



# COMMONWEALTH of VIRGINIA

## *Commonwealth Transportation Board*

Aubrey L. Layne, Jr.  
Chairman

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Richmond, Virginia 23219

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Agenda Item 13

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

**June 20, 2017**

#### **MOTION**

**Made By: Mr. Fralin, Seconded By: Mr. Rosen**

**Action: Motion Carried**

**Title: Economic Development Access to  
Summit View Business Park  
Project ECON-033-828 – Franklin 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 Franklin County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to serve eligible property within the initial development of Summit View Business Park, southeast of the Town of Boones Mill, off of U.S. Highway 220 and said access is estimated to cost approximately \$1.96 million; 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 and \$150,000 matched) of the Economic Development, Airport and Rail Access Fund is allocated to provide adequate access to eligible property within Summit View Business Park, located off of U.S. Highway 220, Project ECON-033-828, 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 Franklin (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 June 17, 2022, 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 May 17, 2022, 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. Agreement by the LOCALITY to the commitments contained in the letter dated May 31, 2017, signed by the Franklin County Administrator, which is attached hereto; and
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 – Franklin County Summit View Business Park, Phase I

**Issue:** Pursuant to § 33.2-1509 of the *Code of Virginia* and the Economic Development Access Policy of the Commonwealth Transportation Board (CTB), the Franklin 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 Summit View Business 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.

The CTB's Economic Development Access Fund Policy (CTB Policy) sets forth certain criteria which must be met for projects to be eligible for such funding and directs the 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 administered by the Local Assistance Division of the Virginia Department of Transportation (VDOT).

Franklin County plans to develop Summit View Business Park within 550 acres owned by the County, located off of U.S. Highway 220, between the towns of Boones Mill and Rocky Mount. The County's initial phase of development will include two parcels totaling approximately 43 acres. The parcels do not currently have access to a public road system. The County proposes to construct a new roadway extending from U.S. Highway 220, and continuing southwestward to the two parcels. Right of way width is proposed to be 100 feet and variable to allow for widening as needed for future development. Franklin 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 Franklin County's plans for this development and VEDP staff has provided support for the County's plans to attract qualifying business operations to this site.

The County's plans for the proposed access road will provide for a 24-foot wide asphalt roadway with curb and gutter, extending southwest from U.S. Highway 220 approximately 0.53 mile in length to provide adequate access to the two eligible parcels identified for this initial phase of development within the business park. The project also includes work on U.S. Highway 220 to facilitate access. Alternative intersection design methods will be utilized to ensure effective access management for the park and U.S. Highway 220. VDOT Salem District staff concurs in the plans for the project and the estimated project costs for eligible items and quantities to be

\$1.96 million. Franklin County will be responsible for financial arrangements to provide for the required EDA Program matching funds, as appropriate, and all project costs exceeding the state EDA Program allocation to fully fund the project. Qualifying capital investment of \$3,250,000 or appropriate bonding from the County will be required.

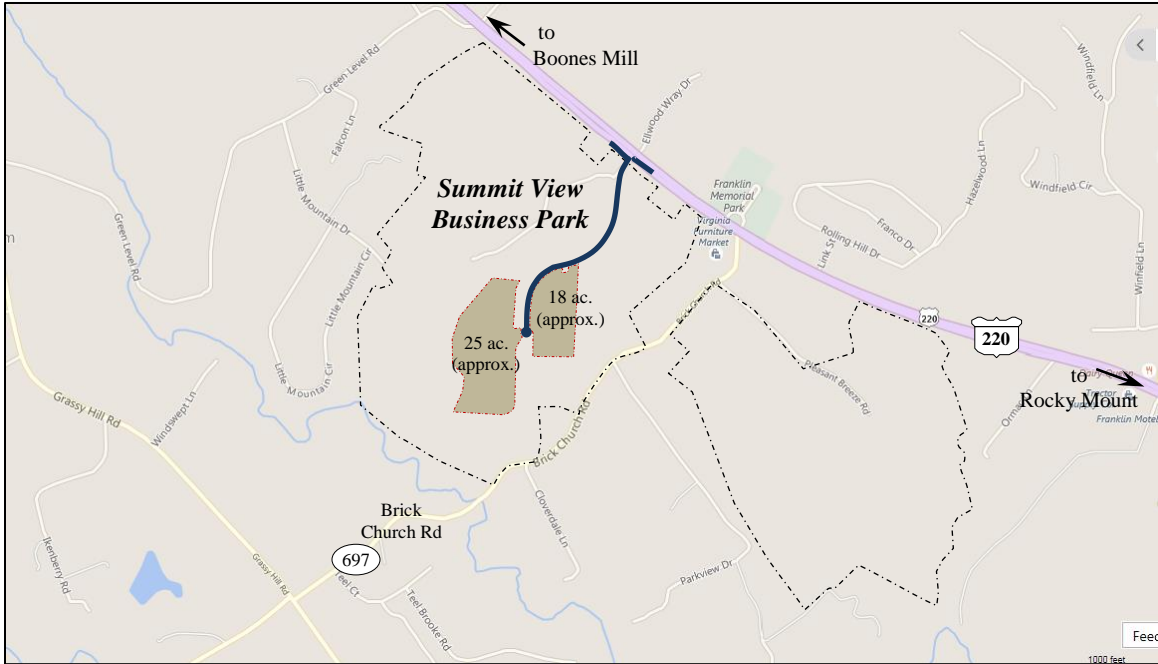
**Recommendation:** VDOT recommends the maximum allocation of \$650,000 (\$500,000 unmatched and \$150,000 matched) from the Economic Development, Airport and Rail Access Fund be approved for construction of this project, subject to certain contingencies as set forth in the accompanying resolution.

**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 Franklin will proceed with the Economic Development Access road project.

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

**Public Comments/Reactions:** None



**PROPOSED ECONOMIC DEVELOPMENT ACCESS PROJECT**  
**Summit View Business Park**  
**Project ECON-033-828**  
**Franklin County**

Economic Development Site/Facility

Development consisting of two parcels totaling approximately 43 acres within 550-acre business park

Access Facility

Access road length: 0.53 mile  
 (and turn lanes)

Pavement width: 24 feet

R/W Width: 100 feet

Estimated Cost: \$1,960,000

Proposed Allocation: \$650,000 (bonded)  
 \$500,000 unmatched, \$150,000 matched)

May 31, 2017

Mr. Ken King  
District Engineer  
VDOT Salem District  
731 Harrison Avenue  
Salem, VA 24153

RE: Summit View (Southway) Business Park, Franklin County

Dear Ken,

Based on our recent communications, I am writing to provide you with details of the commitments that Franklin County is willing to make in support of the Summit View Business Park and the associated SMART SCALE and Economic Development Access (EDA) funding applications. It is my hope that this letter will sufficiently convey Franklin County's commitment to the Summit View Business Park and the necessary improvements within the park and on Route 220. We recognize that the Commonwealth Transportation Board (CTB) has identified Route 220 as one of the statewide routes that are being prioritized for mobility preservation and enhancement. As a condition of receiving funds through the SMART SCALE and EDA funding programs for this project, the County is committed to the following:

1. The County is committed to utilizing alternative intersection design methods (e.g. side street turn restrictions, jug handles, acceleration lanes, deceleration lanes, etc.) to provide initial access to the Summit View development without signalization of Route 220. I have attached preliminary concepts showing possible approaches to these improvements. Based on our preliminary traffic analysis, we believe these types of improvements will meet the projected traffic needs within the park and on Route 220 through approximately a 50% buildout of the 550 acre park.
2. Upon agreement by both the County and VDOT on desirable design concepts, the County is committed to finalizing the design concepts and a phased implementation plan, as approved by VDOT, prior to constructing any access roads connecting to Route 220. The County is committed to constructing the identified solutions, or other equivalent solutions, as approved by VDOT, commensurate with the overall park development. As the County pursues additional funding sources for the project, we understand that this letter of commitment will not preclude the County from applying for, and receiving funding through applicable funding sources within the guidelines and policies of those funding programs.
3. As part of the agreed upon and finalized design concept, the County will identify a location for a possible future interchange project, or equivalent solution, to address ultimate park buildout and will reserve land area with Summit View Business Park as right of way for the potential improvement(s). At such time in the future when or if these ultimate improvements are needed, the County will work with VDOT to identify potential funding sources for the improvement(s).

Thank you for your continued vigilance in this matter. Franklin County looks forward to continued cooperation with VDOT as we work to develop the Summit View Business Park into the region's premier business park. We also look forward to your continued assistance to the County in developing quality applications for available funding opportunities for improvements to Route 220 and within the Summit View Business Park.

To further support the County's commitments, I will offer the Board of Supervisors a resolution concerning this matter at their June 20<sup>th</sup> meeting. I anticipate that the resolution will request that this letter be included as an addendum to the County's SMART SCALE and EDA funding applications, and will also authorize me, as the County Administrator, to enter into agreements with VDOT relative to these commitments. Please feel free to contact me at any time concerning this or any other matter in Franklin County.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Robertson". The signature is fluid and cursive, with the first name "Brent" being more prominent than the last name "Robertson".

Brent Robertson

County Administrator

Enclosures

Cc: William H. Fralin, Jr., CTB Salem District Member  
Court Rosen, CTB Rural At-Large Member  
Jim Guynn, County Attorney  
Todd K. Daniel, Bedford Residency Administrator



# Franklin County

*A Natural Setting for Opportunity*

At a regularly scheduled meeting of the Franklin County Board of Supervisors, held on April 18, 2017, on a motion by Charles Wagner and seconded by Leland Mitchell on the following resolution was adopted by a vote of 7-0 vote.

WHEREAS, the County of Franklin has acquired property for the purpose of economic development located off of U.S. Route 220 (Virgil Goode Highway) in the County of Franklin, Virginia within the Summit View Business Park; 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 U.S. Route 220 (Virgil Goode Highway); and

WHEREAS, the County of Franklin 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 Franklin 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 Franklin 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.

WHEREAS, the County of Franklin 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 Franklin, for estimated eligible project costs over \$500,000, up to \$800,000.

WHEREAS, the County of Franklin 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 by Franklin County.



NOW, THEREFORE BE IT RESOLVED THAT: The Franklin 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; and

BE IT FUTHER RESOLVED THAT: The Franklin 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 capital outlay credit as determined by VDOT; this surety shall be exercised by the Department of Transpiration in the event that sufficient qualifying capital investment does not occur on the Summit View Business Park Phase One lots 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 in the maximum amount eligible under the Economic Development Access Program; and

BE IT FURTHER RESOLVED THAT: The Franklin County 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 pursuant to Section 33.2-1509, paragraph C., of the *Code of Virginia*.



A COPY TESTE:

  
E. Cline Brubaker, Chairman