



# COMMONWEALTH of VIRGINIA

## *Commonwealth Transportation Board*

Aubrey L. Layne, Jr.  
Chairman

1401 East Broad Street  
Richmond, Virginia 23219

(804) 786-2701  
Fax: (804) 786-2940

*Agenda Item # 9*

### **RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD**

**July 28, 2016**

#### **MOTION**

**Made By: Mr. Stinson, Seconded By: Mr. Brown**  
**Action: Motion Carried, Unanimously**

**Title: Economic Development Access to**  
**Grayson County Industrial Park – Project Process II**  
**Project ECON-038-779, M501, Grayson County**

**WHEREAS**, § 33.2-1509 of the *Code of Virginia* provides a fund to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within localities to economic development sites on which manufacturing, processing, research and development facilities, distribution centers, regional service centers, corporate headquarters, or other establishments that also meet basic employer criteria as determined by the Virginia Economic Development Partnership in consultation with the Virginia Department of Small Business and Supplier Diversity will be built under firm contract or are already constructed ..." and, "in the event there is no such establishment or... firm contract, a locality may guarantee to the Board by bond or other acceptable device that such will occur and, should no establishment or airport acceptable to the Board be constructed or under firm contract within the time limits of the bond, such bond shall be forfeited."; and

**WHEREAS**, the Grayson County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to serve eligible property within the development of Grayson County Industrial Park, north of U. S. Highway 58, off of Route 901, and said access is estimated to cost approximately \$346,000; and

**WHEREAS**, Grayson County proposes to construct a new roadway to VDOT standards extending from Route 901, and continuing eastward to the proposed entrance of the site development that will be accepted into the secondary highway system upon completion; and

**WHEREAS**, it appears that this request falls within the intent of Section 33.2-1509 of the *Code of Virginia* and complies with the provisions of the Commonwealth Transportation Board’s (CTB) policy on Economic Development Access.

**NOW, THEREFORE, BE IT RESOLVED**, that \$346,000 of the Economic Development, Airport and Rail Access Fund be allocated to provide adequate access to eligible property within the Grayson County Industry Park, located east of the Town of Independence, off of Route 901, Project ECON-038-779, M501, contingent upon:

1. All right of way, environmental assessments and remediation, and utility adjustments being provided at no cost to the Commonwealth; and
2. Execution of an appropriate contractual agreement between the County of Grayson (LOCALITY) and the Virginia Department of Transportation (VDOT), to provide for the:
  - a. Design, administration, construction and maintenance of this project; and
  - b. Payment of all ineligible costs, and of any eligible costs in excess of this allocation, from sources other than those administered by VDOT; and
  - c. Provision by the LOCALITY of either i) documentation of a least \$1,730,000 of eligible capital outlay attributed to qualifying business on property served exclusively by this project, or ii) should documentation of capital outlay be insufficient, an appropriate bond or other acceptable surety device by the LOCALITY to VDOT, not to expire before October 28, 2021, without written permission of VDOT. Such surety device shall provide for reimbursement to VDOT of any expenses incurred by the Economic Development, Airport and Rail Access Fund for this project’s construction not justified by the eligible capital outlay of establishments served by the project. If, by July 28, 2021, at least \$1,730,000 of eligible capital outlay on parcels served exclusively by this project has not been expended or committed by firm contract by a qualified establishment or establishments, then an amount equal to 20% of the eligible capital outlay of up to \$1,730,000 will be credited toward the project’s Economic Development Access Program allocation utilized in the project’s construction and the balance of the utilized allocation not justified by eligible capital outlay will be returned to VDOT and the Economic Development, Airport and Rail Access Fund. This surety may be released or reduced accordingly at an earlier date upon provision of documentation of eligible capital outlay by a qualified establishment, or establishments; and
3. Determination by VDOT of eligible capital outlay in accordance with current policy and procedures for administering the Economic Development Access Program.

#####

## **CTB Decision Brief**

### **Economic Development Access – Grayson County** **Grayson County Industrial Park – Project Process II**

**Issue:** Pursuant to § 33.2-1509 of the *Code of Virginia* and the Economic Development Access Policy of the Commonwealth Transportation Board (CTB), the Grayson County Board of Supervisors has requested funds from the Economic Development Access (EDA) Program to assist in constructing road access to eligible property located within the Grayson County Industrial Park. Allocation of the requested funds by the CTB is sought.

**Facts:** § 33.2-1509 of the *Code of Virginia* authorizes the CTB to expend funds set aside for constructing access roads to economic development sites on which certain establishments as prescribed by the *Code* or other establishments that meet the basic employer criteria as determined by the Virginia Economic Development Partnership in consultation with the Virginia Department of Small Business and Supplier Diversity will be built under firm contract or are already constructed. In the event there is no such establishment already constructed or construction of such establishment is not under firm contract, a locality may guarantee to the CTB by bond or other acceptable device that such will occur.

On June 20, 2012 the Commonwealth Transportation Board (CTB) adopted the Economic Development Access Fund Policy (CTB Policy) that sets forth certain criteria which must be met for projects to be eligible for such funding and directed the Commonwealth Transportation Commissioner (now Commissioner of Highways) to establish administrative procedures to administer to assure adherence to the CTB Policy and legislative requirements. The Commissioner established such administrative procedures in the Economic Development Access Program Guide (Guide) administered by the Local Assistance Division of the Virginia Department of Transportation (VDOT).

Grayson County plans to develop an approximately 16-acre parcel located east of the Town of Independence and north of U. S. Highway 58/221, off of Industrial Lane (Route 901) in the Grayson County Industrial Park. The County proposes to construct a new roadway extending from Route 901, and continuing eastward to the proposed entrance of the site development. The County is currently negotiating with a prospective client but is prepared to provide appropriate surety under the bonding option of the program. Grayson County will administer design and construction of the proposed access road project.

The Local Assistance Division has consulted with the Virginia Economic Development Partnership (VEDP) regarding the Grayson County's plans for the development and VEDP staff have certified that the proposed client would meet the basic employer criteria established by the VDEP and that VEDP supports the County's plans to attract a qualifying business operation to this site.

The plans for the proposed access road are for a 24-foot wide asphalt roadway with appropriate shoulder and ditches within a 50-foot right of way, extending from Route 901 and continuing eastward approximately 385 linear feet in length to provide appropriate and adequate access to the planned operation's entrance. VDOT District staff recommends the project and have estimated project costs for eligible items and quantities to be \$346,000. Grayson County will be responsible for financial arrangements to provide for all project costs exceeding the state EDA

CTB Decision Brief

Economic Development Access – Grayson County Industrial Park – Project Process II

July 28, 2016

Page Two

Program allocation. Qualifying capital investments of \$1,730,000 or appropriate bonding from the County will be required.

**Recommendations:** VDOT recommends that the allocation of \$346,000 from the Economic Development, Airport and Rail Access Fund be approved for construction of this project, subject to certain contingencies as set forth in the accompanying resolution.

**Action Required by the CTB:** The *Code of Virginia* and the CTB's Economic Development Access Fund Policy specify that the CTB shall approve of the allocation of funds for the construction of the access road project. A resolution is provided for formal vote.

**Result, if Approved:** VDOT and the County of Grayson will proceed with the Economic Development Access road project.

**Options:** Approve, Deny, or Defer.

**Public Comments/Reactions:** None

# Grayson County Virginia

Grayson County  
Board of Supervisors



Commonwealth of  
Virginia

## RESOLUTION

### INDUSTRIAL LANE EXTENSION PROJECT

WHEREAS, the Grayson County Board of Supervisors desires to assist in the development of property for the purpose of economic development located off of Grayson Parkway (Route ##58), in the County of Grayson, Virginia, and more specifically within the Grayson County Industrial Park; and,

WHEREAS, the Grayson County Board of Supervisors has transferred ownership of property to the Grayson County Economic Development Authority for the purpose of inciting economic development, job creation and new capital investment, and has entered into an agreement to sell a 16.02 acre site located in the Grayson County Industrial Park for the purpose of constructing a new facility upon that property to house and operate a USDA and GAP certified beef processing and value-add facility; and,

WHEREAS, this new facility is expected to involve new private capital investment in land, building, and equipment of approximately One Million Eight Hundred Thousand and No Cents (\$1,800,000.00), and the business operations are expected to employ eleven (11) persons at this facility; and,

WHEREAS, operations are expected to begin at this new facility on or about March of 2017; and,

WHEREAS, the County of Grayson hereby guarantees that the necessary environmental analysis, mitigation, and fee simple right of way and utility relocations or adjustments for this improvement, if necessary, will be provided at no cost to the Economic Development, Airport and Rail Access Fund; and,

WHEREAS, the County understands that no land disturbance activities may occur within the limits of the proposed access project prior to any construction activity on this project as a condition of the use of the Economic Development, Airport and Rail Access Fund; and,

WHEREAS, the County of Grayson hereby guarantees that all ineligible project costs and all costs not justified by eligible capital outlay will be provided from sources other than those administered by the Virginia Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED THAT the Grayson County Board of Supervisors hereby requests that the Commonwealth Transportation Board provide Economic Development Access Program funding to provide an adequate road to this property;

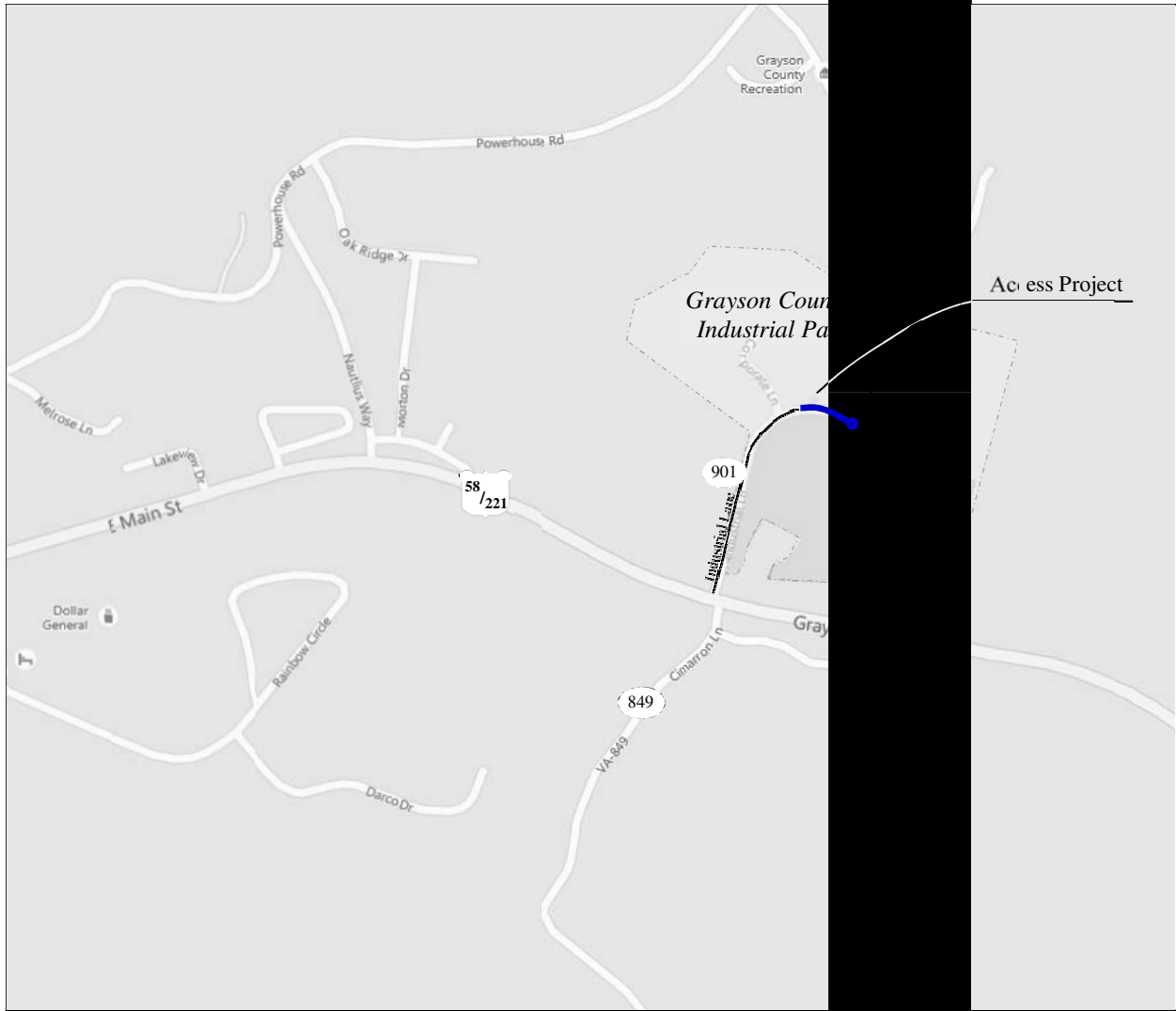
BE IT FURTHER RESOLVED THAT the County Administrator and/or his designee(s) be authorized to act on behalf of the Board of Supervisors to execute any and all documents necessary to secure the funding sought through the Economic Development Access Program up to, but not exceeding, \$500,000.00 in state funds;

BE IT FURTHER RESOLVED THAT the Grayson County Board of Supervisors hereby requests that the roadway extension of Industrial lane be added to and become a part of the secondary system of state highways pursuant to Section 33.2-1509, paragraph C., of the Code of Virginia.

*Adopted this, the gth day of June 2016, in the County of Grayson, Virginia.*

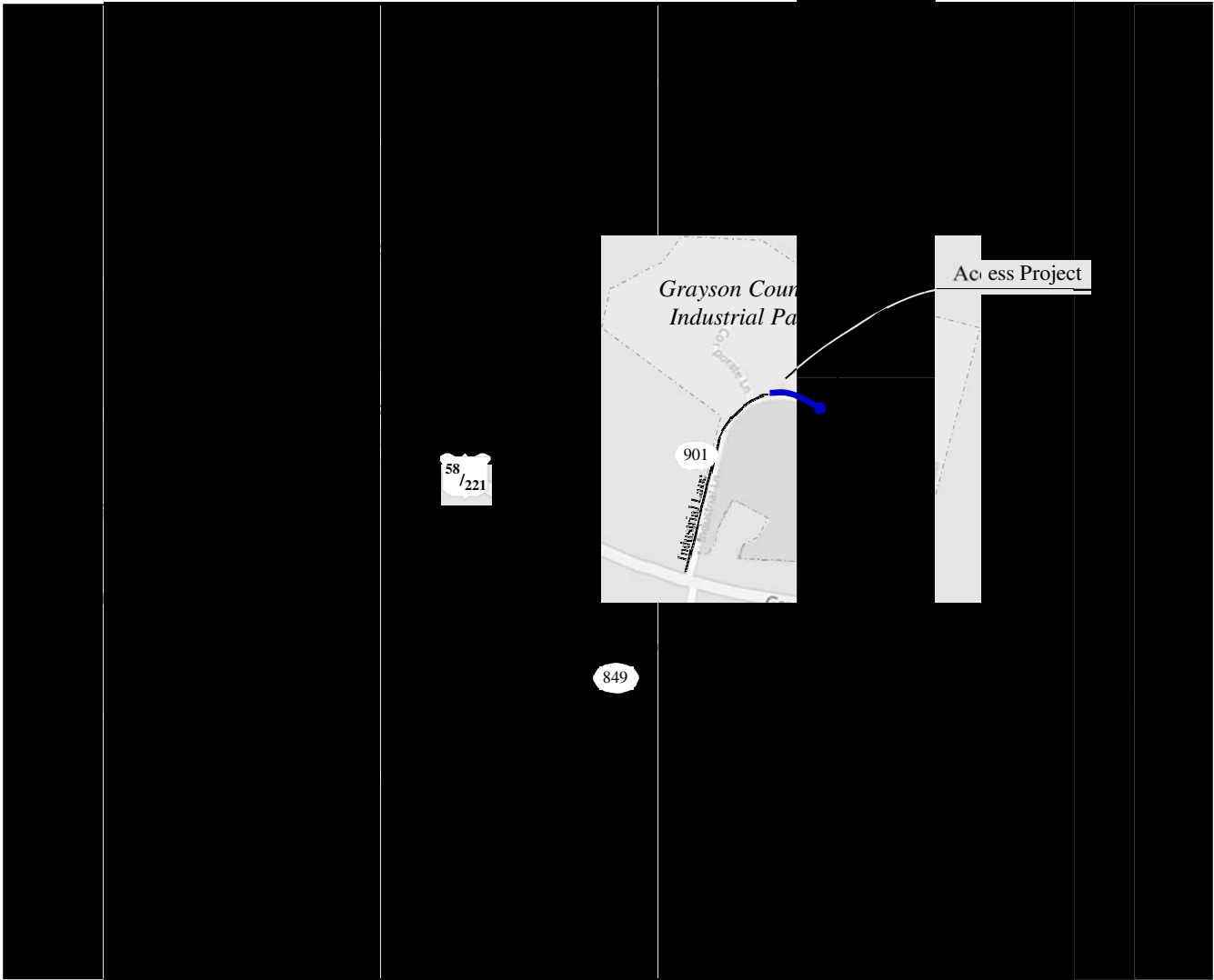
A Copy Teste: \_\_\_\_\_

  
Jonathan D. Sweet, Clerk  
Grayson County Board of Supervisors



**PROPOSED ECONOMIC DEVELOPMENT AND ACCESS PROJECT**  
**Grayson County Industrial Park – Project II**  
**Project 0901-038-779, M501**  
**Grayson County**

| <u>Economic Development Facility / Site</u>                              | <u>Access Facility</u>   |
|--|--|
| <p>Development of approximate 16-acre parcel within industrial park.</p> | <p>Length: 0.08 Miles<br/>           Pavement Width: 12 Feet<br/>           R/W Width: 50 Feet<br/>           Estimated Cost: \$1,000,000<br/>           Proposed Allocation: \$500,000 (bonded)</p> |



**PROPOSED ECONOMIC DEVELOPMENT AND ACCESS PROJECT**  
**Grayson County Industrial Park – Project II**  
**Project 0901-038-779, M501**  
**Grayson County**

| <u>Economic Development Facility / Site</u>                              | <u>Access Project</u>  |
|--|--|
| <p>Development of approximate 16-acre parcel within industrial park.</p> | <p>Length: 0.08 Miles<br/>           Pavement Width: 20 Feet<br/>           R/W Width: 50 Feet<br/>           Estimated Cost: \$1,000,000<br/>           Proposed Allocation: \$1,000,000 (bonded)</p> |