



Albemarle County Building Reuse Grant Policy

I. Mission

The mission of the Economic Development Office (EDO) is “To attract additional financial resources into the community through responsible economic development activities that enhance the County’s competitive position and result in quality job creation and career employment opportunities, increased tax base, enhanced natural resources and community character, and an improved quality of life for all citizens.”

To forward this mission, the EDO and the Economic Development Authority (EDA) pursues the goals, strategies, and objectives of its strategic plan, [Project ENABLE](#).

II. Introduction

A fundamental goal of Project ENABLE is to support the retention and expansion of County-based businesses. One consistent barrier to business growth is the limited supply of existing buildings that are suitable for business use. In addition, the costs associated with improving buildings and sites in the County are relatively high when compared to other locations in the region, which negatively impacts competitiveness.

The low supply of sites and buildings in combination with the relatively high costs of renovations often results in delayed and/or reduced capital investment. It also leads existing, growing businesses to seek locations outside of the County. The goal of the Building Reuse Grant is to foster business growth within the County by reducing the capital costs associated with improving existing buildings and sites.

III. Additional Policy Support

The adaptive reuse of existing buildings and sites is a goal of several County policies, including the Comprehensive Plan and the Climate Action Plan. By maximizing the use and re-use of existing buildings and sites, this grant supports the County’s growth management policies and sustainability goals.

In addition, the relatively high cost and low supply of available buildings and sites negatively impacts the County’s core value of “Community” which expects “diversity, equity and inclusion to be integrated into how we live our mission.” Under-resourced and underserved entrepreneurs, such as women, minority, and veteran-owned businesses, face significant barriers to accessing capital. This grant can play a positive role in addressing this inequity by providing additional opportunities for these businesses to grow.

IV. Intention

The principal goal is to support business retention and expansion that otherwise would not be financially feasible without the County’s participation. To maximize the grant’s impact, priority will be given to grants that:

- Range between \$25,000 and \$250,000 per grant (subject to budget resources)
- Support the growth and expansion of existing County businesses
- Support businesses owned by under-resourced and underserved entrepreneurs
- Support businesses that are at-risk for leaving the County

V. Overview and Eligibility

Any eligible property owner or business may apply for the grant. The grant will reimburse up to 50% of capital costs in a structure or for infrastructure serving the site where the business will be located. The grant will be provided to the applicant after the lease is signed and improvements are made.

For property owners: What types of sites are eligible? Each property must meet the following criteria:

- Held by an entity/property owner in good financial standing with the County;
- Be a commercially or industrially-zoned space within the Development Area;
- Be a space that has been vacant and unoccupied for at least 6-months;
- Renovate or build out a space for a business that meets the criteria below.

For businesses: What businesses are eligible? Each grantee must meet the following criteria:

- Be a for-profit business in good financial standing with the County;
- Make capital improvements to a building or site available for business that has been vacant and unoccupied for at least a 6-month period;
- Sign a lease to operate in the improved space for at least 3-year period.

What types of costs are eligible for reimbursement?

Only capital improvements necessary for the business operation are eligible for the grant. Examples of capital improvements include (but are not limited to):

- Renovation or build-out of publicly or privately-owned buildings;
- Required site work (grading, drainage, paving, etc.) to prepare a site for construction of eligible capital improvements;
- Public and private utility (water/sewer/power) extensions or expansions;
- Public and private installation of internet to establish connectivity.

Ineligible costs include fixtures, furniture, equipment (FFE), landscaping, proffered improvements, and generally anything that's not required to occupy the space or can be easily removed from the property.

NOTE: If the property is listed in the National Register of Historic Places, Virginia Landmarks Register, or is identified as a contributing resource in registered historic district, or is otherwise identified by Albemarle County as a significant historic resource, character defining features of the building and site must be maintained.

VI. Other Factors Considered

The EDO/EDA will also examine these factors when reviewing a Building Reuse Grant application:

- Financial information to determine if the improved space will be used for a "primary business" (generating more than 50% of revenues from outside the Charlottesville MSA)
- Whether or not the company operates within a target industry identified in Project ENABLE;
- Applicant's statement about the critical role of the grant to fill an identified funding gap;
- Concurrence of other state economic development incentives such as the Commonwealth Development Opportunity Fund (COF) or Virginia Jobs Investment Program (VJIP);
- Potential for the capital investments to induce other adjacent businesses and property owners to make improvements, or otherwise catalyze additional business activity.

VII. Determining Specific Grant Amounts

In determining grant amounts, EDO/EDA may consider the following criteria:

- Quantity and quality of jobs as determined by wages and benefits, including the progression from entry level positions to higher levels of pay, skill, responsibility, or authority;
- The length of the lease period;
- Overall amount of private capital investment in the project;
- A return-on-investment analysis and overall impact to the tax base;
- Contributions to community character and the public good;
- Achievement of a specific goal outlined under the County policy;
- Other factors deemed appropriate by the Economic Development Authority.

VIII. Application Process

Interested applicants are encouraged to meet with EDO staff prior to applying. Applications are accepted on a rolling basis and will be reviewed in accordance with the EDA's meeting deadlines.

Points to be addressed in the grant application:

1. Explain the critical role of the grant to fill an identified funding gap.
2. Indicate whether other grant opportunities have already been explored for the proposed capital expenses. Grants may be available from other state and local agencies, such as VEDP, VDACS, VDOT, Albemarle County Broadband Authority, etc.
3. Highlight how the project supports County policy. Please consider each of the following:
 - a. Project ENABLE
 - b. Comprehensive Plan
 - c. County's Strategic Plan
 - d. Climate Action Plan
 - e. Other County policies, etc.

IX. Budget

Funding for the grant will come from the Economic Opportunities Fund and be determined annually. Staff will continuously monitor the fund's balance and consider how any recommended grants will impact resources needed for other emerging opportunities.

X. Terms and Conditions

A written performance agreement between the applicant and EDA will be required. The agreement will include any agreed upon performance requirements, including repayment terms if the applicant fails to meet the performance requirements.

The County Executive's Office, at their discretion, can vary from the eligibility guidelines above.

Disqualifications: Factors which will preclude applicants from participating in the program include nonpayment of taxes or other county fees, non-compliance with local regulations, and conflicts-of-interest.