



County of Albemarle
ECONOMIC DEVELOPMENT OFFICE

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To: Albemarle County Economic Development Authority

From: Emily Kilroy, Economic Development Director

Date: November 18, 2025

Re: AgroSpheres Commonwealth Development Opportunity Fund (COF) Agreement Amendment

In May 2023, Albemarle County entered into a Commonwealth Development Opportunity Fund (COF) Agreement with the Virginia Economic Development Partnership (VEDP), securing a \$200,000 grant for AgroSpheres, contingent on a matching grant from the County. In October 2023, the County and the Economic Development Authority (EDA) formalized their \$200,000 match grant to be paid in three installments based on annual performance benchmarks.

Year 1 Performance - AgroSpheres met the Year 1 Lease Obligation and exceeded the Capital Investment Benchmark by +\$565,821.56.

Year 2 Performance - Met the Lease Obligation but fell short of the Capital Investment Benchmark by -\$516,904. However, cumulative Year 1 and Year 2 investments exceeded \$7 million, surpassing combined benchmarks by +\$48,917.56.

The Year 1 performance milestones were achieved in 2024. When evaluating Year 2 performance in 2025, staff discovered the capital investment timing shortfall and engaged the company in discussion about their future capital expenditure projections. The company shared that due to economic uncertainty experienced in 2025, their capital investment schedule would be modified from their earlier plans.

PROPOSED ACTION: Amend the Commonwealth Development Opportunity Fund (COF) Agreement

Staff recommends that the local agreement between Albemarle County and the Company be amended to allow for cumulative capital investments year-to-year, which allows the EDA to process the company's Year 2 payment quickly upon approval and extends the performance period for "Year 3" to align with the company's investment schedule.

- 1) **Acknowledge Cumulative Capital Investments** – the County acknowledges that AgroSpheres exceeded the Year 1 and Year 2 Capital Investment Benchmark cumulatively and are eligible for the \$75,000 Year 2 installment.
- 2) **Extend the Performance Date** – the proposal extends the performance period from December 31, 2025 to December 31, 2027.

Staff recommend approval of the proposed amendment and respectfully request that the EDA authorize full payment of the Year 2 installment.