



NEWS RELEASE | CITY MANAGER'S OFFICE

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Friday, June 26, 2026

Groundbreaking ceremony set for Morotock Lofts project

City officials, project partners, and community leaders will gather at noon on Wednesday, July 1, for a groundbreaking ceremony marking the start of construction on the Morotock Lofts redevelopment project at 18 North Floyd Street in the River District.

The project will transform the historic Morotock Manufacturing Company building, a long-vacant textile mill located at the corner of North Floyd and Spring streets, into a mixed-use residential development featuring 41 apartment units, community amenities, and two leasable office spaces.

The Morotock Lofts is a recipient of Virginia Housing's Workforce Housing Investment program funding of \$1,824,000, which was applied for by the City of Danville on behalf of the developer. This marks the groundbreaking of the first Workforce Housing Investment Program residential project in the region.

"We are excited to begin construction on this iconic building, adding needed workforce housing to Danville and bringing significant investment to the Mechanicsville neighborhood," said Rory Dowling, owner of 1st & Main Development. "This project has been several years in the making and has only been made possible with the partnerships of the City, Virginia Housing, Locus, and our development partners."

The units will feature unique floor plans offering studio, one- and two-bedroom options, with 40% of the units reserved for residents earning less than 100% of area median income.

Constructed in 1907, the more than 40,000-square-foot building originally served as a mill for manufacturing men's work clothes and later repurposed for cigarette manufacturing, a bowling alley, and a grocery store. The building has remained vacant for more than two decades.

The redevelopment, a joint venture by 1st & Main Development and LMG, will preserve the building's historic character while providing modern housing opportunities in the River District.

Renovations will include extensive site improvements, masonry restoration, installation of historic replica windows, a new roof, elevator, upgraded stairways, and all-new plumbing, electrical, mechanical, fire alarm, and sprinkler systems.

Upon completion, Morotock Lofts will offer 41 residential units, including 17 workforce housing units reserved for residents earning up to 100 percent of the area median income.

"This \$14 million project will place 41 units right in the heart of Mechanicsville, which are needed tremendously in the city," said Susan McCulloch, division director of Housing and Development for the City of Danville. "We're happy to see 1st & Main Development and LMG launching their first residential project in Danville."

The approximately \$15.5 million project is being financed through a combination of federal and state historic tax credits and funding from Virginia Housing's Workforce Housing Incentive Program. The project is receiving a Conditional Real Estate Tax Grant of \$365,824 from the Industrial Development Authority of the City of Danville.

"Virginia Housing applauds the collaborative spirit of the City of Danville, 1st and Main Development and LMG that produced this outstanding project," said Dr. Monique Johnson, Virginia Housing chief of programs. "The redevelopment of the Morotock Locks will provide housing in an area where we are seeing expanded job growth and a continued need to increase the affordable housing stock to create thriving communities for all that call Danville and the surrounding region home."

Located in the historic Mechanicsville neighborhood, the redevelopment represents a significant investment in one of the River District's most distinctive historic structures and will bring new residential activity to an area that has played an important role in Danville's industrial and cultural history.

Construction is expected to be completed in the summer of 2027.

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