

FY14 Southside Economic Development Summaries & Staff Recommendations – December 2013

The Commission received 15 applications for FY14 and carried-forward balances of Southside Economic Development grant funds by the deadline of October 11th. These pending requests are listed below, along with one project that was tabled in the previous round (Gretna #2690). Balances available by jurisdiction are broken out on the following spreadsheet. Other Business is also included. The Committee will meet December 4th at 10:00 in South Boston to consider these requests.

Req #	Locality	Organization Name	Project Title	Allocation available	Requested Amount	Staff Recommendation
2810	Charlotte	Charlotte County Industrial Development Authority	Regional Processing Facility for Agricultural Value-Added Products	\$2,281,079	\$500,000	\$500,000
2814	Franklin	Town of Rocky Mount	Harvester Performance Center Construction	\$587,788	\$675,000	\$200,000
2804	Greensville	Greensville County	Skipper Well Integration	\$68,584	\$68,584	\$68,584
2815	Halifax	Halifax County IDA	Phase III Rehab for Reuse of Green View Advanced Manufacturing Center	\$1,884,359	\$1,140,500	\$1,140,500
2812		Halifax Regional Long-Term Care Inc	The Woodview Expansion		\$435,000	\$435,000
2813	Lunenburg	Lunenburg County	STEPS Project Plumbing Requirements	\$794,323	\$45,000	\$45,000
2809	Mecklenburg	Literacy Interactives, Inc	Rehabilitation of the Parker Sydnor Civil War era log cabin	\$3,897,992	\$129,051	\$0
2816		Clarksville Senior Care, LLC	MeadowView Terrace Expansion		\$358,000	\$358,000
2817		Mecklenburg County	Mecklenburg County Shell Building Project		\$1,200,000	\$1,200,000
2808		Mecklenburg County	"XYZ" Expansion Project		\$596,388	\$596,388
2806		Mecklenburg County	Mecklenburg Industrial Site Readiness Initiative		\$74,844	\$74,844
2805		Town of South Hill	South Hill Industrial Site Readiness Initiative		\$59,251	\$59,251
2811	Patrick	Town of Stuart	Stuart WWTP Improvements Project	\$1,189,073	\$640,300	\$0

2690	<i>Pittsylvania</i>	Town of Gretna	Industrial Park Gravity Sewer Completion Project	\$2,920,157	\$335,000	\$335,000
2807	<i>Prince Edward</i>	Robert Russa Moton Museum	Civil Rights in Education Heritage Trail Tourist Center	\$223,633	\$77,785	\$0
Total (15 requests/12 recommendations)					\$6,334,703	\$5,487,567

CHARLOTTE

Charlotte County Industrial Development Authority Regional Processing Facility for Agricultural Value-Added Products (#2810) \$500,000 requested

Executive summary provided by applicant: Initially, the primary objective of this project is to establish a processing facility for aquaculture products. The Charlotte County Industrial Authority will own the USDA approved mixed-use manufacturing complex and develop a lease to purchase agreement with the Virginia Aquaculture Network to buy the building in 5 years. Approximately 4,000 s.f. will initially be dedicated for processing and further processing of fish and shellfish serving Southside and Southwest Virginia producers. The unfinished 6,000 s.f. will be available for future growth (ie: fruits and vegetables and other agriculture related value-added products processing). Aquaculture is the fastest growing sector of the agricultural economy in the United States who imports over 80% of the seafood it consumes. Imported products arrive with little oversight for food safety, ecological impacts and social issues. This large seafood trade deficit is in stark contrast to the other food proteins we grow in the United States, chiefly poultry, beef and pork. Producers throughout Virginia are in need of a facility where they can bring their aquaculture and other agriculture-related products to be processed in a USDA-approved facility for local, regional, state and global export sales. The facility will be centrally located to the existing 20+ producers and will reduce their travel time and associated expenses to a USDA-approved processing facility. It will also offer quick freezing processing that offers two significant advantages over standard freezing methods: freezing products in seconds instead of over 10 to 60 minute time periods preserves the texture of the product making it similar to a fresh product in terms of overall quality, and IQF freezes each piece of fillet or shrimp tail individually so they do not clump together. These advanced methods will enable further marketing opportunities for the producers.

The benefits are increased opportunities for regional producers, local job creation, provide a significant economic impact to the region, and enable opportunities for other value-added products to expand to this location and utilized as a mixed-use manufacturing complex. Another advantage is partnering with Virginia Tech's research & development department enabling training opportunities for "potential" young producers. The educational component will assist marketing ventures for local producers in hopes of contributing to Virginia's export market.

Staff comments and recommendation: The County is proposing a 5-year lease-to-purchase agreement with Heartland Food Center, a five member aquaculture partnership establishing a fish and shellfish processing facility at the regional Heartland Industrial Park. Development of the 10,000 square foot facility is in partnership with Virginia Tech and the 20+ member regional aquaculture cooperative Virginia Aquaculture Network (VAN) that has been supported over the past five years by two Agribusiness grants totaling \$285,000. HFC will immediately occupy 4,000 square feet of the facility, and make available the remaining 6,000 square feet for other vegetable processing and food enterprises. A shared cold storage and commercial food processing kitchen will be available at the site. An estimated 20 jobs will be created

including processing, transportation, marketing, and management. The County has provided a detailed cost estimate at \$586,500 for construction of the shell building and up-fit of 4,000 square feet. The project is matched with \$50,000 from the Charlotte County IDA toward operating costs and a proposed \$100,000 grant from VDACS AFID toward equipping the facility. A separate request for \$438,500 under the FY14 TICR Agribusiness program is also under consideration which would support additional equipment, product marketing and distribution support for the new enterprise. TICR staff advised the County and its project partners that it would be appropriate for the County to request SSED funds for construction of the building to accommodate this economic prospect, and to request Agribusiness funds for the specific aquaculture-related equipment. The facility will initially be operated through a public-private partnership with an incorporated entity that is being formed (Heartland Food Center LLC). **Staff recommends award of \$500,000.**

FRANKLIN

Town of Rocky Mount

Harvester Performance Center Construction (#2814)

\$675,000 requested

Executive summary provided by applicant: The Harvester Performance Center, a state-of-the-art performance venue in a repurposed historic tractor dealership, will seat approximately 500 fans for shows and an additional 220 in the meeting & conference center. The venue will draw music tourists from throughout the region and beyond for local and national acts, creating a signature musical destination to attract music tourists and cultural visitors to Rocky Mount, Franklin County and the Crooked Road. The \$2.6 million venue will create direct and indirect jobs, attract investment in nearby properties, spur restaurant and lodging development, and tie together public-private revitalization efforts of the past 15 years. The Town's problems here are that it lacks a venue to capitalize on its location on the Crooked Road and that, despite two public-funded revitalizations, we still have some empty shops and no momentum to create new investment and improve property uses and values. Visitors stop but rarely stay to create foot traffic, because of the lack of regularly scheduled music. Retailers and restaurants won't open downtown because foot traffic and potential diners are lacking, particularly in the evening hours. Investors won't buy and improve buildings, or invest in creating new developments, because few retailers and restaurants are located downtown. The Town's investment is meant to spur foot traffic and cause new, ongoing investment, excitement and interest in our downtown economy. The venue will host more than just bluegrass shows, booking a wide variety of national, regional and local acts in multiple genres for an expected 175 dates annually. Crooked Road visitors will have more reason to start their journey in Rocky Mount and head west through Floyd & Patrick counties and Southwest Virginia. Other music tourists will have reason to come to Rocky Mount, enjoying music, dining and lodging while infusing our local and regional economies with new dollars. This investment strengthens Virginia's investment in music, heritage and cultural tourism, creating a spark for economies in and beyond Rocky Mount and Franklin County. The music acts already booked and committed to play in Rocky Mount will draw visitors from other states to the region, as already proven by the Harvester's concert presentation to celebrate Rocky Mount's 140th anniversary. Visitors from North Carolina, Tennessee, Texas and West Virginia attended that show. Those visitors bring dollars from outside the communities and spend it wherever they visit within the region. This spending will positively impact the regional economy for decades to come.

Staff comments and recommendation: This project involves \$2.6 million in renovations and improvements to the 16,000 square foot building being converted into the Harvester Performance Center. The Center will provide an anchor performance venue for the eastern-most town on Virginia's *Crooked Road*

Music Heritage Trail, which has been heavily-supported through numerous TICR grants over the past decade to establish Crooked Road venues and marketing efforts. Presumably the facility will primarily draw local attendees to shows and events, but will be marketed through the Crooked Road to visitors from beyond the tobacco region, and will thereby have tourism impacts that can be reasonably assessed through ticket sales data and other methodologies to measure visitor attendance and spending. The Town has committed to a \$2.2 million renovation contract with Prices Construction that is already underway, and the renovations will be at a midpoint on construction spending by early January 2014. Contracts for sound, lights, stage and furnishings will be underway in early 2014. Grant funds would be matched by contributions from the Town of Rocky Mount, Historic Tax Credits, and a private fundraising campaign to complete the HVAC, mechanical/electrical/plumbing systems, finishing work, elevator installation, sound/lighting equipment and other costs necessary open the facility. Fundraising materials have been published by the Town and a campaign is underway for financing of those final improvements, so TICR staff suggests a dollar-for-dollar “challenge grant” approach to assist those efforts. **Staff recommends award of \$200,000 to support 50% of up to \$400,000 in last dollar costs incurred after the Commission approval date (January 7, 2014) for sound, lighting, stage, and furnishings.**

GREENSVILLE

Greensville County

Skipper Well Integration (#2804)

\$68,584 requested

Executive summary provided by applicant: With the history of groundwater quantity and quality in the Exit 4 area, the Authority desires to add a third well to the two existing operating wells. The well has been drilled and tested and will provide a capacity for the Exit 4 system which is expected to experience a growing water demand. The Exit 4 Non-community water system was established initially to serve the motel and convenience store prior to the Authority's ownership. The initial well supply became contaminated with petroleum products. The Authority drilled 2 new wells with associated appurtenances to provide water to the commercial establishments. The Exit 4 interchange is the first exit for northbound I-95 travelers. The County anticipates the area will continue to experience commercial growth. The County is currently working with a commercial entity to locate in this area bringing much needed investment and jobs to the community. Two existing operating wells have a capacity of 60-65 gpm each. The existing well pumps alternate operation according to the water level in the bulk storage tank. One well lost 20% capacity during a recent dry year. Although the capacity has since returned the County wishes to add a third well to the system. The Authority proposes to install a 65 gpm well pump to alternate with the two existing well pumps such that each well pump will rotate operation. This should provide a contingency well capacity for the Exit 4 System as growth continues at the interchange. The I-95 Exit 4 interchange is the first exit for northbound I-95 travelers. There is a motel/convenience store in operation on the west side of the interchange. In addition, two truck stops/convenience stores/fast food restaurants have been added to the eastern side of the interchange. An additional convenience store client is working with the County now to develop on the east side. The west side of the interchange is mostly undeveloped. The addition of the well will provide the needed assurance for the County to continue to provide service to the existing entities and market the area for future growth.

Staff comments and recommendation: The community water system at Exit 4 was previously supported by the Southside Committee with two grants totaling \$136,325 for water and wastewater. Funds are requested to add a well at Exit 4 to support this commercial development corridor just inside the Virginia state line to provide expanded capacity in order to capture increasing revenues from travelers on I-95. The

County is working with a new convenience store client who has bought land beside the recently constructed WilcoHess and has submitted paperwork to connect a commercial development to the water system. Engineering for the community water system was provided by B&B Consultants. The county has clarified that approximately 5% of the water system would serve residential clients, and while other residents have asked to be served by the new system, the County has not determined if this is feasible given that the priority focus is on serving customers in the commercial development corridor. The County is providing greater than 40% match to the project. While there could be concern that the Commission is funding retail development, which is a stated Low Priority, this highway exchange primarily serves Interstate 95 travelers and thereby captures a majority of sales revenue from out of state **Staff recommends award of \$68,584.**

HALIFAX

Halifax County IDA

Phase III Rehab for Reuse of Green View Advanced Manufacturing Center (#2815) **\$1,140,500 requested**

Executive summary provided by applicant: This proposed project constitutes Phase III of upgrades to the Green View Advanced Manufacturing Center, formerly a Daystrom furniture manufacturing facility. Phase II continues toward a January 2014 completion; which will seal the main 332,000SF building roof, and finish and condition the first 14,000SF front training space. Phase III will concentrate on improving underground, on-site utilities to bring natural gas service to the site, and extend and designate each utility to the separate lease-able spaces. Phase III will also seal the exterior walls, replace exterior doors, and improve entrances and access to separate lease-able spaces to better attract manufacturers. Halifax needs to increase its employment in the advanced manufacturing sectors. It lacks ready space for the next large-scale manufacturers currently showing interest in moving or expanding into Halifax. SVHEC, Halifax County's workforce development entity, has used most of its space at its core campus, and needs more space. Our business incubator's assets are well used but needs a place to send start-ups once concept, business plan and start-up financing are ready. These needs grow out of Halifax's decades-long investments to place itself on the threshold of Advanced, Additive and Composites Manufacturing, with much help from the TIC. By readying Green View (name change pending in Phase II), Halifax will be able to attract the interested industries which will bring employment and economic growth; while at the same time providing space to train those employees in the skills needed by these industries. The commercial revenues generated by leasing space to manufacturers provides the overhead capital for training, R&D and pilot-line spaces. By coalescing the building's users: Industries, Educators/Trainers, and Researchers in separate, defined spaces under one roof, they can combine their best thinking to identify next best steps and future needs to help each other's missions. GreenView is a repurposing of the Daystrom Furniture facility, one of Halifax's largest and most respected operations. Bringing life back to the buildings and grounds in ways that increase employment and economic growth, and provide training to a waiting and willing workforce will better Halifax in tangible and intangible ways. GreenView has the capacity to employ hundreds of workers and generate taxable capital investment. A number of potential prospects have viewed Green View in the last year, and informed us they would be interested in locating to it, when it is more ready.

Staff comments and recommendation: This projects requests Phase III funding for improvements to on-site utilities, exterior, and entrance and access improvements to the Green View Advanced Manufacturing Center. Previous SSED grants of \$4 million enabled acquisition and initial phases of renovation of the 400,000+ square foot complex of former Daystrom buildings, which is envisioned as multi-tenant space. The IDA's budget for the building anticipates one additional future request of \$1.2 million to complete the site improvements that are planned. The county is currently working with two prospects for the Center

which reflect options for creating a multi-tenant facility with eight leasable spaces ranging from 25,000 to 100,000 square feet; or for providing the entire 332,000 square foot to a single company. The prospect considering leasing a portion of Area A, a 95,000 square foot space, could bring up to 70 jobs paying average annual wages of \$35,000 and \$2-\$3 million private capital investment. With multiple tenants occupying the building, the IDA plans to allocate up to 15% of the area to be available to SVHEC for workforce training and R&D pilot lines to help new and existing tenants expand. The 14,000 square feet at the front of the building with lower ceiling is identified as space that could be used for this training and research. Alternatively, the county is working with another prospect, a single company with expressed interest in leasing up to the entire 332,000 square feet available at the Center. With this prospect representing the full economic development potential for this site and consistent with the county's basic metric of 1 job per 800 square feet of manufacturing, the economic development potential for the Center is estimated at 300-500 jobs created at \$28,000 average annual wages and \$50 million private capital investment. The USCAIP program which is the source of \$427K in matching funds is in the approval and endorsement stage with the Halifax submission still in consideration. In the event that the USCAIP does not come through the IDA is committed to the 10% minimum match and the scope of the project would be revised to reflect available funds. **Staff recommends award of \$1,140,500.**

Halifax Regional Long-Term Care Inc
The Woodview Expansion (#2812)
\$435,000 requested

Executive summary provided by applicant: Halifax Regional Long Term Care, Inc., doing business as The Woodview, plans to increase the number of beds at The Woodview by converting Seasons at the Woodview assisted living facility to a 16-bed nursing home memory support household, while new construction will create a 20-bed memory support household incorporating design that promotes residents' independence and dignity by providing normalized living experiences. The total number of beds at The Woodview will increase from 180 to 216. Construction of a rehabilitation therapy gym will give residents access to additional therapeutic services. The project creates 20 permanent jobs with \$4,350,000 capital outlay. There are currently no nursing facility special care households for residents in need of memory support in Halifax County. Only two such facilities exist in Planning District 13. Both of those maintain occupancy levels at close to capacity, as does The Woodview. The age of residents of our service area, Halifax, Charlotte and Mecklenburg Counties, is significantly older than that of Virginia as a whole, with 20% over age 65 vs. 13% for Virginia, and anticipated growth to 28% by 2030. Additionally, the rate (per 100,000) of deaths due to Alzheimer's disease is higher, at 26 vs. 22 for Virginia. Construction of these two specialized care units as part of The Woodview will expand the number of beds available and improve quality of care for those who require memory support and those who don't but are currently residents in mixed care facilities. Moreover, it will improve the continuum of care for the community, establishing a type of care not currently available. Finally, it will allow Medicare/Medicaid patients to experience the same quality of care previously only available to private pay residents competing for very few available beds. This project will significantly improve the accessibility of high quality, affordable care in the region. Additionally, it will create 20 permanent jobs with \$4,350,000 capital outlay, and temporary project-based employment required for construction. More broadly, the completion of this project will be a positive factor in attracting new residents to the region, providing part of the social infrastructure that is a factor in relocation decisions for those who anticipate needing services for themselves or a loved one. These will be state-of-the-art facilities that will help the economic development authority promote this region as a retirement destination.

Staff comments and recommendation: This proposal is one of two submitted by a 501C3 non-profit subsidiary of the Halifax Regional Health System for capital costs related to nursing home expansions that,

under the Medical Care Facilities Certificate of Public Need, are authorized due to the reallocation of beds from the South Boston Manor property which has closed. (The second application is submitted by Clarksville Senior Care for consideration under the Mecklenburg County allocation.) This project requests funds for 10% of the \$4.35 million capital costs for a 10,980 square foot renovation to create a 16-bed nursing care unit, 11,485 square foot new construction for creation of 20-bed memory support nursing care unit, and construction of a new rehabilitation therapy gym. The Certificate of Public Need indicates the addition of 36 nursing home beds to The Woodview is a relocation of 36 beds from the South Boston Manor and identifies the \$3.783 million authorized capital cost “to be financed from the existing liquid assets of Halifax Regional Health System.” The application identifies that it would result in 20 new jobs, replacing some of the ~ 60 jobs lost with the closing of the South Boston Manor. The applicant’s Income Statement for year ended August 31, 2013 identifies \$416K annual net income, but the applicant has indicated that changes in the health care industry including anticipated reductions in Medicare and Medicaid payments, causes their need for finance assistance to help offset the risks of this major project. The project would not be eligible for TROF because the real estate is tax-exempt, and would not be a funding priority in the Commission’s Special Projects program which places priority on telemedicine and cancer research projects resulting in increased health care access to improve the health of the workforce in the region. While this request could potentially encourage future funding requests from other healthcare providers considering expansion of services, Staff would note that the project entails significant net new job creation (partially replacing the noted lost jobs), nine-to-one capital leveraging of the requested TCR funds, and establishment of a facility that will have measurable annual impacts on the local/regional economy from operational spending and employee incomes – all of which could become funding criteria in the event of future requests of a similar nature. **Staff recommends award of \$435,000.**

LUNENBURG

Lunenburg County

STEPS Project Plumbing Requirements (#2813)

\$45,000 requested

Executive summary provided by applicant: In the STEPS Bathroom Addition project, new water and firelines will be added to the existing system. Backflow preventors that are required for the safety of the Town of Victoria water system will be installed with the funds from this grant application. These valves will be connected to the existing structures and placed in heated boxes enabling regular monitoring of these lines and connections. In the course of completing the project design, it was discovered that the existing domestic water line and the fire line for this 1960's era building do not have a backflow preventor installed on either line as required. The lack of the backflow preventors allows for potential problems in foreign matter in the water system, therefore the Town of Victoria insists that the work be completed. The estimate for this work and equipment is approximately \$40,000. Given that the lines are also over 50 years old, we are allowing for problems hooking up to these existing structures. The simple solution is to cut the existing lines near the road, add the valves in a heated box, and put the system back into working order. The backflow preventors will give the Town of Victoria a safety factor that they were unaware they were lacking. Additionally, installation in the boxes at the road will give the Town access to monitor these lines more efficiently. These backflow preventors need to be installed to protect the Victoria Town Water System. As they are required by code, the County can not proceed with the Bathroom Addition project without addressing this problem. This situation represents an unforeseen condition that could have created problems, but luckily, so far, has not. The County will work with the Town of Victoria to use compatible equipment on this project. The need for the Bathroom Addition is significant in that the current facilities meet code but they do not properly serve the disabled population of workers in the STEPS facility.

Staff comments and recommendation: STEPS is one of the largest private employers in Lunenburg, employing approximately 140 hourly employees and 10 management and administration positions at this location. The Commission awarded a FY13 grant for \$90,000 to support improvements to the IDA-owned building including construction of bathroom facilities to accommodate the expanded workforce with consolidation of the sewing operation to the Victoria site and to meet accessibility requirements for disabled employees. This request is for previously unidentified costs for back flow preventers discovered during planning for the bathroom construction. While no additional job creation is indicated in this request, the property is owned by the County IDA and completion of the construction will ensure a better work environment for STEPS employees and enable possible future expansion. **Staff recommends award of \$45,000.**

MECKLENBURG

Literacy Interactives, Inc

Rehabilitation of the Parker Sydnor Civil War era log cabin (#2809)

\$129,051 requested

Executive summary provided by applicant: The project will rehabilitate the Patrick Robert "Parker" Sydnor Civil War era log Cabin in Mecklenburg County. Rehabilitation will contribute to economic development in specified localities through initial construction jobs, ongoing service revenue, and targeted tourism markets linking the site to the Civil War History Trail, Rails to Trails (at nearby Boydton intersect), and the Virginia Sesquicentennial. The site is officially listed on the National Register of Historic Places and the Virginia Landmarks Register. The National Park Service established statewide significance for the site and because of that distinction, the site will display a permanent Virginia state highway marker. Recognition of the problem: Mecklenburg and Halifax Counties do not have an entrepreneurial site that can satisfy economic development through marketed Civil War oriented tourism and that can foster, especially among African American youth, the cultures of self-reliance, a strong work ethic based on post-secondary educational goals, and the integrity of self-worth. There is no economic development site based on the integrity of diversification through an African American identity that promotes collective strengths for all people in the communities. Opportunity: The Sydnor site has a workforce history: slavery (Prestwoud plantation), sharecropping, African American land ownership, and now, entrepreneurial development. The rehabilitation project is founded on the real life integrity of the successful tombstone maker, Patrick Sydnor (1854-1950) whose strong work ethic and diligence are documented in landownership records and other public documents. The project will construct physical improvements, the site will serve as a magnet for Civil War home front tourism jobs and regional economic development through the extension of workforce services sharpened by strategic marketing about the site. The rehabilitated building will serve for the public, especially for African American youth to have a tangible object that represents the integrity of work ethics and acquisition of goals. The National Park Service established statewide significance on the site and because of that distinction the county will have another prestigious Virginia state highway marker. That recognition, the only one in Mecklenburg County that recognizes an African American site, will bring marked regional tourism revenue into the county via various marketing "trails." Prestwoud Foundation expresses interest in partnering with LIA to pursue developmental programing that will involve shared histories and contemporary goals for both sites. For African Americans, the site has begun to create enabling memories of their ancestral past in Southside, integrity, endurance, accomplishments, and meaningful entrepreneurship.

Staff comments and recommendation: The applicant, recently formed 501C3 nonprofit, has succeeded in gaining historic designation for the structure, and has completed a business plan and master site plan with the assistance of Virginia Tech's Community Design Assistance Center. Two subsequent phases are anticipated in the site master plan, including construction of a visitor center and classrooms for education, although costs estimates that might indicate the size and the possibility of future TIGR funding requests are not provided. Matching funds are not yet committed (the application cites requests pending with several private foundations). Outcomes include a projected annual visitation of 5,625 to the site, which the applicant has clarified to be based primarily on a percentage of capture from the 7,500 annual visitors to the neighboring Prestwoud Foundation historic site. This capture rate is not justified by any stated and independently validated assumptions, or any apparent partnership with Prestwoud, and there is no data presented to break out local visitation such as school groups (an intended audience) from out-of-area visitors that could be defined as tourists. Likewise there are no estimates of visitor spending beyond the state- and county-wide "macro" level figures provided in the application. The project budget includes \$17K budgeted for construction travel which was calculated at + 30% on the \$57K estimated direct construction costs, which is intended to support travel expenses for the architect and project leader who reside in Arizona and for an unnamed contractor to travel to the site; and a 27% contingency which the applicant stated is typical given the nature of the preservation and rehabilitation work to be contracted. An earlier version of this request was passed by in the FY14 Special Projects cycle, and while the applicant's efforts to preserve this historic property are commendable, significant questions remain surrounding the appropriateness of this request, and the ability to make a one-room log cabin a prominent tourism destination with substantial, measurable new tourism outcomes. Requesting funds for the project leader and architect to travel from Arizona to manage the project is not only contrary to the Commission's General Funding Policies re: paying grantees to manage projects, but is also unsound precedent for use of Virginia public funds. **Staff recommends no award.**

Clarksville Senior Care, LLC
MeadowView Terrace Expansion (#2816)
\$358,000 requested

Executive summary provided by applicant: Clarksville Senior Care, doing business as Meadowview Terrace, plans to increase the number of beds at Meadowview Terrace by constructing a new 18-bed nursing home household, similar to other units at Meadowview Terrace. The number of beds at MeadowView will increase to 168. The new household incorporates resident-centered design characteristics fostering residents' independence and dignity by providing normalized living experiences. Additionally, a therapy gym will be added to the facility to improve therapeutic options for residents and potentially to serve as an outpatient rehabilitation site for non-resident patients. The total project will create 17 permanent jobs with \$3,585,000 capital investment. MeadowView Terrace was built as a 120-bed nursing home in 2001. Community demand led to a 30-bed expansion in 2011; all were filled within 4 months of opening. Residents of our service area, Halifax, Charlotte and Mecklenburg Counties, are significantly older than residents of Virginia as a whole, with 20% over age 65 vs. 13% for Virginia, and anticipated growth to 28% by 2030 (UVA Cooper Center). Demand for quality care for the elderly will grow commensurately. Currently, area residents often drive 20 miles to receive rehabilitation therapy. The new therapy gym will have the potential to provide those services. The construction of this new household at MeadowView Terrace will expand the number of beds available for residents of our region, allowing loved ones to reside close to family and familiar surroundings. Moreover, it will improve the continuum of care for the community by increasing the number of beds that are dual certified for Medicare/Medicaid usage, allowing access to a large segment of the population, and allowing access to a high quality therapy gym. The new construction will also allow best practice features to be incorporated, ensuring that MeadowView maintains its service standards by offering the highest quality care possible. This project will improve the accessibility of high quality,

affordable care in the region. It will create 17 permanent jobs with a \$3,585,000 investment, and the temporary project-based employment that is required for construction. More broadly, the completion of this project will be a positive factor in attracting new residents to the region, providing part of the social infrastructure that is a factor in relocation decisions for those who anticipate needing services for themselves or a loved one. This will be a state-of-the-art facility that will help the economic development authority promote this region as a retirement destination.

Staff comments and recommendation: This proposal is one of two submitted by a 501C3 non-profit subsidiary of the Halifax Regional Health System for capital costs related to nursing home expansions that under the Medical Care Facilities Certificate of Public Need, are authorized due to the relocation of beds from the South Boston Manor property which is to be closed. (The second application submitted by Halifax Regional Long-Term Care Inc. is included above for consideration under the Halifax County allocation.) This project requests funds for 10% of the \$3.585 million capital costs for construction of a new 18-bed nursing home unit and a therapy gym. The Certificate of Public Need indicates the addition of 18 nursing home beds to Meadowview Terrace is a relocation of 18 beds from the South Boston Manor, and the \$2.750 million authorized capital cost “to be financed from the existing liquid assets of Halifax Regional Health System”. Similar to the application submitted under Halifax County, this application identifies that it would result in 17 new jobs, replacing some of the ~ 60 jobs lost with the closing of the South Boston Manor. The applicant’s Income Statement for year ended August 31, 2013 identifies \$416K annual net income, but the applicant has indicated that changes in the health care industry including anticipated reductions in Medicare and Medicaid payments, causes their need for finance assistance to help offset the risks of this major project. The project would not be eligible for TROF because the real estate is tax-exempt, and would not be a funding priority in the Commission’s Special Projects program which places priority on telemedicine and cancer research projects resulting in increased health care access to improve the health of the workforce in the region. While this request could potentially encourage future funding requests from other healthcare providers considering expansion of services, Staff would note that the project entails significant net new job creation (partially replacing the noted lost jobs), nine-to-one capital leveraging of the requested TICR funds, and establishment of a facility that will have measurable annual impacts on the local/regional economy from operational spending and employee incomes – all of which could become funding criteria in the event of future requests of a similar nature. **Staff recommends award of \$358,000.**

Mecklenburg County

Mecklenburg County Shell Building Project (#2817)

\$1,200,000 requested

Executive summary provided by applicant: Mecklenburg County desires to construct an expandable 50,000 SF shell building in the Roanoke River Regional Business Park. The County is requesting \$1,200,000 from the Tobacco Commission matched by \$1,300,000 from the County IDA for construction of the shell building on a 10-acre site in the park. The project will enable Mecklenburg County improve its competitive position focused on advanced manufacturing and logistics. With frontage on U.S. 58 and proximity to Interstates 85 and 95, the shell building creates a product that would be highly attractive for clients who desire to reduce start-up time. Mecklenburg County does not own a publicly-controlled industrial shell building and desires to construct a customizable 50,000 SF building in the Roanoke River Business Park. According to VEDP there are only three publicly-owned shell buildings in the state. Approximately 60 to 70 percent of all prospects looking to locate or expand in Virginia first request an existing building. With a shell building, Mecklenburg County will have a desirable facility that can be featured in its marketing materials--a competitive necessity for rural communities. The project will provide the funds needed for Mecklenburg County to construct an expandable 50,000 SF shell building in the Roanoke River Regional Business Park. According to VEDP, the average size building requested by prospects is 99,000 SF. The

median size building requested is 75,000 SF. The proposed shell building can be customized for expansion to 100,000 SF in order to meet client needs. Many companies prefer to move in an existing building to speed up operations. The project will elevate Mecklenburg County's competitive position and clearly demonstrate its commitment to economic development. The shell building will provide the opportunity for Mecklenburg County to own an industrial-sized structure that provides the County a product that is customizable thus drawing more business clients to the area. The County will work aggressively with regional and State economic development professionals to market the site. A 50,000 SF expandable to 100,000 SF building is projected to generate between 50 to 150 jobs dependent upon the type of manufacturing or logistics/distribution facility that could go in the facility over the next 3 years after completion with a private investment projected between \$5M to \$20M.

Staff comments and recommendation: Outcome projections for a prospect locating to the shell are listed at a minimum of 50 new jobs and \$5+ million private capital investment; and on the upward side as many as 150 jobs and \$20 million depending on the type of business. Despite there not being publicly-owned buildings available in the County, staff would note that there are five existing privately-owned buildings with ~ 50,000+/- listed on the VEDP site selection website including the Dixie Warehouse #3 built in 2005. A letter from the Mecklenburg County IDA expresses an interest to enter into a lease-to-sell agreement with a TBD prospect, which has the obvious merit of having the building becoming taxable private property at the time of sale, but staff would note the standard grant letter of agreement requires approval from the Commission for change of ownership and disposition of assets purchased with grant funds. In recent years TICR funding decisions for shell buildings have generally limited the Commission's grants to the design and engineering costs due to the speculative nature of the investment. However, the significant local match in this project (more than 50% of the total project) gives the County a significant vested interest to aggressively market the facility, and thereby greatly reduces the risk for generating the expected return on investment. **Staff recommends award of \$1,200,000 contingent on disbursement of TICR grant funds not to exceed 50% of total project costs.**

Mecklenburg County

"XYZ" Expansion Project (#2808)

\$596,388 requested

Executive summary provided by applicant: Mecklenburg County is requesting TICR funds in coordination with Governor's Opportunity Fund (GOF), TROF, and County cash contribution to accommodate the ongoing expansion plans for "XYZ" Corporation. Funds will be used for the: 1) purchase of a 41-acre site including related legal and surveying costs; 2) delineation and mitigation of wetlands; and 3) upgrade of the water system including related engineering design, geotechnical, and inspection fees. Mecklenburg County must pro-actively position itself to accommodate the ongoing expansion needs of "XYZ" Corporation. Recent discussions with "XYZ" led the County to make the decision to secure an option in July of 2013 for an additional 41 acres to fulfill the growing needs of the company. "XYZ" also expressed the need for additional water supply and pressure. This year's application request will facilitate the purchase of an additional 41 acres for "XYZ" Corporation including related legal, surveying, and wetland delineation/mitigation costs and assist with funding the engineering design/geotechnical/inspection fees and construction associated with a water upgrade to fulfill the company's demand for additional water supply and pressure. The option contract was executed July 9, 2013 and must be exercised on or before June 30, 2014. A combination of GOF, TROF and local (Mecklenburg County) funds will provide "XYZ" Corporation the land and infrastructure needed to ensure its continued presence and growth in Southern Virginia. "XYZ" Corporation located in Mecklenburg County in August of 2010 and brought with it 50 jobs and \$299,500,000 in private investment. The company later expanded and constructed additional buildings. With this expansion came another 30+ jobs with an average annual salary of \$44,311 and \$354,950,292 in

private investment. This application request will provide additional land for the continued growth and expansion of "XYZ" in Southern Virginia.

Staff comments and recommendation: With combined announcement of 90 full-time positions and nearly \$1 billion in private capital investment, this project provides for acquisition of adjacent properties and related site development costs necessary to provide property for water system infrastructure and additional stages of planned growth being considered adjacent to the current location. The additional 41 acres have been optioned by the County at a per acre price of \$5,800. Matching funds listed for the project include a \$2 million TROF award approved in 2012 for upgraded water infrastructure, \$200,000 GOF approved last year, and a \$67,000 local investment in the land acquisition and wetlands delineation. The budget includes an estimated \$245,000 requested for wetlands mitigation. Delineation of the wetlands using local funds is not completed, and an onsite meeting with the Corps of Engineers is expected December 10th. Given an increase in requests by several project sponsors for grant funds to be used to address stream and wetland mitigation, and the varying options and degree of costs for addressing this on a site-by-site basis, staff defers to the committee re: a policy discussion on the extent to which grant funds should be used for stream and wetland mitigation costs. However, while there does not yet appear to be engineering or reports detailing plans and cost estimates to address this aspect of site development, this should not be allowed to become an impediment to the company's future expansion, and the requested funds could be repurposed or returned to the Commission if they ultimately exceed the actual need. **Staff recommends grant award of \$596,388 for land acquisition, water system upgrades, and wetlands mitigation.**

Mecklenburg County

Mecklenburg Industrial Site Readiness Initiative (#2806)

\$74,844 requested

Executive summary provided by applicant: The County of Mecklenburg is requesting \$74,844 from the Southside Economic Development Program in order to perform due diligence studies at two (2) industrial parks: Roanoke River Business Park and Lakeside Commerce Park. Both parks are in excellent condition and have been identified as very marketable properties in accordance with a recent site analysis performed by Timmons Group for the Virginia Growth Alliance. However, the site analysis identified the need for several due diligence studies in order to upgrade the parks to a Tier 4 rated site, which is the desired ranking for prospect readiness. Currently, Roanoke River Business Park and Lakeside Commerce Park are ranked as Tier 3 on a 5 point scale. In today's economic development and site selection environment, site preparedness is of the utmost importance. With the use of site selection consultants, prospects are researching detailed information about potential sites and moving faster with site selection, sometimes making their selection in less than 60 days. If certain environmental studies are needed prior to construction, then the site becomes less desirable due to development timeline and risks.

In order to achieve a Tier 4 site rank, the following studies must be completed: Current wetlands delineation and COE confirmation; Preliminary geotechnical report; 1' Topographic Survey; and Floodplain Survey (Roanoke River Business Park only). The completion of a floodplain survey and wetlands delineation with COE confirmation will identify the existence and limits of nearby wetlands and floodplains and shorten the environmental permitting process needed to move forward with construction. A preliminary geotechnical report will identify soil suitability and construction recommendations. Last but not least, a topographic survey will identify natural and man-made features and define the land's elevations. The proposed due diligence studies will allow the County of Mecklenburg to more aggressively market Roanoke River Business Park and Lakeside Commerce Park to industry prospects. The Roanoke River Business Park contains 185 developable acres, and the Lakeside Commerce Park contains 255 developable acres. Combined, the two parks have the potential to create 1,729 additional jobs and \$96 million in private capital investment.

Staff comments and recommendation: This is one of two applications under the Mecklenburg County allocation, requesting funding for engineering reports and studies to move industrial parks to a higher “tier” based on a private Virginia-based engineering firm’s tier ranking system that has been adopted by the regional economic development partnership (Virginia’s Growth Alliance) for marketing properties to prospects. The second application is from the Town of South Hill (see below). VEDP currently shows Lakeside as "Right Now Certified (Shovel Ready)" for M-1, Light Manufacturing. The site is identified as having 650 acres site with the largest contiguous parcel being 100 acres; road and utility infrastructure available for Phase 1 (front 250 acres) and a 14-acre graded pad. County IDA staff have clarified that the front 265 acres of the park are owned by the Mecklenburg County IDA and a regional partnership; whereas the back 375 acres of the park are owned by the Clarksville EDA. While the original proposed scope of work from the contractor identified that the project would provide Phase 1 Archeological and Phase 1 ESA Reports for the Phase 2 portion of the site (back 350 acres) and Preliminary Geotechnical Report and 1' topographic study for entire site; IDA staff have since clarified that the project was only intended to support the front 265 acres. The studies/reports supported by this grant are intended to result in the 265 acres of which 255 acres are identified as developable having a Tier 4 ranking. VEDP currently shows Roanoke River Regional Business Park as "Right Now Certified (Shovel Ready)" for Industrial Park, with 275 total acres and 157 acres as the largest contiguous parcel. The Phase 1 Environment is available; access road is constructed; and two front parcels graded to equal approximately 70 acres. This project is intended to result in the 275 available acres of which 185 acres are developable at the Roanoke River Regional Park having a Tier 4 ranking (as compared to only the 70 pad ready acres assumed to currently be at the Tier 4 ranking). The project will result in the parks increasing from their current Tier 3 status to Tier 4, and will enhance the readiness and marketing of the sites. **Staff recommends award of \$74,844.**

Town of South Hill

South Hill Industrial Site Readiness Initiative (#2805)

\$59,251 requested

Executive summary provided by applicant: The Town of South Hill is requesting \$59,251 from the Southside Economic Development Program in order to perform due diligence studies at two (2) industrial parks: Hillcrest Business Park and Interstate Industrial Park. Both parks are in excellent condition and have been identified as very marketable properties in accordance with a recent site analysis performed by Timmons Group for the Virginia Growth Alliance. However, the site analysis identified the need for several due diligence studies in order to upgrade the parks to a Tier 4-5 rated site, which is the desired ranking for prospect readiness. Currently, Hillcrest Business Park and Interstate Industrial Park are ranked as Tier 3-4 on a 5 point scale. In today's economic development and site selection environment, site preparedness is of the utmost importance. With the use of site selection consultants, prospects are researching detailed information about potential sites and moving faster with site selection, sometimes making their selection in less than 60 days. If certain environmental studies are needed prior to construction, then the site becomes less desirable due to development timeline and risks. Based upon a recent site analysis study completed by Timmons Group, in order to achieve a Tier 4-5 site rank, the following studies must be completed: Current wetlands delineation and COE confirmation; Preliminary geotechnical report; and 1' Topographic Survey. The completion of a wetlands delineation and COE confirmation will identify the existence and limits of nearby wetlands and shorten the environmental permitting process needed to move forward with construction. A preliminary geotechnical report will identify soil suitability and construction recommendations. Last but not least, a topographic survey will identify natural and man-made features and define the land's elevations. The proposed due diligence studies will allow the Town of South Hill to more aggressively market Hillcrest Business Park and Interstate Industrial Park to industry prospects. The Hillcrest Business Park contains 116 developable acres, and the Interstate Industrial Park contains 157

developable acres. The two parks have the potential to create 1,317 additional jobs and \$71 million in private capital investment.

Staff comments and recommendation: This is one of two applications under the Mecklenburg County allocation requesting funding for engineering reports and studies to move industrial parks to a higher “tier” based on the tier ranking system described in the previous request above. Hillcrest Business Park does *not* currently have the Right Now (Shovel Ready) certification by VEDP. Having been viewed by at least three companies in the past year, local and regional economic development professions expect that Hillcrest will attract industrial attention with a solid Tier 4 ranking. The preliminary geotechnical, wetlands delineation, and 1" topographic survey for the entire site is expected to result in the 116 developable acres (137 total park acres) as Tier 4. The Hillcrest property is cleared of trees and shows well to prospects. Depending on the results of the topographic survey requirements it will be considered for a Tier 5 ranking. VEDP's site selection database identifies Interstate Industrial Park as "Right Now Certified (Shovel Ready)" having 290 total acres with 72 acres in the largest contiguous parcel. The park is shown as having Phase 1 environmental on file and a 23-acre graded pad now available. The applicant identifies that significant site is expected to be needed for Interstate to show well to prospects and the Town anticipates requesting additional TCR funding for grading in order to have a large "pad ready" site and to reach the Tier 5 ranking. Grant funds for engineering studies will result in the remaining 120 development acres at Interstate Industrial Park (including the 23 acre pad-ready site) to reach a Tier 4. **Staff recommends award of \$59,251.**

PATRICK

Town of Stuart

Stuart WWTP Improvements Project (#2811)

\$640,300 requested

Executive summary provided by applicant: The proposed project includes a number of repairs and improvements at the Town's existing WWTP. The proposed work includes replacement of existing belt filter press with a new assembly, replacement of the existing aeration diffusers and headers in aeration basins, replacement of existing aeration system blowers and underground piping, installation of a comminutor at the plant headworks, installation of emergency generator, and related improvements. The existing belt press and aeration system have been in service for nearly 30 years, are very problematic and in need of replacement in order to maintain overall plant performance. The Town's existing WWTP is in need of a number of improvements. The sewage collection system was recently expanded to serve growth areas along the Route 58 corridor. Construction was funded in part by VTIC funds allocated to Patrick County in order to promote business growth. Increased wastewater flows will place increased demands upon the WWTP. The last major plant upgrade was 30 years ago and a number of equipment items have neared the end of their useful life. Proposed improvements include replacement of the existing belt press, aeration system, installation of a comminutor, emergency generator, and other misc improvements. The Town's sewage collection system was recently expanded to serve growth areas along the Route 58 corridor outside the Town's corporate limits. The proposed improvements will better enable the Town to serve the growth areas and maintain regulatory compliance at the WWTP. The proposed improvements will replace existing equipment that is deficient, thereby improving overall WWTP operations and better enabling the Town to accommodate increased wastewater flows. This is the largest sewer project to be undertaken by the Town in 30 years. The recent sewer line extensions completed by Patrick County represents the largest expansion of the collection system. The total estimated project cost is \$1,280,600. By comparison, the Town's entire FY

2014 Water & Sewer Budget revenues are projected to be \$604,000. The large expenditure required for this project necessitates that the Town be able to secure outside funding assistance.

Staff comments and recommendation: Many of the costs included in this request appear to be for issues that the Town would have known about for years, deferred maintenance or scheduled replacement costs that the system owner could/should have been saving revenues to address. The proposal does not appear to represent any net increase toward economic development outcomes expected to result from the project. Based on Commission policy for consideration of funding for water and sewer projects, staff requested that the Town provide an assessment of the ability of the project to be financed from existing revenues or reserve funds including a cash-flow analysis. The Town has responded that the full project cost has been requested from DEQ, and an offer for a loan in that amount is expected in December. The debt service on that loan is estimated at \$70,433 annually. While the Town's water and sewer systems operated at a loss with revenues covering only 64% of operating expenses, the general fund revenue collections for the year ending June 30, 2013 were one and a half times what was needed to cover general expenditures (i.e. \$781K revenues collected, \$329K general fund expenditures, \$452K revenues in excess of expenditures of which \$190K was transferred to the water and sewer enterprise fund). A review of *The 24th Annual Virginia Water and Wastewater Rate Report 2012* by Draper Aden Associates suggests current sewer rates in the Town of Stuart are substantially less than the average statewide. The report shows Virginia average Residential (In-Town) rates at \$37.69 per 5,000 gallons compared to \$21.45 for Town of Stuart at over 2,000 gallons per day; and similarly Residential (Out-of-Town) rates in Virginia averaging \$55.57 per 5,000 gallons compared to \$24.60 for Town of Stuart customers. In summary, the full \$1.28 million needed to complete the project is expected to qualify for the Virginia Clean Water Revolving Loan Fund program, income statements demonstrate significant annual revenues to the Town in excess of operating costs, and review of average state rates suggests the ability for the Town to recover additional revenues to support capital improvements. **Staff recommends no award.**

PITTSYLVANIA

Town of Gretna

Town of Gretna Industrial Park Gravity Sewer Completion Project (#2690)

\$335,000 requested

Executive summary provided by applicant: This project will complete the gravity sewer through the Gretna Industrial Park (G.I.P) and connect to the existing sewer system which serves the developing industrial, medical & commercial district at the southeast corner of the Gretna US 29 bypass interchange. This project will allow an existing unreliable 30 year old pumping station to be abandoned and provide service to the existing customers and new Centra Health facility from a new recently constructed pumping station in the industrial park. Funding will be used for A/E services and gravity sewer construction. The current gravity sanitary sewer extends only partially into the G.I.P. and will not serve some of the northern parcels should an industry choose to locate on one of these sites. The overall plan is for the extension of the G.I.P. sewer to extend just north of the Park to connect to the existing Industrial Drive pump station. The 30-year old Industrial Drive pump station is approaching the end of its service life and with a significant forthcoming medical facility upstream of the station, it is not considered adequate for future needs. Construction of the 3100 l.f. of gravity sanitary sewer from current termination of the Gretna Industrial Park on-site gravity sewer to the existing Industrial Drive pump station would connect the two sanitary systems. Once connected, the Industrial Drive pump station would be abandoned and all sanitary flows would be transmitted downstream through the G.I.P. gravity sewer and then pumped through the new recently constructed G.I.P. pump station. With the connection of the two systems & abandonment of the

Industrial Drive pump station, the Town would be able to market nearly all of the G.I.P. as having gravity sanitary sewer. With the gravity sewer already installed, prospective industries would not have to wait for a completed site as the major utilities would already be available. The abandonment of the Industrial Drive pump station and connection of the interchange service area will provide a reliable sanitary service. The increased reliability will allow for future medical facility improvements/expansion and commercial development at the interchange area.

Staff comments and recommendation: The proposed project, which was tabled in May for additional project financing information, will provide 3,100 linear feet of 8” gravity sewer line to connect existing sewer lines in a boundary adjustment area at the US 29 Bypass Interchange in Gretna, with existing gravity sewer lines to be served by the new pump station at the Gretna Industrial Park (previously funded by TIGR). The project will serve commercial and institutional users including an existing hotel and the new Centra Health Medical Facilities scheduled to be completed by end of December 2014, as well as existing manufacturing industries including Amthor International and Capps Shoes who have expressed opportunities for expansion, as well as supporting future development along McBride Lane and inside the Gretna Industrial Park. Connecting to the new pump station will provide service reliability with an emergency generator for backup power for all customers on the system but that is essential for the new Centra facility, a \$25 million medical facility expected to create 75 new jobs with \$50,000 average annual salary and which will incorporate 24/7 emergency room services. Staff received a cash flow analysis from the Town showing additional sewer revenues from the new commercial users and all customers within the adjustment area, in order to assess the opportunity to use debt financing to support the requested improvements. The analysis indicated an annual loss of revenues due to the Town having to purchase all water and sewer infrastructure in the boundary adjustment area from the Pittsylvania County Service Authority at \$350,000, requiring a \$25,000 down payment and \$25,000 annual payments for the next 13 years. Staff noted for the year ending July 2013, the sewer system operated at a loss (\$14K) and water at a loss (\$60K), despite the Town having made efforts to recover additional revenues through rate increases of 6% each of the last two years. A resolution passed by the Pittsylvania County Board of Supervisors in support of the Gretna request was received. **Staff recommends grant award of \$335,000.**

PRINCE EDWARD

Robert Russa Moton Museum

Civil Rights in Education Heritage Trail Tourist Center (#2807)

\$77,785 requested

Executive summary provided by applicant: The Civil Rights in Education Heritage Trail Tourist Center will be housed in a 2,000 square-foot reconstructed circa 1951 Moton High School tarpaper shack. The facility will include a covered dining area, restrooms, and administrative offices. The tourist center will be located on the grounds of the National Historic Landmark Robert Russa Moton Museum, an icon of the Civil Rights Era. The project, with the major portion of funding provided by the VDOT Enhancement Program, also includes parking lot and landscape improvements. The Robert Russa Moton Museum is Virginia's leading Civil Rights Era museum. That it is located in Southside is a distinct advantage for the region. Its historic significance is on par with other national Civil Rights Era sites in localities such as Atlanta, Birmingham, Greensboro, Jackson, Memphis, and Montgomery. Properly developed Moton allows the Commonwealth to compete with its Southeast Regional neighbors for Civil Rights Era heritage tourism travelers and scholars. The national significance of Moton is evidenced by the wide array of corporate, foundation, and governmental support over the past five years now totaling more than \$5.5 million. The proposed project will complete the creation of the leading Civil Rights Era museum in the Commonwealth.

Proximity to the concentration of Civil Rights Era travelers in the Northeast Region will offer a distinct advantage in comparison to Civil Rights Era sites of the Deep South. Moton is a convenient daytrip for a large number of tourists and is a convenient stopover point for those continuing to the Deep South. Moton will accommodate 35,000 visitors annually at completion with a local economic impact of approximately \$1 million annually. Moton is the Commonwealth's Civil Rights Era Museum. What Virginia students learn of the era through site-based historic interpretation they will learn at Moton. They will visit and learn in Southside. The participating localities of the Civil Rights in Education Heritage Trail in 2004 designated Moton the Trail's anchor recognizing the positive impact its development would have on heritage tourism. The project provides positive impact across a substantial portion of the tobacco region.

Staff comments and recommendation: TICR funding to the Moton Museum to date totals more than \$1.4 million. A FY12 grant of \$76K SSED grant provided the required 20% non-federal match to a VDOT Enhancement Grant proposal submitted the previous November. These VDOT funds are to construct a pavilion on the Moton property which the Museum has identified as a critical part of their facility needs in order to accommodate larger groups including the need for additional restroom facilities. An economic impact study was done for the Moton Museum in 2009 but this study does not assign a specific number of new visitors directly attributable to the pavilion. The pavilion will be used to expand interpretive areas including kiosk and wall maps for the museum as well as accommodating large group events. While the project is well-matched with committed funds, the increased total project costs from the last application reviewed appear to be attributed to addition of office and administrative space in the pavilion. Any additional outcomes that could be attributed to this request are minimal. **Staff recommends no award.**

OTHER BUSINESS

Town of Lawrenceville

Turntable Outdoor Center & Trailhead Park (#2043)

Request for budget revision and 5th year extension

A budget revision request and a fifth year extension are requested by the Town of Lawrenceville. The Southside committee awarded this \$205,920 grant to the Town of Lawrenceville in April 2010 to be used for preliminary engineering including environmental assessment of two parcels and the buildings, as well as building assessment for three structures expected to be renovated. The main parcel to be marketed as "Turntable Park" is the site of the historic Atlantic & Danville trail terminal and the neighboring rail yard. Funding from DHCD was used by the Town to purchase the property previously owned by Southern States and for ~ \$100,000 to support engineering design, renovation, and administrative costs. The second parcel is a property owned by Norfolk Southern which was originally expected to be donated for development of the park and for which acquisition has been delayed. Total disbursement of grant funds to date is at \$7,900, used to cover costs for the Phase I Environmental Site Assessments. The Town is proposing the balance of \$198,000 remaining in the project account be combined with the DHCD funding to complete renovations of the Outdoor Center and development of the park property. The work is expected to be completed by mid-2014. **Staff recommends approval of budget reallocation and a 5 year extension through April 28, 2015 to complete renovations.**

IDA of Cumberland County
Construction of "Road A" (#2688)
Request for repurposing of grant funds

In May 2013, TICR awarded a \$60,733 grant to the IDA under the Southside Economic Development program as well as a \$185,600 grant TICR #2590 under the Special Projects program to support *Construction of "Road A"* the access road into the Cumberland County Industrial Park. The County is now requesting a repurposing of both grants to support the estimated \$295K cost for construction of a water line to the park. Due to a favorable bidding climate construction costs for waterline extensions supported with USDA funding, the County was able to construct the water line to the road that is used to enter the park. This request to TICR will complete waterline construction to the park property. Construction of the waterline is now a higher priority over the road construction based on the expectation that VDOT Access Road funds could be an option for the road construction based on a current manufacturing prospect that the county is working to attract to the park. The County would use local matching funds to cover the ~ \$48K (or 16%) of additional funding needed to complete the waterline. The repurposing of the accompanying Special Projects grant will be presented at the next meeting of that Committee. **Staff recommends approval of the revised use of the \$60,733 Southside Economic Development grant to support waterline construction costs to serve the County industrial park.**