:*** This is a 20 year old industrial park that has seen limited success over the years. VEDP has encouraged the RIFA to pursue the actions necessary to increase the tier level of the park from tier 2 to 4 in order for it to be more competitive for targeted projects. The park already has major infrastructure in place such as roads, rail access and broadband. Together with the committed match from the VHRIFA and outputs allowing the park to increase to a tier 4 site, the project is viable and should soon be able to attract multiple business prospects from the region's targeted industries.

***Staff Recommendation:*** Staff recommends approval of an \$112,400 grant award.



## TOURISM

### Old Brunswick Circuit Foundation

#### *Dromgoole House Historic Retreat Center (#3959)*

\$50,000 Requested

#### ***Project Summary:***

The Old Brunswick Circuit Foundation is a 501(3)c nonprofit organization formed in 2004, to preserve and interpret key historical sites along the 18<sup>th</sup> and 19<sup>th</sup> century Methodist Brunswick Circuit. The group is focused on three properties for preservation and historical development, one is Canaan-The Dromboole House located just north of the border with North Carolina in Brunswick County, Virginia. The goal is to establish a tourist attraction, a Historic Retreat Center for small groups of up to 40-50 persons in the rural rustic atmosphere offered by the site. The Foundation purchased the Dromboole house and 16 acres in 2008, and has raised \$102,615 in contributions towards preservation. The site highlights the structural authenticity of a 19<sup>th</sup> century southern Virginia home. The \$50,000 request to the Commission is to support infrastructure for the residential building that are necessary to accommodate visitors including establishing a well and water lines, septic system and connecting the building to electricity.

#### ***Matching Funds:***

- \$50,000 federal funding award through Virginia Department of Historic Resources.

#### ***Project Outputs:***

- Construction of infrastructure for electrical service, well system and water lines installed to provide water serve to the site, installation a septic system and function restrooms.

#### ***Staff Comments:***

The long-term goal of this nonprofit organization is to preserve and restore the Dromboole House to allow the property to be used as a Historic Retreat Center. A conditional use permit to operate an assembly retreat facility in an agriculture zoning district was issued by the Brunswick County BOS in 2016. The Foundation secured a \$199,605 federal award in 2021 from Department of Historic Resources, a portion of which will be used for historic designation and preservation of the Dromboole House and property. The federal funding will be used to complete the nomination process for Virginia Historic Landmark Register and the National Register of Historic Places; and will support a historic structure report, engineering assessment, and stabilization of the chimneys, and restoration and reinforcement of the foundation. A budget of priority items included in the application identifies brush pile removal, archeological study, drain field for 4 bedroom dwelling, drilling of a well and extension of electrical service. While the objectives of this project are well intended, preservation of historic properties is not a priority for Commission funding. The site does not meet the criterial for tourism investments by the Commission, which must demonstrate the ability to attract national and international travelers, and to significantly increase the number of visitors and visitor spending in the region.

***Financial Viability Assessment:*** This project is not one that is supported by the Commission's strategic plan which require tourism projects to draw non local visitors that bring in outside revenue. The project is an admirable one, but it is not likely to attract many non-local visitors given its location and lack of other nearby regional attractions. No feasibility study or other documentation has been provided that show how renovation of the site will be a large tourism draw for visitors from outside of the area. Funding of this project is not likely to achieve outcomes that further the Commission strategic tourism investment goals.

***Staff Recommendation:*** Staff recommends no award.



## Town of Stuart

### *The Star Theatre Economic and Market Feasibility Study (#3963)*

\$7,500 Requested

#### ***Project Summary:***

The Star Theater is a cultural asset and provides an opportunity for economic and community revitalization in the Town of Stuart. Efforts to establish the theater as a destination for national and international visitors are part of a larger downtown revitalization effort being planned and executed by Patrick County Economic Development Authority and the West Piedmont Planning District Commission. The historic theater property dates to ~ 1947 is located within a 4,725 square foot building in the heart of the newly designated downtown historic district. The theater space can accommodate 260 seated patrons. Grant funds are requested for 50% of professional service costs to provide an Economic and Market Feasibility Study for the purchase and operation of a music venue/theatre/community space. Neighboring localities in the Tobacco Region have demonstrated a strong demand for entertainment venues that encourage tourism to a community, while also spurring food, beverage and hospitality spending. The Town of Stuart supports the vision for marketing the Star Theater as part of larger The Crooked Road Music Trail, SOVA is Home, and Virginia is for Music Lovers regional initiatives.

#### ***Matching Funds:***

- \$5,000 from Town of Stuart
- \$2,500 private contribution from One Family Productions, Inc.

#### ***Project Outputs:***

- Economic and Market Feasibility Study of the Star Theater to determine economic viability to be utilized as an entertainment venue; and providing a Business Plan with staffing estimates.

#### ***Staff Comments:***

Grant funds are requested for 50% of the ~ \$15,000 costs for a market study and business plan for establishing the Star Theater as a destination for national and international visitors to the region. The Star Theater is an anchor institution within the Downtown Stuart Historic District. Tourism revenues are a significant part of the economy of Patrick County which provides southern Virginia's border entrance to the National Park Service's Blue Ridge Parkway. The goal of this project is to establish the Star Theater as a tourist destination drawing visitors to the Town of Stuart; extending their stay, and increasing the annual number of visitors to the region and their spending in the economy. The county has indicated an interest in a future loan request to purchase the building and to make improvements. A private partner who would operate the facility is contributing toward the market study costs. This is a modest request to advance a downtown tourism asset towards a larger community and economic revitalization effort.

***Financial Viability Assessment:*** This is a modest request for market study to determine the viability of the repurposing of a downtown theater facility in Stuart. Because of the modest amount of this request and the committed match from the Town and other source, the project should be considered for funding to understand if such a use of the facility as a state and regional attraction venue is viable and one that can further revitalize Patrick County and the Town of Stuart.

***Staff Recommendation:*** Staff recommends approval of a \$7,500 grant for 50% of study costs.



## OTHER BUSINESS:

### Mecklenburg County

#### *Mecklenburg County – Broadband Proposal with EMPOWER (#3752)*

#### Request to Modify Approved Loan Conditions

**Staff Comments:** The Commission approved a loan to EMPOWER Broadband in partnership with Mecklenburg County for this project in May 2021 contingent upon the following condition:

“Before the Commission awards a loan for an amount up to \$880,643, the applicant be required to submit an application for funding to the state for a project that includes the project area included in the present application and if that application should fail, the Commission will extend a loan to EMPOWER Broadband at an interest rate and for a term acceptable to the Executive Director.”

In January 2022, EMPOWER Broadband was successful in receiving a VATI award from DHCD in the amount of \$78 million. Since the Company received the VATI award, staff had not anticipated the company being interested in pursuing the loan. Earlier this year, the Company president Mr. John Lee, indicated to staff that the company desired to pursue the loan offer. Because of the above condition, Commission action was needed in order to officially offer the loan to the Company since they had received the VATI award. Because, the project was a loan that would be repaid to the Commission requiring security before disbursement and because of the Company’s excellent record on following through on project commitments, staff did not have issue with extending the loan offer to the Company. Staff also reviewed the project with the Commission leadership and determined that it would be acceptable to begin the underwriting process of the loan with the Virginia Resources Authority before Commission action so that if the Commission revised the condition permitting the loan to be offered, it would be further along in the underwriting process. VRA began that underwriting process in early March.

Mecklenburg County supports this loan request and fully understands that the Commission shall deduct the loan amount from the remaining county allocation balance.

**Staff Recommends:** Extending a loan for an amount up to \$880,643 to EMPOWER Broadband at an interest rate and for a term acceptable to the Executive Director.

### Danville, City of

#### *Industrial Shell Building (# 3360) – Current Project End Date: 1/9/2022*

#### Request for 6<sup>th</sup> month extension

**Staff Comments:** This \$1,000,000 grants provides 35% of funding support for the \$2,875,000 contract for construction of a new shell building. The 30,000 square foot building is located in the City of Danville’s Cyber Park. This project was initially delayed as the Danville evaluated options for location of the shell building and needs of companies interested in the region. A fourth year extension was previously approved. Danville entered into the construction contract late in calendar year 2021. A 5<sup>th</sup> year extension request was made a couple days prior to the January Commission meetings, with insufficient time to include in the staff report which was already published. As of late April only one invoice for expenses through December 31, 2021, had been submitted for \$616K primarily for the pre-engineering building with \$205,648 paid by the Commission and \$381,918 match contributed by the city for costs less retainage.

There remains a balance of \$794,351 on the TRRC project account. The City requested a six month extension to July 31, 2022. After visiting the site in mid-April staff observed the contractor was still



working on the graded pad, suggesting that additional time may be needed. A more recent update indicates that estimated time for building construction has been moved to August 2022. In order to provide sufficient time to complete construction of the building, and to accommodate any further delays that may occur, staff suggests a full one year extension recognizing that the grant can always be closed early.

**Staff Recommends:** Staff recommends approval of a one year extension to January 31, 2023.

**Danville-Pittsylvania Regional Industrial Facility Authority**  
**Water System Improvements Phase II (Virginia System) / Berry Hill (#3011)**  
**Current Project End Date: 5/21/2022 – Request for Two Year Extension**

**Staff Comments:** This \$2,241,567 grant award from the Commission's Megasite program was approved in May 2015. The approved scope is for construction costs for water infrastructure from the North Carolina line to and into the Berry Hill mega site property. Use of grant funding for on-site infrastructure was approved prior to the July 2015 legislation requiring consideration of a loan, and is justified given the size of the Megasite and linear distance to bring infrastructure to the primary development areas. The original project was delayed previously when waterline construction was halted with a decision by the RIFA to relocate the waterline segment within the park. This change was necessary due to facility layout and infrastructure needs of active prospects at that time. There remains an available balance of \$1,220,222 on the TRRC project account. The RIFA is requesting the balance to be used toward the \$4.8 million estimated cost to extend the 20" water main from Berry Hill Road to the proposed Oak Hill pumping station and water tank location. An additional two year extension is requested, to allow for construction of the waterline infrastructure within the park to be completed.

**Staff Recommends:** Staff recommends approval of a two year extension to May 31, 2024.

**Prince Edward County, Prince Edward County Industrial Access Road (# 3089 & 3145)**  
**Current Project End Dates May 21, 2022, and May 24, 2022 respectively**  
**-- Request for extensions to October 31, 2023**

**Staff Comments:** The Commission awarded four grants totaling \$689,127 to Prince Edward County to be used toward the Prince Edward Business Park Access Road project. This includes grant #3089 for \$328,395 awarded from the Special Projects program in September 2015, and grant #3145 for \$195,485 from the Southside Economic Development program awarded in May 2016. A revised budget for the \$2,176,650 total project cost was approved by Commission staff in January 2022. The \$2.1 million of funding includes \$650,000 in state funding from the VDOT Economic Development Access Road Program awarded in January 2020. Prince Edward County bid the engineering design in summer 2020 and awarded a contract to Timmons Group. Final construction plans were submitted to VDOT in February 2022, and tentative agreements are in place with property owners for right-of-way acquisition. The construction contract is scheduled to be awarded in August 2022 and construction is projected to be completed by June 2023. Prince Edward County is requesting a final extension on both grants to October 31, 2023, to allow time for construction to be completed. This request provides a few months buffer recognizing that time delays associated with VDOT approval turnaround are outside the county's control and allowing time if there are other delays related to weather or materials.

**Staff Recommends:** Staff recommends approval of an extension on grants #3089 and #3145, to October 31, 2023 to allow time for construction to be completed.



## Danville-Pittsylvania Regional Industrial Facility Authority

### *Berry Hill Mega Park (# 2264) – Current Project End Date: 1/9/2022* Request for Six Month Extension

**Staff Comments:** This \$2.7 million grant was approved from the Special Project committee's Megasite program in January 2011. The RIFA is making its sixth request to the Commission for an extension on this grant which has been open for an eleven year project period. The original approval and the current approved scope of the grant is to support design and engineering and ROW acquisition for electric utilities and road infrastructure. This included final location and design of electrical transmission lines and substations to be operated by Appalachian Electric Power, and a new connector road from US 58. After passing the January 11, 2022 project end date, the RIFA has requested an additional six month extension in order to complete acquisition of final right-of-way for the access road. At the time of the extension request there remained a balance of \$1,679,103 on the project account, with the last payment request submitted in September 2020. Staff worked with the RIFA to identify remaining expenses eligible for reimbursement and outstanding obligations. The original \$3.7 million total project cost was reduced to \$2.7 million, which resulted in \$699,873.73 of the original grant amount being reduced and deobligated. Closing on the remaining ROW acquisition for access road is currently scheduled for May. The RIFA is requesting a six month extension to allow sufficient time to complete the closing.

**Staff Recommends:** Staff recommends approval of a six month extension to July 31, 2022.