



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

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RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

Agenda Item #6

September 21, 2016

MOTION

Made By: Mr. Williams, Seconded By: Mr. Garczynski
Action: Motion Carried, Unanimously

Title: Economic Development Access to
 Patton Park Development
 Project 9999-026-639, M501, Dinwiddie 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 Dinwiddie County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to provide adequate access to serve eligible property within the development of Patton Park Development, off of U. S. Highway 1 (Boydton Plank Road), between Route 615 (Blue Tartan Road) and Route 670 (Duncan Road), and said access is estimated to cost approximately \$1,370,000; and

WHEREAS, Dinwiddie County proposes to construct a new roadway to VDOT standards extending from U. S. Highway 1, and continuing southward 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 \$650,000 (\$500,000 unmatched, \$150,000 matched) of the Economic Development, Airport and Rail Access Fund be allocated to provide adequate access to eligible property within Patton Park Development, located off of U. S. Highway 1, Project 9999-026-639, 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 Dinwiddie (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 \$3,250,000 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 December 21, 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 September 21, 2021, at least \$3,250,000 of eligible capital outlay on property 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 \$3,250,000 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
 - d. Provision of the required matching funds, up to \$150,000, by the LOCALITY for appropriately documented eligible project costs; and

Resolution of the Commonwealth Transportation Board
Economic Development Access Program – Patton Park Development – Dinwiddie County
September 21, 2016
Page Three

3. Determination by VDOT of eligible capital outlay in accordance with current policy and procedures for administering the Economic Development Access Program.

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CTB Decision Brief

Economic Development Access – Dinwiddie County **Patton Park Development**

Issue: Pursuant to § 33.2-1509 of the *Code of Virginia* and the Economic Development Access Policy of the Commonwealth Transportation Board (CTB), the Dinwiddie 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 Patton Park Development. 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).

Dinwiddie County plans to develop approximately 81-acres located southwest of the City of Petersburg, off of U. S. Highway 1, between (Blue Tartan Road (Route 615) and Duncan Road (Route 670). The property does not have adequate, unrestricted access to a public road system. The County proposes to construct a new roadway extending from U. S. Highway 1, and continuing southward to the proposed entrance of the site development. Following the County's resolution in request of the project, Dinwiddie County finalized its negotiations with the grocery retail company ALDI which plans to build a 500,000 square-foot division headquarters and distribution center on the subject 81-acre site. Dinwiddie County will administer design and construction of the proposed access road project.

The Virginia Economic Development Partnership (VEDP) has determined that the ALDI development is a qualifying establishment warranting the use of Economic Development Access Program funds.

The proposed access road is planned to provide for a 24-foot wide asphalt roadway with curb and gutter and sidewalks within a 50-foot right of way, extending from U. S. Highway 1 (Boydton Plank Road) and continuing south approximately 0.21 mile 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 \$1,370,000. Dinwiddie County will be responsible for financial arrangements to provide for all project costs

exceeding the state EDA Program allocation. Documentation of qualifying capital investments of \$3,250,000 or receipt of appropriate bonding from the County will be required.

Recommendations: VDOT recommends that the maximum allocation of \$650,000 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 Dinwiddie will proceed with the Economic Development Access road project.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None

County of Dinwiddie Board of Supervisors

MINUTES

Regular Meeting- August 16, 2016, 3:02PM

Board Meeting Room, Pamplin Administration Building
14016 Boydton Plank Road, Dinwiddie, Virginia

Supervisors Present:

Brenda Ebron-Bonner, *Chair* Election District 5
Harrison A. Moody, *Vice Chair* Election District 1
Dr. Mark E. Moore Election District 2
William D. Chavis Election District 3
Daniel D. Lee Election District 4

Administration Present:

W. Kevin Massengill, *County Administrator*
Anne Howerton, *Deputy County Administrator,*
Finance and General Services
Tyler Southall, *County Attorney*

Extract:

7.A. ACTION ITEMS: RESOLUTION: ECONOMIC DEVELOPMENT ACCESS PROGRAM PARTICIPATION

Upon motion of Mr. Lee, seconded by Mr. Moody,

RESOLUTION OF THE BOARD OF SUPERVISORS OF DINWIDDIE COUNTY, VIRGINIA AUTHORIZING PARTICIPATION IN THE VIRGINIA DEPARTMENT OF TRANSPORTATION'S ECONOMIC DEVELOPMENT ACCESS (EDA) PROGRAM BONDED PROJECT

WHEREAS, the County of Dinwiddie, Virginia desires to assist in the development of property for the purpose of economic development located off of Boydton Plank Road (U.S. Route One) in the County of Dinwiddie, Virginia, within the Patton Park Development; and

WHEREAS, this property is expected to be the site of new private capital investment in land, building, and manufacturing equipment which will provide substantial employment; and

WHEREAS, the subject property has no access to a public street or highway and will require the construction of a new roadway to connect with Boydton Plank Road (U.S. Route One); and

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

WHEREAS, the County of Dinwiddie acknowledges that no land disturbance activities may occur within the limits of the proposed access project prior to appropriate notification from the Department of Transportation; and

WHEREAS, the County of Dinwiddie hereby acknowledges that the Virginia Department of Transportation's Economic Development Access (EDA) Program may provide up to a maximum of \$650,000 for a project and requires matching funding, up to \$150,000, from the County of Dinwiddie, for estimated eligible project costs over \$500,000, up to \$800,000.

WHEREAS, the County of Dinwiddie hereby guarantees that financing of all ineligible project costs, project costs exceeding the EDA Program project allocation, EDA Program required locality matching funds, if applicable, 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 Dinwiddie County Board of Supervisors hereby requests that the Commonwealth Transportation Board provide Economic Development Access Program funding to provide adequate road access to this property; and

BE IT FURTHER RESOLVED THAT: The Dinwiddie County Board of Supervisors hereby agrees to provide a surety or bond, acceptable to and payable to the Virginia Department of Transportation, in the full amount of the Commonwealth Transportation Board's allocation less eligible private capital outlay credit as determined by VDOT; this surety shall be exercised by the Department of Transportation in the event that sufficient qualifying capital investment does not occur on Tax Map Numbers 21-100 and 21-102, within five years of the Commonwealth Transportation Board's allocation of funds pursuant to this request; and


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 funding sought through the Economic Development Access Program; and

BE IT FURTHER RESOLVED THAT: The County of Dinwiddie Board of Supervisors hereby requests that the new roadway so constructed will be added to and become a part of the secondary system of state highways in the County of Dinwiddie pursuant to Section 33.2-1509, paragraph C., of the *Code of Virginia*.

AYES: Mr. Moody, Dr. Moore, Mr. Chavis, Mr. Lee, Ms. Ebron-Bonner

NAYS: None

A Copy TESTE:


W. Kevin Massengill
County Administrator/Clerk to the Board