

EDA News

This newsletter is published quarterly by
The Front Royal-Warren County Economic Development Authority
PO Box 445 . Front Royal . VA . 22630
540.635.2182 . www.wceda.com

Volume 16 No. 3

March 2015

IN THIS ISSUE:

Stokes Mart	2
InterChange Expansion Nature's Touch	2
Dulles/Schnabel	3
Dominion Virginia	3
Business Symposium	4
Taste of the Town	4
Wine & Craft Festival	4

Frank's on Main Street Finds New Life

"[In November] the Frank's Ladies Apparel building at 317 E. Main Street in Front Royal was sold at auction for \$525,000.

"Business partners Mike Silek, the son of store founders, Abe & Naj Silek, John Marlow, the former mayor of Front Royal, and Donnie Poe, a local contractor, bought the building with the intention of turning it into residential and commercial space.

"The building was home to Frank's Ladies Apparel for nearly 30 years. Silek said he is glad to own the building once again.

"When my mother and I and my wife decided to sell that building back in 1998, it was with a heavy heart,' Silek said. 'My mother didn't want to sell and I know if she were alive today, she would be happy to see we have it once again.'

"According to Silek, the business partnership is different from standard business arrangements, in that he, Marlow and Poe have known each other for years.

"I trust my partners in this venture,' Silek said. 'I've known Donnie since we were in the first grade and the Marlows have been friends with my family since before I was born. Mr. Marlow's wife even worked for my parents when she was a teenager.'

"The 18,000 square foot building went to auction after being on the market for more than year. Wells Fargo, the lender for the previous tenant, Harmony Place Women's Shelter, foreclosed on the building after the organization could not muster funds to stay. The building was listed at \$995,000 by Adams Nelson and Associates of Winchester and assessed to be worth \$918,000.

"According to Silek, the trio intends to open 15-18 apartments above the first floor and to use the first floor space for commercial entities.

"Silek said he has received offers from two retailers, an office and a restaurant. While [he] said he is 'not at liberty to discuss potential tenants,' he does have an idea of the types of businesses he wants to fill the first floor.

"According to Silek, six apartments only need minor renovations and should be ready to rent shortly after the permits are approved. Silek said the partners would release an announcement once the apartments are ready for rent and a business signs off to lease the bottom floor."

"We are very happy to be working with the partners in assisting this venture," said Jennifer McDonald, Executive Director of the EDA. "This is an important property on Main Street and we look forward to its renewal." *Source: Henry Culvyhouse, Northern Virginia Daily, December 5, 2014.*



Silek said he is glad to own the building again

Stokes Mart Sold and Under Renovation

The Economic Development Authority announced the purchase of Stokes Mart at the corner of Main and Water Streets.

B&G Goods, a retail company, approached the EDA about the property, and the executive director of the EDA, Jennifer McDonald has been working with the owners to secure them as end users for the site.

EDA will purchase the property and lease back to B&G Goods with an option to purchase in about three years. B&G Goods will provide similar market items as those Stokes

Mart currently provides. They will complete light renovations, stock the facility and provide a section for seasonal items.

“The EDA is very comfortable with this deal,” said McDonald. “The partners in the B&G enterprise have been in the retail business for thirty-plus years and have very stable financials.”

The Stokes property has been on the market for sale for about one year and closed the deal in January 2015.

“The concept of the EDA purchasing a site and leasing back with an option to buy is not unique,” said McDonald.

“We designed a similar contract for Dulles Industries/Schnabel which has located on Strasburg Road at the old North American Housing facility.

“These are the tools available to us to assist in mobilizing the economy. The EDA Board of Directors chose to move forward on this deal because we had an experienced and stable end user at the table.” ○

InterChange Expands : Facilitates Nature’s Touch

The Economic Development Authority is pleased to announce the arrival of Nature’s Touch Frozen Foods to Warren County with a \$1.8 million investment and 25 new jobs.

Nature’s Touch is a private label, frozen fruit importer and U.S. distributor. The company originated in Canada in 2004 where it grew to serve all major Canadian grocery chains. In 2009, the company established its first U.S. entity in Vermont and now will establish its first Virginia operation at the InterChange facility in Stephens Industrial Park, adjacent to the Virginia Inland Port.

“The choice of Virginia was made easy for Nature’s Touch Frozen Foods,” said Theo Prokos, Director, Nature’s Touch Frozen Foods. “The welcome and cooperation of the Virginia Economic Development Partnership to identify potential locations and promote the benefits of Virginia, coupled with the efforts of the Front Royal Warren County Economic Development Authority, helped us find InterChange Port

Services. The combination of close proximity to a sea port and easy access to major highways was tough to beat.”

“We are happy to welcome Nature’s Touch to Warren County,” said Jennifer R. McDonald, Executive Director of the EDA. “We have been working on this project since April and they, InterChange and the VEDP have been great partners in bringing it to successful completion. They will participate in the Enterprise Zone program and the Virginia Jobs Investment Program.”

InterChange recently announced its expansion to a new 126,000 square foot facility in Front Royal, Virginia. The location for the new facility is at the same site as their existing 48,000 square-foot facility, which borders the Virginia Inland Port, and will allow InterChange to increase both the quality and level of service that can be provided there. The current facility is home of InterChange’s Port Services which provides shuttle services, cross-docking (frozen, refrigerated, or dry), and

other services to distributors that operate through the Inland Port. InterChange perceives a higher demand for more facilities with storage and distribution services in the Front Royal area as the Inland Port continues to provide service to distributors in the region.

“We enjoy doing business in Warren County,” said Devon Anders, President of InterChange Port Services. “Our expansion is evolving smoothly with the assistance of the County’s Planning Offices, and the EDA has been a great supporter in our development.”

“InterChange played a critical role in bringing Nature’s Touch to Warren County,” said McDonald. “This kind of private-public partnership is hard to beat.” ○



Dulles/Schnabel Announces Opening in Warren County

The Economic Development Authority announced the opening of the Dulles Industries/Schnabel manufacturing facility in Warren County.

Dulles Industries has been in negotiations with the EDA for a little more than a year. They selected the former North American Housing plant on Strasburg Road in Warren County to relocate their facility from the Dulles corridor.

Dulles Industries is a construction foundation drilling equipment manufacturing and maintenance company that is part of the Schnabel companies. They will create five highly skilled, well-paying manufacturing positions this year and plan to expand to twenty-five positions within the next two-to-three years. There are currently sixteen full-time and two part-

time employees at the Strasburg Road facility.

“This is a great organization to have in Warren County,” said Jennifer McDonald, executive director of the EDA. “They are a proven and well-known company that is creating high-end manufacturing jobs with good pay and benefits. This is exactly what all communities hope for.”

The EDA purchased the property and is leasing it back to Dulles Industries for the first several years while they get their operation up to peak performance. Dulles Industries has made extensive improvements and renovations to the 55,000 square foot facility that once housed the modular home factory. Dulles plans within five years to purchase

land from the EDA. “We are very happy to be in Warren County,” said Bruce Kennon, Manager of Dulles Industries.

“The EDA and the County have been great to work with and have been creative in their proposals, allowing us to relocate and undertake the renovations needed for our operation. This has been a great partnership, and we want to thank everyone for their diligence.”

“Dulles/Schnabel is an important recruitment achievement for our community,” said Patty Wines, chairwoman of the Economic Development Authority. “The company is an old, established, stable company that is creating high-end jobs. As they grow, our community will also experience the rewards.” ○

The Dominion Virginia Power Plant in Warren County went on line in early December, delivering electricity to 325,000 customers throughout Virginia. The \$1.1 billion project started generating power to customers, marking an end to a two-year and nine-month project. The plant will generate 1,300 megawatts of electricity and will mainly serve the northern Virginia region around Washington, D.C. One megawatt can power 250 homes. Warren County Administrator, Doug Stanley, said the plant is expected to generate \$4 million in tax revenue annually. In the 2015 budget, the county will use revenue raised from the facility to help finance a proposed new middle school and pay for the county’s portion of the Rappahannock-Shenandoah-Warren Regional Jail.

The plant is the first of its kind in Virginia, operating on a “three-on-one combined cycle” system. Dan Genest, spokesperson for Dominion, said the plant has three turbines, one powered by natural gas, which generates hot air that will boil water to create steam to power another turbine. He said the natural gas running the facility puts out half the carbon dioxide found in coal fired plants as well as less sulfur emissions.

Jennifer McDonald, Executive Director of the Economic Development Authority, said the project has been a boon to the local economy, taking the industrial tax base up to around 30 percent. “The greater the industrial tax base, the less the burden is on our citizens.” ○ *Source: Henry Culvyhouse, Northern Virginia Daily, December 11, 2015.*



The
Economic Development Authority
Post Office Box 445
Front Royal, VA 22630
www.wceda.com |
www.facebook.com/frwceda
T 540.635.2182 | F 540.635.1853

Jennifer R. McDonald, DFCP
Executive Director
mcdonald@wceda.com
Missy Henry
Administrative Assistant
mhenry@wceda.com
Marla Taylor Jones
Editor, Director of Marketing
jones@wceda.com

Board of Directors
Patricia S. Wines, Chairwoman
Greg Drescher, Vice-Chairman
William M. Biggs, Treasurer
Jim Eastham, Secretary
Ron Llewellyn, Director
William Sealock, Director
Bruce Drummond, Director

Economic Development Authority
PO Box 445
Front Royal, VA 22630

PRST STD
US POSTAGE
PAID
Front Royal, VA
Permit No. 39



Thursday, March 19, 2015

Join us for an excellent day
of learning and networking!

<http://subusiness.org/>



The Front Royal Independent
Business Alliance presents
the 2d Annual "Taste of the Town,"
Friday, May 15, 2015, 7:00p-10:00p
on Main Street in Front Royal.
Entry Tickets: \$10 for 7 food tickets.

Don't miss this great event!

For more information:
frontroyaliba.org



The 29th Annual Virginia Wine and
Craft Festival is just around the corner.
Join us on Saturday, May 16, from
10am - 6pm in historic
downtown Front Royal, VA
With five golf courses, museums, a
theatre, shopping, canoeing, Skyline
Caverns, Shenandoah River State Park
and Shenandoah National Park, Front
Royal-Warren County is the perfect
destination. So, stay a while. For more
information contact the Chamber of
Commerce at 540-635-3185.