

VIRGINIA TECH
**OFFICE OF ECONOMIC
DEVELOPMENT**

**VAUGHAN
FURNITURE
REDEVELOPMENT
PROPOSAL**

PROPOSED BY

MORGAN DEAN, TESSA FOLEY, HECTOR MENDOZA,
ZACHARY JACKSON, EMMA MARTIN, BENJ LIPSEY,
ASHLEY POSTHUMUS, AND ANNA NAGORNIUK



TABLE OF CONTENTS

03 INTRODUCTION

04 EXECUTIVE SUMMARY

05 OVERALL VISION

06 SITE ANALYSIS

17 CURRENT CONDITIONS

26 ADDITIONAL CHALLENGES

28 LITERATURE REVIEW &
COMPARABLE CASES

40 VISION & RECOMMENDATIONS

55 FUNDING OPPORTUNITIES

66 CONCLUSION

67 APPENDIX

INTRODUCTION



This report was authored by the Virginia Tech Economic Development Studio (EDS) for Keith Barker, City Manager of Galax, Virginia. The City is in the process of transitioning from its former role as a manufacturing center to a cultural hub for the region. In order to attract tourists, shoppers, and other visitors, the city has made considerable investments in its downtown, cultural amenities, and festivals and events. Data suggest that Galax is seeing a healthy return on these investments, leading city officials to consider other investment opportunities that contribute to their overall goal.

The Vaughan Furniture Building is a large, vacant industrial space located within walking distance to the city's revitalized downtown. Additionally, this site is located adjacent to the Galax trailhead of the popular New River State Park. City officials and the Vaughan family (current owners of the building) believe that this building could be redeveloped as an extension of the city's revitalization efforts. The redevelopment of this space also provides a unique opportunity to address some of the city's needs, as it continues to grow its stake in tourism and small-scale/boutique retail. This report will assess redevelopment options for this site by investigating literature and best-cases related to successful redevelopment. This report will also address the feasibility of this type of redevelopment by analyzing current conditions in the community.

The report begins with a brief literature review used to inform redevelopment in general. The report then proceeds with a case study analysis to identify major themes in completed redevelopments, with developments similar to those targeted for the Vaughan Furniture Building. These major themes- including lodging, dining, retail and commercial uses, housing, and event spaces are then assessed in light of current conditions in Galax. Following this, the report details observed challenges and barriers to this redevelopment, in light of current conditions. Recommendations are provided in three categories; short-term, medium-term, and long-term. Short-term recommendations are aimed at addressing the challenges and barriers found in the current condition analysis. Medium and long-term recommendations focus on the Vaughan building redevelopment itself. Finally, funding opportunities are also provided and organized to help address each category of recommendations.

EXECUTIVE SUMMARY

Galax is a diverse and culturally rich community located in Southwest Virginia. Historically, it has served as a manufacturing center for the larger Southwest Virginia region, specializing in furniture manufacturing. Today, the building sits vacant and the facility's unique layout has made it difficult to sell, therefore, the city of Galax and members of the Vaughan family are investigating options for the building's redevelopment.

The physical, economic, environmental, and social aspects of industrial redevelopment were examined to consolidate the possible positive and negative impacts of reinvestment. To arrive at recommendations for the Vaughan Furniture building property, the team reviewed the strengths, weaknesses, opportunities, and threats for the potential development. The team based this analysis on data gathered from (1) secondary sources for demographic and economic conditions and market analysis of sectors such as housing, tourism, and retail; (2) primary research via interviews and a survey among downtown Galax business owners and organizational leaders; (3) comparative case studies; and (4) online research on available funding.

The team arrived at a vision that contains "stories," that preserve the history of furniture making in Galax City, and "opportunities" that provide Galax residents an improved quality of life, visitors a chance to discover small town living through various amenities, and local entrepreneurs the skills and venue to build small businesses. We provide a variety of offerings such as a small town indoor market & community event space, retail and dining outlets offering local produce and craft beer, creative lodging for different visitor needs, apartment lofts for second home owners and affordable market, work space for business incubators and community service providers, open space and public art, giant furniture park, and historic factory building.

The recommendations suggested by our team include those which need to be implemented for Galax and those which are specific to the building / site. These recommendations are further subdivided by time period of short, medium, and long term. Short term would be best described as steps to be taken in the next one (1) to two (2) years, medium term as three (3) to five (5) years, and long term as six (6) to ten (10) years.

Short term recommendations for Galax City are continuing support of Downtown Galax improvements and promoting local events and artisanry. Brownfield assessment and expanded site assessment, historical preservation analysis, and building initial land uses to attract a crowd are site recommendations that can take place immediately. Medium term recommendations for the scope of Galax are continued market research and the creation of a Downtown Galax masterplan. Medium term recommendations for the site include promoting the Vaughan Furniture legacy and preservation, identifying potential partnerships/tenants and contributing additional land uses. Long use recommendations for the site are phased mixed use development (retail, dining, hospitality, etc.), continued over-all marketing and communication support. Capitalizing on Galax's existing assets and strong cultural roots, it is more than capable of continuing the successful redevelopment of their downtown area.

OVERALL VISION



Our vision preserves the story of the former factory building, an important part of the history of Galax and its furniture and textile industries, and transforms it into a modern and vibrant mixed-use development with a variety of offerings for locals and tourist alike, see image above.

The proposed development includes retail, hospitality (with possibilities for different formats), residential (apartments for second owners, and young professionals), workspaces and business incubators, and outdoor and indoor gathering spaces. The Vaughan Furniture mixed-use development will extend the experience of downtown Galax, bringing it closer to Chestnut Creek and the New River Trail Park.



SITE ANALYSIS

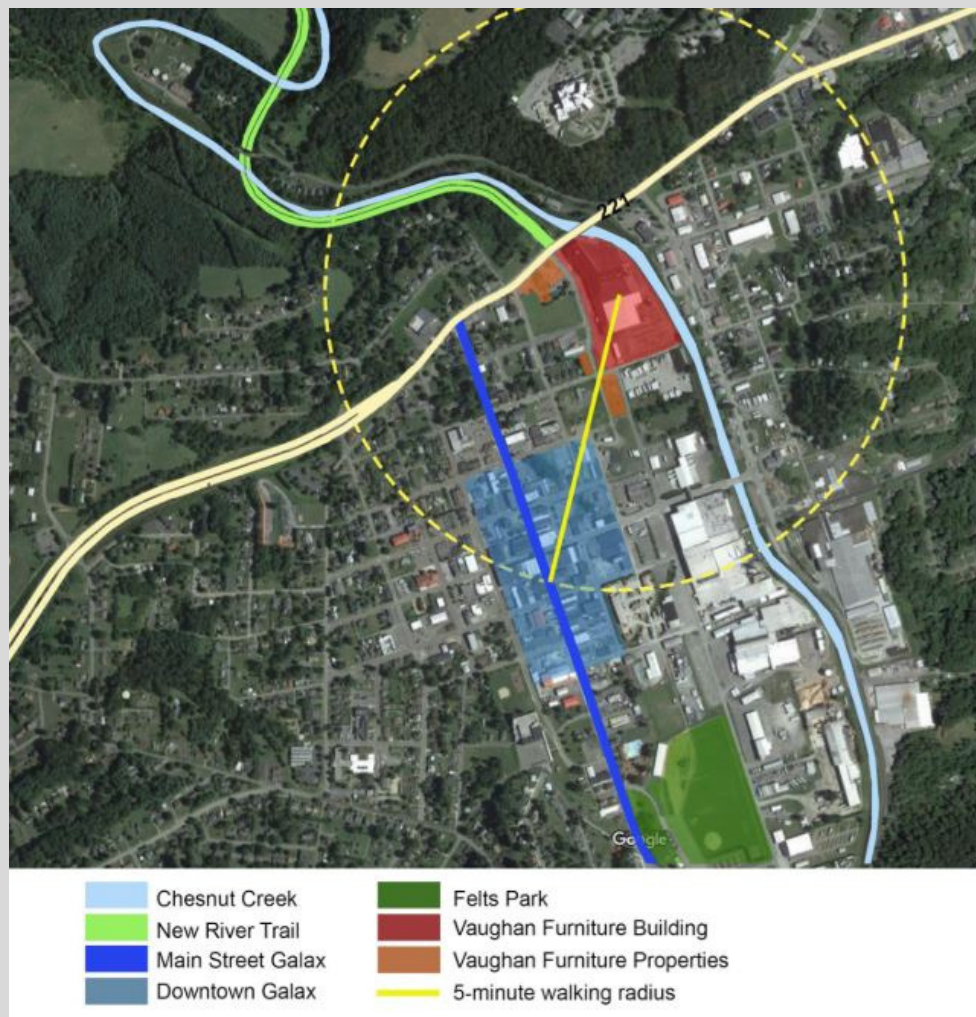
100



BUILDING SITE CONNECTIVITY

The Vaughan Furniture Building is in close proximity (less than 0.1 of a mile) to the New River Trail State Park and the New River Trail. The New River Trail is a 57-mile linear park and former railroad that starts in Galax and stretches through four other counties (Virginia Department of Conservation and Recreation, 2019).

Chestnut Creek runs along the east side of the Vaughan Furniture Building. The Vaughan Furniture Building is 0.4 miles from downtown Galax which hosts a variety of restaurants and businesses.



The image above shows the Vaughan Furniture Building in relationship to several amenities in the City of Galax. The Vaughan Furniture Building is connected to the City of Galax water and sewer system.

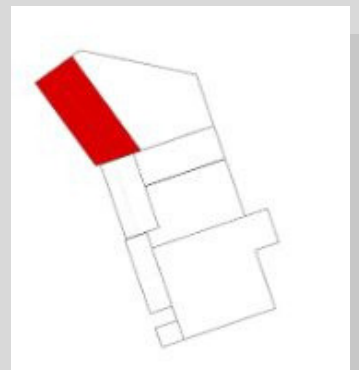
The site plan shows a proposed development with seven buildings. The overall site dimensions are 263'-0" by 102'-0". The buildings are labeled as follows:

- Building 1:** 24376 SF, 102'-0" by 237'-6"
- Building 2A:** 13240 SF, 118'-0" by 111'-0"
- Building 2B:** 8664 SF, 102'-0" by 84'-0"
- Building 3:** 14302 SF, 111'-0" by 128'-0"
- Building 4:** 37915 SF, 263'-0" by 155'-0"
- Building 5:** 26293 SF, 219'-0" by 133'-0"
- Building 6:** 50353 SF, 219'-0" by 133'-0"

The plan also includes a north arrow, a scale bar (0 to 100 feet), and various setbacks and dimensions for each building and the overall site.

The information collected during the site visit, supplemented by CAD drawings provided by Mr. Taylor C. Vaughan, is presented in the following seven building sections. The Vaughan Furniture Building was divided into seven building sections to facilitate the analysis presented in this report. The diagram on the left shows the seven building sections that conform the Vaughan Furniture Building.

Building section 1 is the oldest section of the Vaughan Furniture Building, with construction finished in 1923. It was originally a free-standing rectangular shaped building, 250 feet long and 120 feet wide. This section has an approximate area of 87,500 GSF distributed in three floors. Additions on the south (building section 2) and east (building section 4) have reduced its access to natural light, leaving windows only on the west and north elevations. Section 1's original east elevation, viewed from building section 4, shows original window openings blocked out with concrete masonry units (CMU).



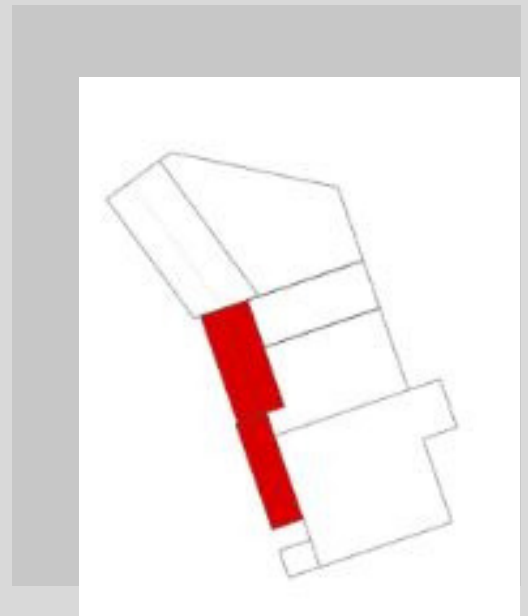


Load bearing masonry walls (red brick) and heavy timber interior columns, arranged at a regular spacing between 15 and 16 feet, and beams, conform the structural systems. One hydraulic freight elevator and one wooden interior staircase provide vertical circulation between the three floors. There is a steel fire escape stair on the north side of the building.

BUILDING SECTION 2

Building section 2 was built as an addition to section 1, to which it abuts on the north. Since its construction in the late 1920's, access to natural light on the east has been blocked by the additions of building sections 3, 5 and 6. Building section 2 has two subsections with different heights and number of floors. The northernmost section is rectangular in shape, 177 feet long and 75 feet wide and has a total approximate area of 40,000 GSF distributed in three floors.

The southernmost section, also rectangular in shape, is 178 feet long and 50 feet wide with an estimated area of 18,000 GSF in two floors. Only the western wall of building section 2 is visible from outside.

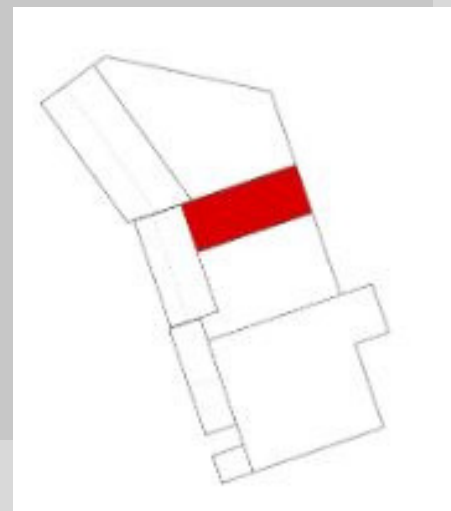




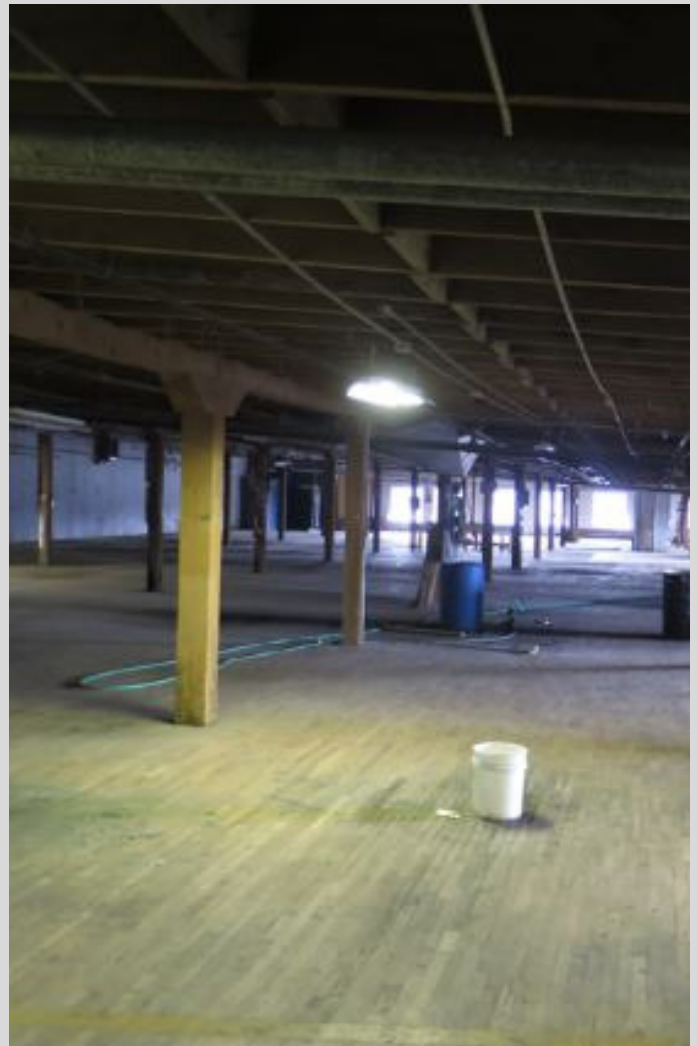
Load bearing masonry (red brick) walls and heavy timber columns, arranged at a regular spacing of between 13 and 16 feet, conform the structural system. One hydraulic elevator and one staircase are present in this building section to provide vertical circulation.

BUILDING SECTION 3

Building section 3 was the third addition to the Vaughan Furniture Building with construction finishing in the late 1920s. Rectangular in plan, section 3 is 250 feet long and 82 feet wide with an approximate total area of 61,500 GSF distributed in three floors. It abuts to section 2 on the west. Sections 4 and 5, built at later dates, block section 3 access to natural light on the north and south respectively.

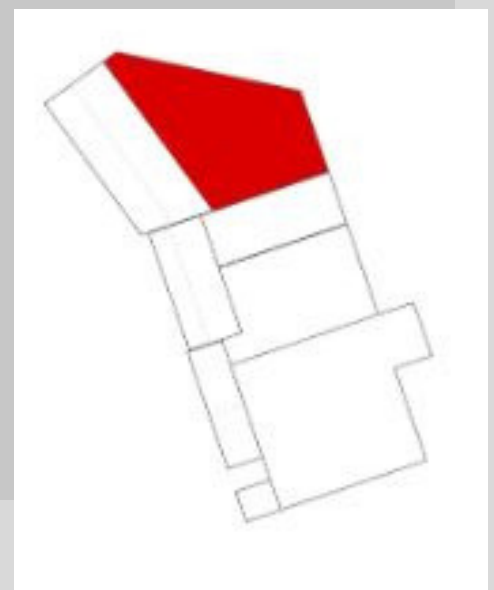


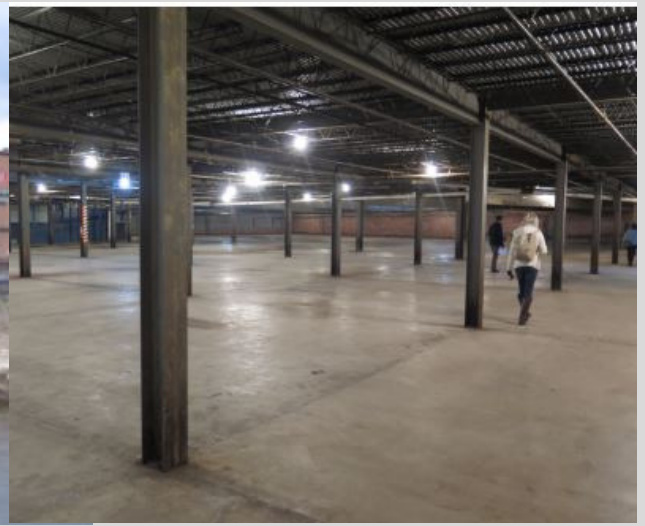
The primary structural systems are masonry (red brick) exterior load bearing walls and interior heavy timber columns and beams. On the first floor, steel beams and columns were introduced at a later date, from the original construction, to hold the structural load of the southern load bearing wall and allow the connectivity with building section 5. Columns on section 3 are arranged at a spacing that varies from 13 feet to 19 feet. The floors are made of concrete on the first floor and wood on the second and third floors. There is one flight of stairs for access to all 3 floors. The monorail is connected to reach this section on the second and third floors. Some doorways are raised, with small sets of stairs on a platform.



BUILDING SECTION 4

Building section 4 was constructed in 1956 with a trapezoidal shape in plan. It abuts with section 1 on the west and section 3 on the south. It has a total estimated area of 98,400 GSF in three floors. The exterior non-loading bearing walls are built of CMU with brick veneer and have window openings only on the third floor, limiting significantly the amount of daylight in the spaces.

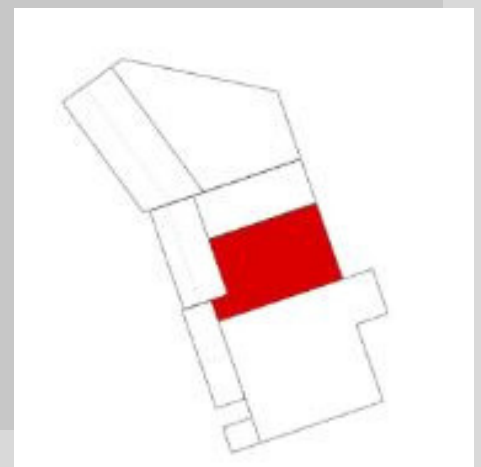




Building section 4's structural system is composed of steel wide flange columns, beams, girders and open web joists. The columns on building section 4 are evenly spaced 20 feet on both directions. The exterior walls are not load bearing. Floors are concrete on all stories and the height of the levels do not match the levels of building section 1. Steps are necessary to transition from section 4 to section 1 due to mismatching elevations. Vertical circulation is provided by means of two staircases. The monorail also is connected to this section on the second floor.

BUILDING SECTION 5

Built in the 1950s, this section of the Vaughan Furniture Building is locked between sections 2, 3 and 6. Section 5 has a unique arrangement. The easternmost portion is one story tall, while the westernmost portion has two floors creating a mezzanine. Section 5 has an estimated total area of 53,750 GSF. The eastern wall is the only part of building section 5 that is visible from outside. This wall is nonbearing and clad with red brick.

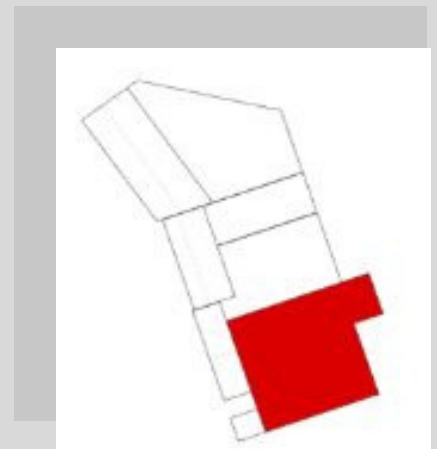




Building 5 is built with steel wide flange columns, steel beams, steel metal decking and concrete floors. There is one set of stairs leading to it along the wall shared by building 3.

BUILDING SECTION 6

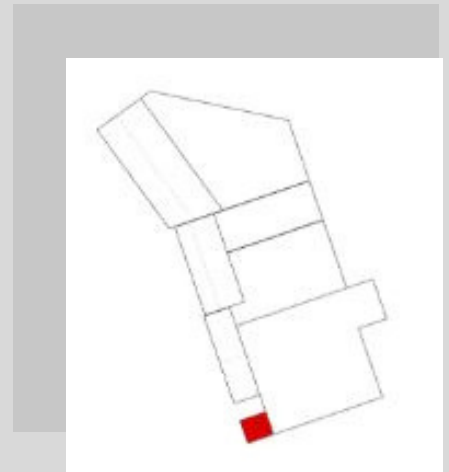
The sixth section of the Vaughan Furniture Building was constructed in 1995. The building has only one story, with a 36' ceiling height. Additionally, the building is completely undivided, offering approximately 51,700 GSF of uninterrupted floor space.



The building is constructed on steel pipe columns and large steel beams. The column spacing on the north-south direction is regular at 24 feet. On the east-west direction, the column spacing varies widely from 47 feet to 72 feet. The exterior walls are non-bearing clad with metal. This building section does not have means of vertical circulation. It is one single-height space.

BUILDING SECTION 7

Building section 7 is one single-height space. This big room was the boiler room of the Vaughan Furniture Building. The exterior walls are clad with red brick. Five sixteen-pane glass windows, four at the top and one at the bottom bring natural light into the space. There is one exit door on the first floor (ground level).



The structural system of section 7 includes CMU exterior load bearing walls clad with red brick, steel open web joists and metal roof decking. No means of vertical circulation are necessary for this section as it is one single height open space.

VAUGHAN FURNITURE PROPERTY ADJACENT SITES

Vaughan Furniture Properties owns additional sites adjacent to the Vaughan Furniture Building. As seen in the adjacent figure, those additional sites can be developed to increase the connectivity between the Vaughan Furniture Building and downtown Galax.



VAUGHAN FURNITURE BUILDING

POTENTIAL USES

BASED ON PHYSICAL CONFIGURATION

The potential uses are based on the assumption that all the sections of the Vaughan Furniture Building will be kept as they currently are at the date of this report and the following:

- Shape, length and width of the floor plates
- Structural systems, column spacing, floor to floor heights, type of exterior walls
- Access to daylight

BUILDING SECTION 1

Building section 1, has a rectangular floor plate that is 250 feet long and 120 feet wide with a regular column spacing between 15 and 16 feet. With access to natural light through windows on the north and west elevations, the first floor would be suitable for retail spaces with frontages toward US Route 221 (north) and T. George Vaughan Jr. Ave (west). The second and third floors can be divided longitudinally in two 60-foot wide halves. The 60-foot wide half with access to natural light can be used for residential or hospitality programs in a single-loaded corridor configuration, with areas to build staircases, a circulation hallway, and amenities. The remaining 60-foot section can be added to building section 4 (refer to potential uses for building section 4).

BUILDING SECTION 2

The three-story portion of building section 2, rectangular in plan, 177 feet long, 75 feet wide, with a regular column spacing, would be suitable for retail on level 1 (ground level) and residential / hospitality uses on the second and third levels with a single-loaded corridor configuration. Supportive spaces can include vertical circulation and amenities.

The two-story portion of building section 2, rectangular in plan, 178 feet long, 50 feet wide and with columns regularly spaced 16 feet on the north-south and 13 to 16 feet on the east-west direction offers flexibility for retail and residential/hospitality uses on the first floor and residential/hospitality with a single-loaded corridor configuration on the second floor.

VAUGHAN FURNITURE BUILDING POTENTIAL USES

BUILDING SECTION 3

This part of the Vaughan Furniture Building, rectangular in plan, 250 feet long and 82 feet wide, is locked between building sections 2, 4 and 5, which limits significantly the amount of daylight sources to only the windows on the eastern external wall. For this reason, building section 3 is not appropriate for residential or hospitality uses on any of its three floors. However, commercial / office space with low partition configuration can be considered. It is recommended to avoid floor-to-ceiling partition walls, as this feature would block the only source of natural light from the east.

BUILDING SECTION 4

Building section 4, with a distinctive trapezoidal shape, has access to natural light through a few small windows located only on the third floor. Because the exterior eastern walls are not load-bearing, additional openings could be incorporated on levels one, two and three to allow daylight, which would make the spaces suitable for commercial or office space use.

BUILDING SECTION 5

This section of the Vaughan Furniture building, with its particular mezzanine arrangement can be utilized for office / business incubator space.

BUILDING SECTION 6

The ample column spacing and building height combined in one big open space make building section 6 suitable for uses such as a large food hall or a large multipurpose entertainment venue. This section also offers the possibility to be compartmentalized into smaller quadrants to accommodate several uses that benefit from larger spans.

BUILDING SECTION 7

This section could be preserved as a reminder of the history of the Vaughan Furniture Building. Removing the two boilers and the dust pit, still in place, may prove too costly. All the tanks utilized to store various chemicals need to be removed.

CURRENT CONDITIONS

GENERAL DEMOGRAPHIC AND ECONOMIC CONDITIONS

This section will provide regional demographic and economic data for Galax, noting changes in several important indicators. The remaining sections will incorporate primary and secondary data research to illustrate the current market conditions for tourism, housing, retail, dining/hotel, event spaces, business incubators, and senior living.

GENERAL DEMOGRAPHIC CONDITIONS

Galax has seen a 3.6% (241 person) decline in population since 2001. General population decline has contributed to the region's aging population, as evidence suggests younger people are leaving the region for better or more available employment and educational opportunities elsewhere. Population decline was mostly concentrated in the 30-49 age cohorts, which saw a loss of 413 people or 22.4%. Additionally, there was an increase of 228 people in the 50 and above age cohorts. The table below shows changes in population by condensed age cohorts.

	2001 Population	2019 Population	Change	% Change
0-24	2,056	1,994	-62	-3.0%
25-49	2,230	1,823	-407	-18.3%
50-74	1,828	2,028	200	10.9%
75 and older	660	688	29	4.4%
Total	6,775	6,534	-241	-3.6%

Table 1.0: Population Change by Age, Galax

Source: EMSI Developer 2019.2 Dataset

Despite an overall decrease in population and a fluctuating median age, other demographic indicators in Galax are improving. For instance, Galax has become considerably more diverse during this 18-year period, with an increase (4.1 percentage points) in the city's already comparatively large Hispanic and Latino population. Additionally, income and educational attainment in Galax improved over this period.

The proportion of individuals with less than a high school education fell by 15 percentage points while the proportion of individuals with some college or higher increased by 10 percentage points. Finally, the city saw a \$618 real-dollar increase in per capita income and a \$6,512 real-dollar increase in median household income from 2001 to 2019.

GENERAL ECONOMIC CONDITIONS

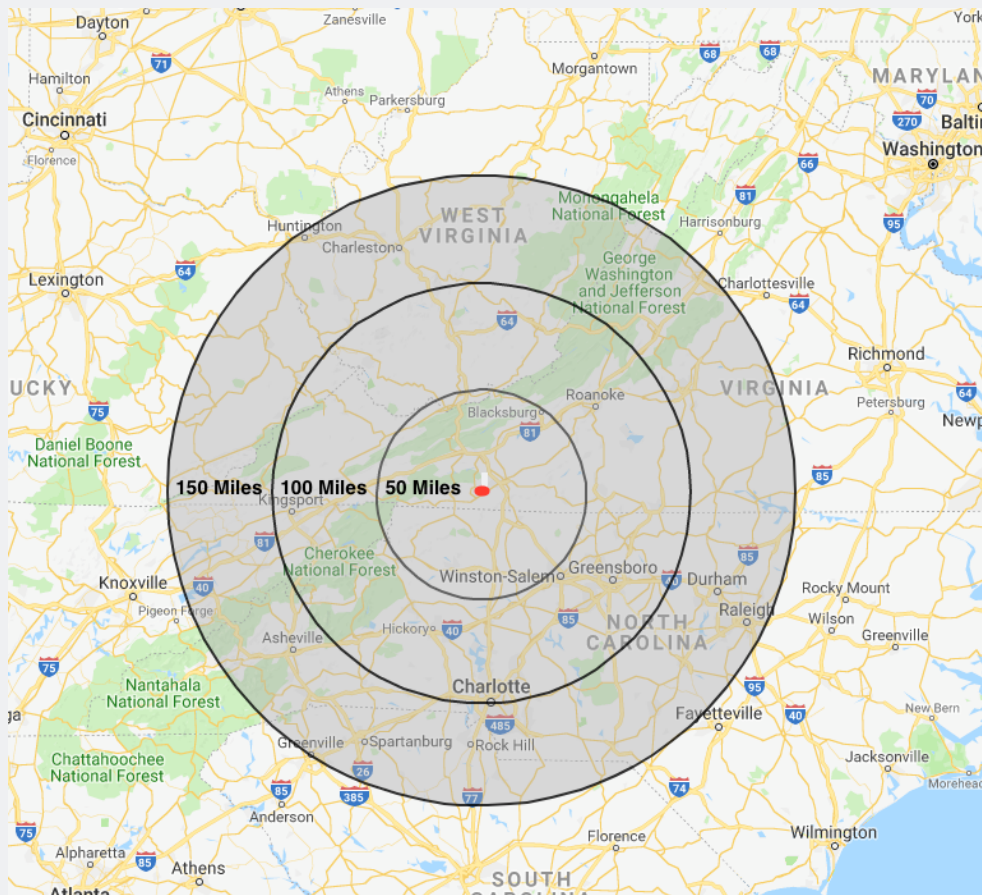
As mentioned before, Galax was one of several manufacturing centers in Southwest Virginia. Macroeconomic forces, however, have greatly reduced the role of manufacturing in the local economy, resulting in a number of changes to the city’s overall economic structure. For instance, Galax has experienced decline in terms of total employment. From 2001 to 2019, employment fell by 32% (2,877 jobs). The majority of employment reductions were concentrated in the manufacturing and retail sectors. While manufacturing and retail experienced employment decline during this period, other large sectors, including health care, accommodation and food services, and government saw modest growth. The table below shows employment changes for Galax’s five largest sectors for the years between 2001 and 2019.

	2001	2019	Change	Percent Change
Manufacturing	3,842	1,331	-2,510	-65%
Retail Trade	1,407	991	-416	-30%
Health Care and Social Assistance	1,308	1,431	123	9%
Government	638	811	173	27%
Accommodation and Food Services	437	501	63	14%

Table 1.1: Employment Change, 5 largest Sectors, Galax, 2001 and 2019
Source: EMSI Developer 2019.2 Dataset

Furthermore, job creation is expected to stagnate in Galax, according to employment projections. Only 11 jobs are expected to be eliminated in Galax from 2019 to 2024. In terms of prominent sectors within the city, manufacturing, retail, and accomodation and food services are expected to see varying levels of decline, while health care and government employment is expected to a marginal increase.

REGIONAL MARKET CONDITIONS



A preliminary market analysis was undertaken to better understand and approximate the regional demand for tourism, retail, housing, etc. Three market areas were established, representing a 50, 100, 150 mile radius of Galax. Population and employment projections were gathered and analyzed for each segment. More granular demographic data was collected at the ZIP code level for communities in Virginia, Kentucky, Tennessee, and West Virginia, however, this data is not available for North Carolina. The figure below illustrates these three market areas.

50 MILE RADIUS

As of December of 2018, 486,172 people lived within 50 miles of Galax. Population, however, is falling within Galax's most immediate market. Since 2013, population in this market segment fell by 0.3% (1,333 people). Population is expected fall by an additional 0.2% (1,161) into the next five years. Similar to Galax, the population in this region is aging, especially in Southwest Virginia. Despite population loss, employment is forecast to increase in this region. Employment grew by 3% (5,301 jobs) since 2013 and is expected to continue growing into the next five years.

100 MILE RADIUS

Nearly 6 million people live within 100 miles of Galax. Since 2013, population has grown by 2.8% (163,076 people) in this region. Furthermore, population is expected to grow by an additional 2.2% over the next five years. The bulk of this population growth is concentrated urban markets within North Carolina. Similar to the 50 mile market, communities in Kentucky, Tennessee, Southwest Virginia, and West Virginia are largely experiencing the same or similar demographic challenges as Galax, including falling and aging populations. Employment is also increasing in this area, growing by 5.9% since 2013. Employment is expected to grow by an additional 4.9% into the next five years.

150 MILE RADIUS

Approximately 10.5 million people live within 150 miles of Galax. Population in this market increased by 4.1% since 2013 and is expected to grow by an additional 3% over the next five years. As in the case of the 100 mile market, much if not all of this growth can be attributed to urban markets in North Carolina and South Carolina. Employment is growing the fastest in this market, increasing by 7.4% from 2013 and expected to rise by and an additional 6% over the next five years.

REDEVELOPMENT OPPORTUNITIES

A literature review and comparative analysis (further discussed on page x) uncovered a number of opportunities for this redevelopment and Galax at large. These opportunities include tourism, housing, retail, hotels and dining, event spaces and business incubators, and senior and assisted living. This section will assess the feasibility of these opportunities in light of demographic and market research and primary research collected surveys and interviews.

TOURISM

Tourism presents an opportunity for economic growth in Galax and its surrounding counties. Festivals, outdoor recreation opportunities, and heritage sites continue to bring visitors from different countries, states, and even other countries, to Galax. These events and attractions make Galax a unique destination for music, art, dining, history, and culture. Additionally, Galax has demonstrated better than average growth in terms tourist-related expenditures, payroll, and taxes, over the past ten years. In addition, the number of jobs in the three geographic ring areas (representing the region's primary target market for tourism) are all projected to grow by 3.7%, 4.9%, and 3.0% respectively. This is potentially indicative of a growing pool of potential visitors with disposable incomes.

Community engagement initiatives identified festivals, markets, arts and crafts as the primary motivation for trips to the city's downtown. Additionally, given a list of various activities, events and products, respondents chose music festivals and events (e.g. Crooked Road, Fiddler's Convention), regional cuisine events & festivals (e.g. BBQ, comfort food), and arts & crafts as important assets that the city should continue to develop, in order to help businesses succeed. Richard Emmett from the Blue Ridge Music Center explained,

"(We) participate in Houston Fest, Galax Civil Convention, workshops at the Chestnut Creek School of the Arts, some shows at the Rex Theater. Free and with charge events ... Houston Fest, Fiddlers Convention (June and August) we work together as a community, bring lots of people to town and lots of organizations partner together to make it happen."

During the community feedback portion of the group's presentation in Galax, community members vocalized the desire for specific examples of ways to attract people downtown in non peak tourism seasons. Expanding business hours could be a reliable way to attract more visitors. For example, if someone is attending a late show at the Rex Theater that ends at 9PM, they may not have any options for dining downtown after the show, and as a result, they may leave the downtown area. Another technique to attract more downtown traffic to local businesses would be increasing downtown events, such as street fairs, parades, markets, etc. Businesses could have outdoor booths and restaurants could set up outdoor seating, in efforts to attract residents and tourists to downtown Galax. Another suggestion is to close off downtown street and host a 5k. The event could be sponsored and held downtown, in efforts to get residents downtown.

Additionally, a large percentage of survey respondents identified domestic tourists and international tourists as important to their business. Fifteen (15) owners responded that domestic tourists are important or very important to their business while ten (10) owners said the same, for the international tourists. Mandy Archer from the Blue Ridge Small Business Development Center stated, "Specific holes that could be filled: outdoor recreation. Develop significant shopping experience to attract boutique hotels, then expect shopping to grow." A number of downtown business owners explained that there is minimal income and purchasing power among the local residents. They therefore rely on second home buyers and tourists from neighboring areas of Winston-Salem, Charlotte, etc. for increasing or maintaining their revenue.

It is important to note, however, that the region's most immediate tourist market (50 mile radius of the city) is experiencing much of the same demographic issues as Galax itself. Additionally, growth is not uniform in those market segments that are experiencing growth. Large portions of the 100 and 150 mile segments, for instance, are experiencing falling and aging populations. While data suggest a growing market for tourism in the region, the city should be intentional in focusing its tourist attraction efforts in more dynamic urban markets, such as those in North and South Carolina.

HOUSING

Approximately 70% of the housing in Galax is detached, single-family homes. The majority of units across all three geographies were built between 1960-2000. Additionally, 80% of these housing units have 2 and 3 bedrooms. Total housing vacancy for the region is increasing. Data and interview suggest that there is a growing number of vacation homes in surrounding Carroll and Grayson Counties, however, there is little evidence of a second-home market in the city itself.

Galax has gained approximately 20 additional vacant rental units and has experienced a rise in houses for sale since 2012. The combined geographic area of Galax, Carroll, and Grayson counties had an average of 200 housing units for sale in 2017. Additionally, the total abandoned housing stock for the region has been increasing from 2010-2017. Abandoned units increased by 60 homes in Galax from 2016 to 2017- triple the previous rate of approximately 20 homes per year.

Employment inflow and outflow data suggest that there are a significant amount of people who live outside the city and commute into Galax for work. For instance, less than half of those employed in Galax also live in Galax, with a majority of employees living in neighboring or nearby counties. Galax has slightly higher housing costs when compared to the region. Additionally, monthly housing cost data suggest that a significant number of homeowners and renters in Galax are cost burdened, especially households earning less than \$35,000 annually.

Community engagement activities revealed that there is no consensus about the opportunities for unmet housing demand. For instance, Nine respondents feel that there is either no market or a weak market for housing in downtown Galax. However, eight think that the market for housing can be characterized as medium to very strong, in terms of demand. For an outside downtown location, the secondary home market seems to be an opportunity with 15 survey respondents identified second homeowners as a very important or important market segment for their business.



RETAIL

Retail is also an important part of Galax's local economy both in terms of employment and revenue generation. Additionally, retail is a strong component in many of the redevelopment case studies analyzed during this process. Employment in retail, however, has fallen by approximately 30% (416 jobs) since 2001. Additionally, employment projections for this industry are not favorable with further decline expected into the next five years. Nevertheless, local sales and gross receipt tax revenue has seen a \$66,000 real-dollar increase since 2011. For 2017, this revenue stream account for almost 20% of the cities entire revenue.

Community engagement activities revealed that, of the seventeen respondents, five (5) somewhat disagree and four (4) are neutral about whether the existing local business mix in downtown Galax helps their business. A few respondents cited the reduction in the number of antique stores in downtown Galax, which reduced the number of visitors who come for antiques. Another survey respondent recommended more department stores with nice clothing options. A third respondent wanted more activities and shops for tourists and locals, including a children's museum, an indoor play area, and an escape room form of entertainment.

The city is investing improving retail conditions in downtown Galax and targeted workforce development to supply qualified workers to its burgeoning artisanal economy. For instance, Beth Dixon of the Twin County Chamber of Commerce explained,

"Recently the Career Technical and Education Center (CATE) program was implemented. It promotes arts and technical professions at the high school level. Also, the JUMP! Galax Business Challenge, which is a grant seeking to revitalize Downtown Galax, through the Virginia Department of Housing and Community Development. It has benefitted approximately 15 small businesses so far... The Twin County Chamber of Commerce has been working with the Chestnut Creek School of the Arts trying to get a grant to promote a livelier atmosphere in downtown Galax through arts and culture."

Education strategies like CATE and the new Crossroads Institute are helping to promote career training and increase participation in Galax businesses. Such collaborative efforts for initiatives to support economic development and local business mix are key. Overall, it is evident that respondents wanted additional retail outlets as potential new businesses that would complement the existing businesses that are located downtown. Although the local business mix in Galax downtown is not ideal, there is already some perceived synergy among the current businesses. Additionally, if new retail opportunities are to be formulated for the Vaughan redevelopment, more thorough market analysis is needed not only to accurately gauge demand but to also ensure new businesses are not cannibalizing existing firms.

HOTEL/DINING

The accommodation and food service sector is both critical to Galax's growing tourism sector and an important source of revenue for the city. The larger tourism industry straddles two sectors: arts, entertainment and recreation; and accommodation & food service. Within Galax, there are a number of historic or well-known eateries that attract tourist dollars and are counted within this industry grouping. Additionally, this sector accounted for 17.6% (\$2,112,273) of Galax's total revenue. Furthermore, there has been a \$418,894 real-dollar increase in meals/restaurant taxes from 2011 to 2017. Employment in these two industries has seen sporadic changes since 2001. For instance, employment peaked in 2007 at 614 jobs and then settled at 501 jobs in 2019. Overall, this sector experienced a net-growth of 14.7%. Unlike other growing sectors, occupations within accommodation and food service are relatively low paying. For instance, accommodation and food service occupations pay an average of \$16,012 compared to an overall average earning of \$37,835. Projections are not favorable for this industry, albeit forecasted reductions in employment are marginal.

Both surveys and interviews revealed that opportunities for dining was one of the top reasons that individuals visited Galax. Some of the restaurants and food establishments which have been mentioned as complementary to other businesses include: Graceful Goose (a gourmet food retail store); Studio B (wine and book shop); Twisted Fork (pasta place); Briar Patch Café & Marketplace; Macado's; Chapters Bookshop & Wine Cellar; and Smokehouse BBQ.

Galax City, Grayson and Carroll Counties have a total of 37 lodging establishments. Hotels and motels make up 65% of these lodging establishments. The table below provides the number of lodging establishments per type, as of end March 2019. Of the twenty-four hotels and motels in the area, Carroll has sixteen, Galax has seven, and Grayson has one. The hotels and motels in Galax City include Cliffside Cottages, Doctor's Inn Virginia, Galax Motel, Hampton Inn by Hilton, Knights Inn, New River Trail Cabins, and Rodeway Inn. Galax City has a total of 162 hotel and motel rooms available.

Table 1.2 : Lodging Establishments Types, Number of Establishments, and Price Range

Type	Number of Establishments	Number of rooms	Price range (per night)
Hotels/Motels	4	173	\$50 - \$120
Bed & Breakfast	1	6	\$130 - \$150
Cabins	12	15	\$110 - \$150

Source: Emsi Developer, 2019.1 Dataset

Ten of the seventeen survey respondents felt that there could be demand for new lodging in downtown Galax. Another two strongly believe that there is a large demand for new lodging. The top two lodging options which the respondents felt would complement Galax's tourist industry are: a bed and breakfast/small inn; and a commercial chain hotel. Briarpatch Café & Marketplace owner expressed a desire toward trendier hotel options,

"Attract people to Galax. Hotels and motels: I would like to see more boutique, unique style lodgings. What incentives can we give to business owners to remodel and get into the look that Galax is wanting to push? We got to get them in Galax, then be able to feed and house them. I think there needs to be an increased focus on pulling people from the Parkway, and taking them away from Hillsville, which doesn't have as cute of a downtown." While the Doctor's Inn B&B attributed events and tourist attractions the main drivers for her high occupancy rates, "The city of Galax depends heavily on tourism. Music festivals and the New River trail are the main factors that contribute to the success of Doctors Inn B&B."

EVENT SPACE/BUSINESS INCUBATOR

Event spaces and business incubators were two more minor development themes uncovered in the comparative analysis. Survey respondents identified the seasonality of customers as a challenge, with eight (8) and four (4) respondents reporting this a major or minor challenge, respectively. Unsurprisingly, there is a decline in the number of visitors and customers during winter. In addition, the festivals and events which bring in a larger amount of people are usually held during the summer and fall. The seasonality of customers can be alleviated by the development of indoor event spaces that could provide locals and visitors with a venue for year-round events.

Similarly, business incubators (which are organizations geared toward accelerating small business or startup growth) could be included in the Vaughan redevelopment plan. All incubators seen in the comparative report offer a mix of office space and access to experienced advice, mentorship, funding and the exposure of being part of the incubation programme brings. The size of the Vaughan Furniture building lends itself to a range of collaboration options. Additionally, business incubation services could complement the city's existing small business and workforce development programs while also addressing concerns about the mix of downtown businesses.

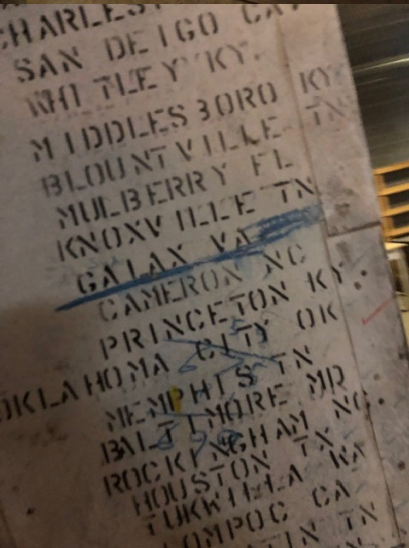


SENIOR/ASSISTED LIVING

As mentioned before, Galax's population is aging. Feedback gathered from the community members indicated a demand for senior and assisted living within the Vaughan Furniture site. Specifically, community members expressed an interest in condo or apartment housing proximal to the city's downtown. Additionally, it was noted that these apartments would not necessarily have to be assisted living facilities, but would rather cater to Galax's growing retirement-age population.

There are number of assisted living communities with 50 miles of Galax, with facilities located Wytheville, Independence, Hillsville, etc. Competition with established centers might jeopardize the feasibility of this kind of service center, however, demographic conditions suggest that their may be an opportunity for pre-assisted living housing. This kind of housing could include homes for those aged 55 and older and could alleviate current homeowners of the required maintenance and costs associated with the detached houses which account for the majority of the city's housing stock.





CHALLENGES

Based on findings during data collection and analysis, conditions in Galax present a set of challenges that need to be mitigated for the Vaughan Furniture site redevelopment to be successful. Some additional challenges include the loss of the city's younger population, the seasonality of the market, and the seeming lack of demand, even for affordable housing.

LOSS OF YOUNGER POPULATION

Presently, Galax struggles to attract and retain its younger population. Data suggests that younger people are leaving the region for better or more available employment opportunities elsewhere. This contributes to general population decline and the region's aging population. During community engagement, several respondents also cited the loss of the younger population as a shortcoming for Galax. It leads to negative impacts on the market as well as decreased participation and volunteerism in local events.

MARKET SEASONALITY

There is a disparity in the variety of business, events, and festivals between the summer season and the off-season. There are generally more customers in the summer, as people travel to Galax for events like the Old Fiddler's Convention and the Smoke on the Mountain Barbeque Competition. The Farmer's Market is also limited to operating during the growing season of May to October. Twelve survey respondents identified this seasonality of customers as either a major or minor challenge. Finding more stable sources of revenue and more local activities during the off-season would help address market seasonality.

POSSIBLE LOW DEMAND FOR HOUSING

Housing development is a critical component in two of the three comparative case studies. In addition, there is government funding available, especially for affordable housing projects. However, it seems that initial data on Galax City does not provide proof of substantial demand for housing, even for the affordable sector. There seems to be low demand for housing, based on the increasing number of available housing stock in the city. This is despite the fact that there is a high ratio of commuters coming into the city for employment. It is possible that affordability may be the real issue. Galax has the highest housing cost in the region and approximately 86% of low income populations already living in the city are cost burdened by housing. If those commuters coming into the city are working in low wage positions, cost could prove to be a barrier to them moving into the city. In contrast, a majority of those making above \$75,000 per year are living below their means, and could afford to purchase higher priced housing. Initial data indicating possible low demand for housing is not conclusive. The additional factors cited above point to the need for further market research on housing needs, segmentation, sizing, and an inventory of the quality and cost of current housing stock in Galax City.

Despite the fact that initial findings display a low demand for housing, a Housing Needs Assessment is suggested to further understand the location, quality of houses and cost of the housing stock that is currently available. A Housing Needs Assessment is used to identify housing issues and solutions that can be used to make strategic decisions related to the housing market and is often used as a basis for future housing and policy decisions and to secure financing for various housing programs and projects. The inventory that is collected through this study would reveal how successful new housing developments would be in Galax's current state. A typical study includes a compilation of current housing inventory and characteristics, government policies and incentives, the adequacy and availability of community services, and a collection of area stakeholders and residents. The assessment also provides recommendations on how to achieve certain housing goals and provide recommendations on potential housing policy initiatives that would benefit the local housing market.

LITERATURE REVIEW AND COMPARABLE CASES

The City of Galax, Virginia is an example of a community that has been impacted by the downsizing of the furniture and textile industries. Many communities have experienced plant shutdowns, which have resulted in underused and abandoned industrial sites. These sites have the potential to be decontaminated and rehabilitated for new, productive use. Furthermore, “adapting them to new uses could restore not only the buildings and their physical environment but also the jobs and vitality of the communities surrounding them” (Collaton and Bartsch, 1996, p.17). There are a number of benefits associated with this sort of reinvestment in rural communities, including an increased sense of belonging, creation of affordable housing opportunities, reduction of sprawl, and stimulation of new economic activity. Since most post-industrial sites are located near city centers or waterways, these locations provide opportunities for revitalization of downtown areas (Loures, 2015, p.76). Furthermore, industrial redevelopment projects allow communities to invest in their existing assets and historical identity. Nevertheless, the redevelopment of industrial sites, especially brownfields, poses various financial and regulatory challenges. Therefore, the physical, economic, environmental, and social aspects of industrial redevelopment need to be examined to consolidate the possible positive and negative impacts.

The team identified selection criteria to use in the the initial stages of studying comparable cases. Important measures that were chosen to narrow the number of cases included: (1) preservation of the original building’s historic character; (2) similar building features and location; (3) possibilities for phased development; and (4) presence of creative design and use concepts. The team identified 18 comparable cases, based on the historical and architectural pieces of the original structure and also some of the location city’s core or overarching characteristics. Of the 18 comparable cases, the team chose three to investigate in greater depth, due to their high similarity index with the Vaughan Furniture building redevelopment goals. These include: (1) The Klingman Lofts (a redevelopment of the Klingman Furniture Warehouse) and the Baker Lofts (a redevelopment of the Baker Furniture Warehouse), both in Grand Rapids, Michigan; (2) the Jackson Park Inn located in Pulaski, Virginia; and (3) the Rocky Mount Mills located in Rocky Mount, North Carolina. Each case revealed three main redevelopment opportunities/themes: housing, retail, and lodging/dining/event space.

Some key characteristics of brownfields are size and physical structure. Since these sites previously served manufacturing or other large-scale industrial purposes, the parcels themselves are large. Some also have original buildings on the property, with machinery, ducts, and other infrastructure still intact. Making decisions of how to subdivide, manage, and develop such a large site is challenging. Dealing with such a site can be a literal massive undertaking--one that developers may not want to approach. These big tracts of land with “obsolete” structures can reinforce the negative image of a rural locality facing economic decline, which could potentially scare away investors and weaken public support of redevelopment efforts (Collaton & Bartsch, 1996, p.37). More large-scale land uses, such as bottling plants or utility services, that could be appropriate for large sites, fail to gain support from lenders and banks that see such uses as “undesirable” (Collaton & Bartsch, 1996, p.39). This lack of funding and economic support of brownfield redevelopment is prevalent in rural communities, especially those that are still trying to recuperate from past economic distress caused by loss of industrial and manufacturing employment (Sardinha, Craveiro, Milheiras, 2013). Thus, clean-up and redevelopment costs of brownfields pose as an obstacle. Costs are not always easily calculated: some clean-up, disposal, or repair costs can be unforeseeable, revealed only after development efforts begin on the site. Also, the passage of more environmental legislation related to development, like CERCLA, led to greater financial accountability and responsibility for owners of sites that contribute to pollution (EPA, 2017). Therefore, if unknown environmental risks or damages are discovered during the brownfield redevelopment process, the developer could be responsible for serious costs. This element of uncertainty also makes lenders more reluctant to fund such projects (Loures, 2015). Adequate financing to cover the upfront clean-up costs and any potential unknown costs can be unaffordable or scarce (Loures, 2015). Larger industries are “undesirable” while smaller start-ups or local businesses struggle to secure traditional financial capital to invest in site reuse. Even if a developer or business secures the necessary funding to reuse a brownfield, there is no guarantee that the future income for the project will compensate for the initial expenses (Collaton & Bartsch, 1996, p.35). With indeterminate economic risks and high costs of site improvement, brownfields may seem like the worse option for development as opposed to alternative sites, like greenfields, which are often more available in rural areas (Collaton & Bartsch, 1996, p.35).

OPPORTUNITIES FOR BROWNFIELD REDEVELOPMENT

Brownfield redevelopment presents opportunities for economic development and community revitalization. Collaton and Bartsch (1996) state, "By returning these facilities to productive use, cities can create jobs, boost tax revenues...". Large parcels can have potential for mixed-use developments where multiple complementary uses can fit on one property. It can also lend itself to development of green infrastructure for the community (Valck et. al., 2019). In terms of investment, reuse of existing industrial sites can lower developers' costs for certain project expenses like infrastructure and impact fees (Greenberg et. al., 2001). Existing infrastructure on the site, like linked roadways or sewage systems, can make it easier to develop a brownfield and make it accessible. For example, Collaton and Bartsch (1996) note that "in larger cities, old industrial complexes are often located near mass transportation and therefore are more accessible to economically disadvantaged persons". Furthermore, an increasing amount of localities have begun to recognize the funding gap and the potential of redevelopment of unproductive sites within their communities.

According to Collaton and Bartsch, "Government at all levels is finding creative ways to help businesses overcome the difficulties that contamination brings to the site reuse process by setting up finance programs to ease the cost or terms of borrowing, to augment private funds, or to fill gaps in private-sector funding"(Collaton & Bartsch, 1996, p.53). Even if traditional financial capital is scarce, many redevelopment projects included creative financing packages that combine private investment, grants, and other financial incentives. At the federal level, Community Development Block Grants, supported by the U.S. Department of Housing and Development (HUD), have provided financing for reuse of industrial sites (Jennings, 1986). Empowerment Zones, also created through HUD, have allowed designated geographic areas to receive special incentives and benefits for revitalization efforts (Krupka & Noona, 2009). These innovative responses to the lack of traditional funding support future redevelopment of brownfields for community economic revitalization.

ENVIRONMENTAL SUSTAINABILITY BENEFIT

Redeveloping industrial spaces also yields several environmental benefits that preserve rural communities. Luis Loures states that there is worldwide concern over how global landscapes are transforming, thus individuals are required to come up with creative solutions to redevelop while protecting the environment in the process. He suggests that reusing land that has been abandoned or underused rather than consuming additional green land is one benefit to redevelopment.

Utilizing brownfield sites ensures open space is preserved along with rural community assets such as farming, scenic views, and sensitive ecosystems. Additionally, he discusses the benefit of industrial spaces historically being located in advantageous locations, near downtown regions or along waterways. By redeveloping these facilities and their sites, existing infrastructure that has become impaired over time due to neglect can have the opportunity to be reintegrated into the surrounding community (Loures, 2015).

REDEVELOPMENT OF INDUSTRIAL SPACES AND THE BENEFITS OF REINVESTMENT IN RURAL COMMUNITIES

ISSUES SURROUNDING BROWNFIELD CLEAN-UP

Unfortunately, there are concerns that by disrupting the land, destruction can occur. A main barrier is the liability surrounding clean up and the impact that chemicals have on the existing land and ecology (Loures, 2015). The Comprehensive Environmental Response, Compensation, and Liability Act ensures that specific parties are held responsible for the presence of hazardous substances that they disseminate into the environment. Since parties are deemed liable, more initiative is taken to clean up facilities and adopt safer practices. (EPA, 2017).

REDUCING URBAN SPRAWL

Redevelopment is a proficient approach to curb urban sprawl, a topic that is increasingly viewed as a significant land-use problem. There are six key challenges for producing a sustainable built environment presented by the European Council for Construction Research, Development and Innovation (2001): urban sprawl; redeveloping industrial sites; regenerating brownfield sites; sustainable construction; green space; and regenerating distressed neighborhoods. Infill prevents cities from spreading into rural land where more development can occur. Rural communities can preserve their rural character and mitigate the health, environment and traffic issues associated with urbanization (Nechyba and Walsh, 2004). "By returning these facilities to productive uses numerous social, environmental, and esthetic benefits can be produced" (Collaton and Bartsch, 1996, p.18).

COMMUNITY HEALTH BENEFIT

Redevelopment of industrial spaces has the opportunity to improve public health. Greenburg (2001) describes the worst case of these sites before development, where these sites can be home to illegal dumping and drug paraphernalia. The fact that these sites are often vacant and unsupervised creates breeding grounds for illegal behaviour. By remediating contamination that is often found on sites, resident exposure can be reduced and the overall quality of life of the community can be improved (Greensburg et al., 2001). Post-industrial sites can have impacts on the air, water, and land quality. There are opportunities for reduced air pollution emissions from redevelopment infill. Development that contains multiple units and is more compact typically uses less energy for heat and air conditioning because these services are not required to be spread out farther into sprawling communities (McCarthy, 2002). Additionally, utilizing buildings that have been developed reduces the chance of contaminating reservoirs and underground water supplies in protected open spaces that rural communities rely on.

A smart tactic to create urban revitalization in a post-industrial town is to redevelop sites that no longer contribute to the community. Redevelopment of industrial spaces represent a significant asset to communities. Not only does it enhance the aesthetic quality of a community, fostering a sense of place and belonging, but it introduces wealth and jobs into an area that was once an industrial hub (De Valck et al., 2019).

HISTORICAL PRESERVATION

Redeveloping post-industrial sites preserves historical significance. Tourists and longtime residents are able to witness the aesthetic and cultural history of an area. Borgese, from Integrata Architecture and Construction (n.d.), states buildings are theoretically built with high-quality materials that are no longer available and meet stricter standards than present zoning codes. Furthermore, the interest and charm that historical sites contain, attracts individuals to discover the warm welcome for themselves. Neely (2017) expresses that “just as banks prefer to build stately, old-fashioned facades, even when located in commercial malls, a city needs old buildings to maintain a sense of permanency and heritage.” At a time when urban sprawl and cookie cutter developments are abundant, and result in communities in which everything is identical, it becomes even more important for communities to hold on to their identities through historic preservation efforts. Historic preservation can attract investment and invoke change in deteriorating neighborhoods through revitalization efforts which provide opportunities for creative adaptive re-use of existing buildings (Valck et al., 2019).

Additionally, by retaining the original architectural fabric and historical character of the building, these reuse projects support cultural sustainability. An article by Grodach and Loukaitou-Sideris reports that cultural activities can be necessary elements of development and strategies used to attract tourism. This is a significant way that a rural community can emphasize its uniqueness, both as an overall “branding” strategy and to attract visitors to downtown (Grodach and Sideris, 2008).

NEED FOR PARTNERSHIPS

In addition to lack of resources that rural communities may have, there is a social aspect of post-industrial sites. Rural environments, such as brownfields, face obstacles to redevelopment that are nonexistent for urban spaces. The lack of awareness and staff expertise when it comes to redeveloping industrial sites is one example. Successful redevelopment depends on private and public partnerships and cooperation. An article by Sardinha, Craveiro and Milheiras (2013), discusses the importance of building awareness and support for brownfield redevelopment, which entails preparing information, education and training materials. These processes ensure that the support and promotion of redevelopment is a success.

NEED FOR COMMUNITY ENGAGEMENT

These blighted buildings can endure pessimism and a negative community self-image that delays redevelopment efforts. Socio-economic stagnation that results from industry changes is an obstacle all communities experience. Community engagement during brownfield redevelopment can help address these negative social consequences (Atkinson et al., 2014). In the absence of collaboration, gentrification can occur, leading to profitable industries taking over and community members suffering. It is important that redevelopment opportunities serve and promote the values of the community.

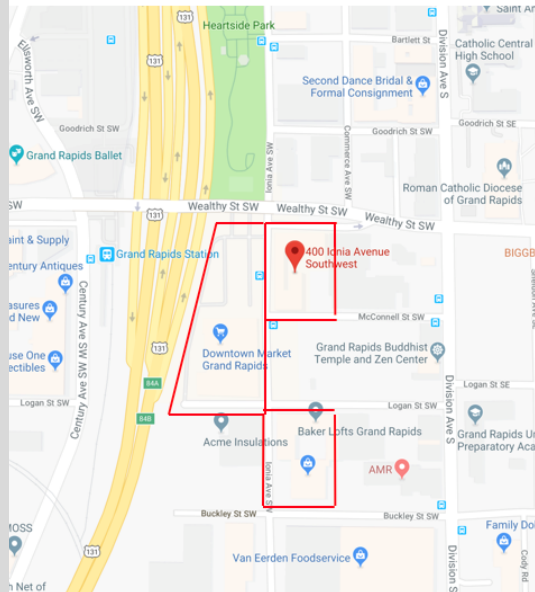
Overall, the literature review serves to provide a overarching analysis of the various issues and benefits to industrial site reuse and brownfield redevelopment in rural communities. It provides a general basis of knowledge that will allow the team to better understand and address concerns and capitalize on opportunities of brownfield redevelopment as it relates to the Vaughan Furniture building.

In this section, each comparable case will be profiled in depth, highlighting the possibilities of what can similarly be done for the Vaughan Furniture building redevelopment.

THE KLINGMAN LOFTS AND THE BAKER LOFTS

Both the Klingman Lofts and the Baker Lofts are examples of a mixed-use development use for housing, retail and office purposes.

The Klingman Lofts and the Baker Lofts are two projects located at 400 Ionia Avenue SW, Grand Rapids, Michigan. Grand Rapids is a city in the U.S. Midwest with a population of 198,829 (City Data, 2017). These two projects are located one block away from each other, see adjacent figure.



They both occupy buildings that were previously furniture factories and warehouses and which were built with similar structure and characteristics to the Vaughan Furniture building. These two projects are just outside of the southern edge of Grand Rapids' Heartside historic district.

Klingman Lofts and Baker Lofts are linked by the Grand Rapids' Downtown Market, which opened in 2014. These three projects have contributed to extending the downtown area in Grand Rapids. LC Development, CDS Architects and Rockford Construction company worked on Klingman Lofts and Baker Lofts. The Klingman building has a total area of 112,300 square feet and the Baker building has an area of 125,000 square feet, for a combined area of 237,300 square feet.





The Klingman Furniture Warehouse was built between 1897 and 1922 originally as the H.E. Shaw Furniture Company Factory. As the operations of the furniture factory grew, new buildings were added to the original building and by 1922 all the additions totaled 112,300 square feet distributed in six buildings. This case redeveloped into a mixed-used redevelopment, which includes retail in the ground level and 83 apartments in the top three floors. The apartments are offered as affordable housing.

Five out of the six buildings were renovated, while one was demolished to make room for facilities that would make the process of adapting the building to a modern use easier. As indicated in the website of Rockford Construction, "Restoring this building addressed challenges of existing floors buckled in areas, foundations in the lower level failing and each of the five buildings built at different elevations" (Rockford Construction, n.d). Figure 2 shows interior and exterior images of the Klingman Furniture Warehouse before the renovation.

The exterior walls of the building are load-bearing masonry walls and in the interior, the building has a series of wood columns, beams, and rafters. The Klingman Furniture Warehouse building was added to the National Register of Historic Places in 2013, which allowed the preservation project to obtain federal and state historic tax credits. "The developer also obtained a tax exception and approval for payments in lieu of property taxes from the City of Grand Rapids" (Harger, 2014). The total cost of the project was \$22 million.

Stakeholders to Contact

Mike Jacobson
(734) 995-9203
LC Companies (Developer)

Adam Jones - ajones@rockfordconstruction.com
(616) 432-6443
Rockford Construction

Kyle Osterhart
(231) 799-4838
Concept Design Studio Architects



Baker Lofts, formerly known as Baker Furniture Company, is a 125,000 square feet building at 40 Logan St. SW. Grand Rapids, Michigan. The building was originally constructed to house Century Furniture Co. in 1910. Several additions were incorporated to the original building, the last one finished in 1927. Century Furniture Co. owned the building until 1945, when the building was sold several times and occupied by furniture manufacturers as storage. The last furniture company to own the building was the Baker Furniture Company, which moved in in 1982.

The Baker Lofts is a historic preservation project that allowed the transformation of an abandoned five-story, 125,000 square feet old furniture factory into a mixed-use building. There are 87 apartments, ranging from 650 square feet to 1,200 square feet, on the top four floors and a leasing office, a fitness center for the residents, and 15,000 square feet of retail occupying the ground level. The apartments are offered as affordable housing. Fig. 4 shows exterior and interior images of the Baker building before the renovation. The building has a U-shape plan with exterior load-bearing masonry walls. The interior is dominated by regularly spaced wood columns, wooden beams and joists, and wood floors.



THE JACKSON PARK INN



The second comparable case highlights the Jackson Park Inn, a vital piece of the revitalization of Downtown Pulaski, a rural town of 8,764 people, located in the New River Valley of Southwest Virginia in the Eastern United States. This location is within the same general geographic region as Galax. It also suffered from similar economic distress due to outsourcing and decreases in manufacturing activity, caused by the recessions of the early 2000s. The redevelopment is located by the canal walls of Peak Creek. It is also near Jackson Park, a central public space that hosts multiple festivals and events throughout the year such as the Brews and Blues Festival.

The size of this redevelopment is approximately 100,000 square feet. There are three floors and a basement. The above-ground floors were given B grades upon initial inspection, whereas the basement was given a D grade before redevelopment began (E. Galliher, personal communication, 25 March 2019). The development is owned by Shah Development, a prolific private firm in Southwest Virginia. The boutique hotel and restaurant serves as housing for the Pulaski Yankees Minor League Baseball Team and has become a local favorite for business lunches and family functions. Within view of historic murals and Peak Knob, this development is quickly becoming a staple of the town and the region at large. Jackson Park Inn is located within the same downtown footprint as the Pulaski Theater, another historic preservation project the Town of Pulaski has partnered on.

Stakeholders to Contact

Shah Development
(540) 392-2981,
Christy Weddle:
x6011.

Christy Weddle serves as the primary point of contact for the Jackson Park Inn development.

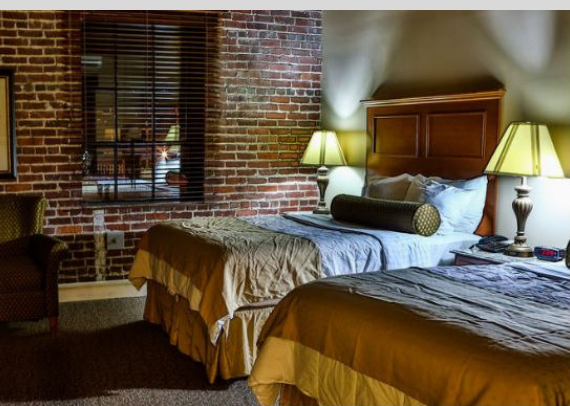
Another excellent point of contact is Emily Galliher, found at egalliher@shelor.com.



The building is a former historic warehouse built in the 1920s. The Town of Pulaski assisted in its redevelopment by acting as the intermediary for public grants. The property was initially prepared for redevelopment with a Brownfield grant, with the Town of Pulaski serving as the public intermediary. Private developers invested approximately \$8 million into renovations for this site. Shah Development was able to receive historic tax credits for this redevelopment.

The redevelopment of Downtown Pulaski has been kick-started by this development; the Community Development Department of the Town of Pulaski identifies this historic preservation initiative and property maintenance as key to their efforts of ongoing growth and revitalization in Pulaski (Town of Pulaski: Business, n.d) This redevelopment was a historic preservation project. Renovations showcased the building's original features, such as aged brick, exposed post and beam timbers, and wide plank wood floors, while still supplying modern amenities and features.

Jackson Inn has 32 "urban loft style" rooms and suites, and was redeveloped to house Minor League Baseball players from Calfee Park, also owned by David Hagan and Shah Development. Jackson Park Inn also holds a conference center, multiple common areas, and a spacious front lobby with a fully-stocked bar attached. The ground-floor features a restaurant called Al's on First, which is touted as "the area's finest casual dining restaurant" (Jackson Park Inn Official Website). The Town of Pulaski recently stated that "Jackson Park Inn is perhaps one of the most impressive newly renovated site[s], providing a modern, charming hotel and over 50 permanent jobs for the Town of Pulaski" ("Town of Pulaski Receives CEDA Award," 30 March 2019). In 2019, the Town of Pulaski won the Community Economic Development Award largely due to the town's use of the Brownfield Grants that made way for new businesses, like Jackson Park Inn ("Town of Pulaski Receives CEDA Award," 30 March 2019).





ROCKY MOUNT MILLS

Rocky Mount Mills, located in Rocky Mount, North Carolina, is a large, private-sector-led historic redevelopment of a 200-year old cotton mill and the village surrounding it. The project has a total land area of approximately 160 acres ("Rocky Mount Mills," 2019). The original mill village is about 20 acres, and represents the first phase of the development ("Rocky Mount Mills, Division Profile," 2019). The project has allotted another 10 to 20 acres for special manufacturing facilities (Baverman, 2014).

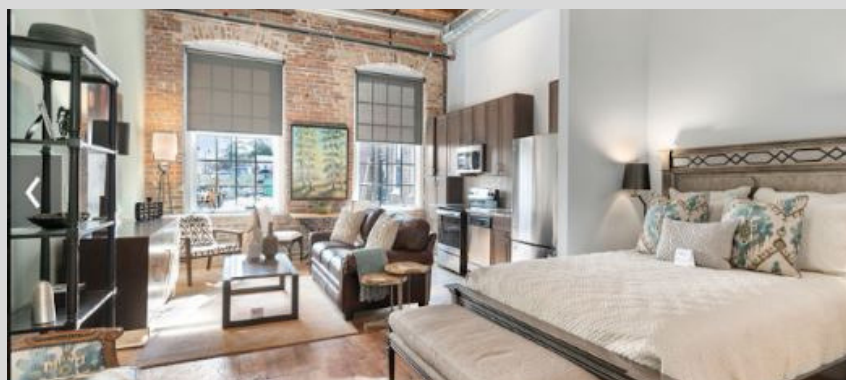
The development is based on a live-work-play concept, centered around a craft brewery incubation theme ("Rocky Mount Mills," 2019). It offers approximately 300,000 square feet of mixed-use space for office and apartment rentals, stand-alone renovated mill homes for rent, and several small brewery facilities for lease. The owners have developed partnerships with several colleges and a non-profit organization to further expand on its theme of small business incubation. The project provides entertainment and leisure opportunities through restaurants, an indoor events center, an outdoor amphitheater for festivals and live music concerts, and outdoor recreation through the Tar River.

The project currently offers about 76,000 square feet of office/commercial spaces for rent and several stand-alone brewery incubator structures with complete brewing equipment, to support new breweries ("Rocky Mount Mills," 2019). A community college located within the premises supports the brewery incubators by offering brewing lessons & degrees.

The office space area is expected to reach 125,000 by the end of 2019. Rocky Mount Mills presently has a total of seven (7) stand-alone incubator brewery buildings and a 65-room community college ("Rocky Mount Mills," 2019). Rocky Mount Mills offers different types of residential accommodation for rent. There are currently 60 restored mill (stand-alone) houses that have all been rented out ("Rocky Mount Mills," 2019).

There are also 49 loft apartments for rent, which account for another 75,000 square feet of space ("Rocky Mount Mills," 2019). On site restaurants, an outdoor amphitheater, and creative events programming help promote the beer incubators by bringing in tourists to the area ("Rocky Mount Mills," 2019). They also provide leisure activities for the residents and employees. The project is located along the Tar River, which serves as a venue for water recreation activities, such as kayaking. Rocky Mountain Mills is also planning a "little homes" concept for a boutique hotel, to increase the lodging destinations for guests in the area ("Rocky Mount Mills," 2019).

The owners recognized the importance of the craft brewery industry in North Carolina and decided to provide a place where young entrepreneurs can start their business. The project offers brewing facilities and equipment for lease. The project also partnered with the Nash Community College to provide a Brewing, Distillation, and Fermentation degree and other short-term brewery courses ("Rocky Mount Mills," 2019).



Part of the strength of the Rocky Mount Mills redevelopment is its strong partnerships with organizations and institutions in the Rocky Mount community. A complete list of partnerships can be found in the Appendix section of this report.

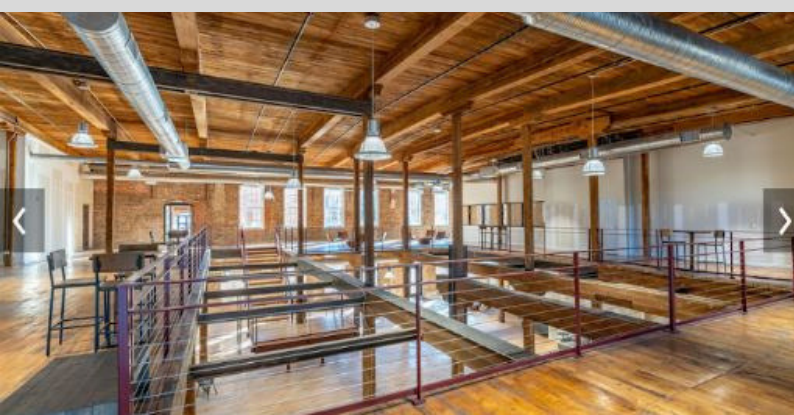
Stakeholders to Contact

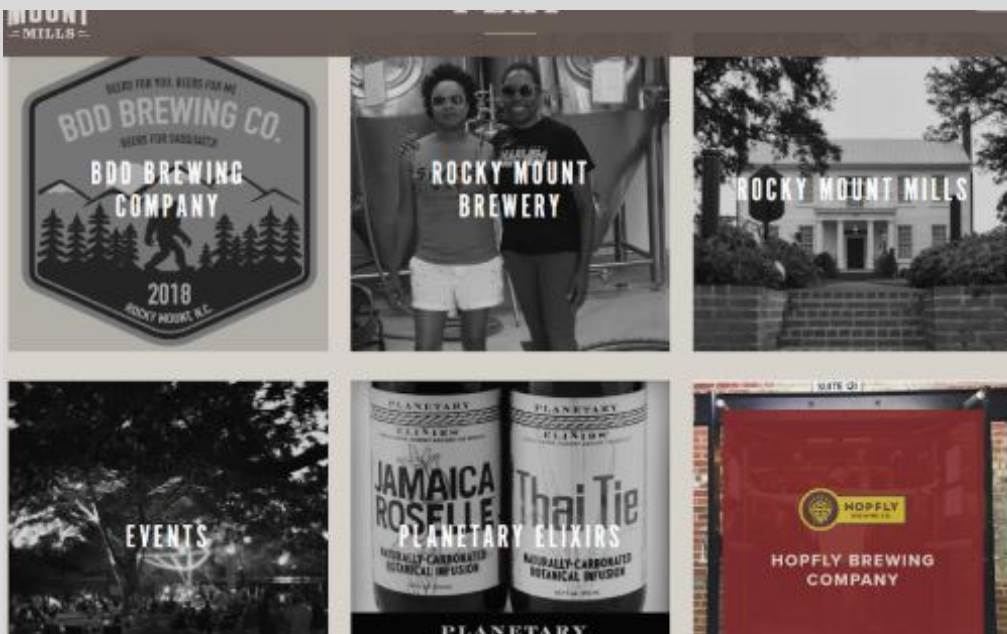
Evan Covington Chavez
Development Director
Rocky Mount Mills Project
Capitol Broadcasting Co.

Scott Roberts,
General Manager
Rocky Mount Mills
sroberts@cbc-raleigh.com
(919) 215-5242

The city of Rocky Mount worked in an accommodating and cooperative manner to address developer's issues to move forward with the project. The developer cultivated a "good relationship" with local departments for planning and engineering in order to deal with the many moving parts of project (Personal communication with Rocky Mount government representative, 16 April 2019). The Rocky Mount Mills development had a "tremendous effect relative to economic development" (Personal communication with government representative, 16 April 2019).

It acted as a "catalyst for development for the community" and it has helped to retain and grow population, especially in the downtown area (Personal communication with Rocky Mount government representative, 16 April 2019). It has become more of a hub and has even brought more life to the adjacent park areas that formerly experienced some "less than desirable" activities (Personal communication with Rocky Mount government representative, 16 April 2019).





OPPORTUNITIES BASED ON COMPARATIVE CASE STUDIES

Post-industrial warehouse sites such as those listed as comparable cases above have shown examples of multiple redevelopment possibilities for the Vaughan Furniture building. The development options include housing (both market and affordable units), restaurants, shops, boutique hotels, work spaces, and entertainment venues. While variety is common between the different development types, common themes include residential, retail, and lodging. Creative uses in these comparable cases include community college classrooms, brewery incubator facilities, food halls, and music venues.

Historic tax credits provided major funding sources for these post-industrial sites. In addition, the comparable cases show that a combination of historic tax credits and private investment enabled completion of the development. Large industrial sites such as the Vaughan Furniture building may need to have a phased development in order to be practical and successful. The identified comparable cases provided examples of phased development projects that help to create long-term progress and goals for the site. Based on the evidence from the 18 comparable cases, historic redevelopment projects offer a number of possibilities that can be adopted for the Vaughan Furniture building project. The cases also show that this kind of redevelopment project creates an important anchor space in a community. These buildings create spaces for both tourists and local residents to gather and be a part of the community.

VISION AND RECOMMENDATIONS

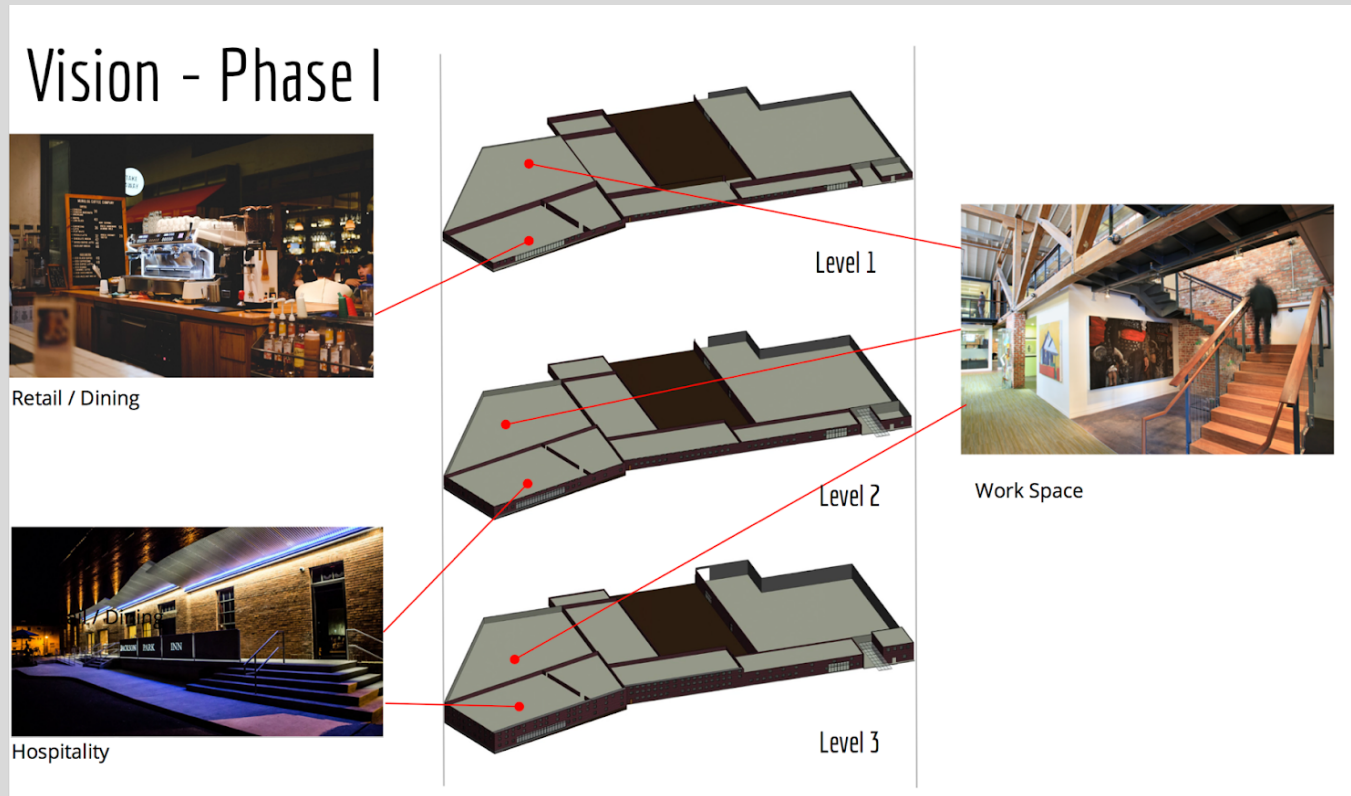
The City of Galax, Virginia is an example of a community that has been impacted by the downsizing of the furniture and textile industries. Once a major economic driver in the City of Galax, the downsizing of the Vaughan Furniture Company has negatively impacted the city's economy and currently sits vacant in the downtown area with options for revitalization.



VISION

PHASE I

NORTHERNMOST END OF THE VAUGHAN FURNITURE BUILDING



This phase capitalizes on its proximity to the New River Trail and US Route 221. For the western section, it contemplates retail on level one and hospitality on levels two and three. Some suggested retail businesses would include an outfitter and bicycle shop with a rental service, convenient to New River Trail users. Restaurants would also be an appropriate use. The hospitality component could take the form of a 36 to 42-room boutique hotel, or a hostel. The latter would target younger crowds using the New River Trail.

The eastern section includes office space and business incubators on all three levels that will provide an opportunity for entrepreneurs to start their business. This can be seen in the figure shown above.

VISION

PHASE II

CENTRAL SECTION OF THE VAUGHAN FURNITURE BUILDING

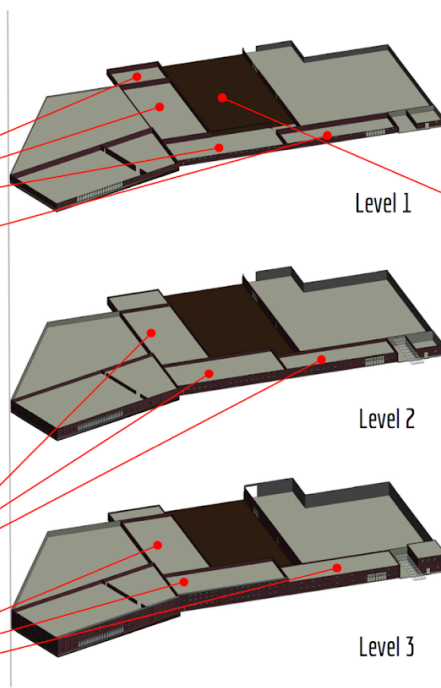
Vision - Phase II



Retail / Dining



Residential



Open Courtyard

This phase contemplates demolishing a portion of the central section of the building (please see section 5 of the site analysis section of this report). This will help to create an open space with a view to Chestnut Creek and also to restore access to natural light for sections 2 and 3, as shown in the figure above. The courtyard can also be utilized as a gathering space for live music and small festivals.

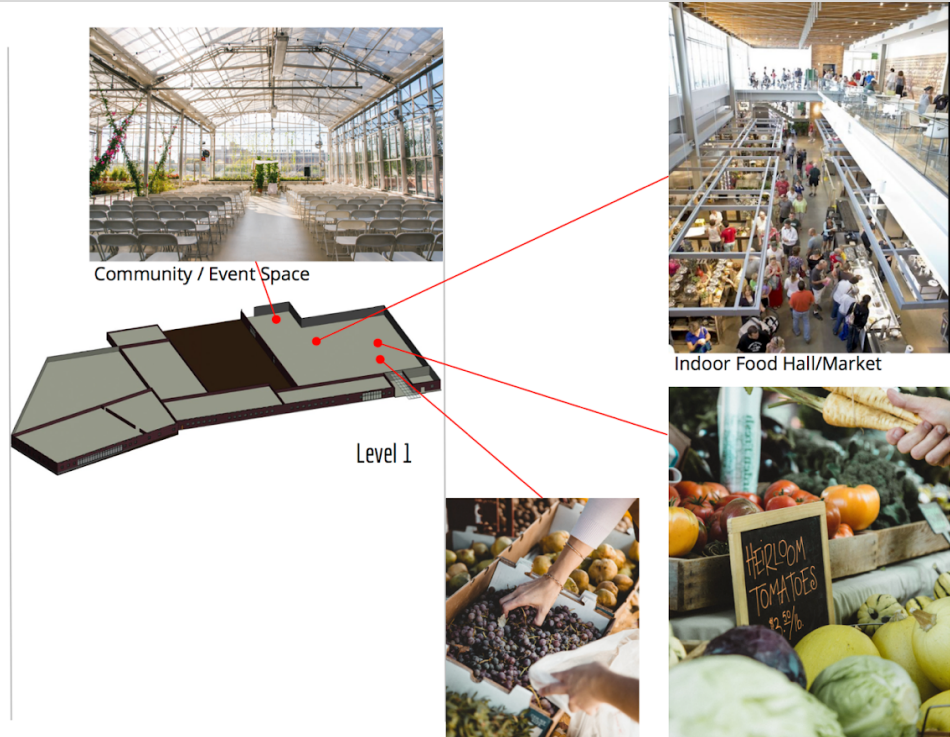
Retail on level one will be appropriate, especially considering that all these spaces will have direct access to the outdoor courtyard and outdoor seating. A residential component can occupy levels two and three. Apartments with areas ranging from 600 square feet to 1,000 square feet can be accommodated in these sections of the building. Specific details on dimensions and target audiences - second home owners, young professionals, senior living or affordable housing - should be determined by further market research. Comparable case studies show that rents can vary from approximately \$400 for a 600-square-foot unit to \$650 for a 1,000-square-foot unit. Once again, a thorough analysis that takes into consideration all the facts specific to the City of Galax and surrounding areas is needed to determine rental rates for these apartments.

VISION

PHASE III

SOUTHERNMOST END OF THE VAUGHAN FURNITURE BUILDING

Vision - Phase III



This section of the building is situated the furthest to the south and it is the closest to downtown. Being one tall, single height space with large column spacing makes this section of the building ideal for uses such a food hall, indoor market and community event space. Please see the figure above. A recreational component such as a climbing wall can be considered as an alternative to an activity that locals and visitors can enjoy indoors, especially when the weather is not appropriate to spend time outdoors.

SITES ADJACENT TO THE VAUGHAN FURNITURE BUILDING

Vaughan Furniture Properties owns three sites located between the Vaughan Furniture Building and North Main Street, see figure below. These sites can be utilized to create a connection with downtown Galax, though open space and public art. Some of these sites can also accommodate additional programs. It would be prudent to utilize these sites to build a connection to downtown first and let the new uses within the Vaughan Furniture Building get established, before transitioning to other uses.



RECOMMENDATIONS

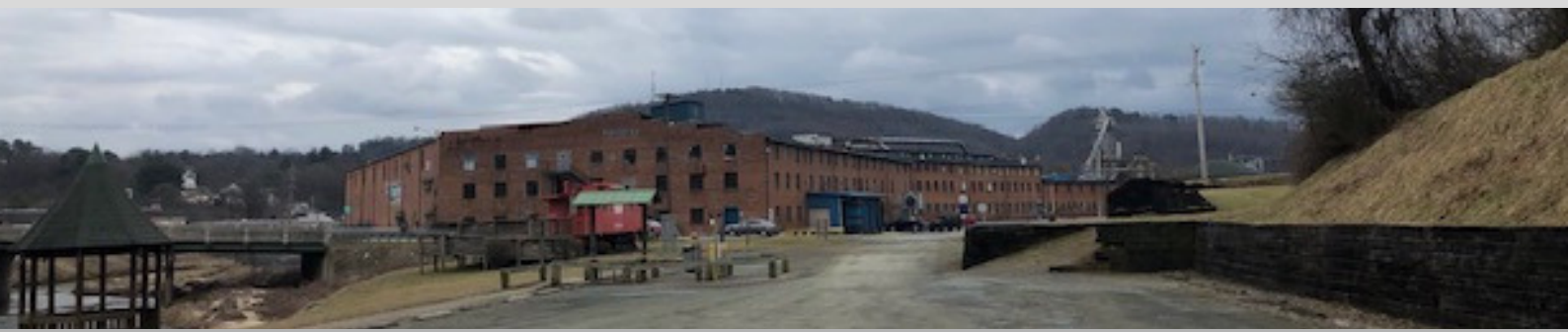
Reinvestment in rural communities like Galax yields benefits such as an increased sense of belonging, creation of affordable housing opportunities, reduction of urban sprawl, and stimulation of new economic activity, amongst others. Furthermore, industrial redevelopment projects allow communities to invest in their existing assets and historical identity. Nevertheless, the redevelopment of industrial sites poses various financial and regulatory challenges.

The physical, economic, environmental, and social aspects of industrial redevelopment need to be examined to consolidate the possible positive and negative impacts. To arrive at recommendations for the Vaughan Furniture building property, the team reviewed the strengths, weaknesses, opportunities, and threats for the potential development. The team based this analysis on data gathered from (1) secondary sources for demographic and economic conditions and market analysis of sectors such as housing, tourism, and retail; (2) primary research via interviews and a survey among downtown Galax business owners and organizational leaders; (3) comparative case studies; and (4) online research on available funding.

Considering current demographic and economic indicators, economic and market conditions must improve to justify the start of a large-scale development such as that needed for the Vaughan Furniture property.

Declining population and decreases in economic sectors such as manufacturing and retail pose a threat to revitalization efforts. Despite recent efforts to promote community partnerships, entrepreneurship, and downtown culture, some Galax residents and business owners still feel that the poor business mix and the early closing times of businesses in downtown Galax are detriments to its further growth. Overall, there is the threat of an inadequate customer base, especially during the off-season when there are not as many local events and tourists.

The Vaughan Furniture building redevelopment has the potential to compensate for these threats. To do this, the redevelopment would have to attract younger populations, provide activities and events for the off-seasons, improve business mix, and attract more people to the area and to downtown Galax.



Thus, the team's list of recommendations include those which need to be implemented for Galax and those which are specific to the building / site. These recommendations are further subdivided by time period of short, medium, and long term. Short term would be best described as steps to be taken in the next one (1) to two (2) years, medium term as three (3) to five (5) years, and long term as six (6) to ten (10) years. A summarized list of the recommendations is included below:

GALAX

SHORT TERM

- CONTINUED SUPPORT OF DOWNTOWN GALAX
- INCENTIVES AND STRATEGIES FOR ENTREPRENEURSHIP
- PARTNERSHIPS
- ECONOMIC STIMULATION AND POPULATION RETENTION
- IMPROVE ADVERTISEMENT, PROMOTION, SIGNAGE
- PROMOTE LOCAL EVENTS AND ARTISANRY

MEDIUM TERM

- FURTHER MARKET RESEARCH
 - SEGMENTATION BY SECTOR (RETAIL, HOUSING, ETC.)
- DOWNTOWN GALAX MASTERPLAN (TO INCLUDE THE VAUGHAN FURNITURE BUILDING & SURROUNDING PARCELS)

LONG TERM

VAUGHAN FURNITURE SITE

- BROWNFIELD ASSESSMENT AND EXPANDED SITE ASSESSMENT
- HISTORICAL PRESERVATION ANALYSIS
- IDENTIFY IMPLEMENTATION TEAM/WORK GROUP

- IDENTIFY POTENTIAL PARTNERSHIPS AND TENANTS FOR FUNDING AND DEVELOPMENT
- THEME: BUILD ON AND PROMOTE THE VAUGHAN FURNITURE LEGACY AND HISTORY

- PHASED MIXED USE DEVELOPMENT
 - COMMERCIAL AND RETAIL
 - BUSINESS INCUBATORS
 - HOUSING
 - ACCOMMODATION AND DINING
 - EVENT SPACE
- MARKETING & COMMUNICATION (SIGNAGES, PROMOTION, ETC.)



The following recommendations are applicable to Galax in general. Employing strategies to strengthen Galax as a community and a destination will help support the redevelopment of the Vaughan Furniture building site.

SHORT TERM

CONTINUED PARTNERSHIP AND SUPPORT FOR DOWNTOWN GALAX EVENTS & ACTIVITIES

One of Galax's notable strengths is the atmosphere of cooperation and community that has fostered success for downtown small businesses, restaurants, and venues. Christina Pollins from the Chestnut Creek School of the Arts explains how this happens - *"We actively participate in each downtown event, providing hands-on upcycle activities as well as demonstrations at each of our three locations... we are actively part of Galax's Public Art (program) as I serve as chair of that committee. We've started including community members in the making or putting together of these projects, and that's improved ownership, the pride of place, belongingness ... One such example is Houston Fest, an annual music festival focused on youth. We provide hands-on youth activities as well as showcase many of our talented artisans and teachers providing demonstration and sales during the festival."*

Cross-promotion, joint participation in local events, and partnerships for special customer deals and events are examples of how businesses work together to improve economic vitality. Jeannie Spripling from the Galax Downtown Association states, *"(We) work with Chamber of Commerce, Chestnut School or Art to make Galax a destination. Many events are sponsored to help bring people to town and increase foot traffic. We worked with the Chamber of Commerce such as print ads, and worked with the visitor center on both ends, partner with Smoke on the Mountain festival."* The continuation of this kind of mutual cooperation and collaboration could be a source of support for the potential Vaughan Furniture development, especially since the property is linked to downtown by its location.

The local government and community organizations should also continue to provide incentives and strategies to encourage entrepreneurship and economic stimulation. Beth Dixson from Twin County Chamber of Commerce states, *"Recently (we've) implemented the Career Technical and Education Center (CATE) program. It promotes arts and technical professions at the high school level. Also, the JUMP! Galax Business Challenge, which is a grant seeking to revitalize downtown Galax, through the Virginia Department of Housing and Community Development. It has benefitted approximately 15 small businesses so far. The Twin County Chamber of Commerce has been working with the Chestnut Creek School of the Arts trying to get a grant to promote a livelier atmosphere in downtown Galax through arts and culture."* Direct stimuli for entrepreneurship such as these competitions and grants are a way to foster a healthier market in Galax. Boosting community engagement and consumption demand in downtown Galax can build the market base to which the Vaughan Furniture redevelopment can contribute. Local organizations, businesses, and the public sector will all need to take initiative to support these types of collaborative programs and ensure that entrepreneurs and existing community leaders are able to take advantage of the incentives being offered for improving their business and mission.

PROMOTING LOCAL EVENTS AND ARTISANRY

Galax already has many popular festivals and activities such as Houstonfest, the Old Fiddler’s Convention, and the Smoke on the Mountain Barbecue Competition. Community engagement activities revealed Richard Emmett’s perspective from the Blue Ridge Music Center “(We) participated in Houston Fest, Galax Civil Convention, workshops at the Chestnut Creek School of the Arts, some shows at the Rex Theater. Free and with charge events ... Houston Fest, Fiddlers Convention (June and August) we worked together as a community, bring lots of people to town and lots of organizations partner together to make it happen.” Similarly, the Doctor’s Inn B&B shares stories about partnerships with local businesses “We have a deal with the School of the Arts. When a person comes to Galax to take classes at the School of the Arts for a couple of days, Doctors Inn B&B offers a discount on the rate... We advertise in the Houston Fest and the Old Fiddler Convention events. They also participate giving donations. Also advertise for the Smoke on the Mountain event.”

Continuing to promote these local events using social media, word of mouth, and regional publicity can help to attract people to Galax. The aforementioned implementation team, consisting of various local partners, could potentially assign a social media contact who could primarily perform outreach and promotion that would bring attention to local events in relation to Galax and the Vaughan Furniture Development. Additional signage and promotion is also something that could be provided to make passersby aware of major landmarks or activities going on in Galax. The Galax Smokehouse mentioned that it is challenging to draw visitors off the interstate and into the downtown area. Improving physical signage on the local roadways and within Galax that points people to local businesses could draw passerby to Galax. Having a work group or strong group of advocates to take action for policy change that would increase physical signage would help to improve outreach efforts. Subsequently, exposing visitors who are attracted, whether through social media or physical signage, to the unique activities, culture, and artisanry of Galax could help to build connections and make Galax a more viable tourism destination. Tourism would also enlarge the potential market in which the Vaughan Furniture development could take part.

MEDIUM TERM MARKET RESEARCH

Further market research for the whole Galax downtown market is needed to better evaluate the feasibility of redevelopment for the Vaughan Furniture site. Market segmentation, sizing, and analysis can help to refine potential uses for the site. It would also be helpful to expand research on local and regional tourism markets. Looking at and studying more similar revitalization pegs, such as West Jefferson NC or Floyd VA, could provide examples for market segmentation and potential funding. There could also be more funding opportunities through tourism or other sources that could be valuable for the Vaughan Furniture redevelopment.

There is also a need for continued market research on each of the individual development components, such as housing, retail, lodging and dining, small business incubator, and entertainment event spaces. The research should focus on unmet market needs, which can be met by either revitalizing downtown Galax or redeveloping the Vaughan Furniture building. It would be advantageous for the redevelopment implementation team to assign a primary supervisor or organizer for collection and analysis of this more extensive market research. This person or these persons would be primarily responsible for connecting the information and findings from the research to the redevelopment effort. This work would directly inform feasibility and potential uses that would increase the likelihood of the project’s success.

DOWNTOWN GALAX MASTERPLAN

There is potential synergy between downtown Galax, the future development opportunities for the Vaughan Furniture building, and the New River Trail. Based on the market research findings for downtown Galax and the individual market research for each component of the future redevelopment for the Vaughan Furniture building, the city should work on an expanded masterplan for downtown Galax. This masterplan should include venues and places which can attract more visitors (in the short term) and circulation patterns which will promote visitor movement around an expanded downtown Galax. This could be accomplished through close collaboration between key municipal departments, like the Department of Engineering, Department of Finance, and other relevant offices. The implementation team could also contribute by providing direct input, informed by data collection and community ideas, on the connection between the Vaughan Furniture redevelopment and downtown Galax.

THE SITE

SHORT TERM

The team recommends additional site analysis and assessment. A brownfield assessment should be done to determine potential costs, risks, and actions needed to redevelop the Vaughan Furniture Building. It is also recommended to secure a professional building and site inspection, to verify physical structural integrity and to determine the feasibility of construction on the site. Lastly, a comprehensive historical preservation analysis is an important step to be completed as well since it could potentially result in conservation of material, decrease in cost, and availability of funding through historic preservation tax credits and/or grants. The implementation team along with the Vaughan family should reach out to the appropriate technical experts who can perform these necessary assessments.

MEDIUM TERM

THE STORY OF VAUGHAN FURNITURE

The Vaughan Furniture building is an important and historic keystone of Galax's history and sense of community. It was a stalwart of the industrial revolution and it provided job opportunities for hundreds of residents in the area. The furniture factory produced furniture of high quality and artistry. It trained workers in the now-almost-dying art of quality furniture design & craftsmanship.

Unfortunately, the Vaughan Furniture company ceased production in Galax when national economic forces reduced its financial viability. The building itself was shuttered in 2004, after being used as a distribution center for imported furniture from South Korea. Since then, the large building has remained vacant. The facility's unique layout has made it difficult to sell. The City of Galax and members of the Vaughan family are collaborating to investigate options to preserve the building and its history while at the same time repurposing it for other uses.

Promoting the history and community value of the Vaughan Furniture building will help to create interest in its potential future development, among both Galax residents and potential investors. Preserving its legacy and promoting the cultural importance of Vaughan Furniture building will actually enhance the value of the property because it will create a sense of place for the community, make it a unique attraction for visitors, and turn it into a viable venture for investors. The implementation team and the Vaughan family would be effective advocates for the preservation of the history. It could be one of the main focal points of the redevelopment efforts.

THE SITE

MEDIUM TERM

FOSTERING POTENTIAL PARTNERSHIPS

We recommend looking into potential partnerships that may benefit the Vaughan Furniture redevelopment and the greater Galax. Looking for innovative tenants could help to make the redevelopment successful by improving business mix. Case studies also pointed to potential partnerships with colleges, small business incubator organizations, and private firms, around a thematic approach which helps expand options for redevelopment. It is also important to look out for potential funding opportunities that may arise that could benefit the future development. This would be one of the main objectives for an implementation team to pursue. The Vaughan family and local organizations committed to economic development could join efforts to contact developers, construction companies, private investors, and regional businesses to explore potential options for tenants and patrons of the Vaughan Furniture redevelopment.

Business incubation could also be a crucial source of support for the redevelopment project. The City of Galax has a lot of existing organizations which are involved in small business incubation. These include the Twin County Chamber of Commerce and the Crossroads Institute. These organizations can be harnessed to provide programs which are directly addressing the needs of the Vaughan Factory building. Specifically for the Vaughan Factory building redevelopment plan, the recommended strategies for small business incubation involve assisting, training, and providing leased facilities for entrepreneurs who are likely to provide products and services related to what the redevelopment plan will focus on. For example, if the redevelopment plan will require a lot of retail outlets to address domestic tourism demand, the small business incubation should focus on helping entrepreneurs to provide specialty food options like cafes, bakeshops, or local delicatessen, and specialty retail outlets that compliment the development. The business incubation program should also provide training and support for other small businesses, offering gift and souvenir items which tourists are likely to purchase. These include bath & body products, artisanal food items, local arts & crafts, and maybe rustic chic antique items. If the building will focus on outdoor recreation connected to the New River Trail Park and the Chestnut River, then the incubation program should provide specific training for outfitters and other entrepreneurs who may be interested in providing small scale lodging facilities that would benefit nature enthusiasts who visit Galax. These small business support programs are quite important to ensure the unique and stable supply of local retail providers for the Vaughan Furniture building.

Outside of providing unique local retail good and services, the small business incubation program can also look at other small businesses which may be attracted to set up shop in a place like Galax. With adequate broadband strength, the city can explore other business opportunities which are technology driven or based. This will entail a larger study as to what technology related industries are looking for development opportunities in small cities like Galax.

Over-all, small business incubation facilities need strong broadband connection, classroom facilities, and access to computers. The organizations can tie up with community colleges to help provide small business training as it relates to marketing & sales, use of digital technology, production management, and finance & taxation.

LONG TERM

MIXED USES

A property as large as the Vaughan Furniture building may have several different use possibilities. Comparable developments like the Rocky Mount Mills suggest that such a large industrial space can be used for mixed use developments. Below, we will suggest possible development options based on initial market data, community feedback, site analysis, and the comparable case examples.

COMMERCIAL AND RETAIL

The retail sector is one of the top 5 industries for Galax. However, the sector has experienced a 30% decline between the years 2001 and 2019 (Emsi Developer, 2018.4 Dataset). The Vaughan Furniture site development could potentially help to rebuild the retail trade by hosting retail that may improve the business mix of downtown and overall Galax. Many survey respondents have identified the short operating hours of retail businesses as a major factor negatively impacting the number of visitors in downtown Galax, especially at night and on Sundays. Depending on the quality and variety of tenants, the retail component in the Vaughan Furniture development could fill this gap in business. Furthermore, of 17 survey respondents, 13 agreed that new retail stores would complement their business. The survey provided respondents with an expanded list of different retail outlets that they may want to see in Galax and the top three choices respondents chose were clothing, outdoor recreation, and department stores. An interview with local business, Galax Smokehouse, revealed “We have several buildings that are empty, and they need a little bit of variety. There’s about 5 places to eat downtown. One of the winners downtown was a microbrewery, and they aren’t doing food, they’re only doing beer. We could use some other businesses that aren’t just antique stores. There’s a nice wine shop downtown. We could use new, different businesses downtown to bring people in to shop.”

These responses indicate a local desire for expanded variety of retail. If suitable tenants are found, the Vaughan Furniture development could serve the purpose of retail that complements existing businesses and operates on more accessible hours. A regionally unique retail outlet could draw customers from outside of Galax as well, contributing revenue and visitors.

Furthermore, the Rocky Mount Mills comparable case presents small business development, like business incubators, as a possibility for commercial development as well. Providing a space for small companies to grow and showcase their products could create interdependent entrepreneurial relationships within Galax. This, in turn, could help bring more investment to Galax.

HOUSING

As mentioned earlier, there is very little consensus within the community around the need for housing downtown. But, it has been proven that mixed use developments are useful for securing initial financing and ensuring the long-term success of large developments (Popovec, 2008).

Another facet to consider is the role of housing in retaining younger generations in areas with trends indicating an aging population. Young professionals typically rent housing and are attracted to housing within walking distance of amenities such as green spaces, retail, and dining. Including housing in the Vaughan Furniture building could promote further growth within the downtown footprint, especially if this housing could attract commuters already coming into the city.

Ultimately, further market research needs to be done around housing, including research on housing conditions in Galax and the housing needs of inbound commuters. If it is found that housing conditions are adequate and commuters are not in need of housing in the city, it is suggested that policy interventions be implemented in order to improve the cost burden of impoverished households.

LONG TERM

ACCOMMODATION AND FOOD SERVICE

Accommodation and food service is a crucial industry that contributes to tourism. The accommodation and food services industry has experienced 14% growth between 2001 and 2019 (Emsi Developer, 2018.4 Dataset). Using the Vaughan Furniture redevelopment to expand this market could help to secure Galax as a tourist destination.

Part of this effort would include expanding dining options in Galax. Seasons can often affect the variety of food that is available in the area. The Farmer's Market and many festivals with different vendors are only open during the summer months. One goal of the redevelopment could be to supplement dining diversity in the off seasons. Survey respondents were given a list of potential dining options that they would like to see in downtown Galax. They prioritized bakery/pastries/delicatessen shops, grocery store, and fine dining. These responses show a possible variety of new dining options that may complement existing restaurants and shops. These indicators, along with the aforementioned issue of short operating hours, suggest that the Vaughan Furniture building site has a potential to serve the niche of creative dining experiences, maybe ones that are accessible later throughout the day(s) and weekends.

Providing visitors with a distinctive place to stay, like a boutique hotel, could also help to promote Galax as a tourist destination. Currently, there are 37 different establishments for lodging, including hotels, motels, campgrounds, and bed-and-breakfasts (Emsi Developer, 2019.1 Dataset). Ten (10) out of the seventeen community survey respondents felt that there could be demand for new lodging. Several other respondents mention boutique hotels as a lodging possibility for Galax. Jackson Park Inn provides inspiration as a successful lodging development that contributed to the economic development of Pulaski, Virginia. National trends projected for the hotels and motels industry, including extended-stay hotels, boutique hotels, spa and health retreats, support these claims, with an anticipated rise of industry employers at an annualized rate of 1.5%.

EVENT/ENTERTAINMENT SPACE

Twelve survey respondents said that festivals and markets are the primary reason that people come to Galax. However, many of these festivals and live music events take place during the summer and are mostly held at outdoor venues. Richard Emmett from the Blue Ridge Music Center is witness to that "Blue Ridge supports music center programs, it's open May to October. There is a free museum of American Music, free music from noon to 4 and local musicians put on free events on the weekend."

One way of attracting more visitors, especially locals, would be to provide more unique events during the off-season. The Vaughan Furniture redevelopment could be an opportunity to provide indoor, and maybe additional outdoor, venues for live music, themed events, and other entertainment. Large, open spaces within the building may serve this kind of purpose. The events may also be geared towards a younger generation, which are not as well represented in the traditional events and festivals currently hosted by Galax.

With these recommendations in mind, implementation will require different funding and further organization at every step of the process. A structured team or group to organize further study, analysis, and planning will be instrumental. Depending on future in-depth market studies and community engagement and outreach, combining some of the uses explained previously in a cohesive mixed-use development with a central purpose or theme will improve chances of success.

IMPLEMENTATION TEAM

Organizing an extensive project such as the Vaughan Furniture development requires assembly of a team or work group that would take responsibility for progress of the project. Since the Vaughan Furniture Building is privately held by the Vaughan family, the owners take ultimate responsibility for initiating the success of redevelopment. However, it would be wise for the family to create public-private partnerships through their relationship with Keith Barker, Galax City Manager, as well as other resources in the area. Other partnerships could exist with solely private investors, but this central partnership with the City of Galax opens up more avenues for funding and grants. Further, developments such as Wildwood in Carroll County indicate the capability of the region to work together towards redevelopment. Reaching out to surrounding counties to create innovative partnerships that would address regional obstacles to economic growth is not outside the realm of possibility for the Vaughan Furniture Building.

POTENTIAL PARTNERSHIPS

HIGHER EDUCATION

Wytheville Community College expressed interest in the potential of the Vaughan Furniture Building to incorporate trade programs into the overall scheme of redevelopment. There's the potential for state funding to redevelop some or all portions of the property into an educational facility. There's the potential for other businesses to prosper and also the opportunity to develop housing for students. Students are an attractive demographic for Galax to bring in for two primary reasons: 1) students get a guaranteed semesterly income from the government, which can be used to pay for housing and food, and 2) it brings youth to an area with an aging population.

PUBLIC COLLABORATION

It is possible that the Vaughan family could work with the Small Business Development Center (SBDC) in order to attract small business owners into the variety of space offered by the Vaughan Furniture Factory. In exchange for discounted rents or other incentives, small business owners could independently seek funding to develop their own retail space in the Vaughan Furniture Building. Reaching out to the SBDC would provide the Vaughan family with connections to those owners, as well as the potential for investment capital to follow through with adequate development. This method would provide the Vaughan family with the opportunity to serve as landlords, which offers future profits as well as responsibility.

The United States Department of Agriculture offers Community Development Loans and Grants for specific projects within the region. To discuss more opportunities, reach out to Craig Barbrow (276-484-9384).

PRIVATE COLLABORATION

The comparative study of Jackson Park Inn located in Pulaski, VA was accomplished by the private developer Shah Development (540-381-8429), who purchased the building after the Town of Pulaski utilized a Community Development Block Grant to clean up the site. The Vaughan Family could do something similar, simply by reaching out to private developers in the region to see if there would be the potential for a similar partnership. This method would allow the Vaughan Family to sell out directly with the correct buyer, but there might be other strategies that would allow the Vaughan Family to invest more capital into the development in exchange for future profits from the development.

An example of a creative private-public partnership that resulted in housing, retail, and an indoor skydiving facility is the 25th Street Mixed Use Development in Virginia Beach: <https://virginia.uli.org/urbanplan/home/900-2/best-public-private-partnership-25th-street-mixed-use-development/>

IMPLEMENTATION TEAM

POTENTIAL PARTNERSHIPS

NON-PROFIT COLLABORATION

If interested in pursuing housing, there are multiple non-profits in the region that could provide some collaboration on investment and development. The Vaughan family could sell the property outright to a developer such as Community Housing Partners that might be able to redevelop the entire property into low-income housing.


A partnership with Habitat for Humanity could allow for the mixed-use proposal to continue-- while this organization would not help with retail and dining, they would be able to develop portions of the space into condominiums that would be sold to mid-income families. Depending on the contract that the Vaughan family negotiated with Habitat for Humanity, it's possible for the owners to make substantial profits from the resale of these houses. Keep in mind that Habitat for Humanity typically receives donations of land for building, so it will take some negotiating. There's also the potential to target fixed-income seniors with this model.

CONCLUSIONS

Every partnership begins with a conversation, and every project needs a champion. The Vaughan family stands at the best position to find developers with this site, whereas City Manager Keith Barker serves as the most important public partner to this redevelopment project. By creating a stronger network of service providers and private businesses, the Vaughan family can implement truly creative strategies that could improve downtown Galax as well as the rest of the region.



FUNDING RESOURCES



Obtaining funding is a vital step in the success of any redevelopment project. This section lists and briefly describes some of the funding resources that could be applicable for the Vaughan Furniture building redevelopment project. Funding assistance is categorized based on resources that may be used in the short-term, medium-term, and long-term recommendations. Some of the resources are site-specific, whereas others include the Vaughan Furniture building as an aspect of larger community and economic development projects in the downtown Galax area. Since funding resources vary from year to year, there may be fluctuations in available funds. Strong applications for any of these opportunities require more information, research, and organization. The Appendix contains the comprehensive list of potential funding resources for the City of Galax and the Vaughan Furniture building redevelopment project.

SHORT TERM

Short-term funding resources for the Vaughan Furniture building include opportunities to help prepare the site and the greater Galax community for redevelopment. Examples of short-term funding resources are:

VIRGINIA BROWNFIELDS RESTORATION AND ECONOMIC REDEVELOPMENT ASSISTANCE FUND (VBAF) VIRGINIA RESOURCE AUTHORITY (VRA)

Political subdivisions of the Commonwealth of Virginia, including counties, cities, town, industrial/economic development authorities, and redevelopment and housing authorities may apply to receive VBAF assistance. Potential award amounts could be up to \$500,000 and requires a local loan match of at least 100%. VBAF funding can be used for remediation of contaminated property to remove hazardous substances, hazardous wastes, or solid wastes; the necessary removal of human remains, the appropriate treatment of grave sites, and the appropriate and necessary treatment of significant archaeological resources, or the stabilization or restoration of structures listed on or eligible for the Virginia Historic Landmarks Register; or demolition and removal of existing structures, or other site work necessary to make a site or certain real property usable for economic development.

More Information: https://www.vedp.org/sites/default/files/2018-09/VBAF_Site_Remediation_Guidelines_092118.pdf

FINANCIAL FEASIBILITY GRANT DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD), VIRGINIA MAIN STREET (VMS)

In order to be eligible for the Financial Feasibility Grant, the City of Galax must become a Virginia Main Street Designated Community. Currently, Galax is a Virginia Main Street Affiliate. Potential award amount for this grant is up to \$25,000. The Financial Feasibility Grant could fund the site evaluation process by allowing preliminary engineering reports and environmental reports.

More Information: <http://www.dhcd.virginia.gov/sites/default/files/Docx/vms/vms-fy20-ffg-manual.pdf>

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PRE-PROJECT PLANNING GRANTS VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD)

There are two types of CDBG programs that fall into the Pre-Project Planning Category. These grants are meant to aid the locality in the planning process that takes place before the project can begin. Two of the pre-project planning grants include the Community Organizing Planning Grants and Community Needs Assessment / Economic Assessment Planning Grants. These grants help help the City of Galax further determine what the needs of the community are and how the Vaughan Furniture building may be able to address those needs.

More Information: <https://www.dhcd.virginia.gov/sites/default/files/Docx/cdbg/2019-planning-grant-fact-sheet.pdf>

MEDIUM TERM

Medium-term funding resources such as historic tax credits can be used to take advantage of the building's historic significance.

In addition, medium-term funding resources encourage partnerships between the City of the Galax and private investors by providing certain tax incentive programs. Examples of medium-term funding opportunities include:

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

PROJECT PLANNING GRANTS

VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD)

CDBG project planning grants can help the City of Galax complete community assessments, needs analyses, and need prioritization; activation and organization of target area residents and stakeholders; surveys of residents, users, customers, and potential beneficiaries; obtaining easements and user agreements; development of cost estimates and Preliminary Engineering Reports (PERs); and completion of market studies. These potential activities can be funded by CDBG Project Planning Grants; Business District Revitalization Planning Grants; Regional Project Planning Grants; and Telecommunications Planning Grants.

More Information: <https://www.dhcd.virginia.gov/sites/default/files/Docx/cdbg/2019-planning-grant-fact-sheet.pdf>

VIRGINIA HISTORIC REHABILITATION TAX CREDIT

VIRGINIA DEPARTMENT OF HISTORIC RESOURCES (DHR)

In order to receive Historic Tax Credits for development, the Vaughan Furniture building must be qualified as a Certified Historic Structure (either individually or contributing to a historic district- local, state, or federal qualification). The tax credit program seeks to offer incentive for rehabilitation and adaptive reuse of historic structures. The entire project must be compliant with the Secretary of the Interior's Standards for Rehabilitation to obtain credits. Virginia Historic Tax Credits deduct 25% of eligible rehabilitation expenses.

More Information: <https://www.dhr.virginia.gov/tax-credits/rehabilitation-tax-credits-frequently-asked-questions/#B>

FEDERAL HISTORIC REHABILITATION TAX CREDITS

U.S. DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE (NPS)

Federal tax incentives promote the rehabilitation of historic structures. The Vaughan Furniture building must become a Certified Historic Structure (either individually listed on the National Register or contributing to a local, state, or National Register historic district) to claim 20% tax credit on qualifying rehabilitation expenses. The entire project must be compliant with the Secretary of the Interior's Standards for Rehabilitation to obtain credits.

More Information: <https://www.nps.gov/tps/tax-incentives.htm>

MEDIUM TERM

ENTERPRISE ZONE TAX EXEMPTIONS

CITY OF GALAX

The City of Galax seeks to promote development within its designated Enterprise Zone. Residential, commercial, and industrial real estate development may be eligible for tax exemptions under certain conditions. The Enterprise Zones tax exemptions create incentives for further investment in Galax that could include the Vaughan Furniture building project construction and business development.

More Information: <https://ecode360.com/6549676>

INDUSTRIAL REVITALIZATION FUND (IRF)

APPALACHIAN REGIONAL COMMISSION (ARC)

The IRF leverages local and private resources to achieve revitalization of vacant and deteriorated industrial and commercial properties. Only local governments (city, county or town) or regional or local economic or industrial development authorities may apply for the funds.

Maximum award for the IRF program is \$600,000 and requires 100% fund matching. This program can be used for physical activities such as acquisition, rehabilitation, demolition, repair, etc. for the Vaughan Furniture building.

More Information: <https://www.dhcd.virginia.gov/irf>, <https://www.dhcd.virginia.gov/sites/default/files/Docx/irf/irf-program-design.pdf>

OPPORTUNITY ZONES AND QUALIFIED OPPORTUNITY FUND

U.S. DEPARTMENT OF THE TREASURY AND INTERNAL REVENUE SERVICE

Since the City of Galax is a designated Opportunity Zone, private investors can receive federal tax benefits for appropriate investment. This tax incentive seeks to encourage private investment in low-income communities. This fund creates incentive for investors to create economic opportunities and job creation for distressed communities like Galax.

More Information: <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>,

<https://www.irs.gov/newsroom/treasury-irs-issue-proposed-regulations-on-new-opportunity-zone-tax-incentive>

LONG TERM

Long-term funding options include those that promote small business development within the Vaughan Furniture building. In addition to creating opportunities for retail, restaurant, and accommodation businesses, and affordable housing, long-term funding resources can help the Vaughan Furniture building become a centerpiece for Galax's cultural development. Examples of long-term funding opportunities to help occupy the space in the building include:

LOW-INCOME HOUSING TAX CREDIT (LIHTC)

VIRGINIA HOUSING DEVELOPMENT AUTHORITY (VHDA)

In order to receive LIHTC the project must meet specific rent and development conditions. LIHTC may be used by non-profit organizations or the City of Galax. Annual credit percentage for non-profit use is 15%. The annual credit percentage available for use by the City of Galax is 14.15%. The LIHTC program seeks to encourage private investment in affordable housing. The LIHTC is a dollar-for-dollar reduction in tax liability to the owner for a qualified low-income housing development for the acquisition, rehabilitation, or construction of low-income rental housing units. The Vaughan Furniture building redevelopment may involve affordable housing that could use LIHTC for funding assistance.

More information:

<https://www.vhda.com/BusinessPartners/MFDevelopers/LIHTCProgram/LowIncome%20Housing%20Tax%20Credit%20Program/2019%20Manual-%20FINAL%202.0.pdf>

MIXED-USE/MIXED-INCOME (MUMI)

VIRGINIA HOUSING DEVELOPMENT AUTHORITY (VHDA)

The City of Galax must designate a Revitalization Area in order to be eligible for this VHDA program. This program can be used for any mixed-use/mixed income development with a commercial component as well as a split of workforce housing and unrestricted income housing. This program gives flexibility for the Vaughan Furniture building to contain mixed-use developments such as housing, retail, and restaurant businesses.

More Information: <https://www.vhda.com/BusinessPartners/MFDevelopers/MF-LoanApplication-Guides/Pages/MF-LoanApplication-Guides.aspx>, <https://www.vhda.com/BusinessPartners/MFDevelopers/MFFinancing/Pages/Mixed-use-Mixed-income.aspx>

LONG TERM

OUR TOWN: PLACE-BASED PROJECTS NATIONAL ENDOWMENT FOR THE ARTS

Non-profit organization and local government agency partnership is required for Our Town funding. Potential award amounts range from \$25,000 - \$200,000 with a requirement of non federal fund matching of at least 100%. Our Town funding offers support for projects that integrate the arts to strengthen communities through arts engagement, cultural planning, design, and artist and creative industry support. This program would support the Vaughan Furniture project as a way to promote the arts and culture in the City of Galax.

More Information: <https://www.arts.gov/grants-organizations/our-town/place-based-projects-grant-program-description>

More information:

COMMUNITY ECONOMIC DEVELOPMENT GRANT (CED) ADMINISTRATION FOR CHILDREN AND FAMILIES (ACF) AND OFFICE OF COMMUNITY SERVICES (OCS)

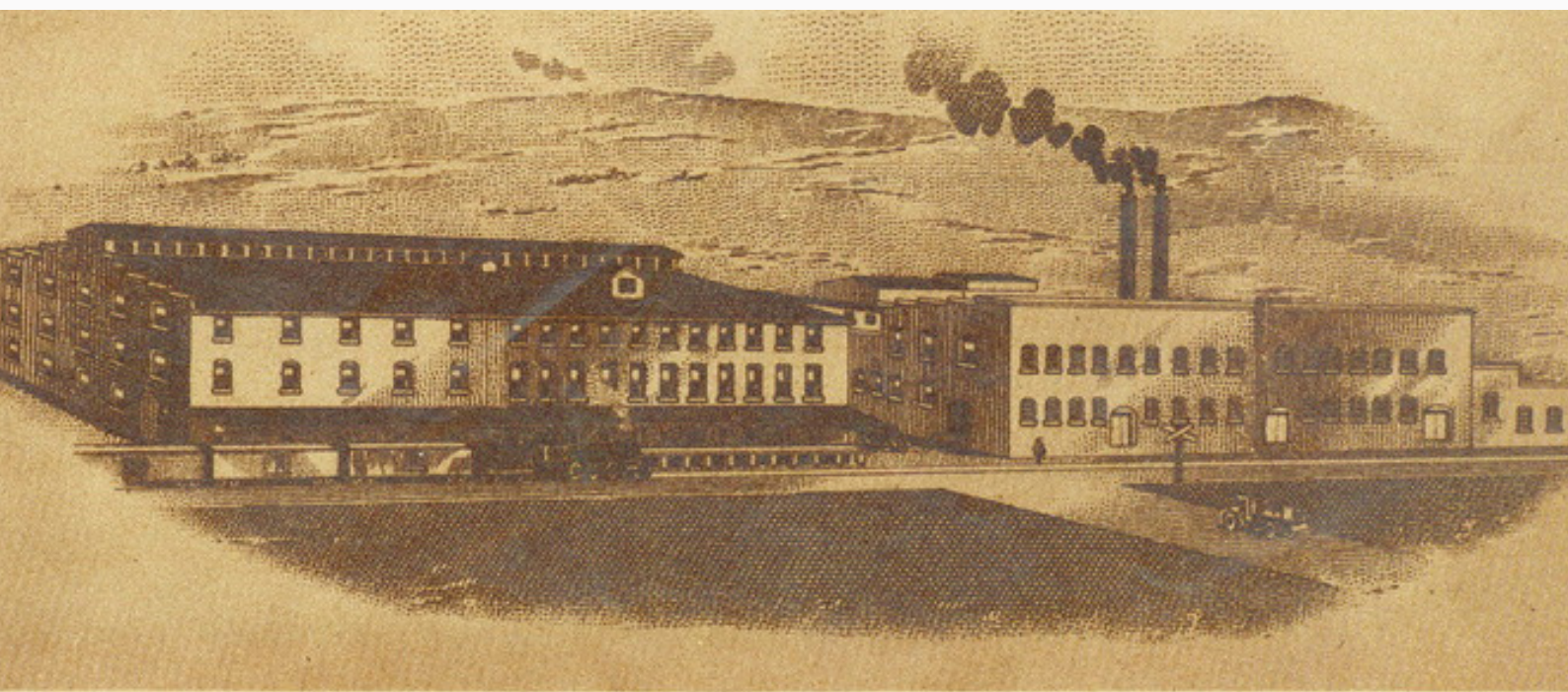
Private non-profit organizations are eligible to receive funds for well-planned, financially viable, and innovative projects to enhance job creation and business development for individuals with low income. CED-funded projects can be non-construction or construction projects, however, short-term construction jobs associated with preparing for business startup or expansion are not counted when determining the number of jobs created under the CED program as they are designed to be temporary in nature. Potential award amounts range between \$100,000-\$800,000. The CED Grant can help potential Vaughan Furniture retail and restaurant tenants start or expand their businesses in the building.

More Information: <https://www.grants.gov/web/grants/view-opportunity.html?oppld=288729>

More Information:

HISTORIC PRESERVATION

Certain funding sources such as the State and Federal Historic Tax Credit programs require that the Vaughan Furniture building be a Certified Historic Structure in order to receive funds. Since the City of Galax's Commercial Historic District does not include the Vaughan Furniture building, the property must be individually listed on the National Register of Historic Places to receive tax credit funding for rehabilitation expenses.



THE BASICS OF HISTORIC REGISTER LISTING

Originally built in the early 1920s, the Vaughan Furniture building has been a significant aspect of Galax's community. Prior to the downsizing of the Vaughan Furniture Company in the early 2000s, the company provided major economic stability for the area. Since the building has played such an important role in the community for almost a century, preservation of that history can be a notable asset for the community. This section describes the process to obtain historic designation for the Vaughan Furniture building starting first with historical and archival research. Subsequent steps require completion of the Preliminary Information Form and National Register Nomination Form. An individual listing on the National Register of Historic Places leads to the opportunity to use State and Federal Historic Tax Credits to mitigate rehabilitation costs of the building.

NATIONAL REGISTER OF HISTORIC PLACES

BENEFITS

Listing on the National Register makes a property eligible to receive state and federal historic tax credits for rehabilitation expenses. Both the federal and state tax credit programs are administered through the Virginia Department of Historic Resources. These tax credits provide incentives for property owners to invest in the rehabilitation of historic structures. Owner-occupied and income-producing buildings may take advantage of both state and federal tax credit programs. Income-producing properties may also receive federal tax credit incentives.

The Virginia tax credit program offers credit of 25% of eligible rehabilitation expenses. The federal program offers a credit of 20% of eligible rehabilitation expenses. Some properties may be eligible for both programs which would incur a 45% credit on expenses. In order to receive tax credits, the rehabilitation must meet the Secretary of the Interior's Standards for Rehabilitation ("Rehabilitation Tax Credits", 2019).

RESTRICTIONS

Individual listing on the National Register of Historic Places does not place any restrictions on the building or property. Listing is only honorific, but if substantial changes are made after registration that sacrifice the integrity, the property may be removed from the listing. For example, if maintenance issues create deterioration of the structure, then it may be removed from the register.

Restrictions on the property only occur if funding sources have specific guidelines and constraints. In order to receive tax credits on a certain project, all rehabilitation activities must be approved by the Secretary of the Interior's Standards for Rehabilitation ("Benefits and Restrictions of Listing a Property to the National Register," n.d.).

Only portions of the building that were built within the determined Period of Significance may be eligible for tax credits. In the case of the Vaughan Furniture building, later additions to the building will likely not qualify to receive tax credits on rehabilitation expenses.

TIME AND MONEY

The cost of hiring a consultant to complete the necessary research and forms for individual listing on the National Register is generally around \$15,000 - \$20,000. This includes the hours of extensive research and forms that need to be completed. Furthermore, the entire nomination process takes approximately 15-16 months. Successful National Register nominations require experienced authors who know how to make a convincing case about the significance of the structure. In addition, the nomination forms contain technical aspects that make it difficult for an individual to complete without assistance from an expert (Thornton, 2019).



HISTORICAL/ARCHIVAL RESEARCH

First, in order to begin the process, extensive primary and secondary research will need to take place to determine significance and historical context on any historic register nomination. Perhaps the most important aspect of registry applications is the explanation of historical significance. In addition to historical research about the City of Galax, Vaughan Furniture Company, and the furniture industry's impact on Galax, an architectural description of the building must also be completed. The architectural description includes explanation of massing, floor plans, construction materials, and notable features for each part of the building, both interior and exterior. Furthermore, the architectural description includes current building conditions and changes that have taken place over time. It is in this step that all changes made to the Vaughan Furniture building and its integrity should be described in depth. Moreover, this is also the opportunity to discuss unique physical features that could support its significance. Historical research leads to determination of the structure's period of significance; that is, the period of time that the building was most important and relevant in the community. The Vaughan Furniture building's period of significance starts in the 1920s when the factory was first founded and ends at the time of its decline (likely in the late-1900s or early-2000s).

PRELIMINARY INFORMATION FORM

After completing basic historical research, a Preliminary Information Form (PIF) must be completed and sent to the regional Department of Historic Resources (DHR) office in Salem, Virginia. The PIF describes basic building and historical significance aspects that will be relevant for the official nomination form. Although the information provided on the PIF is not as extensive and thorough as the formal nomination form, it must still be compelling for the DHR office to determine if eligibility is even possible for the Vaughan Furniture building. If the DHR determines that the property would likely not be eligible and is not worth the time to complete the rest of the nomination, then the PIF will be rejected. If the PIF is rejected, no further National Register nomination can be pursued. However, approval of the PIF by the DHR regional office means that the building is likely eligible and the National Register nomination process can be continued. Furthermore, the regional DHR office will offer advice and recommendations on how to strengthen the case on the formal National Register Nomination Form ("Preliminary Evaluation and Nomination Processes," 2019).

THE POINT OF CONTACT FOR THE PRELIMINARY INFORMATION FORM AND OTHER LISTING QUESTIONS FOR THE VAUGHAN FURNITURE BUILDING IS:

VIRGINIA DEPARTMENT OF HISTORIC RESOURCES
WESTERN REGION PRESERVATION OFFICE
(SERVING SOUTHWEST VIRGINIA AND THE LOWER PIEDMONT)
962 KIME LANE
SALEM, VA 24153
PHONE: (540) 387-5443
FAX: (540) 387-5446
CONTACT: MICHAEL PULICE - MICHAEL.PULICE@DHR.VA.GOV



NATIONAL REGISTER NOMINATION FORM

Once the DHR regional office approves the Preliminary Information Form, the next step is to complete the formal National Register Nomination Form. This form includes the detailed architectural description as well as the statements of significance. The significance section of the application provides justification and evidence as to why a particular building is worth preserving. The significance must be compelling and supported by the archival research that has already been done. Arguments for the significance of a structure must be compelling and based on one or more of four potential Criteria for Significance:

- A. Property is associated with events that have made a significant contribution to the broad patterns of our history.**
- B. Property is associated with the lives of persons significant in our past.**
- C. Property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or processes high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.**
- D. Property has yielded, or is likely to yield, information important to history or prehistory**

In the case of the Vaughan Furniture building, eligibility would be most likely under Criterion A. The strong case for significance under Criterion A would be related to the impact of the furniture and textile industry on the City of Galax and the region. Furthermore, when Vaughan Furniture Company occupied this building, it was the major employer that sustained the local economy. According to the National Park Service, the significance of the structure's historic context must be determined by the following items:

- **The facet of prehistory or history of the local area, State, or the nation that the property represents;**
- **Whether that facet of prehistory or history is significant;**
- **Whether it is a type of property that has relevance and importance in illustrating the historic context;**
- **How the property illustrates that history; and finally**
- **Whether the property possesses the physical features necessary to convey the aspect of prehistory or history with which it is associated (Quaide, 2001).**

The Vaughan Furniture building's historic context focuses on the company's impact in the City of Galax and the region. Moreover, the Vaughan Furniture Company was the primary employer and economic driver for decades. Today, the community still see the furniture and textile manufacturing industry as part of their identity. The Vaughan Furniture building represents the rise and decline of industry throughout many regions in the United States.

CONCLUSION

The Vaughan Furniture Building helped shaped the history of Galax and still stands to help determine the future of this city. The Vaughan Furniture Building is a strong candidate for mixed use development considering its close proximity to downtown Galax, the New River Trail State Park, and Chestnut Creek. While the overall integrity of the structure is adequate, further assessment and possible renovation of all building sections is needed to prepare the site for redevelopment. There are multiple funding opportunities available for these redevelopments, such as historic tax credits, brownfield grants, and other sources that support the level of development necessary for this project.

The Recommendations of the EDS are largely aspirational, however, not outside the current trajectory of development in Galax. Current conditions in Galax do not immediately support some of the recommendations; however, the team has provided suggestions for intermediary steps the city can take to build the economic and community foundation necessary for the success of this redevelopment. A key factor in these short-term recommendations is the coordination between city officials, businesses owners, and other stakeholders to collectively work toward these milestones. In the future, Galax will need to begin the process of identifying partners and relevant funding sources depending on the decided solution to development. In order to make these recommendations reality, a champion of the project will be necessary. This person may be Keith Barker, or someone from the Vaughan Furniture family, who will encourage and guide the development processes via community outreach. The EDS studio predicts that historic tax credits, various grants for rural and disadvantaged communities, and private investment will be the primary sources of funding for this project.

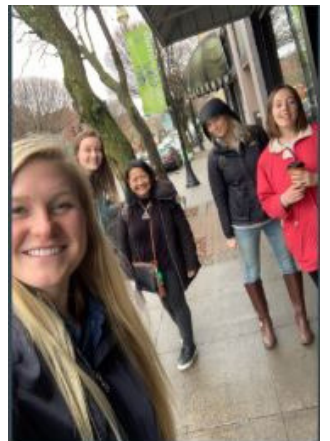
One of the primary strengths identified in Galax is the already growing tourism sector. Within our overall 150 mile radii, there were exciting indicators of the possibility for Galax to pull regional tourist dollars into the local economy. Because of the unique characteristics of Galax, as well as the success of the city's cultural and arts projects and festivals, the EDS suggests that any solution to the Vaughan Furniture Building builds upon these noted strengths of the community.

One of the biggest challenges facing the City of Galax are some of the general economic concerns in the area; declining populations and markets are important issues that must be acknowledged and addressed in the process of redeveloping this property. Possible solutions will need to mitigate these weaknesses. As well, there are smaller challenges that can be more easily addressed-- an inadequate business mix, short operating hours of businesses, as well as a slightly negative self image of the community. These weaknesses can be addressed through partnerships supported by local government actors and/or other community stakeholders and organizations that can increase communication between businesses, city officials, and citizens.

Further, it is important to note that approximately one-fourth of the Galax population lives below the poverty line, and a large portion of low-income households are severely cost-burdened by housing. To stymie the widening wealth gap within the region, and increase parity for the most disadvantaged of the region, it is important to provide considerations for these demographics within any solution for the Vaughan Furniture Building.

The opportunities held within the Comparable Case Studies allowed the EDS team to develop common development themes that point to a mixed-use development, with options that could include housing, lodging, retail, dining, and event space. There is also opportunity here to develop a business-incubator-type facility. If these types of community development facilities are accompanied by affordable housing options, there is potential to address some of the poverty issues discussed above.

Looking forward, the future of the Vaughan Furniture Building and the City of Galax looks bright. The data-informed approaches detailed in this report will help Galax reclaim its status as a regional economic leader. Capitalizing on its existing assets and strong cultural roots, Galax is more than capable of continuing the successful redevelopment of their downtown area. Thanks to the assistance of Keith Barker, and many other community members of the City of Galax, this report will be able to provide direction for redevelopment of the Vaughan Furniture building.





APPENDIX
