



Economic Development Public Forum

Staunton Economic Development Authority

March 31, 2022



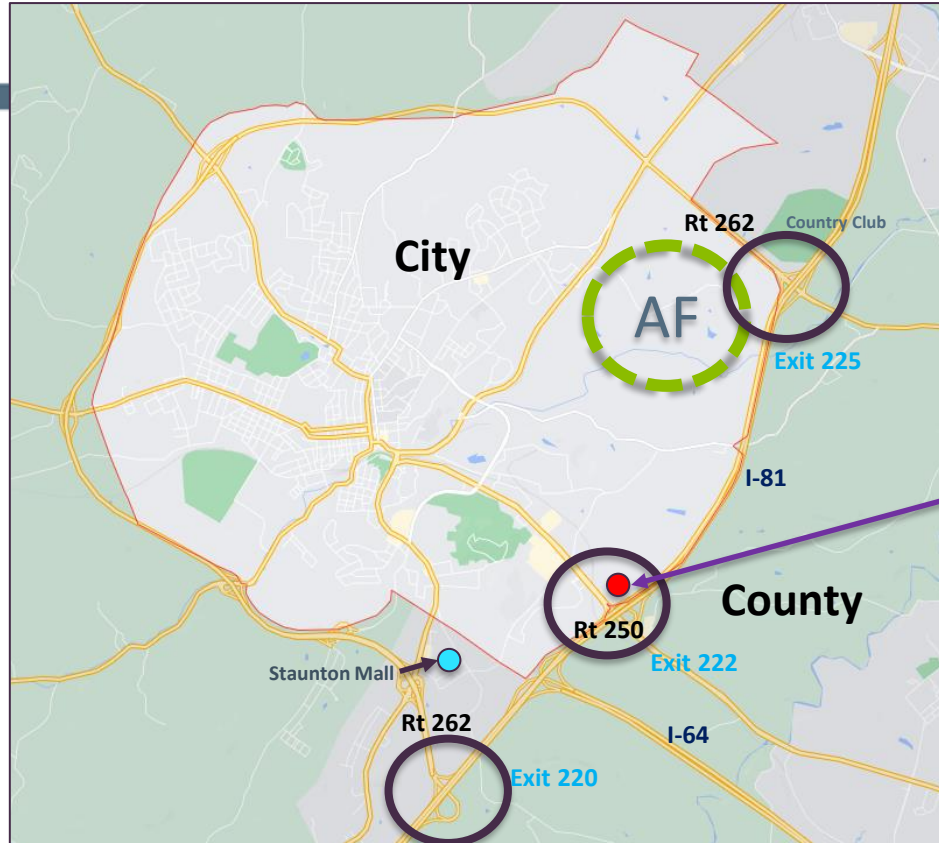
Presentation Overview



- ❖ Importance of Acquiring the Western State Hospital Property
- ❖ Efforts and Accomplishments Since the Acquisition
- ❖ Where We go from Here

Importance of this Site

- ❖ Location
- ❖ Access
- ❖ Control
- ❖ Potential



Importance of this Site

Commonwealth of Virginia
Controlled Property



Importance of this Site

An aerial photograph of the Staunton campus, showing several large, historic brick buildings with red roofs, surrounded by green lawns and trees. A road runs along the right side of the campus, and a parking lot is visible in the center. The surrounding area includes a golf course and more trees.

Key Dates

- ◆ Acquisition - October 2009
- ◆ Agreement - November 2010
- ◆ Total Control - November 2013





Importance of this Site

STAUNTON
CROSSING

Purchase Price	\$15,000,000
First Payment Year	2013
Term	15 Years
Interest Rate	1.395%
Average Annual Payments <i>(Thru FY22)</i>	\$1,178,464
Total Payments <i>(Thru FY22)</i>	\$10,606,173
Average Annual Payments <i>(Beginning 2023)</i>	\$1,006,165
Remaining Debt	\$6,036,990
Year Debt Retired	2028

Source: Department of Finance, City of Staunton

Efforts & Accomplishments

A horizontal decorative bar composed of several rectangular segments in various colors: purple, olive green, blue-grey, grey, yellow, maroon, dark blue, tan, teal, and green.

Phase 1 Commercial Development Strategy

- Land Sale
- Long-term Annual Revenues

Site Preparation (25 Acres)

- New Entrance Construction
- WSH Building (100) Demolition
- Virginia State Police Relocation
- Sewer Line Extension

The logo for Staunton Crossing, featuring the words "STAUNTON" and "CROSSING" in a serif font, stacked vertically, above a stylized white wave graphic on a dark red background.

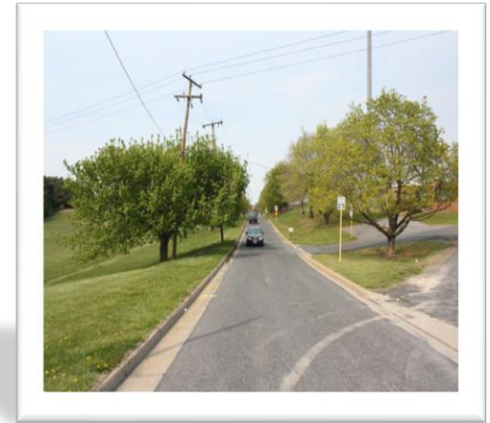
STAUNTON
CROSSING

Efforts & Accomplishments



Phase 1 – Site Preparation

- **October 2014 – Construction of New Entrance Boulevard**
- **March 2015 - Contract for Demolition of WSH Building**
- **April 2015 – EDA Received 4 Proposals**
- **October 2015 – Development Agreement with Local Developers**
- **December 2015 – Exchange Agreement with Virginia State Police**
- **January 2016 – Design Services/Construction New Virginia State Police**
- **February 2016 – Contracted for Extension of Sewer Line**
- **August 2016 – VSP Occupied new offices**
- **August 2016 – Demolition of former VSP Offices**
- **September 2016 – Celebrated Opening of Crossing Way**
- **September 2016 – Closed on Property with Staunton Crossing Partners, LLC**



Efforts & Accomplishments

2015 – Commercial Development Proposals
Front 25 Acres - Negotiations

Phase 1 – Commercial Development

Concept Prepared by Balzer and Associates



Efforts & Accomplishments

*Projected Return on Investment**

Staunton Crossing Retail Development - Phase 1 Annual Revenue Projections

Hotels, Restaurant, Grocery Store, Fast Food, and Convenience Store/Gas Station	Tax Category						
	Lodging	Sales & Use	Meals	Real Estate	Personal Property	Business License	Total Annual Revenue
Total	\$469,000	\$233,000	\$353,000	\$131,587	\$84,000	\$46,000	\$1,316,587

**Projected annual local tax revenues based on a developer's estimated annual income/sales, 2016.*



Efforts & Accomplishments

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**Planned Commercial
Development**

Efforts & Accomplishments

September 2016

- Crossing Way Opening
- Sale of Front 25 Acres



Efforts & Accomplishments

Calendar Year	Annual Taxes ¹
2020	\$850,000
2021	\$1.0 Million
2022 ²	\$1.2 Million

¹ Annual taxes include sales, meals, and lodging, business licenses, personal property, and real estate.

Source: Commissioner of Revenue Office.

²The annual taxes for 2022 are projections.

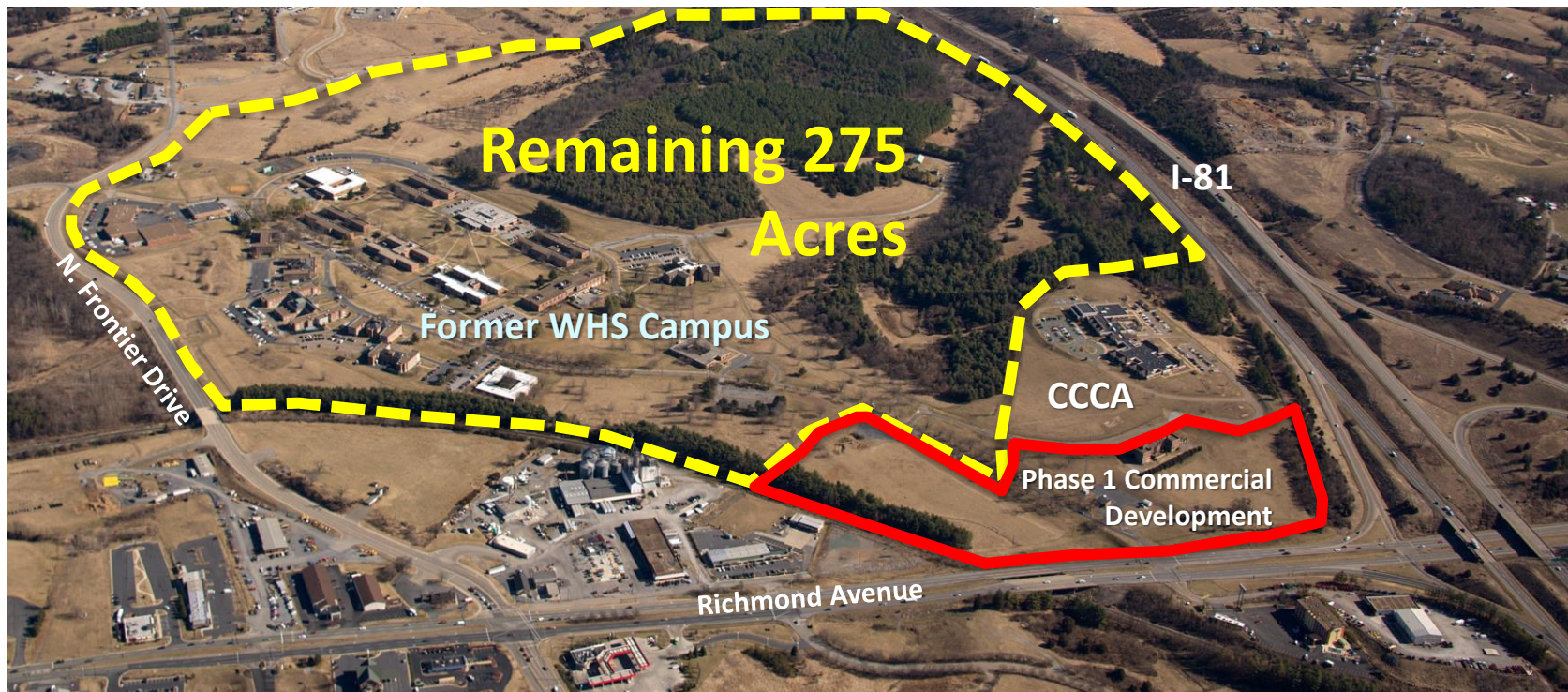
Phase 1 – Commercial Development (Front 25 Acres Only)



Drone Footage

2019 - Marriott Fairfield Inn & Hilton Tru
Opened

Efforts & Accomplishments



Efforts & Accomplishments

Site Preparation



**Environmental Abatement
Building Demolition
Tank Removal**

Efforts & Accomplishments





Financial Summary

Project	City Expenditures	Proceeds & Grants
WSH Land Acquisition	\$15,000,000	
Entrance Boulevard Construction (VDOT's Revenue Sharing Program)		\$800,000
CHIRP Building (#100) Demolition and Environmental Abatement	\$198,571	
Sale of Front 25 Acres to Staunton Crossing Partners, LLC		\$1,250,000
Relocation of Virginia State Police (Engineering/Design and Construction)	\$453,082	
Extension of Sanitary Sewer to Front 25 Acres	\$188,265	
Demolition/Abatement of Former Virginia State Police Building	\$23,385	
Subtotal	\$15,863,303	\$2,050,000

Annual taxes collected as a result of the ongoing development of Phase 1 are not included.

(Front 25 Acres)



Financial Summary

Project	City Expenditures	Grants
VEDP Grant - Virginia Business Ready Sites Program (Tier 2 Designation)	\$5,000	\$5,000
WSH Campus Buildings Demolition	\$2,002,125	
VEDP Grant - Virginia Brownfields Program - Environmental Abatement		\$431,200
VDOT Smart Scale Grant - Crossing Way Extension to Valley Center Drive		\$8,700,000
Staunton Crossing Economic Development Business Plan Preparation	\$53,000	
VEDP Grant - Virginia Business Ready Sites Program (Tier 4 Designation)		\$850,780
Staunton Crossing Economic Development Marketing Plan Strategy	\$40,000	
Subtotal	\$2,100,125	\$9,986,980

(Remaining 275 Acres)



Financial Summary

Funding Source	Expenditures	Grants and Proceeds	Tax Revenue
Property Acquisition (City Debt)	\$15,000,000		
City General Fund Expenditures	\$2,963,428		
Proceeds from Sale of Front 25 Acres		\$1,250,000	
State Grants		\$10,786,980	
Virginia Economic Development Partnership (\$1,286,980)			
Virginia Department of Transportation (\$9,500,000)			
City Tax Revenues for a 2-Year Period and 2022 Projection (<i>Front 25 Acres Only</i>)			\$3,050,000
Total	\$17,963,428	\$12,036,980	\$3,050,000



Where We Go From Here

STAUNTON
CROSSING



TIMMONS GROUP
ENGINEERING | DESIGN | TECHNOLOGY

Business Plan Stakeholders

- EDA
- City Council
- City Staff
- Virginia Economic Development Partnership (VEDP)
- Shenandoah Valley Partnership (SVP)
- Private Development Partners
- Buckingham Branch Railroad



Targeted Industries from Business Plan

- Manufacturing
- Logistics/Transportation
- Food & Beverage/ Agricultural
- Professional Services
- Rail-Oriented Industry
- Data Centers/Mission Critical



The Staunton Crossing Plan





THE BIG PICTURE

Staunton Crossing Business Plan

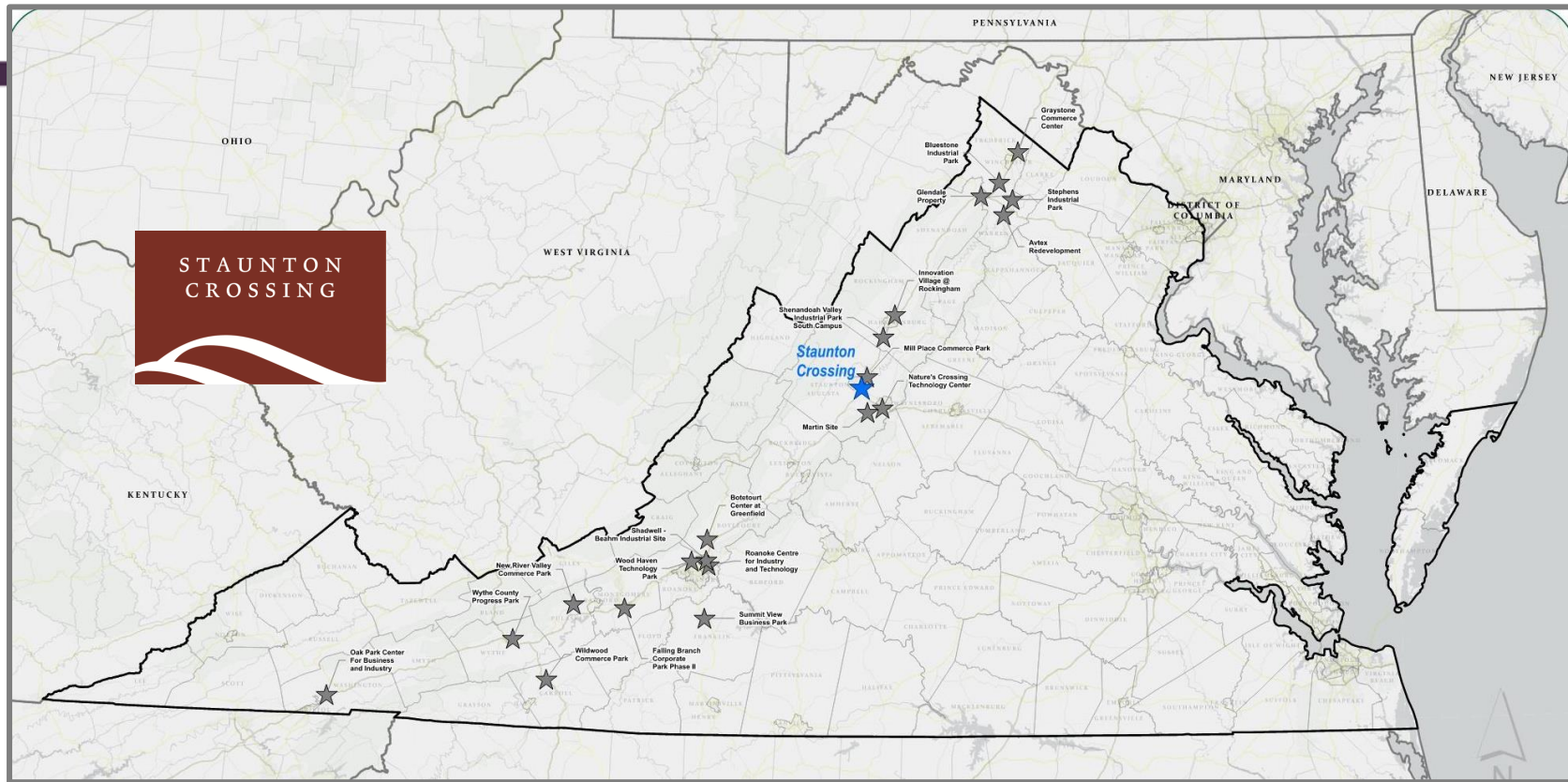
	TABLE 1	TABLE 2	TABLE 3	MASTER PLAN
TOTAL SQUARE FOOTAGE	2,115,000	2,047,500	2,497,500	1,840,000
\$\$ OF CAPITAL INVESTMENT	\$292,613,347	\$289,218,028	\$341,263,364	\$264,000,000
REAL ESTATE TAXES	\$2,831,488	\$2,793,040	\$3,295,261	\$2,152,000
MACH. & TOOL TAXES	\$707,400	\$1,275,750	\$1,545,750	\$1,885,000
JOBS	2448	2869	1537	3250
TAXES PER ACRE	\$10,724	\$12,330	\$14,670	\$12,233
JOBS PER ACRE	7.4	8.7	4.7	9.8

Business Plan Recommendations

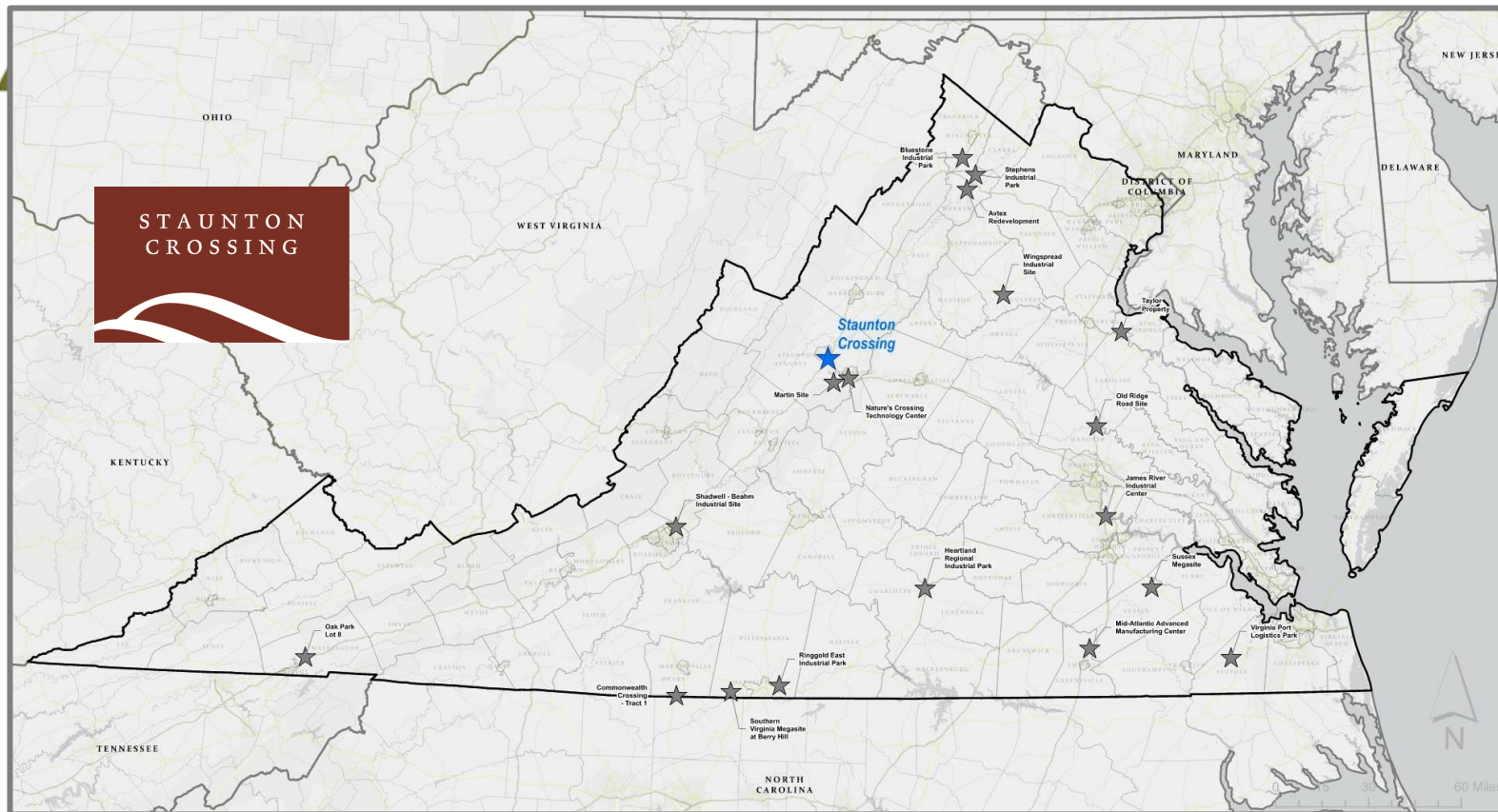
1. Demolish Existing Buildings
2. Build New VDOT Road
3. Brownfields Grant Funding
4. ROI Analysis
5. Tier 4 Site Readiness Certification
6. Develop Marketing Plan
7. Draft Design Guidelines Agreements
8. Draft Covenants & Restrictions
9. Data Center Strategies
10. Get Ready for Construction



Competitor Sites



Other Rail Served Sites



Marketing Areas of Focus

High Priority

Site Readiness

Development Timeline

Emphasizing Unique
Characteristics

Medium Priority

Workforce and Training
Availability

Infrastructure
Availability and
Redundancy

Low Priority

Site Location

Visibility

Access to Market

Transportation
Ownership



Marketing Plan Strategy Recommendations

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- A decorative horizontal bar consisting of ten rectangular segments in various colors: purple, olive green, blue-grey, grey, yellow, dark red, dark blue, tan, teal, and dark green.
1. Develop a diverse, internal marketing team for Staunton Crossing.
 2. Increase Staunton Crossing's online searchability targeted at site selection decision-makers.
 3. Create a target marketing portfolio.
 4. Building on current marketing material, create industry specific support material concentrating content on data most important to those industries targeted.
 5. Create a stronger presence for Staunton Crossing through social media outlets.
 6. Develop an ongoing campaign to disseminate news and updates focused on the development and activity related to Staunton Crossing.
 7. Host "on-site" visits to Staunton for site selection decision-makers which spotlight Staunton Crossing.
 8. Improve the physical site visibility and appearance of Staunton Crossing from I-81.



Contact Us

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A horizontal bar composed of several colored rectangular segments in shades of purple, olive, blue, grey, yellow, red, and dark blue.

Thank You!

The background is split into two large, solid-colored triangular sections by a diagonal white line. The left section is a dark teal color, and the right section is a dark red color.