

CRO Road Trip 2020



itinerary



DHCD OVERVIEW



CRO OVERVIEW



PROGRAM TOUR



OTHER RESOURCES



DHCD



The Virginia Department of Housing and Community Development (DHCD) partners with Virginia's communities to develop their economic potential. **Each year DHCD invests more than \$100 million into housing and community development projects throughout the state**, the majority of which are designed to help low- to moderate-income citizens.

DHCD offers financial resources, technical assistance, and learning opportunities to help communities reinvest in their places, invigorate local economies, and improve quality in the lives of their residents.



CRO

Within DHCD, the Community Revitalization Office works with organizations, localities, and clients that have an interest in asset-based **community economic development strategies and tools**.

Our staff provides technical assistance, grant support and management for our various programs:

- 📍 Virginia Main Street
- 📍 Community Business Launch
- 📍 Industrial Revitalization Fund
- 📍 Enterprise Zones
- 📍 RCDI
- 📍 VIDA
- 📍 Port Host Communities



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Virginia Main Street

PROGRAM OVERVIEW

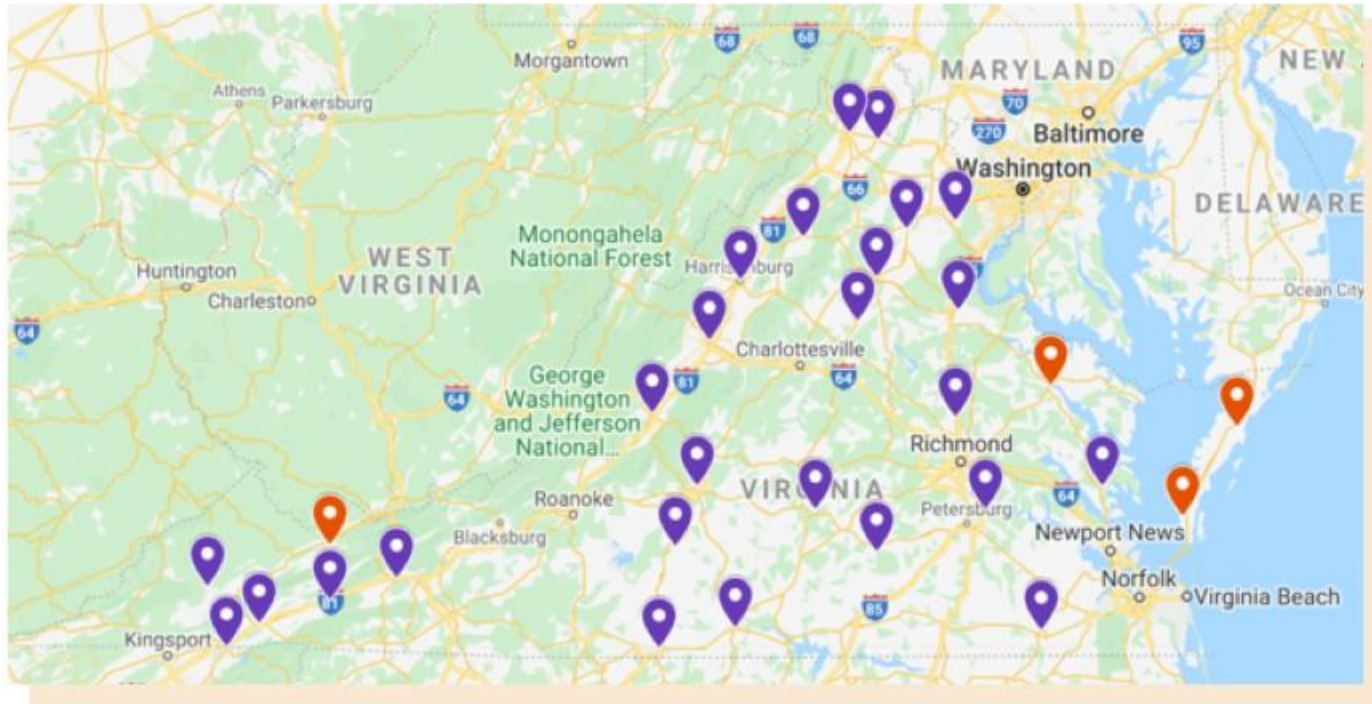
- Virginia Main Street (VMS) is a Main Street America™ Coordinating Program committed to creating high-quality places and to **building stronger communities** through preservation-based economic development.
- VMS offers a range of services and assistance to communities interested in **revitalizing their historic commercial districts** utilizing the Main Street Approach™.
- While the program design addresses the need for revitalization and on-going management of **smaller to mid-sized downtowns**, aspects of the Approach™ may be applied successfully in other commercial settings.



Virginia Main Street

PROGRAM USES

The VMS program offers communities 4 successive tiers of participation



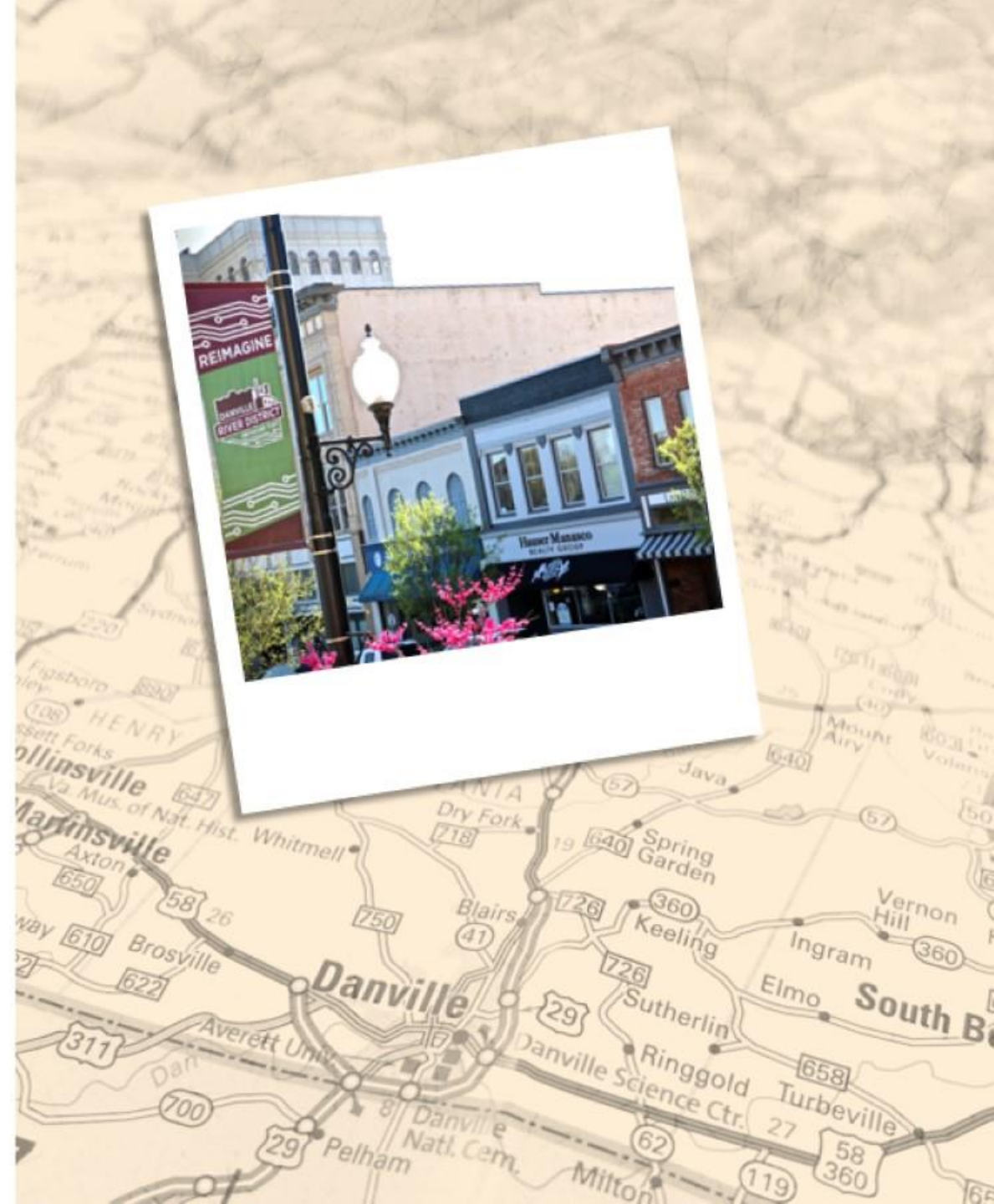
There are 30 Designated Virginia Main Streets, 4 were added this month!

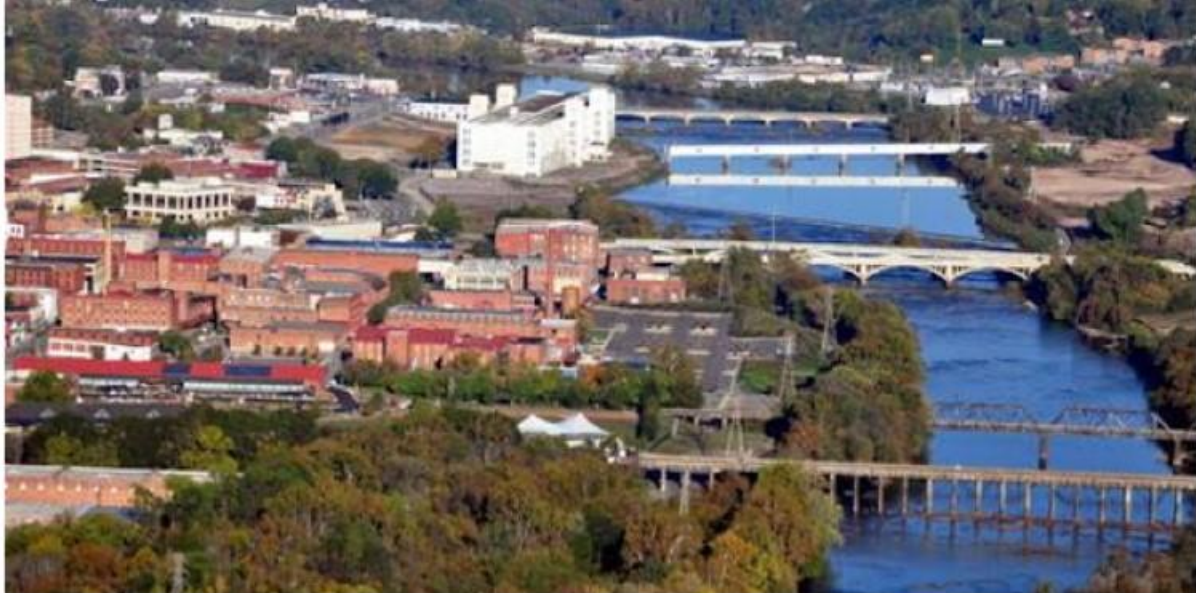
- **Introducing Main Street**
open to all who want to be part of the network
- **Exploring Main Street**
participation is by a simple, noncompetitive application and offers the opportunity to learn about best practices in the field and to network with peers from around the state
- **Mobilizing Main Street**
provides targeted organizational development support to communities exploring application for Virginia Main Street designation
- **Advancing Main Street**
DHCD holds a competitive application period every 3-4 years for historic commercial districts who wish to become designated communities, requiring demonstrated performance standards for recognition as an Accredited Main Street America™ community

first stop

📍 Danville

- After ten years without a local Main Street program, Danville returned as a VMS designated community in 2016 led by the River District Association (RDA), a charitable 501(c)3 nonprofit, with a strong community-informed vision for the district and response to a resurgence of downtown investment.
- In 2018, RDA won a \$150,000 *Partners in Preservation* grant used towards rehabilitation of two properties in the historic African-American North Union Street corridor, resulting in two new storefronts and office space and over \$1.6 million of investment.
- Leveraging the investment, RDA also led the inaugural *Dream Launch Challenge, a Community Business Launch* funded project, creating two new and two expanded businesses.
- Since designation, RDA, with its partners, sparked more than \$36 million in private investment, 42 net new businesses, and 277 net new jobs in their Main Street district.





Virginia Main Street

TIPS FOR GETTING STARTED

Whether you are creating a new local preservation-based commercial revitalization organization or reinvigorating an existing one, here are a few tips to get started:

- **Look at your downtown** as if you are a first time visitor. What is positive? What needs improvement?
- Invite a Main Street® volunteer or manager from another community to **talk with a group of community leaders** about what that community and organization has accomplished and how the program works.
- **Recruit board members** and take them to other downtowns to meet with peers, hear about what works and see how your downtown compares.
- Explore further steps to create a resilient nonprofit and impactful Main Street program in the Virginia Main Street **Getting Started checklist**.

TIMELINE

Grant Applications Open: January 2021

Submission Deadline: March 2021

Grant Announcements: July 2021

Projects Completed By: May 2022

CONTACT

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Blog: virginiamainstreet.com

Community Business Launch

PROGRAM OVERVIEW

- Fills a critical mass of vacant storefronts with **business expansion projects or start-up ventures**
- Trains entrepreneurs and creatives about solid **business planning** practices
- Culminates in a group of finalists **pitching their ideas** to a panel of judges. Winners receive grant funding for their venture.



Community Business Launch

PROGRAM USES

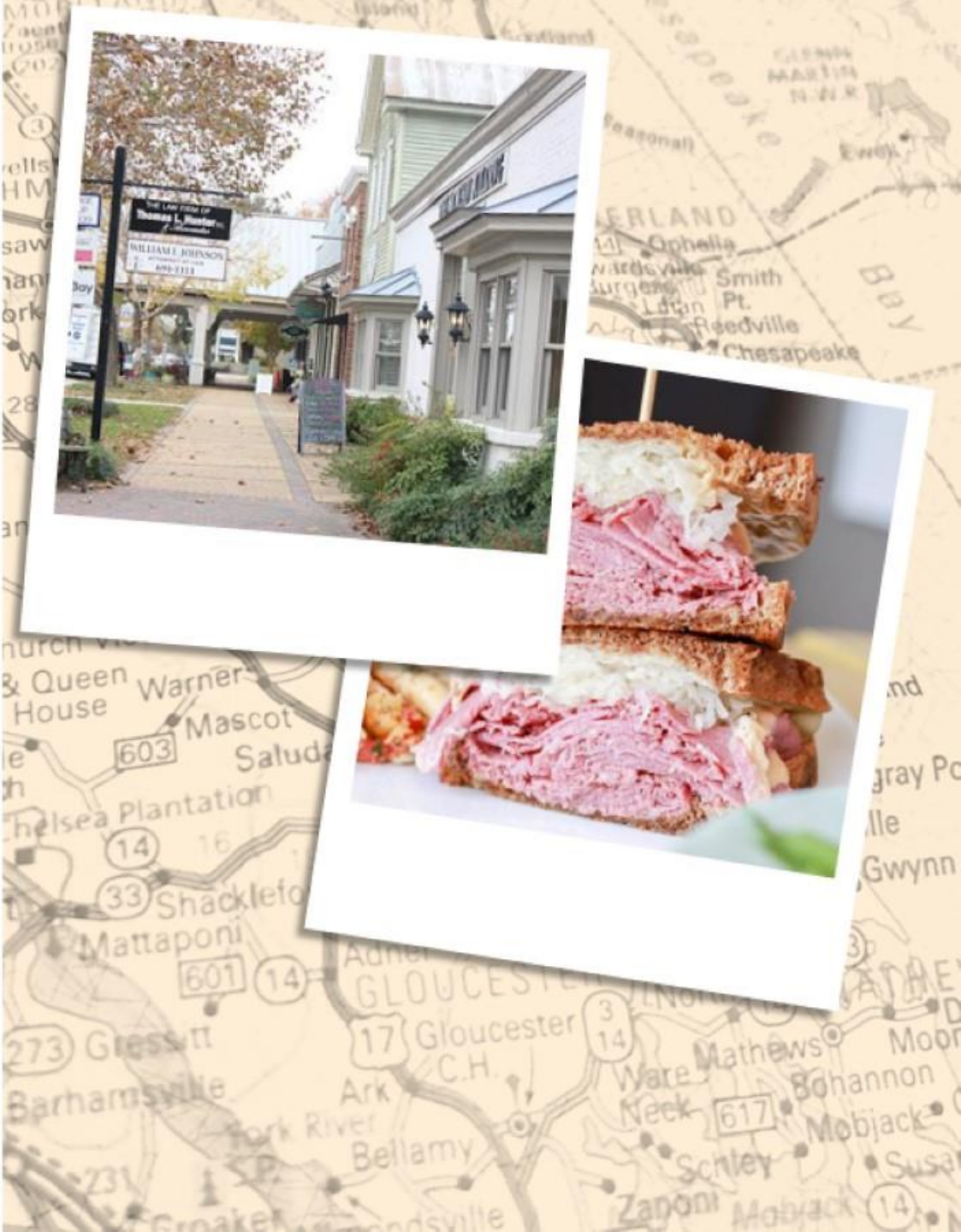
- Encourage locally grown business and job creation. Many businesses start regardless of whether or not they “win.”
- **Encourage vitality, property rehabilitation and getting vacant properties back on the tax rolls.** Improvements to a popup storefront can pave the way for another tenant.
- Having a cohort of **start-ups begin together** builds a sense of community and mutual support.



second stop

📍 Gloucester

- Gloucester filled four vacant storefronts in 2015 through CBL by:
 - Conducting a market analysis of unmet demand for business types
 - Reaching out to 100 potential entrepreneurs and offering them 8 weeks of retail business training
 - From this group, 10 entrepreneurs completed business plans and pitched their ideas for 4 prizes of cash and business services
 - The program resulted in the creation of 4 new businesses and the expansion of a 5th, creating 19 new jobs and retaining 17 jobs





Community Business Launch

TIPS FOR GETTING STARTED

- Identify a critical mass of co-located **empty storefronts** with property owners ready to lease or sell.
- Identify **business training** partners and an entrepreneur recruitment plan.
- Create a **multi-faceted prize package** that includes cash, support services and potentially low-to-no cost rent for a few months.



TIMELINE

Applications Open: January 4, 2021

Submission Deadline: April 16, 2021

Grant Announcements: Summer 2021

Projects Completed By: Sept 30, 2022

CONTACT

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Industrial Revitalization Fund

PROGRAM OVERVIEW

- The Industrial Revitalization Fund (IRF) assists localities in addressing **vacant and blighted structures** that have contributed to the disinvestment of the property and surrounding neighborhood
- These remnants of past economic vibrancy are no longer suited for their former purpose, and therefore serve as opportunities for a community to leverage local and private resources to create community development projects that are a **catalyst for further investment and development**
- Projects are awarded up to \$600,000 and require at least a 1:1 match



Industrial Revitalization Fund

PROGRAM USES

- Eligible properties include those formerly used for manufacturing, warehousing, mining, transportation and power production, as well as large-scale white elephant structures, such as department stores, theaters, hotels and shopping centers
- IRF grants are performance based, and outcomes are measured on the creation of jobs, redevelopment of the property into a commercial end-use, and total public/private investment into the project.



third stop

📍 Bedford

- In 2016 the Bedford County Economic Development Authority was awarded an IRF Grant for the renovation of the former Hampton Looms woolen mill property in downtown Bedford
- Working with Waukeshaw Development, Inc., the 16,000 SF building was transformed into Beale's Brewery, bringing a full service BBQ restaurant and the first craft beer brewery to Bedford
- "Beale's creates a unique and dynamic destination for residents and tourists alike, and immediately adds up to 30 new jobs and \$2.5 million in economic impact," said Traci Blido, the Director of Economic Development for Bedford County





Industrial Revitalization Fund

TIPS FOR GETTING STARTED

- Only local governments (cities, counties, or towns), and regional or local economic or local development authorities may submit applications for funding
- A unit of local government may apply directly for funding to use on publicly owned property or on behalf of a for-profit or non-profit entity for privately owned property
- For more information on guidelines and eligibility download our resource documents linked at www.dhcd.virginia.gov/irf

TIMELINE

Applications Open: January 1, 2021

Submission Deadline: May 17, 2021

Grant Announcements: Fall 2021

Projects Completed By: Spring 2023

CONTACT

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Website: dhcd.virginia.gov/irf

Virginia Enterprise Zones

PROGRAM OVERVIEW

- The Virginia Enterprise Zone (VEZ) program is a partnership between the Commonwealth of Virginia and local governments designed to **incentivize job creation and real property investment**, with the goal of promoting local and regional economic development and revitalization.
- VEZ incentives are available to businesses and zone investors who create jobs and invest in in real property within the boundaries of enterprise zones
- These are **performance based grants**, with applications submitted in CY 2021 for investments made in CY 2020



Virginia Enterprise Zones

PROGRAM USES

- Real Property Investment Grant (**RPIG**)

The Real Property Investment Grant provides grants to businesses that make investments in industrial, commercial, or mixed-use properties within enterprise zone boundaries. The award amount **is up to 20 percent of the qualifying investment**, but is capped at \$100,000 if the total investment is less than \$5 million and at \$200,000 if the total investment is \$5 million or more

- Job Creation Grant (**JCG**)

The Job Creation Grant provides grants to businesses operating in enterprise zones that **create at least five new positions**. The award is \$800 per job for jobs paying \$14.50 or more per hour or \$500 per job for jobs paying \$12.69 to \$14.49 per hour. If the business maintains eligibility for all five years, the maximum award per job is \$4,000. Each business can receive grant funding for up to 350 jobs per year, so the maximum award per business is \$280,000 per year.



fourth stop

📍 *Marion*

- RPIG: Blue Ridge Knives invested over \$10 million in expanding their Smyth County facility, for which they received a grant of \$167,864

fifth stop

📍 *Richmond*

- JCG: Richmond's Stone Brewing created 52 net new jobs at their facility, for which they received a JCG of \$42,208



Virginia Enterprise Zones

TIPS FOR GETTING STARTED

- Virginia has **45 enterprise zones** that encompass approximately 245 square miles
- RPIG: Must be a private business or person that incurs cost of investment in industrial, commercial, or mixed-use properties within boundaries of enterprise zone. Investment must involve rehabilitation or expansion of existing structure or new construction. Investment must be in **real property improvements** (improvement to land or structure) and may not include machinery and tools.
- JCG: Businesses located in enterprise zones that **create permanent, full-time jobs** over a four year threshold. Job creation must be over the base year (either of the two calendar years immediately preceding a business's first year of grant eligibility). Positions must pay at least 175% of the federal minimum wage and cover at least 50% of employees' health insurance premium. This threshold is reduced to 150% if the zone is in a locality with an unemployment rate 1.5 times the state average.

TIMELINE

Qualification Determination:

January – March 2021

Submission Deadline: April 1, 2021

Funding Released: June 2021

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Virginia Individual Development Accounts

PROGRAM OVERVIEW

- VIDA is a matched savings and financial education program to help working families acquire an asset
- Participants receive **financial training**, while saving their money, **every dollar saved is matched by \$8 program dollars**, for up to \$4,000
- Participants' funds are matched and used towards the purchase of a home or business
- DHCD contracts with local governments and/or nonprofits to provide the program. There are two funding options:
 - CDBG Local Innovative Projects
 - Statewide VIDA Homeownership Program



Virginia Individual Development Accounts

How It Works:

- A local intermediary (nonprofit organization) recruits savers. Saver completes application and works with intermediary for a financial analysis and orientation
- Saver enrolls in the program and opens a VIDA account
- Saver designates savings goal and budgeting plan. Saver receives credit counseling, works to improve credit and completes 14 hours of training
- Saver saves at least \$25 per month over a mandatory six-month period. Saver works with their intermediary to prepare for their asset purchase
- Saver completes saving and requests their VIDA savings along with earned match funds to make home, business or education purchase



sixth stop

📍 Roanoke

- Ms. Katherine Devine is a local artist in Roanoke and operates a private studio in the Grandin area. She enrolled in the VIDA program to benefit her business.
- Ms. Devine stated, "The VIDA program has benefited me in many ways. The personalized business advice filled a gap that was not part of my fine arts education. It has helped me plan, market and maintain my private art studio allowing me to produce artwork for sale, and to offer small classes and private instruction for artists of all ages and skill levels."



Virginia Individual Development Accounts

TIPS FOR GETTING STARTED

- Eligible saver applicants must:
 - Be a U.S. citizen or legal resident and Virginia resident
 - Be 18 years old or older
 - Meet eligible VIDA income guidelines and household net worth limits
 - Have earned income from full-time, part-time or self-employment
 - Be able to complete the program within 6 to 24 months
- Recruiting participants into the program is a key responsibility of intermediaries. DHCD provides resources to help with recruitment in the form of stock press releases; images; PSA's and marketing ideas to help build awareness of the program and make it easier to reach out to eligible markets.

TIMELINE

Applications Open: Now

Final Date to Accept: December 1, 2021

Grant Announcements: Within 30 days
of receiving application

Projects Completed By: July 2024

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Other Resources from DHCD

RURAL COMMUNITY DEVELOPMENT INITIATIVE

- RCDI assists designated communities with training and technical assistance that addresses organizational, economic and design improvements within each respective community, strengthening the readiness of recipients to undertake community and economic development projects and support the creation and sustainability of entrepreneurial ecosystems.

PORT HOST COMMUNITIES

- Funding is available for the strategic removal or redevelopment of port related properties in these five designated areas: Newport News, Norfolk, Portsmouth, Richmond, and Front Royal. Port related refers to any non-residential structure that was built or used for a purpose related to port activities, is located near the port so as to benefit from port activities, or is located on or near a transit route (rail or highway) that served/serves the port.

COMMUNITY DEVELOPMENT BLOCK GRANT

- CDBG provides funding for projects that address critical community developmental needs, including housing, infrastructure, and economic development. The goal of the CDBG Program is to improve the economic and physical environment through activities that primarily benefit low and moderate income persons, prevent or eliminate slums and blighting conditions or meet urgent needs.

VIRGINIA TELECOMMUNICATION INITIATIVE

- VATI provides financial assistance to supplement construction costs by private sector broadband service providers to extend service to areas that presently are not served by any broadband provider

GO VIRGINIA

- GO Virginia supports programs to create more high-paying jobs through incentivized collaboration between business, education, and government to diversity and strengthen the economy in every region of the Commonwealth.

final stop

📍 *South Boston*

- South Boston became a designated **Virginia Main Street in 2004**, run by the Destination Downtown South Boston organization
- As an **Enterprise Zone**, South Boston benefits from state RPIG and JCG incentives, as well as offers local incentives to businesses like Machinery & Tools Investment Grant, FF&E Grant, Real Property Rehab Tax Assessment Relief, and Utility Tax Rebates
- Awarded a **CBL grant in 2017** that resulted in a pitch with 15 local businesses participating, eventually filling 7 vacant storefronts downtown
- Awarded a \$475,000 **IRF grant in 2017** for the renovation of the historic John Randolph Hotel





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