



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 # 6

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 24, 2017

MOTION

Made By: Mr. Rosen, Seconded By: Mr. Stinson

Action: Motion Carried

**Title: Economic Development Access to
New River Valley Commerce Park
Project ECON-077-773, Pulaski 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 Pulaski County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to serve eligible property within the development of New River Valley Commerce Park, off of Route 100 and said access is estimated to cost approximately \$500,000; and

WHEREAS, it appears that this request falls within the intent of § 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 \$500,000 of the Economic Development, Airport and Rail Access Fund is allocated to provide adequate access to eligible property within New River Valley Commerce Park, located off of Route 100, Project ECON-077-773, 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 Pulaski (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 \$2,500,000 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 November 24, 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 October 24, 2022, at least \$2,500,000 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 \$2,500,000 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 – Pulaski County New River Valley Commerce Park

Issue: Pursuant to § 33.2-1509 of the *Code of Virginia* and the Economic Development Access Policy of the Commonwealth Transportation Board (CTB), the Pulaski 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 New River Valley Commerce 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).

Pulaski County plans to develop 95.83 acres within the New River Valley Commerce Park, located north of the Town of Dublin off of Route 100. The property does not have adequate, access to a public road system. The County proposes to improve International Boulevard east from Route 100 to the primary entrance of the site development. The Virginia Economic Development Partnership (VEDP) will determine whether any future identified business(es) are qualifying establishment(s) warranting the use of Economic Development Access Program funds. Currently, while the County is in preliminary negotiations with potential qualifying businesses, none have offered a formal commitment. Pulaski County will administer design and construction of the proposed access road project.

The proposed access road is planned to provide for improvement to the existing roadway substructure, and provide an asphalt overlay to a 48-foot wide section for 0.23 miles east of Route 100 and then reduce the asphalt overlay to a 24-foot wide section for an approximate distance of 0.34 miles; terminating at the primary entrance of the site development. Right of way is 125 feet wide for the four-lane buildout of the road to allow for future development. VDOT District staff recommends the project and have estimated project costs for eligible items and quantities to be \$500,000. Pulaski 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 \$2,500,000 or receipt of appropriate bonding from the County will be required.

CTB Decision Brief

Economic Development Access – New River Valley Commerce Park – Pulaski County

October 24, 2017

Page Two

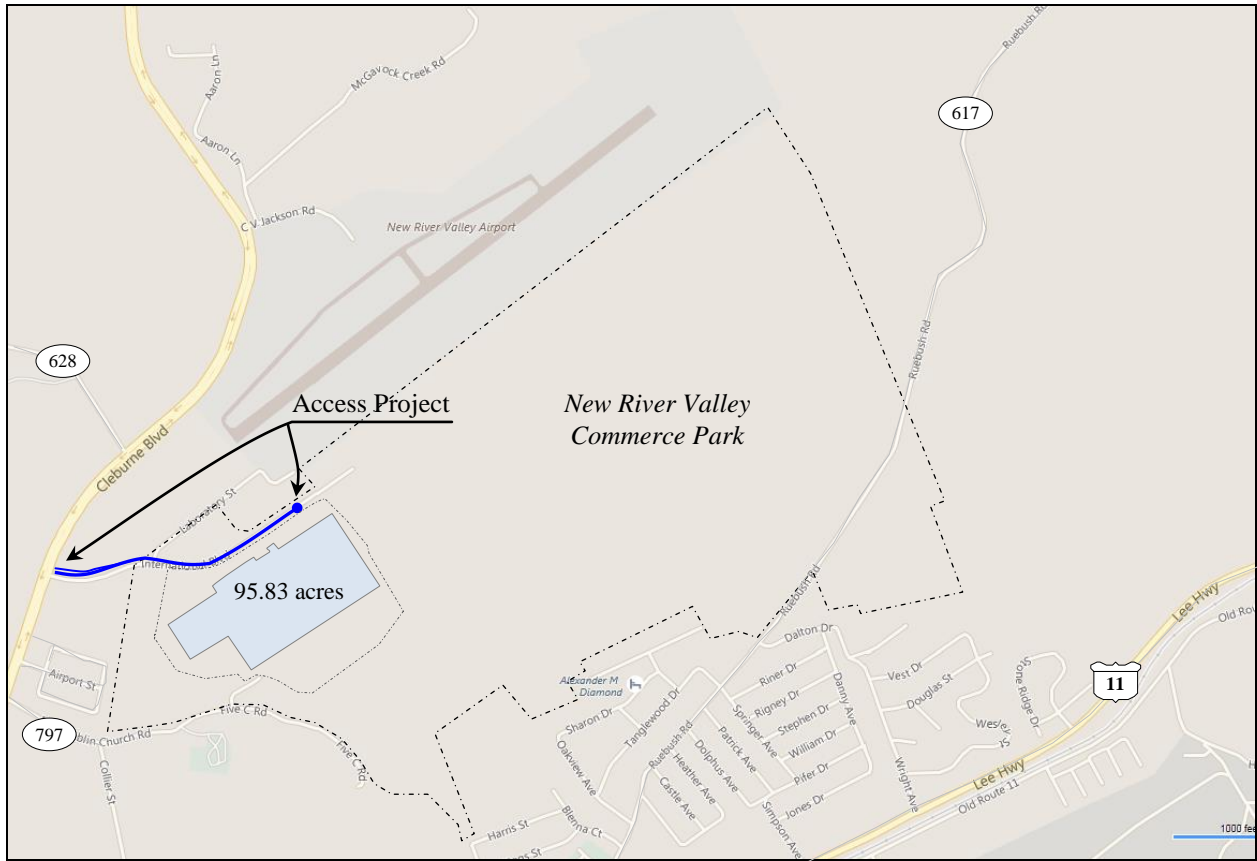
Recommendations: VDOT recommends that the maximum allocation of \$500,000 from the Economic Development, Airport and Rail Access Fund be approved for construction of this project, subject to certain contingencies as set forth in the accompanying resolution.

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 Pulaski County will proceed with the Economic Development Access road project.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None



PROPOSED INDUSTRIAL ACCESS PROJECT
New River Valley Commerce Park
Project EDA-077-773
Pulaski County

Economic Development Facility / Site

Proposed development on 95.83 acres within 1,000+ acre regional industrial facility park.

Access Facility

Access Project Length: 0.57 mile
 Pavement Width: 48' (0.23 mile)
 24' (0.34 mile)
 R/W Width: 125 Feet
 Estimated Cost: \$500,000
 Proposed Allocation: \$500,000 (bonded)

RESOLUTION - INTERNATIONAL BOULEVARD IMPROVEMENTS

At a regularly scheduled meeting of the Pulaski County Board of Supervisors held on February 27, 2017, on a motion by Mr. Dean K. Pratt, seconded by Mr. Charles R. Bopp, the following resolution was adopted by a vote of 5 to 0:

WHEREAS, the Virginia's First Regional Industrial Facility Authority has acquired property for the purpose of economic development located off of International Boulevard in the County of Pulaski, Virginia, within the New River Valley Commerce 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 existing public road network does not provide for adequate access to this property and it is deemed necessary that improvements be made to International Boulevard; and

WHEREAS, the County of Pulaski 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 Pulaski 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 Pulaski must provide for additional funding as necessary for projects where costs are expected to exceed the capital investment credit or the EDA state allocation (and local matching funds, if applicable).

NOW, THEREFORE, BE IT RESOLVED THAT: The Pulaski 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 FURTHER RESOLVED THAT: The Pulaski 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 Parcel No. 036-005-0000-0005 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 Pulaski County 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 state funds.



A COPY TESTE: