
LSMP, LLC

November 26, 2024

220 N Church Street
Smithfield, VA 23431

Dear Town Council:

On behalf of Joseph W Luter III, we are proposing the following transformational plan for the western entrance to downtown Smithfield known as “The Grange.” When we started this project nearly four years ago, we never envisioned the controversy this project would generate. We engaged Town officials and business leaders from Day One to identify components and amenities the Town and County needed, and those that fit the long-term strategic plan for the Town.

At the heart of this project is a long-term solution for a world-class Farmers Market. Smithfield has a steep history as a “food town.” Our research confirmed the pop-up farmers market in the BSV parking lot is not a viable long-term location for a thriving Farmers Market. The vendors were polled by Judy Winslow in the very beginning and clearly stated such! Our proposed market provides the opportunity for a year-round, multiday per week market with electricity, expanded parking, and flexibility for growth-all things identified as lacking with the current market.

A second need identified was for quality affordable housing-both for rent and for ownership. Specifically, Smithfield Foods and Riverside Hospital stated that the town currently lacks the type of housing that many of their young professionals seek, especially on the rental side. Our proposed housing, along with the additional commercial space, helps address this deficiency. The need for more restaurants and shops was also cited, which will benefit all Downtown Smithfield.

The proposed boutique hotel and Airbnb cottages address needs of Smithfield Foods, Dominion Power, the Luter Sports Complex, and others with overnight accommodations. This was a need identified and very much in keeping with your comprehensive strategic plan.

My father loves brick, and he loves trees, as evidenced by the other many projects he has supported in Smithfield over the past 30 plus years. The genesis of The Grange was to create a beautiful and welcoming entrance to downtown from the west. A brick wall with brick sidewalks and lush landscaping, like what you see at Windsor Castle Park, will “distinguish and invite” visitors and citizens to the downtown area.

In the Florida meeting with Mayor Bowman, my father requested the brick sidewalk and brick wall be built along with the relocation of the market to the Grange. He advanced \$6 million and asked the Town to match it and that the Town determine the best use of any remaining funds for additional improvements. We hereby modify that proposal for your consideration as follows:

- LSMP will build Phase One as shown in the attachment. This includes all the roadwork, streetscapes, and parking (235 spaces) necessary to support the Market, along with the Market Green space adjacent and the 4 pickleball courts in the Recreation Area. This will be built and given to the Town and to the designated entity that owns the Market with the County. We will spend over \$18 million to develop this initial phase and believe we are giving the Town an asset worth \$4 million to \$5 million. It also includes parking for Main Street Baptist Church and the Schoolhouse Museum.
- LSMP will donate all necessary land to VDOT for the Road improvement project at the corner of Main and HWY 10 bypass. Note that this project was already planned prior to the Grange zoning. Even though VDOT originally anticipated that land on the south side of Main would be taken for this project, it now makes more sense to leave the south side “as is” per the Kimley Horn feasibility study conducted earlier this year.
- LSMP will donate all the land necessary for the construction of a brick wall and brick sidewalk as part of the improvements and beautification of the western corridor to downtown Smithfield. We ask that the Town fund this improvement and have been told that some the funds are already set aside.
- With respect to the Market, LSMP asks that the Town and County formally codify the prior commitments of \$1.4 million each to the market. Upon confirmation, we will engage engineers and architects and finally get started, with a goal of starting construction in the fall of 2025 and opening the Market in the spring of 2027. LSMP may solicit assistance from Town personnel in securing grants and other sponsorship money for the Market, but these monies are not a requirement for building the Market.

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- As communicated to Mike Smith, LSMP has no interest in moving forward on this project without the support of Town Council. We will schedule a meeting with the new Town Council once they have been sworn in.
 - In the interim, LSMP requests the return of the \$6 million to Mr. Luter III. Should the new Town Council want to proceed with the Grange, this money will be used for Phase One as mentioned above. Any interest generated from these funds may be kept by the Town to use as you see fit. We would like the \$6 million principal returned by Monday, December 2nd.
 - As a reminder, once fully developed, The Grange will generate more than \$17.3M over the first 25 years for the Town and more than \$11.9M for the County (per Ted Figura Consulting – please see attached). Additionally, as previously stated, any profit JWLIII receives from this project will be set aside and given to the Town for future projects without restriction.

We hope you find this proposal to be complementary and consistent with the long-term strategic plan for downtown Smithfield and are available for any further questions.

Sincerely,

Joseph Luter, IV and Venture Realty Group

cc: Joseph W. Luter, III

Fiscal Impact Analysis

Ted Figura Consulting

Net Cash Flow Benefit to the Town and County

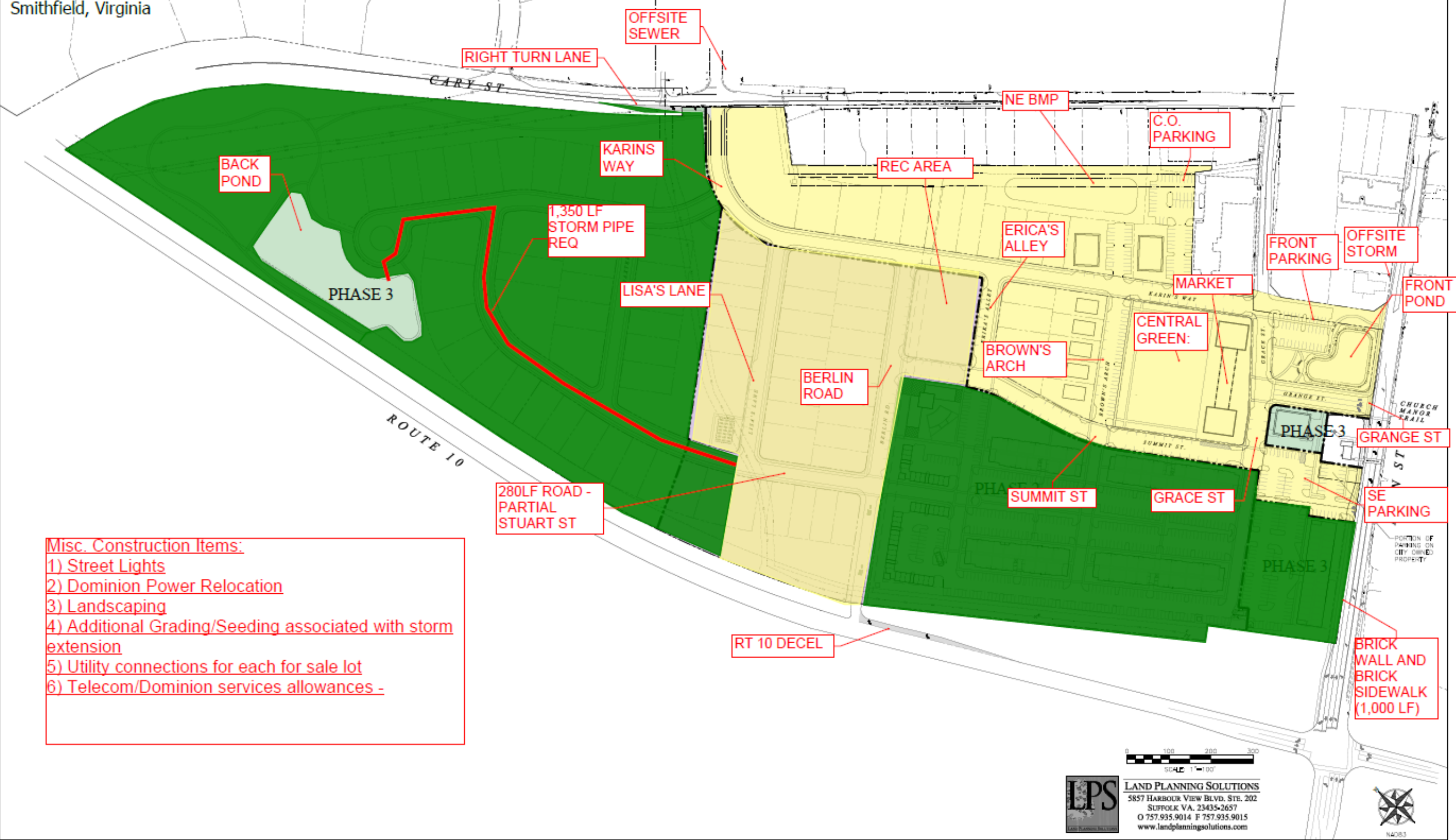
Net Cash Flow Benefit to the Town of Smithfield		Net Cash Flow Benefit to Isle of Wight County		Total Net Cash Flow Benefit to Town and County	
Stabilized Year 1	\$492,659	Stabilized Year 1	\$555,474	Stabilized Year 1	\$1,048,133
Years 1 through 10	\$5,727,534	Years 1 through 10	\$4,646,576	Years 1 through 10	\$10,374,110
Years 1 through 25	\$17,316,375	Years 1 through 25	\$11,949,900	Years 1 through 25	\$29,266,275

The Grange at 10Main

Phasing Plan

Smithfield, Virginia

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- Misc. Construction Items:**
- 1) Street Lights
 - 2) Dominion Power Relocation
 - 3) Landscaping
 - 4) Additional Grading/Seeding associated with storm extension
 - 5) Utility connections for each for sale lot
 - 6) Telecom/Dominion services allowances -


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SCALE: 1"=100'
