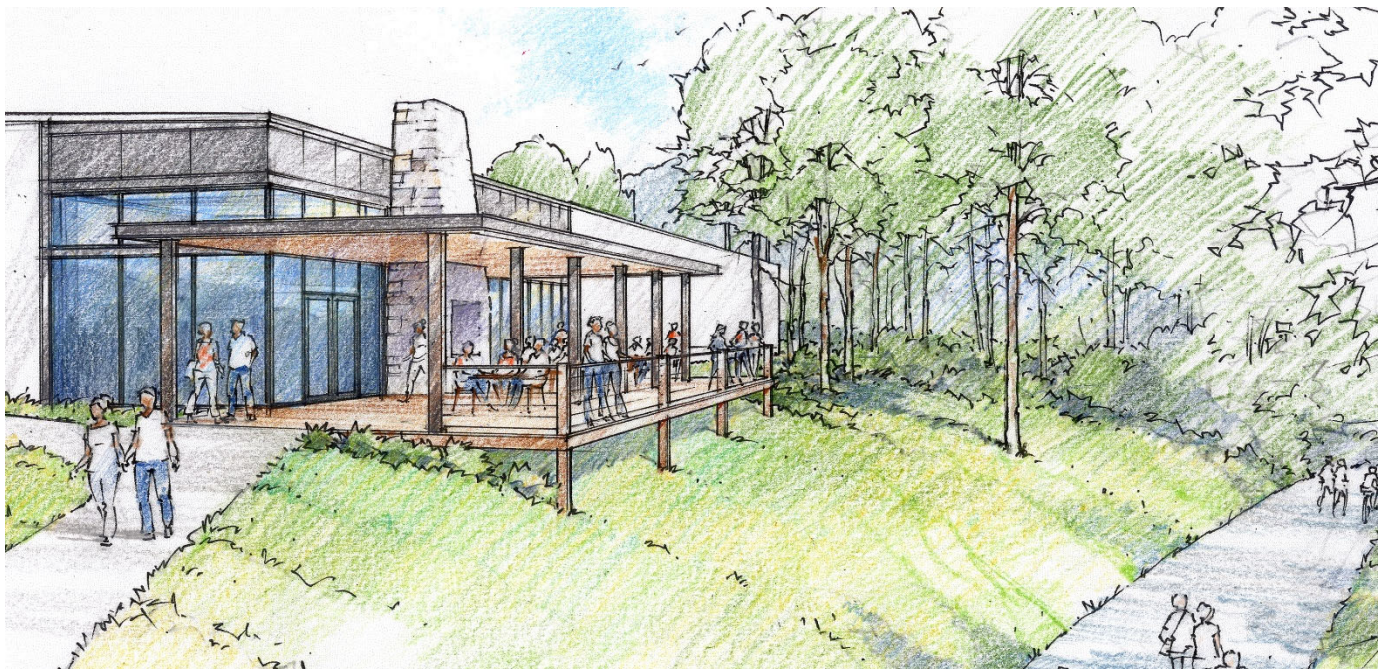




# Pennington Gap CENTER FOR THE TRADES

Feasibility Study & Preliminary Architectural Report

*July 28, 2022*





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# Introduction

## Background

Funded through a grant from the Appalachian Regional Commission (ARC) through the Virginia Department of Housing and Community Development (DHCD), this study assesses the community, economic, and physical feasibility for the Pennington Gap Center for the Trades (Center for the Trades).

## Vision

The proposed Center for the Trades is a facility that will provide workshop and support space and services to start-up and developing trades' entrepreneurs. From the grant summary: "Due to the lack of affordable space to stay in business and create new jobs in the area, the project's ultimate goal is to promote a cost-efficient place for entrepreneurs to succeed. The target markets are those skilled and/or retained for workforce, ready to work employees and those just coming into the workforce". In addition to cultivating entrepreneurs, the Center for the Trades will also support the diversity of area businesses and services, promote regional partnerships, and stimulate new investment.

## Process

### NEEDS ASSESSMENT

The initial step in the project process was a needs assessment which included:

- A review of existing public and non-profit services, facilities, and future plans.
- Input from community leadership and other key stakeholders.
- Input garnered from the general public.
- The demographics of the community.

### PROGRAMMING PLAN

The results of the Needs Assessment were used to develop:

- A Feasibility/Programming Plan which helped to delineate the space, equipment, and special programming requirements for each area.
- Determination as to how much new construction or the adaptive reuse of an existing building (based on review of the existing town hall) will best provide the spaces required.
- A general site program, to complement the building program.

### PRELIMINARY ARCHITECTURAL REPORT

The Preliminary Architectural Report (PAR) followed the Feasibility/ Programming Plan. The information gathered in during initial analysis was used to develop Conceptual Designs. These designs looked at the appropriate building areas for renovation and included a concept for a new structure. Conceptual Floor Plans were

developed to test the Program. After reviewing designs in comparison to the Program the Owner and Consultant selected one approach to be developed further.

The Site Planning process was similar. Site ideas were reviewed with one being selected for further development.

The PAR components included:

1. Floor Plan(s) to show the layout of spaces and describe how they fulfill the Program Needs

2. Elevation(s) depicting the character of the building (s)
3. A building Section, to convey spatial differentiation
4. Presentation drawings consisting of one or more three dimensional illustrations

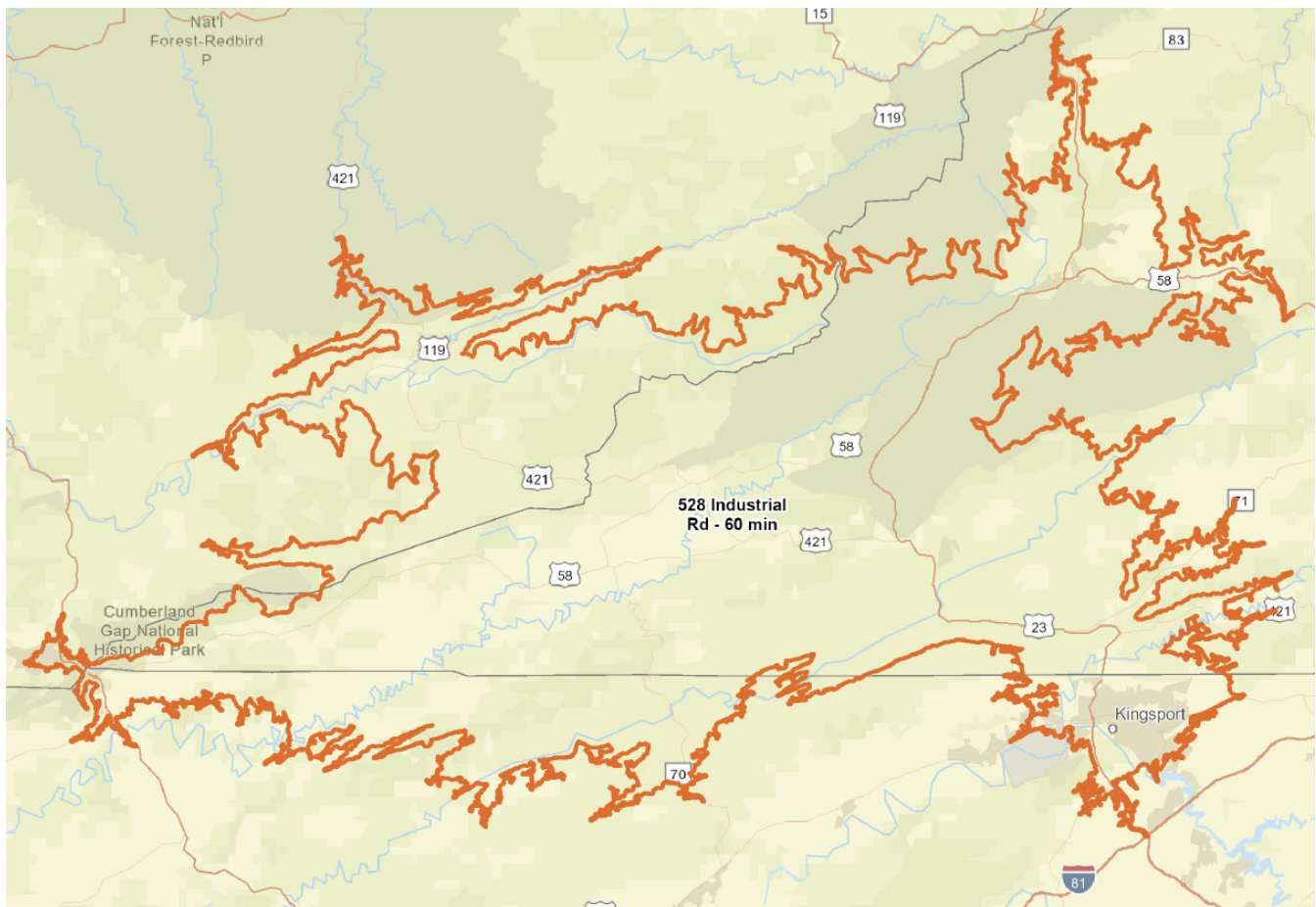
The Preliminary Site Plan fulfills the components of the Programming needs such as:

1. Exterior uses of the site
2. Lighting, parking, landscaping, public access and site utilities

# Market Analysis

The analysis assesses Pennington Gap's existing market base by examining local and regional demographic, employment, and educational data. This economic report includes the following sections with from Claritas Spotlight and EMSI Economic Modeling Software:

- A demographic profile outlining trends in population growth, income, age and other indicators in Pennington Gap and the surrounding region.
- An employment snapshot that presents general employment data for occupations, wages, and commuting patterns.
- An educational analysis identifying opportunities for talent recruitment based on the local demand, as well as an examination of “trades jobs” in the county and surrounding region.



In order to understand Pennington Gap's market in the context of the region, multiple geographies were studied in the analysis, including:

- Pennington Gap
- Lee County
- Adjacent counties

## Demographics

At the time of this report, the US Census has released limited data for 2021 including total population and race. Other demographic data comes from the 2019 American Community Survey (ACS) from US Census Bureau and represents a 5-year average estimate of each data point. This is the most up to date and accurate counting until more complete data is released by the Census Bureau. A demographic profile of Pennington Gap and the study area examines key indicators including population growth, race and ethnicity, age, household income, and educational attainment.

### POPULATION

The population of the study area (60-minute drive) changed from 172,284 to 161,111, resulting in a slight decline of -6.5% between 2010 and 2022. Over the next five years, it is projected to decline by 0.25% or about 86 people per year. The Town of Pennington Gap's population has also declined from 2010 by an average loss of 11 people per year, with approximately 1,684 people in 2022. The population trends in Pennington Gap mirror population decline in counties across the region. According to population projections produced by the University of Virginia's Weldon Cooper

Center, population in Pennington Gap is expected to remain stable between 2020 and 2040.

### RACE AND ETHNICITY

The 2021 population of the study area is 92.7% are White, 3.5% are Black, 0.3% are American Indian, 0.8% are Asian, 0.8% are Some Other Race, and 1.8% are Two or More Races.

### AGE

The current year median age for this area is 46. Five years from now, the median age is projected to be 47. Population projections by age published by the Weldon Cooper Center suggest that Pennington Gap's population will age over the next two decades, with growth concentrated in the population age 65 years and older.

### INCOME

The annual median household income in Pennington Gap is comparatively low in the region at approximately \$26,235. Median household incomes in Pennington Gap are lower than in most of the surrounding counties in the 60-minute drive time (\$41,913). However, incomes are significantly lower than the median household income in the state (\$74,222).

Nearly half (48%) of households in Pennington Gap earn less than \$12 per hour, while less than 20% in the study area have annual household incomes under \$25,000. Approximately 26% of families in Pennington Gap live at or below the poverty line with approximately 18% of families in the study area are living in poverty.

## Education

Currently, it is estimated that 10.4% of the population age 25 and over in the study area have earned a Bachelor's Degree, 4.4% Master's Degree, 0.7% have earned a Doctorate Degree, and 9.2% have earned an Associate's or other Degree. Approximately 34.8% only have a high school diploma or GED, with approximately 21.2% attending college for credits or certifications, but not a degree. This equates to more than half of people in the study area who would prefer to complete limited education.

There were approximately 226 completions within a 2-hour drive in 2021 regarding trades related professions. This was a drop from 347 completions in 2011, which is a decrease of around 12 completions per year. There were approximately 10 programs trades programs offered across the region. Nearly 86 completions occurred at Southwest Virginia Community College, 85 at Virginia Highlands Community College, and 55 at Mountain Empire Community College. Of these 226, 75% were awarded in under a year while the other quarter were awarded between 1 and 2 years or more than 2 years. The

following shows some of the top trade's programs in the area.

## Employment

For the Town of Pennington Gap, 91% of the labor force is estimated to be employed for the current year and 93% in the drivetime study area. The unemployment rate for the Town in the current year is 9.2% and 7.8% in the study area. 68% of the population is not in the labor force in Pennington Gap, which is almost double the national average. Approximately 52% are not in the labor force in the study area. In the Town of Pennington Gap and the study area, approximately 29% hold blue collar occupations, 43% hold white collar occupations, and 27% are occupied as service & farmworkers. According to the most recent data, approximately 530 people are employed in Pennington Gap. Largest NAICS industries making more than one-third of the labor force by number of people employed include: Health Care and Social Assistance (16.3%), Sales/Related Services (11.8% of jobs), and Transportation and Logistics (11.2%).

| Program  | Completions<br>(2016) | Completions<br>(2017) | Completions<br>(2018) | Completions<br>(2019) | Completions<br>(2020) |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Electrical, Electronic, and Communications Engineering Technology/Technician               | 18                    | 17                    | 26                    | 15                    | 19                    |
| Welding Technology/Welder  | 9                     | 19                    | 16                    | 23                    | 16                    |
| CAD/CADD Drafting and/or Design Technology/Technician                                      | 7                     | 8                     | 9                     | 7                     | 11                    |
| Heating, Air Conditioning, Ventilation and Refrigeration Maintenance Technology/Technician | 16                    | 10                    | 9                     | 7                     | 9                     |

For the civilian employed population older than 16 in the 60-minute drivetime study area, it is estimated that they are employed in the following occupational categories: 1.3% are in Architecture and Engineering, 0.9% are in Arts, Entertainment and Sports, 2.7% are in Business and Financial Operations, 1.6% are in Computers and Mathematics, 6.3% are in Education, Training and Libraries, 7.4% are in Healthcare Practitioners and Technicians, 4.0% are in Healthcare Support, 0.8% are in Life, Physical and Social Sciences, 7.3% are in Management, 11.9% are in Office and Administrative Support, 1.7% are in Community and Social Services, 7.3% are in Food Preparation and Serving, 0.7% are in Legal Services, 2.3% are in Protective Services, 10.3% are in Sales and Related Services, 2.6% are in Personal Care Services. 3.8% are in Building and Grounds Maintenance, 6.7% are in Construction and Extraction, 0.4% are in Farming, Fishing and Forestry, 4.3% are in Maintenance and Repair, 7.5% are in Production, 8.3% are in Transportation and Moving. More than one-quarter (26%) of the jobs in the study area are in “trades-related” or “blue-collar” occupations which is higher than the national and state averages closer to 20%.

The following contains key takeaways regarding trades jobs.

- Trades Jobs decreased by 41 from 2015-2020 in the 60-minute drivetime (-9.4%), less than the national growth rate of 2.1%. The occupations are projected to decrease by 29 from 2020-2025 (-7.4%), less than the national projected growth rate of 4.2%.

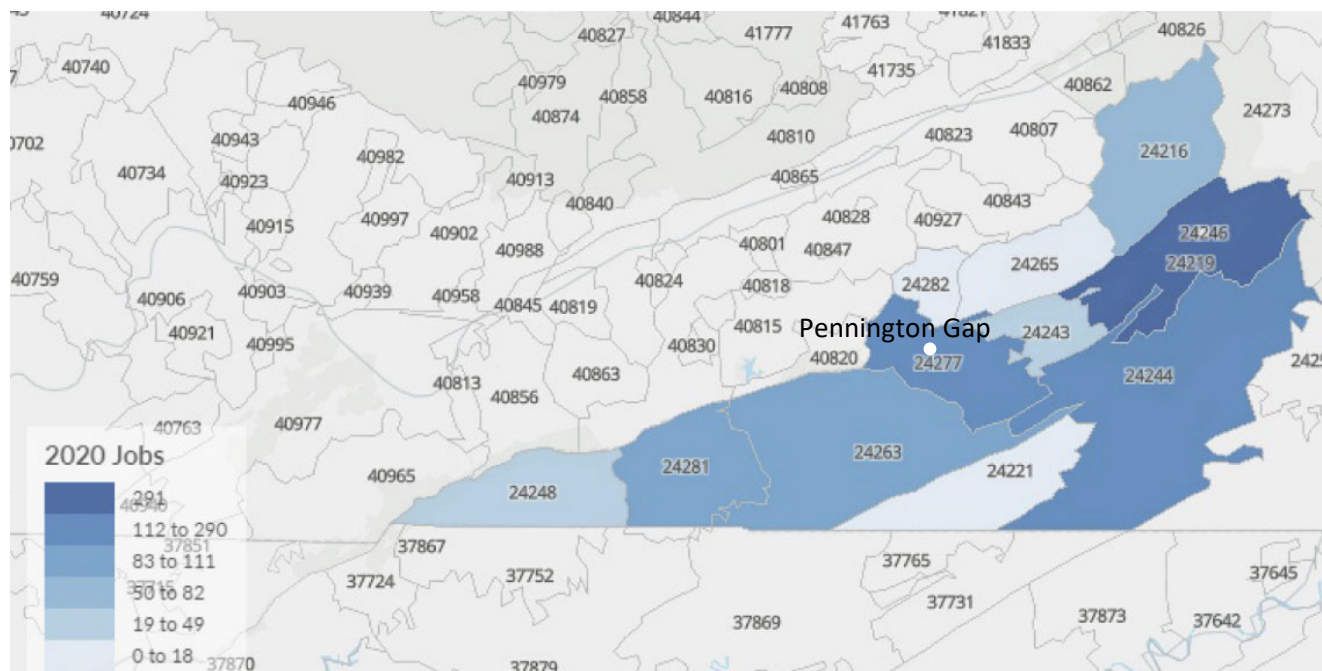
- Regional job concentration per capita for Trades Jobs is 0.97 times the national job concentration. In other words, there are 3% fewer Trades Jobs in this region than we would expect to find in the average region.
- Cost of labor in the region is below median. The median earnings for Trades Jobs in the region is \$18.50/hr, which is \$5.17/hr below the national median of \$23.67/hr.
- Engineering related jobs in the trade industry requires the most certifications and often a 4-year degree, paid the highest averaging around \$34.84/hr. While most 1-to-2-year programs led to jobs ranging from \$18.07/hr to \$23.39/hr.
- The map below shows concentration of “trades” jobs in the region

#### **COMMUTER PATTERNS**

Pennington Gap serves as an employment center in the region, but still has a slight net export of jobs, meaning that more people commute out of the county for work than commute in. Approximately 89% drive a car alone while less than 6% chose to carpool in 2021.

- Of the 530 workers in Pennington Gap, approximately nine out of ten workers commute into the Town, while approximately only one out of ten are also residents of the town





*Jobs by zip code*

- However, approximately one-third have less than a 15-minute commute to work meaning they are just outside of Town but still in Lee County. One-quarter have a 15-to-30-minute commute.
- Nearly 40% Commute more than a half-hour to get to work in Pennington Gap.
- The average commute time for workers in the Town is approximately 30 minutes. For reference, Big Stone Gap is

approximately 30 minutes away to the northeast and Rose Hill is approximately 30 minutes away to the southwest. This drivetime also reaches Duffield to the southwest and Harlan, Kentucky to the northwest.

- Out of five workers live beyond the geographies listed above.

## Existing Site and Building



*Existing site*

The site chosen as most ideal for the new Center for the Trades is Town owned property, with suitable surrounding uses – business, light industrial, and local government offices. The site is located within the Town of Pennington Gap, at

the town's business park northeast of downtown and just north of the Pennington Middle School ballfields.

The site includes the existing town hall, parking lot, and the remnant concrete slab to the north of



the parking lot. The site is situated on either side of Industrial Rd. Beautiful Wallen Creek and the Town greenway are situated less than 100 feet to the east of Town Hall. The total land area is approximately 4 acres.

The existing town hall building is a single story 30,200SF metal building, of which 6,000SF is currently being used for Town Hall offices, Town Council chambers, and police headquarters. An additional 6,000SF of finished space (a former call center) is currently unused, and the remaining 18,200SF of unfinished space is currently being used for town storage.

The feasibility study and preliminary architectural report look at the site wholistically, considering shared parking, shared outdoor spaces, and some shared indoor spaces for use by the Center for the Trades and Town Hall, all within a unified and connected complex.

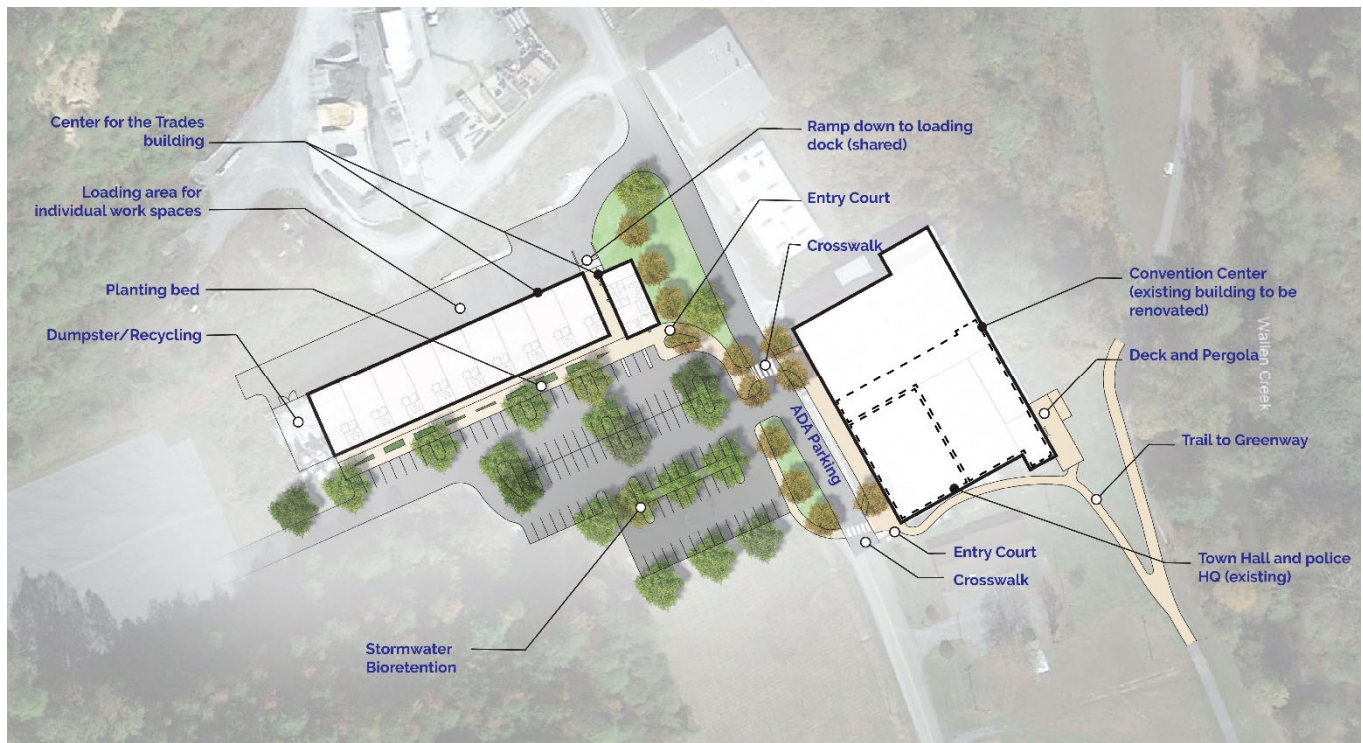


*Existing Town Hall building*



*View of Wallen Creek and the greenway (looking east from the corner of the existing Town Hall building).*

# Design Elements



*Proposed site plan.*

## Site Plan

The site plan forms a unifying element between the new Convention Center/existing Town Hall and the new Center for the Trades buildings. By recycling most of an existing parking lot on the west side of Industrial Road, and focusing on the pedestrian connection between the two buildings, the site plan transforms this ordinary space into a campus look and feel, which increases the pedestrian safety, and comfort, as well as the aesthetic appeal of the area.

## PARKING

101 new parking spaces plus 6 new universally accessible spaces are created on the exiting lot in three bays, across from Town Hall and generally in front of the new Trades Centers. The parking lot is designed to host large shade trees, lighting or evening events, and host stormwater bioretention stormwater treatment in basins between the bays. Movement of general and convenience parking into the lot allows for an additional 4 universally accessible spaces to be developed in front of Town Hall. An additional existing overflow lot is located on the far west end of the Trades Center.



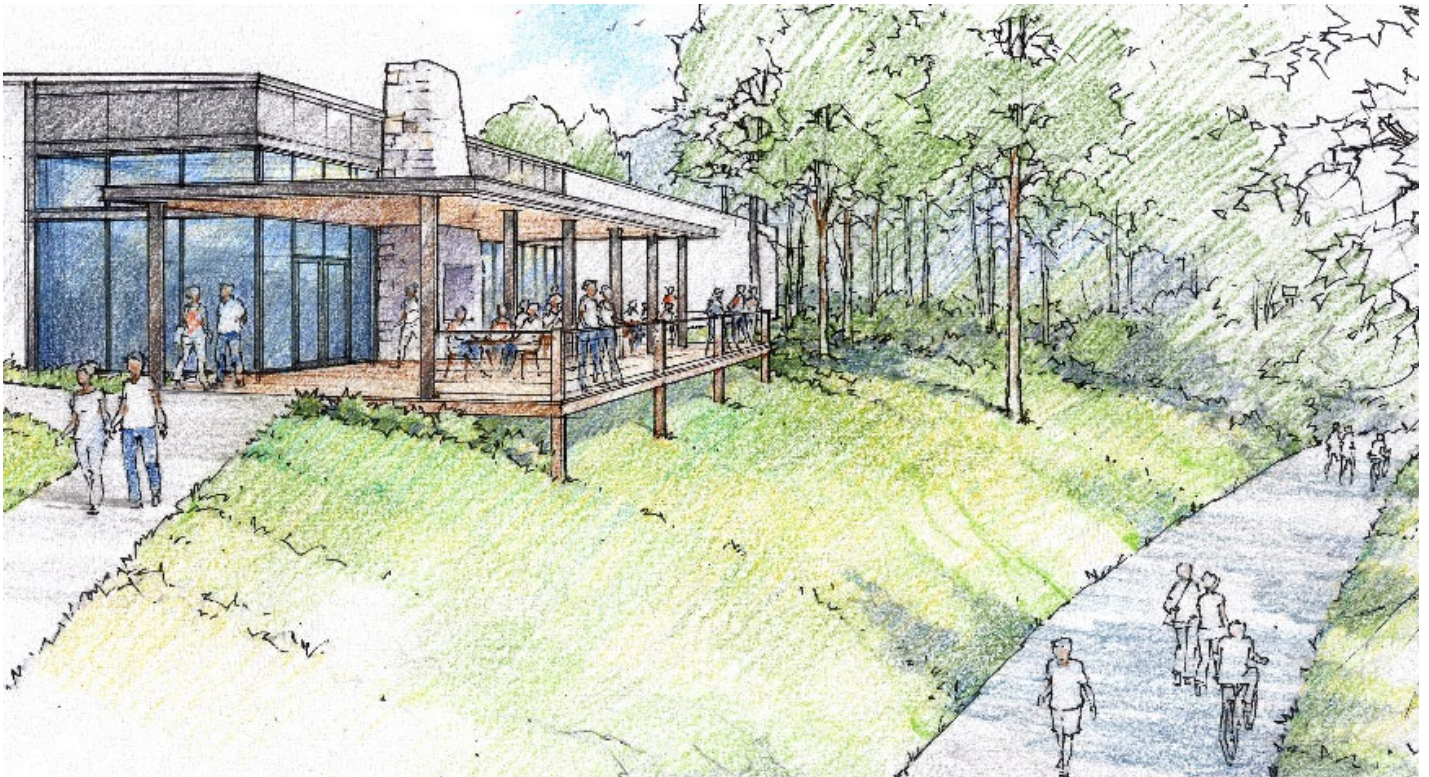
## PEDESTRIAN FACILITIES

New parking is set back from Industrial Road, allowing a mowed berm and specialty plantings in the park-like area between Town Hall and the parking lot. A series of sloped walks is planned in this area, connecting Town Hall, and parking. Entry courts are shown at the two major entrances to Town Hall, and the visitor entrance to the Trades building. These are enhanced areas with detailed planting, lighting, and signage. Crosswalks are shown aligning with the entry courts, in the safest areas and areas that work best with slopes. On the south side of Town Hall, an additional walkway is added connecting to the Deck and Pergola proposed on the southeast corner of Town Hall. The deck and pergola can host meetings for either facility, and overlooks the

popular Wallen Creek Greenway. The walkway extends to the greenway, effectively making the parking lot an additional trailhead parking area and better immersing both of these new facilities into the park.

## SERVICE

Service areas are tucked to the north side of both buildings, so they are not seen by most visitors. The entire north side of the Trades building is used for service, and the dumpster and recycling area on the far west end, easy to access but out of view.



*Illustration showing the Convention Center gathering space overlooking the Wallens Creek and greenway*



## Trades Building

The proposed design is a rigid-frame metal building consisting of 9 bays that are approximately 30'x 60' with an approximate 2,000 sf administration wing; the two structures are separated by a forklift alley.

### WORKSPACES

Each bay of the metal building has an accessible restroom and a 5-foot-deep storage closet placed about 15 feet away from the storefront entry. This utility location spatially partitions the bay to accommodate a reception area at the front (option 1) that can be converted into an enclosed office (option 2), allows for a 15-foot-wide bay for a parked vehicle, and provides a sound buffer from the larger work area that is about 2/3 of the total bay area. Each bay has overhead doors aligned with each other at either end to allow passage for vans and small trucks. There is also an overhead

door on the bay sidewalls for a tenant to lease multiple bays with access and allow a forklift to pass between bays.

### ADMINISTRATION BUILDING

The administration building has three basic portions. The front is more public with a reception area, meeting room, an office for a facility manager, and a common mail/print room shared with tenants. The middle portion consists of services such as accessible restrooms, accessible showers, and a break room.

The third portion is the storage area for the forklift and other tools for facility maintenance. The administration wing is positioned forward of the metal building so the building manager has a sightline down the front of the building and, to a lesser degree, the forklift alley for security. The reception area, meeting area, and break room



*Concept sketch of the Center for the Trades building, entry court and parking.*

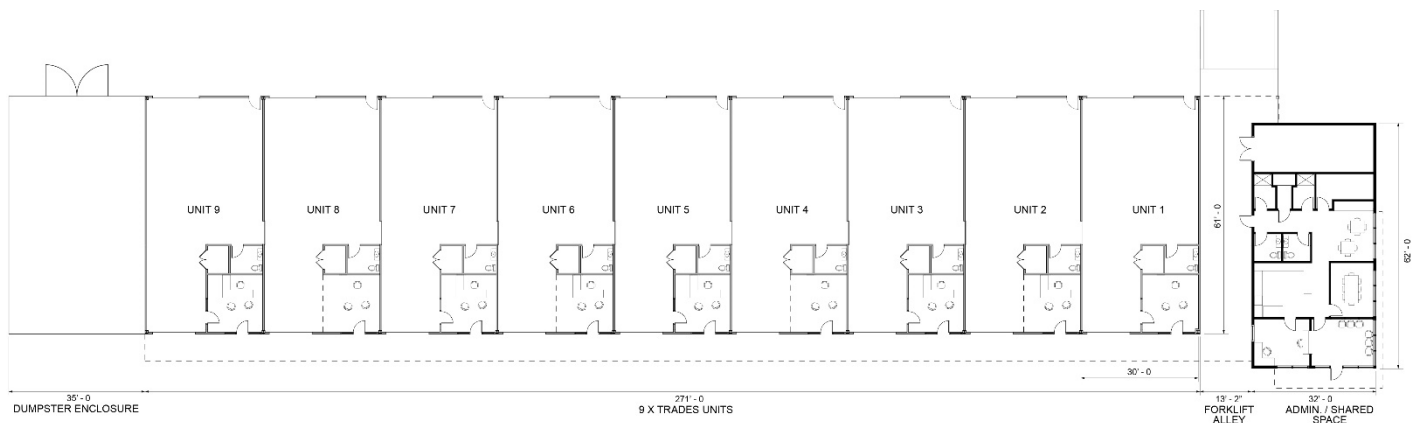
have a considerable amount of glass for the views to the northeast and greenway.

The exterior of the facility is to have an aesthetic relationship to the proposed new entries to the town hall, such as the character of the storefronts and the canopies. The administration building has “modern” canopy profile to reflect the proposed entry canopy to the town hall while the metal building canopy is an extension of its gable roof, projecting 6 to 8 feet from the face of the wall. The front of the metal building is meant to have a professional office character rather than appear to utilitarian by introducing decorative panels and signage that can be applied to the cladding. The panels and signage can be

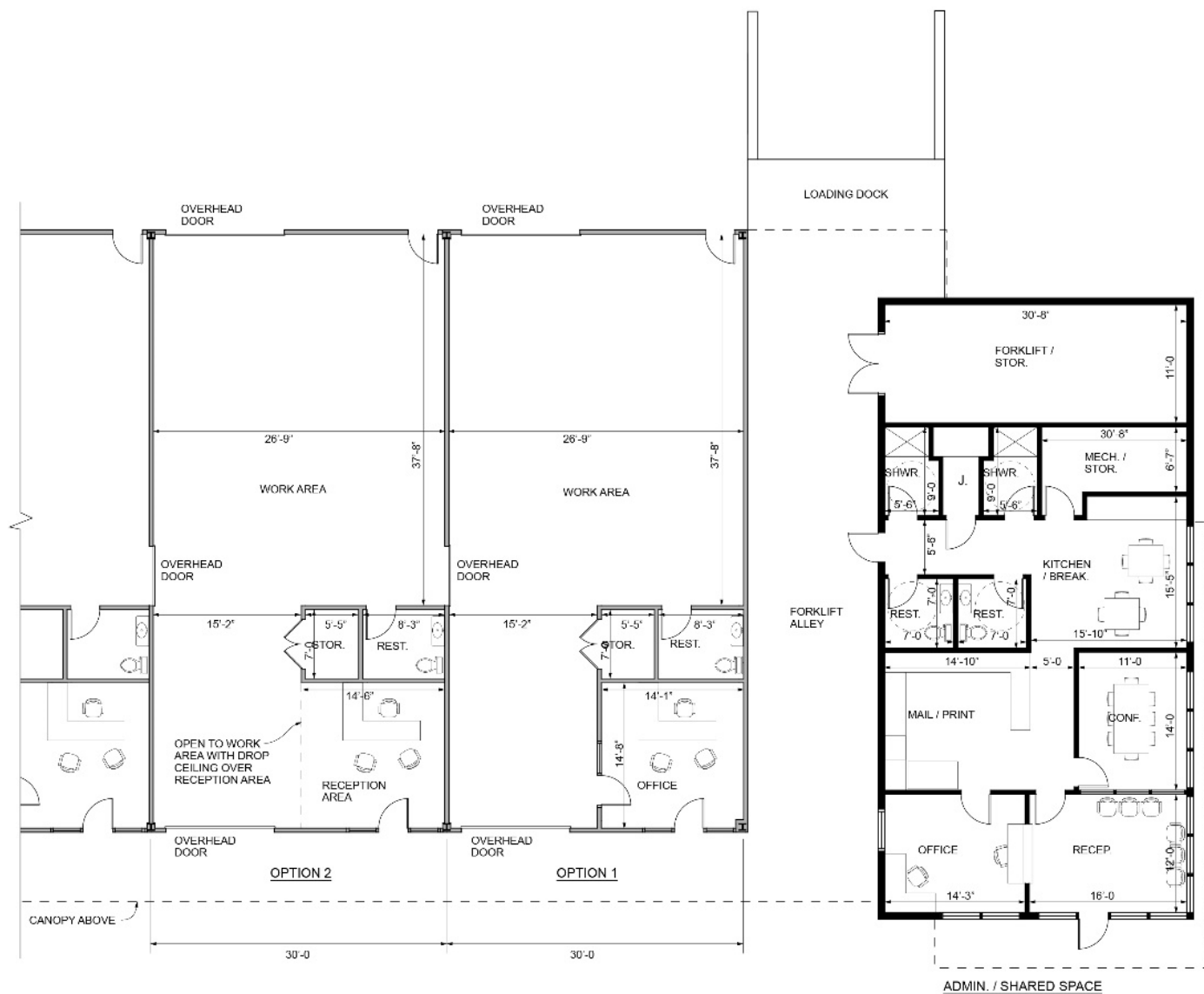
individualized to reflect the business of the tenant, such as logos, or the town can identify each bay, such as with geographic features of the area or local cultural icons.



*Center for the Trades: typical workspace front entrance*



*Center for the Trades - overall floor plan*



Center for the Trades - partial floor plan

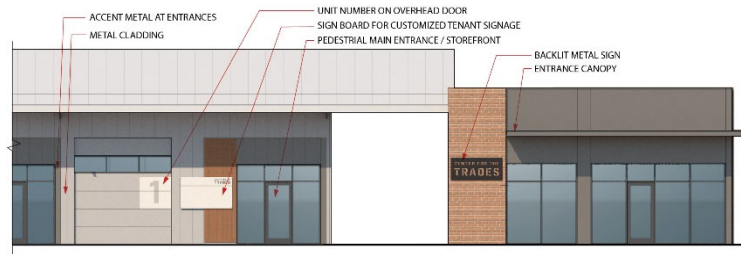




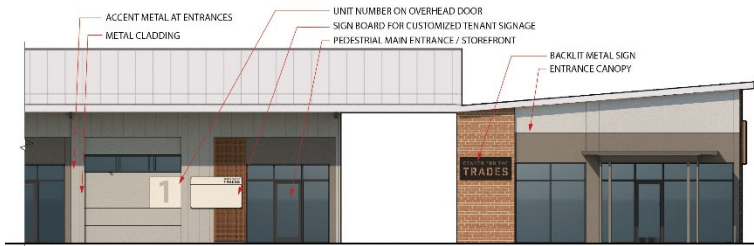
*Center for the Trades - front (South) elevation*



*Center for the Trades - rear (North) elevation*



*Center for the Trades - side (East) elevation*



*Center for the Trades - partial front (South) elevation - alternative shed roof*

*Center for the Trades - side (East) elevation - alternative shed roof*



*Computer-rendered view: Center for the Trades workspaces*

## Convention Center (Renovation of Existing Town Hall Building)

Part of the existing Town Hall building will be renovated as a convention center for use by the Center for the Trades' businesses and the town. The convention center is programmed to include a convention hall, five breakout classrooms, interior gathering/transition area, and an outdoor gathering area overlooking the greenway and Wallan's Creek.

### MAIN ENTRANCE AND CONVENTION HALLWAY

A new entrance on the building's west side will be added adjacent to the existing council chambers. This entrance will feature a metal canopy with similar materials and form to the Center for the Trades building, and double glass doors set into a 10' wide, tall glass storefront allowing maximum light into the main convention hallway. In addition to providing circulation to and from the main entrance and the convention center's various spaces, the 10' wide main hallway will offer additional display/show



Computer-Rendered View: Convention Center main entrance

areas along the walls. Renovation for the hallway will require 1,200SF of new interior construction.

### CONVENTION HALL

The proposed convention hall will be a renovated space utilizing the existing 6,000SF of finished space of the former call center. A multi-use space, the hall will have the capacity to seat 336 people at 8-person round tables. The space will have access/egress from the main entrance hallway, the breakout classrooms hallway, and the townhall offices. These access/egress openings will require punching through the existing walls to the main entrance hallway and the breakout classrooms hallway. Carpet/flooring will be replaced. Ceiling and lighting will need to be updated and/or replaced. Existing wall finish will require patching, re-plastering and painting throughout.

### BREAKOUT ROOMS

Five breakout rooms on the east side of the building will supplement the convention hall with smaller spaces (290SF each) for use as classrooms, or conference/meeting rooms. Each room will have windows, framing outside views. A 10' wide hallway will connect the breakout rooms, convention hall and gathering areas, and also offer additional display/show areas along the walls.

### FIREPLACE LOUNGE

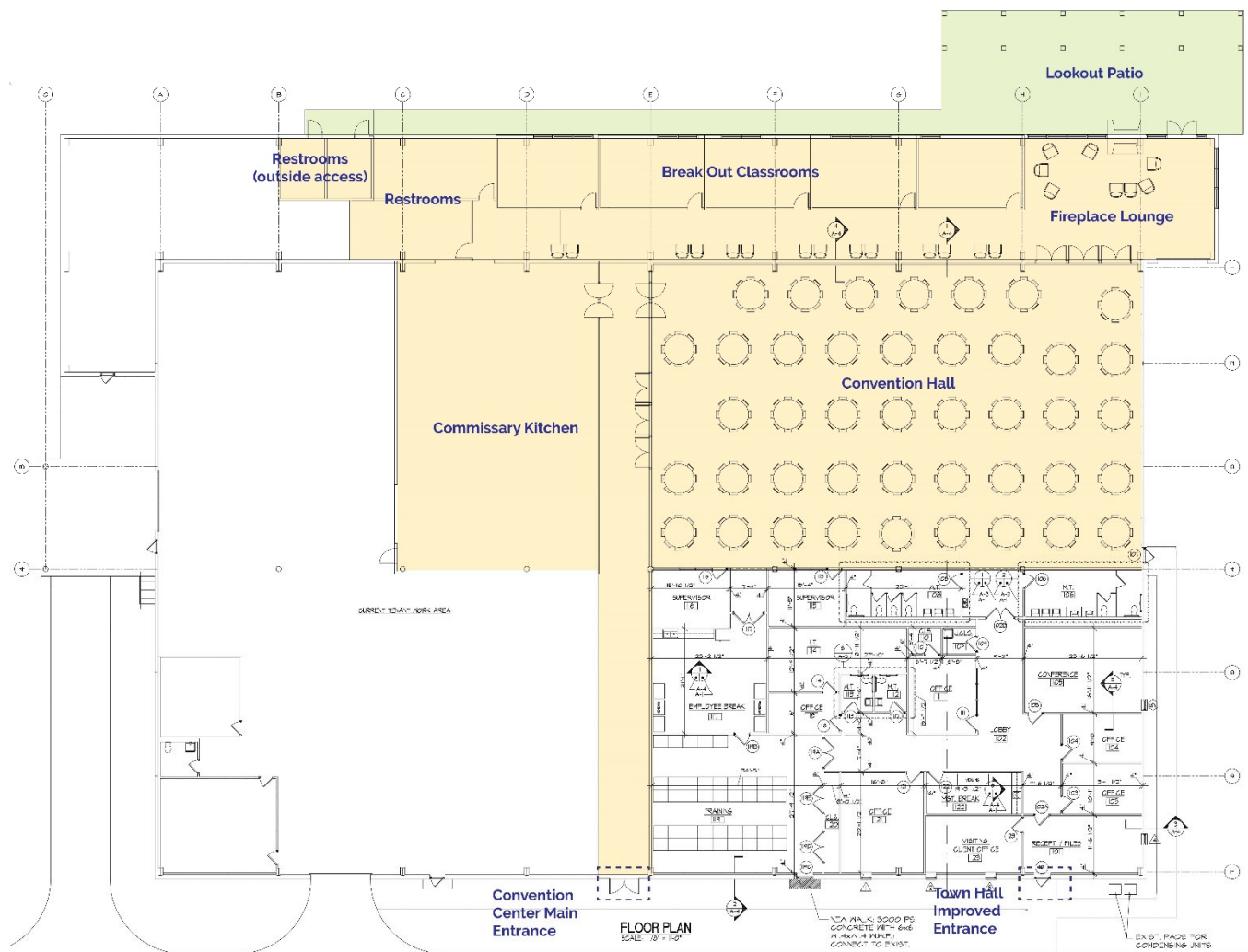
The fireplace lounge is an indoor gathering and transition space, situated at the southeast corner of the building. It is connected to the breakout room hallway, and directly to the convention hall through three double door openings. Doors to the exterior lead directly onto the scenic lookout patio. The east facing wall of the lounge consists

of large floor-to-ceiling glass and a central fireplace. The fireplace lounge is approximately 1000SF

### SCENIC LOOKOUT PATIO

The lookout patio is a 1,500SF covered deck overlooking the scenic greenway, creek and surrounding mountains. The outdoor space

features a large central fireplace and space to hold outdoor events or outdoor overflow for convention center events. In addition to its connectivity to the fireplace lounge, the patio also has site walkway connections to the greenway, and to the parking lot and Center for the Trades.



Concept Plan: Convention center

# Implementation

## Funding Partners

The Town of Pennington Gap will collaborate with various partners to fund the construction of the Center for the Trades. This section identifies agencies and organizations who might provide funding assistance or funding tools. (A more detailed spreadsheet is provided in Appendix A).

| PROGRAM / TOOL  | AGENCY  |
|---|---|
| <b>GRANTS AND LOANS</b>   |   |
| <b>Visual Arts &amp; Design Arts</b>  | National Endowment for the Arts   |
| <b>Creative Communities Partnership Grants</b>  | Virginia Commission for the Arts  |
| <b>Art Project Grants</b>   | Virginia Commission for the Arts  |
| <b>Community Development Block Grant</b>  | Department of Housing and Community Development (DHCD)  |
| <b>Virginia Outdoors Fund</b>   | Virginia Department of Conservation & Recreation  |
| <b>Kodak American Greenways</b>   | Eastman Kodak Company<br>The Conservation Fund<br>National Geographic Society   |
| <b>Rural Development</b>  | U.S. Department of Agriculture (USDA)   |
| <b>Transportation Alternatives Set-Aside (STBG)</b>                                       | Virginia Department of Transportation (VDOT)  |
| <b>Urban &amp; Community Forestry Assistance</b>  | Virginia Department of Forestry   |
| <b>Federal Brownfields</b>  | Environmental Protection Agency (EPA)   |
| <b>Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund (VBAF)</b> | Virginia Resources Authority (VRA)<br>Virginia Economic Development Partnership (VEDP)<br>Virginia Department of Environmental Quality (VDEQ) |
| <b>Cost Share Program</b>   | Virginia Department of Historic Resources   |



|   |  |
|---|--|
| <b>Tobacco Region Opportunity Fund</b>  | Virginia Tobacco Revitalization Commission   |
| <b>Community Business Launch (CBL)</b>  | VA Department of Housing and Community Development (VDHCD)   |
| <b>EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding</b> | US Economic Development Administration   |
| <b>POWER Grant</b>  | Appalachian Regional Commission, through Virginia Department of Housing and Community Development (DHCD) |
| <b>TAX CREDITS</b>  |  |
| <b>Federal Investment Tax Credit for Certified Historic Rehabilitation</b>                      | National Park Service (NPS)  |
| <b>State Tax Credit for Historic Rehabilitation</b>   | Virginia Department of Historic Resources  |
| <b>Enterprise Zones</b>   | Virginia Department of Housing & Community Development (DHCD)  |
| <b>Opportunity Zones</b>  | Virginia Department of Housing & Community Development (DHCD)  |
| <b>New Market Tax Credits</b>   | Community Development Financial Institutions Fund  |
| <b>DISTRICTS</b>  |  |
| <b>Special Service District</b>   | Municipality   |
| <b>Arts and Cultural District</b>   | Municipality   |
| <b>Technology Zones</b>   | Municipality   |
| <b>Tourism Zones</b>  | Municipality   |
| <b>Local Historic District</b>  | Municipality   |
| <b>Virginia Main Street Program</b>   | Department of Housing and Community Development (DHCD)   |
| <b>LOCAL TAXATION &amp; FINANCING</b>   |  |
| <b>Community Development Authorities</b>  | Municipality   |
| <b>Tax Increment Financing (TIF)</b>  | Municipality   |
| <b>Real Estate Tax Abatement</b>  | Municipality   |

## Cost Estimate

| <b>New Building (Center for the Trades)</b> |   |            |             |                  |                       |
|---|---|------------|-------------|------------------|-----------------------|
|   | <i>Description of Work</i>                    | <i>Qty</i> | <i>Unit</i> | <i>Unit Cost</i> | <i>Estimated Cost</i> |
|   |   |            |             |                  |                       |
|   | <b>Sitework</b>                               |            |             |                  |                       |
|   |   |            |             |                  |                       |
|   | Demo Existing Slab                            | 1500       | sy          | \$30             | \$45,000              |
|   | Misc Demo                                     | 1          | allow       | \$25,000         | \$25,000              |
|   | Extend Utilities                              | 1          | allow       | \$60,000         | \$60,000              |
|   | Fine Grading and topsoiling - landscape areas | 20000      | sf          | \$3              | \$60,000              |
|   | Erosion Control Measures                      | 1          | allow       | \$20,000         | \$20,000              |
|   | New Parking lot - asphalt                     | 94         | sp          | \$2,500          | \$235,000             |
|   | New Service Road - asphalt                    | 800        | sy          | \$120            | \$96,000              |
|   | Signage                                       | 1          | allow       | \$25,000         | \$25,000              |
|   | New sidewalks                                 | 440        | lf          | \$60             | \$26,400              |
|   | Concrete Dumpster Pad area                    | 2400       | sf          | \$15             | \$36,000              |
|   | Fence around Dumpster Area                    | 140        | lf          | \$20             | \$2,800               |
|   | Lights in place                               | 20         | ea          | \$4,500          | \$90,000              |
|   | Tree pits and Trees                           | 20         | ea          | \$600            | \$12,000              |
|   | Landscape lawn areas                          | 15000      | sf          | \$3              | \$45,000              |
|   | Bioretention                                  | 1          | allow       | \$15,000         | \$15,000              |
|   |   |            |             |                  |                       |
|   | <b>New Building</b>                           |            |             |                  |                       |
|   |   |            |             |                  |                       |
|   | Incubator Space                               | 16300      | sf          | \$150            | \$2,445,000           |
|   | Administrative Space                          | 1900       | sf          | \$225            | \$427,500             |
|   | FF+E  | 1          | allow       | \$100,000        | \$100,000             |
|   | Upper Plaza - Covered                         | 2800       | sf          | \$90             | \$252,000             |
|   | Signage and Branding                          | 1          | allow       | \$50,000         | \$50,000              |
|   |   |            |             |                  |                       |
|   | <i>Subtotal</i>                               |            |             |                  | \$4,067,700           |
|   | Arch/Eng Survey and Design Services (12%)     | 1          | %           | \$4,067,700      | \$488,124             |
|   |   |            |             |                  |                       |
|   | <b>TOTAL</b>                                  |            |             |                  | <b>\$4,555,824</b>    |

| <b>Convention Hall Improvements to Town Hall</b> |   |            |             |                  |                       |
|--|---|------------|-------------|------------------|-----------------------|
|  | <i>Description of Work</i>                        | <i>Qty</i> | <i>Unit</i> | <i>Unit Cost</i> | <i>Estimated Cost</i> |
|  |   |            |             |                  |                       |
|  | <b>Sitework</b>                                   |            |             |                  |                       |
|  |   |            |             |                  |                       |
|  | Misc Demo   | 1          | allow       | \$10,000         | \$10,000              |
|  | New Parking spaces - asphalt                      | 4          | sp          | \$2,500          | \$10,000              |
|  | Wearing Course on existing Road - asphalt         | 1600       | sy          | \$20             | \$32,000              |
|  | New 5' sidewalks                                  | 270        | lf          | \$60             | \$16,200              |
|  | New 10' sidewalks                                 | 1900       | sf          | \$15             | \$28,500              |
|  | New Curbs   | 200        | lf          | \$30             | \$6,000               |
|  | Concrete Steps                                    | 25         | sf          | \$400            | \$10,000              |
|  | Trees   | 14         | ea          | \$400            | \$5,600               |
|  | Signage - indoors and outdoors                    | 1          | allow       | \$50,000         | \$50,000              |
|  |   |            |             |                  |                       |
|  | <b>Convention Center Improvements to Building</b> |            |             |                  |                       |
|  |   |            |             |                  |                       |
|  | Misc Demo   | 1          | allow       | \$25,000         | \$25,000              |
|  | Convention Hall (renovated Call Center)           | 5500       | sf          | \$150            | \$825,000             |
|  | Break Out Classrooms in Convention Hall           | 1700       | sf          | \$115            | \$195,500             |
|  | Indoor /Outdoor gathering space                   | 1500       | sf          | \$100            | \$150,000             |
|  | Outdoor Deck - covered                            | 1500       | sf          | \$85             | \$127,500             |
|  | FF+E  | 1          | allow       | \$200,000        | \$200,000             |
|  |   |            |             |                  |                       |
|  | <i>Subtotal</i>                                   |            |             |                  | \$1,491,300           |
|  | Arch/Eng Survey and Design Services (12%)         | 1          | %           | \$1,491,300      | \$178,956             |
|  |   |            |             |                  |                       |
|  | <b>TOTAL</b>                                      |            |             |                  | <b>\$1,670,256</b>    |
|  |   |            |             |                  |                       |
| <b>TOTAL BOTH COMPONENTS</b>                     |   |            |             |                  | <b>\$6,226,080</b>    |

## Appendix A – Incentives & Financing Tools



| INCENTIVES & FINANCING TOOLS                   |   | 2022 Master List   | Adjusted to Pennington Gap Trades Center  | indicates recommended for futher study  | REV1   | June 23,2022  |
|--|---|--|---|---|--|---|
| PROGRAM / TOOL                                 | AGENCY  | FUNDING AVAILABLE  | DESCRIPTION   | ELIGIBILITY / REQUIREMENTS  | USES   | RESOURCE  |
| GRANTS AND LOANS                               |   |  |   |   |  |   |
| Visual Arts & Design Arts                      | National Endowment for the Arts   | \$10,000 - \$100,000   | Visual Art programs provides matching grants for art-in-public places. The Design Arts program provides architecture, planning, preservation, urban design, etc.                | 1:1 match   | Arts & Urban Design  | <a href="http://www.arts.gov">www.arts.gov</a>  |
| Creative Communities Partnership Grants        | Virginia Commission for the Arts  | up to \$4,500 match  | The Commission will match, up to \$4,500, subject to funds available, the tax monies given by independent town, city, and county governments to stand-alone arts organizations. | The money, which does not include school arts budgets or arts programming by local governments, committees or councils of government, nor departments such as parks and recreation, may be subgranted either by a local | Arts & Urban Design  | <a href="http://www.arts.virginia.gov/grants_local.html">http://www.arts.virginia.gov/grants_local.html</a>   |
| Art Project Grants                             | Virginia Commission for the Arts  | Vaires   | Facilitates new and innovative art projects or services that engage the community and that have the potential to advance cultural presence, awareness and connections.          | 1:1 required cash match for the grant. The Commission will not support the same project for more than three years.  | Arts & Urban Design  | <a href="http://www.arts.virginia.gov/grants_projects.html">http://www.arts.virginia.gov/grants_projects.html</a>   |
| Community Development Block Grant              | Department of Housing and Community Development (DHCD)                        | Planning grant: up to \$25,000<br>Improvement grant: up to \$2 million | For projects that benefit low-and moderate-income persons, prevent or eliminate of slums or blight, and address an urgent community need  | Units of local government in non-entitlement localities. Localities may partner with planning district commissions, nonprofit organizations and other entities.   | Planning Grants: project development<br>Community Improvement Grants: project implementation                   | <a href="https://www.dhcd.virginia.gov/communities">https://www.dhcd.virginia.gov/communities</a>   |
| <i>Existing site</i><br>Virginia Outdoors Fund | Virginia Department of Conservation & Recreation                              | Varies   | Provides matching grants for acquisition and development of public outdoor recreation areas and facilities  | Varies  | Design and construction or trails  | <a href="http://www.dcr.virginia.gov/recreational-planning/grants">http://www.dcr.virginia.gov/recreational-planning/grants</a>   |
| Kodak American Greenways                       | Eastman Kodak Company<br>The Conservation Fund<br>National Geographic Society | \$500 - \$2,500  | Provides small grants to stimulate the planning and design of greenways in communities throughout America   | Non-profits (preferred)<br>Public Agencies  | Greenway planning and design   | <a href="https://reconnectrochester.org/2009/06/the-kodak-american-greenways-program-the-conservation-fund/#:~:text=The%20Kodak%20American%20Greenways%20Program%20%7C%20The%20Conservation%20Fund%20a%20partnership,greenways%20in%20communities%20throughout%20America.">https://reconnectrochester.org/2009/06/the-kodak-american-greenways-program-the-conservation-fund/#:~:text=The%20Kodak%20American%20Greenways%20Program%20%7C%20The%20Conservation%20Fund%20a%20partnership,greenways%20in%20communities%20throughout%20America.</a> |
| Rural Development                              | U.S. Department of Agriculture (USDA)   | Varies   | Provides loans, loans guarantees, grants, and technical assistance  | Municipalities and nonprofits (population <50,000)  | Small business creation, job retention / expansion, community facilities, housing                              | <a href="https://www.rd.usda.gov/programs-services">https://www.rd.usda.gov/programs-services</a>   |
| Transportation Alternatives Set-Aside (STBG)   | Virginia Department of Transportation (VDOT)                                  | Up to 80% of project cost (Reimbursement)                              | Provides funds for projects meeting one or more of ten criteria   | 20% of project cost from local sources  | Transportation alternatives, safe routes to school, recreational trails, and boulevards from divided highways. | <a href="http://www.virginiadot.org/business/prenhancegrants.asp">http://www.virginiadot.org/business/prenhancegrants.asp</a>   |
| Urban & Community Forestry Assistance          | Virginia Department of Forestry   | \$1,000 - \$30,000 (matching)  | Provides options for various grant programs and technical assistance / guidance to implement a tree ordinance   | Non-profits, civic and community groups, local governments  | Establishing a tree ordinance<br>Perform a street tree assessment  | <a href="https://dof.virginia.gov/urban-community-forestry/urban-forestry-community-assistance/urban-and-community-forestry-grant-program/">https://dof.virginia.gov/urban-community-forestry/urban-forestry-community-assistance/urban-and-community-forestry-grant-program/</a>   |

| PROGRAM / TOOL   | AGENCY  | FUNDING AVAILABLE  | DESCRIPTION   | ELIGIBILITY / REQUIREMENTS   | USES  | RESOURCE  |
|--|---|--|---|--|---|---|
| Federal Brownfields  | Environmental Protection Agency (EPA)   | Up to \$500,000  | Provides direct funding for assessment, cleanup, revolving loans, environmental job training, technical assistance, training, and research. The program collaborates with other EPA programs, federal partners, and state agencies to identify and make available resources that can be used for brownfield activities.   | Local government or non-profit organizations<br>20% match required   | Site assessment, clean-up, and revitalization efforts   | <a href="https://www.epa.gov/brownfields/types-brownfields-grant-funding">https://www.epa.gov/brownfields/types-brownfields-grant-funding</a>               |
| Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund (VBAF) | Virginia Resources Authority (VRA)<br>Virginia Economic Development Partnership (VEDP)<br>Virginia Department of Environmental Quality (VDEQ) | Up to \$500,000  | Provides grants or loans to local governments to promote restoration and redevelopment of brownfield sites and to address environmental problems or obstacles to reuse so these sites can be effectively marketed to new economic development prospects   | Local government<br>1:1 match required   | Planning, assessment & remediation  | <a href="https://www.vedp.org/brownfields">https://www.vedp.org/brownfields</a>   |
| Industrial Revitalization Fund (IRF) Special ARPA Funding                          | Department of Housing and Community Development (DHCD)  | Determined at the time of allocation. Up to up to \$1,000,000 grant. Over \$1 million to \$5 million, it is a 1:1 match, low-interest loan | Leverages local and private resources to achieve market-driven redevelopment of vacant and deteriorated industrial and commercial properties.   | Eligible properties: Formerly used for manufacturing, warehousing, mining, transportation and power production. Large-scale white elephant structures (department stores, theaters, hotels and shopping centers)<br>Structures whose original intended use was solely residential are not eligible                           | Revitalization of vacant non-residential structures whose poor condition creates physical and economic blight to the surrounding area in which the structure is located   | <a href="https://www.dhcd.virginia.gov/irf">https://www.dhcd.virginia.gov/irf</a>   |
| Cost Share Program   | Virginia Department of Historic Resources   | Varies   | Assists local governments and DHR in developing a cultural resource database of their respective localities. Also allows owners of historic properties to be eligible for substantial tax credits for rehabilitating their properties when historic districts and individual properties are successfully nominated to the Virginia Landmarks Register and National Register of Historic Places. | Local government<br>1:1 match required<br>Funding limited; competitive application process   | Survey of historic properties, National Register nominations, and preservation plans.   | <a href="https://www.dhr.virginia.gov/survey-planning/cost-share-grant-program/">https://www.dhr.virginia.gov/survey-planning/cost-share-grant-program/</a> |
| Tobacco Region Opportunity Fund  | Virginia Tobacco Revitalization Commission  | Varies   | The Tobacco Region Opportunity Fund (TROF) provides performance-based monetary grants and loans to localities in Virginia’s tobacco-producing regions. These grants and loans assist in the creation of new jobs and investments, whether through new business attraction or existing business expansion and are awarded at the Commission’s discretion.  | Commission favors businesses that are in traded sectors and will bring new capital into the Tobacco Region rather than non-traded sector businesses conducting business within the region. In general, this precludes retail and food-service projects, as well as local provision of services and non-competitive projects. | Tobacco Region Opportunity Fund (TROF) and the Community and Business Lending (CBL) program. TROF provides performance-based monetary grants and loans to tobacco region localities to assist in the creation of new jobs and investments. The CBL program provides access to capital in the tobacco region | <a href="https://www.revitalizeva.org/grant-loan-program/grant-loan-programs/">https://www.revitalizeva.org/grant-loan-program/grant-loan-programs/</a>     |
| Community Business Launch (CBL)  | VA Department of Housing and Community Development (VDHCD)  | Varies   | Provides the tools to effectively prepare multiple entrepreneurs to operate successful businesses in a downtown or neighborhood commercial district and allows them to compete for funding to start up their new endeavor.  | Local government and non-profits   | Help communities begin to develop a coordinated, comprehensive sustainable environment that identifies, launches and supports community-based entrepreneurs and small business at all levels of development.  | <a href="https://www.dhcd.virginia.gov/cbl">https://www.dhcd.virginia.gov/cbl</a>   |

| PROGRAM / TOOL   | AGENCY   | FUNDING AVAILABLE                            | DESCRIPTION  | ELIGIBILITY / REQUIREMENTS  | USES   | RESOURCE  |
|--|--|--|--|---|--|---|
| EDA Public Works and Economic Adjustment Assistance Programs including CARES Act Funding | US Economic Development Administration   | \$2,000,000 - \$30,000,000<br>Match Required | EDA solicits applications from applicants in rural and urban areas to provide investments that support construction, non-construction, technical assistance, and revolving loan fund projects under EDA’s Public Works and EAA programs.   | State, County, Municipality or State Hiegher Ed Institutions, Non-profits   | Grants and cooperative agreements made under these programs are designed to leverage existing regional assets and support the implementation of economic development strategies that advance new ideas and creative approaches to advance economic prosperity in distressed communities. | <a href="https://www.grants.gov/web/grant/view-opportunity.html?oppId=321695">https://www.grants.gov/web/grant/view-opportunity.html?oppId=321695</a> |
| POWER Grant  | Appalachian Regional Commission, through Virginia Department of Housing and Community Development (DHCD) | Varies: 2022 Awards \$500,000 to \$1,500,000 | The Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Initiative is a congressionally funded initiative that targets federal resources to help communities and regions that have been affected by job losses in coal mining, coal power plant operations and coal-related supply chain industries due to the changing economics of America's energy production.   | Local government  | Funding for 2022 was closed April 29. With the success of this program, it may be extended for future rounds.  | <a href="https://www.dhcd.virginia.gov/arc">https://www.dhcd.virginia.gov/arc</a>   |
| TAX CREDITS  |  |  |  |   |  |   |
| Federal Investment Tax Credit for Certified Historic Rehabilitation                      | National Park Service (NPS)  | 20% eligible rehabilitation costs            | Federal income tax credits are available for rehabilitating a historic structure listed on the National Register of Historic Places (individually or as a contributing structure in a historic district)   | Available for income-producing properties. Credits can be carried forward 20 years and back one year. Claim 4% per year over 5 years. Substantial rehabilitaion equal to 100% of adjusted gross basis. Ownership must be retained for 5 years after project completion.                           | Historic preservation and revitalization   | <a href="https://www.nps.gov/tps/tax-incentives.htm">https://www.nps.gov/tps/tax-incentives.htm</a>   |
| State Tax Credit for Historic Rehabilitation   | Virginia Department of Historic Resources  | 25% eligible rehabilitation costs            | State income tax credit is available for rehabilitating a historic structure listed (or eligible for listing) on the Virginia Landmarks Register (individually or as a contributing structure in a historic district)  | Available for income-producing properties and private residences. Can be carried forward for up to 10 years. Substantial rehabilitation equal to 50% (25% for residences) of assessed value of building for year prior to beginning work.   | Historic preservation and revitalization   | <a href="https://www.dhr.virginia.gov/tax-credits/">https://www.dhr.virginia.gov/tax-credits/</a>   |
| Enterprise Zones   | Virginia Department of Housing & Community Development (DHCD)  | Varies                                       | Designates local districts within which businesses creating jobs and improving facilities can receive:<br>> State tax credits on income and sales taxes for real property improvements<br>> Grants for creating jobs<br>> State and local incentives for job creation  | Available to businesses and zone investors who create jobs and invest in real property within the boundaries of enterprise zones.   | Varies   | <a href="https://www.dhcd.virginia.gov/vez">https://www.dhcd.virginia.gov/vez</a>   |
| Opportunity Zones  | Virginia Department of Housing & Community Development (DHCD)  | Varies                                       | An emerging program which Provides for temporary tax deferral of capital gains reinvested into a Qualified Opportunity Zone Fund. The basis increases by 10 percent with a holding period of five years, and by an additional 5 percent if held for at least seven years, excluding up to 15 percent of the original gain from taxation. Permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. | The deferred gain must be recognized on the earlier of the disposition of the investment or Dec. 31, 2026. Step-up in basis, which the initial basis in a Qualified Opportunity Zone investment starts at zero. The basis of investment at the time of sale is increased to the fair market value | Job creation, business development, revitalization   | <a href="https://www.dhcd.virginia.gov/oppportunity-zones-oz">https://www.dhcd.virginia.gov/oppportunity-zones-oz</a>                                 |



| PROGRAM / TOOL               | AGENCY   | FUNDING AVAILABLE  | DESCRIPTION  | ELIGIBILITY / REQUIREMENTS  | USES   | RESOURCE  |
|------------------------------|--|--|--|---|--|---|
| New Market Tax Credits       | Community Development Financial Institutions Fund      | 39% of original investment amount claimed over seven years | Incentivizes community development and economic growth through the use of tax credits that attract private investment to distressed communities.   | NMTC Program applicants must be certified as Community Development Entities by the CDFI Fund  | Job creation, business development, revitalization   | <a href="https://www.cdfifund.gov/program-s-training/Programs/new-markets-tax-credit/Pages/default.aspx">https://www.cdfifund.gov/program-s-training/Programs/new-markets-tax-credit/Pages/default.aspx</a> |
| DISTRICTS                    |  |  |  |   |  |   |
| Special Service District     | Municipality   | Varies   | Under § 15.2 - 2403 of the Code of Virginia, any city, county, or town may establish, by ordinance, a Special Service District to provide tax incentives and regulatory flexibility to address special needs. Special districts may have enhanced infrastructure or services, paid through an additional tax.  | Over 50% of the landowners in the district, who own more than 50% of the lands, may petition to create such a district.   | where special or enhanced municipal presence is desired, such as a downtown, or county seat.   | <a href="https://law.lis.virginia.gov/vacode/title15.2/chapter24/section15.2-2403/">https://law.lis.virginia.gov/vacode/title15.2/chapter24/section15.2-2403/</a>   |
| Arts and Cultural District   | Municipality   | Varies   | Under § 15.2 -943.1 of the Code of Virginia, any city, county, or town may establish, by ordinance, an Arts and Cultural District to provide tax incentives and regulatory flexibility to attract artists and sales of arts commodities.The tax incentives for each district may be provided for up to 10 years and may include, but not be limited to, (i) reduction of permit fees, (ii) reduction of user fees, (iii) reduction of any type of gross receipts tax, and (iv) rebate of real estate property taxes. | Criteria for what qualifies as an “arts” business is at the discretion of the locality. Incentives should be provided to businesses that positively contribute to the spectrum of arts and cultural activities and venues within the targeted area. | The locality may also grant tax incentives and provide certain regulatory flexibility in each arts and cultural district.  | <a href="https://law.lis.virginia.gov/vacode/title15.2/chapter9/section15.2-943.1/">https://law.lis.virginia.gov/vacode/title15.2/chapter9/section15.2-943.1/</a>   |
| Technology Zones             | Municipality   | Varies   | Encourage new and expanding technology businesses in a locality. Virginia cities, counties, and towns have the ability to establish, by ordinance, one or more Technology Zones to attract growth in targeted industries.  | All localities to offer local incentives to qualified businesses locating or expanding operations in the zone. Localities design and administer program. Incentives may be provided for up to 10 years.   | Incentives may include: Reduction of user and permit fees, local tax incentives, special zoning treatment, exemption from local ordinances or other incentives adopted by ordinance. | <a href="https://www.vedp.org/incentives">https://www.vedp.org/incentives</a>   |
| Tourism Zones                | Municipality   | Varies   | Under § 58.1-3851 of the Code of Virginia, any city, county, or town may establish, by ordinance, one or more Tourism Zones to provide tax incentives and regulatory flexibility to encourage tourism related business development. They serve both new and existing businesses whose primary purpose is to establish desirable destinations to attract tourists from outside of the community.  | Targeted businesses include attractions and entertainment, lodging, restaurants, and specialty retail.  | Create an environment for visitors that will deliver a memorable experience or promote educational opportunities while increasing travel-related revenue                             | <a href="https://www.vatc.org/tdfp/applicationprocess/tourismzone/">https://www.vatc.org/tdfp/applicationprocess/tourismzone/</a>   |
| Local Historic District      | Municipality   | N/A  | Preservation ordinance is a local statute that provisions for designating historic resources, establishes a design review board (also called a preservation or historic district commission), and creates a design review process and guidelines.  | Local government  | Protect and increase property values, promote tourism and economic development   | <a href="https://savingplaces.org/stories/10-steps-to-establish-a-local-historic-district#.W83uU1VKhEZ">https://savingplaces.org/stories/10-steps-to-establish-a-local-historic-district#.W83uU1VKhEZ</a>   |
| Virginia Main Street Program | Department of Housing and Community Development (DHCD) | Varies   | A preservation-based economic and community development program that follows the Main Street Approach by the National Main Street Center. Offers a range of services and assistance to communities interested in revitalizing their historic commercial districts.   | Local government  | Promote downtown revitalization through targeted design, economic, organization, and promotional strategies and activities.  | <a href="https://www.dhcd.virginia.gov/vms">https://www.dhcd.virginia.gov/vms</a>   |

| PROGRAM / TOOL                    | AGENCY       | FUNDING AVAILABLE                                   | DESCRIPTION  | ELIGIBILITY / REQUIREMENTS | USES   | RESOURCE  |
|-----------------------------------|--------------|---|--|----------------------------|--|---|
| LOCAL TAXATION & FINANCING        |              |   |  |                            |  |   |
| Community Development Authorities | Municipality | Varies  | Can be created to issue tax-exempt revenue bonds to develop and manage facilities and services including roads, parking, utilities, streetlights, landscaping, security, maintenance, recreation, schools, etc. A separate and additional tax on real estate may be assessed to pay the debt service on the bonds  | Local government           | Improvement projects for revitalization, community and economic development  | <a href="https://law.lis.virginia.gov/vacode/title15.2/chapter51/section15.2-5158/">https://law.lis.virginia.gov/vacode/title15.2/chapter51/section15.2-5158/</a>       |
| Tax Increment Financing (TIF)     | Municipality | Varies  | Can be created to stimulate private investment in development project areas. District boundaries are set and the current or "base assessed value" of tax revenue is determined. In the ensuing years, the base values continues to go to the locality's general fund, but any increase in revenue due to redevelopment (the increment) is placed in a separate TIF fund. | Local government           | Pay off debt incurred to provide redevelopment incentives such as land assembly and site preparation, infrastructure improvements, etc.  | <a href="https://vacode.org/2016/58.1/III/32/4.1/">https://vacode.org/2016/58.1/III/32/4.1/</a>   |
| Real Estate Tax Abatement         | Municipality | Up to 90% of the structure's value after renovation | "Partial exemption from taxation of real estate on which a structure no less than 20 years of age has been substantially rehabilitated."   | Local government           | Taxes are paid on the pre-rehab value of the building for up to 15 years on residential, commercial or industrial properties. Abatement up to 25 years is allowed for hotel/motel properties at least 35 years of age rehabilitated for residential use. | <a href="https://law.lis.virginia.gov/vacode/title58.1/chapter32/section58.1-3220.01/">https://law.lis.virginia.gov/vacode/title58.1/chapter32/section58.1-3220.01/</a> |