

# River District Tower

Mixed-Use Medical Facility Providing Services in Danville, VA



130

Direct Jobs



122,027

Square Feet



48,900

Capacity



## Project

The City of Danville, Virginia was founded in 1793 and chartered in 1830. Like so many other manufacturing areas that have lost their traditional industries, the area has its challenges. Specifically, when Dan River Mills, the area's longtime textile giant, closed its doors in 2006, it lost a business that once employed 12,000 people. The company left town and its most visible structure, the Dan River Research Building, remained vacant for many years. The NMTC project is the renovation of the Research Building to become River District Tower, a mixed-use medical office facility housing two primary medical tenants, among others. Danville Orthopedic Clinic, occupying two floors of the facility, provides for the diagnosis and treatment of disorders and injuries to bones, joints, tendons, muscles, ligaments and nerves; and Danville Regional Medical Center, occupying one floor, will serve as an Accountable Care Hub, providing the community convenient access to a wide variety of health services.

**TOTAL PROJECT COST:**

\$25,200,000

**NMTC ALLOCATION:**

\$20,000,000

**FINANCING COMPLETE:**

September 2015

**PROJECT SPONSOR:**

River District Development, LLC

**CDES:**

Danville, Virginia CDE (DVCDE), Inc.

**NMTC INVESTOR:**

Carter Bank & Trust

**LEVERAGED LENDER:**

Carter Bank & Trust

**ADDRESS:**

109 Main Street  
Danville, VA

**CENSUS TRACT:**

51590000500

**LOW-INCOME COMMUNITY:**

Poverty Rate: 35.4%  
Median Family Income: 30.05%  
Federal MUA  
State/Local Economic Zone

The project is part of the City of Danville's River District Master Plan (Plan). The Plan notes that from 2007 to 2010, the City of Danville experienced an 8% decrease in population and a 7% decrease in households. However, the River District has successfully attracted businesses and increased employee volume, becoming an important node for the area. A specific recommendation was made to redevelop the Research Building as a catalyst project to support quality jobs in the community. During creation of the Plan, hundreds of residents and stakeholders gave input on their vision for the future. The process included two public meetings and a live webinar. In total, 30 stakeholder interviews were conducted, 12 property owner discussions were completed, and 5 market segments were evaluated. DVCDE's investment in River District Tower caused the Plan's primary catalyst project to move forward.

## Financing

With total project costs of nearly \$25.2 million, DVCDE's \$20 million NMTC investment funded the majority of the project, supporting 48,900 annual patient visits. The City of Danville worked with the Project Sponsor, a local investor group, and its local lender for a five-year period to identify and secure numerous sources of funding including Federal and State Historic Tax Credits. In addition, the City of Danville, through its Industrial Development Authority (IDA), provided a parking solution to reduce the cost of the investment.

The (development) is preserving the original building of Danville's largest historic employer, which is important for me. I love adaptive reuse."

### Linwood Wright

Consultant, City of Danville Office of Economic Development

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