

### COMMONWEALTH of VIRGINIA

## Commonwealth Transportation Board

Shannon Valentine 1401 East Broad Street
Chairperson Richmond, Virginia 23219

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

Agenda Item # 13

# RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

June 20, 2018

#### **MOTION**

Made By: Mr. Rosen, Seconded By: Mr. Stinson Action: Motion Carried

Title: Economic Development Access to
Summit View Business Park, Phase 2
Project ECON-033-838 – 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 additional eligible property within the planned development of Summit View Business Park, Phase 2, southeast of the Town of Boones Mill, off of U.S. Highway 220 and said access is estimated to cost \$1.6 million; and

**WHEREAS**, U.S. Highway 220 has been identified as one of the statewide routes that are being prioritized for mobility preservation and enhancement; and

WHEREAS, the Franklin County Board of Supervisors requested, and the Commonwealth Transportation Board, by resolution dated June 20, 2017 allocated \$650,000 (\$500,000 unmatched and \$150,000 matched) of Economic Development, Airport and Rail

Resolution of the Board
Economic Development Access Program – Summit View Business Park, Phase 2
Franklin County
June 20, 2018
Page 2

Access funds to provide adequate access to eligible property within the initial development of Summit View Business Park (Phase 1); and

WHEREAS, the allocation of funds approved by the June 20, 2017 resolution of the Commonwealth Transportation Board was contingent on several items, including Franklin County's commitment to provide initial access to the Summit View Business Park without signalization of U.S. Highway 220 as contained in a letter of commitments dated May 31, 2017 (attached hereto as Exhibit A); and

WHEREAS, Franklin County has worked in partnership with the VDOT Salem District Office and VDOT's Statewide Planning Section to develop a U.S. Highway 220 plan of access for the Summit View Business Park that includes alternative intersection design with synchronized, two-phase signalization when warranted at the two access points to the Summit View Business Park as shown in the sketch attached hereto as Exhibit B; and

WHEREAS, the U.S. Highway 220 plan of access results in a highly efficient operation for identified access points for the development of the Summit View Business Park and the through movements along U.S. Highway 220, thereby meeting the preservation goals for the corridor; 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 \$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, Phase 2, located off of U.S. Highway 220, Project ECON-033-838, 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 of the required matching funds, up to \$150,000, by the LOCALITY for appropriately documented eligible project costs; and
  - d. 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

Resolution of the Board Economic Development Access Program – Summit View Business Park, Phase 2 Franklin County June 20, 2018 Page 3

> 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 July 20, 2023, 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 June 20, 2023, 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

- e. Agreement by the LOCALITY to the commitments contained in the letter dated May 24, 2018, signed by the Franklin County Administrator, which is attached hereto as Exhibit C and which supersedes the LOCALITY's previous commitment to avoid signalization of access points on U.S Highway 220 to the Summit View Business Park, set forth in its letter of commitments dated May 31, 2017 (Exhibit B); and
- 3. Determination by VDOT of eligible capital outlay in accordance with current policy and procedures for administering the Economic Development Access Program.

**BE IT FURTHER RESOLVED,** that item 2.d. of the June 20, 2017 Resolution of the Board, specifying the contingency in Economic Development Access Program funding for access to Phase 1 of the Summit View Business Park whereby LOCALITY agreed to the commitments contained in its May 31, 2017 Commitments Letter (Exhibit A), is hereby modified such that the LOCALITY's commitment to avoid signalization of access points on U.S Highway 220 to the Summit View Business Park is rescinded as a contingency of the funding granted on that date.

####

#### **CTB Decision Brief**

#### Economic Development Access – Franklin County Summit View Business Park, Phase 2

**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 an additional 124.6 acres on two parcels within Phase 2 development of Summit View Business Park, located off of U.S. Highway 220, south of Boones Mill. Although the property does have access to Route 696 (Pleasant Breeze Road), this road is not adequate for commercial traffic. The County's plans also include construction of a new roadway intersecting with U.S. Highway 220. The proposed connection will be signalized and include turn lanes on U.S. Highway 220. This new road connection will continue southwestward approximately 0.13 miles in length; the new road connection and signalized intersection will be funded separately using a Tobacco Commission grant and Revenue Sharing Program funding and is planned to be accomplished by the County in conjunction with the proposed EDA project providing access to the eligible parcels. The property does not currently have access to a public road system. 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 35-foot wide asphalt roadway with curb and gutter, and divided by a raised median extending southwest from U.S. Highway 220 approximately 0.19 mile in length to provide adequate access to the eligible parcels

Commonwealth Transportation Board Decision Brief
Economic Development Access – Summit View Business Park, Phase 2
Franklin County
June 20, 2018
Page Two

identified for Phase 2 of development. Right of way width is proposed to be 85 feet and variable to allow for widening as needed for future development. VDOT Salem District staff concurs in the plans for the project and the estimate of \$1.6 million and has determined that the estimated project costs for eligible items and quantities also exceed the maximum EDA Program allocation amount. 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.

The Franklin County Board of Supervisors requested, and the Commonwealth Transportation Board, by resolution dated June 20, 2017 allocated \$650,000 (\$500,000 unmatched and \$150,000 matched) of Economic Development, Airport and Rail Access funds to provide adequate access to eligible property within the initial development of Summit View Business Park (Phase 1). Since Route 220 had been identified as one of the statewide routes that was being prioritized for mobility preservation and enhancement; the Board's allocation of funds approved by the June 20, 2017 resolution by the Commonwealth Transportation Board was contingent on several conditions, including Franklin County's commitment to provide initial access to the Summit View Business Park without signalization of U.S. Highway 220, as set forth in a letter of commitment dated May 31, 2017 (attached hereto as Exhibit A).

Franklin County has worked in partnership with the VDOT Salem District Office and VDOT's Statewide Planning Section to develop a U.S. Highway 220 plan of access for the Summit View Business Park that includes alternative intersection design with synchronized, two-phase signalization when warranted at the two access points to the Summit View Business Park. A sketch labeled the Summit View Business Park Alternate Access Intersection Plan (attached hereto as Exhibit B) illustrates the revised intersection proposal.

The County and VDOT staffs have confirmed that the proposed U.S. Highway 220 plan of access results in a highly efficient operation for identified access points for the development of the Summit View Business Park and the through movements along U.S. Route 220, thereby meeting the preservation goals for the corridor. Therefore Franklin County has offered an updated letter (attached hereto as Exhibit C) that outlines their commitment to develop a plan of action for access to the site that supports the corridor preservation goals for Route 220. That letter, dated May 24, 2018, serves to eliminate the commitment of Franklin County to provide initial access to the Summit View Business Park without signalization of U. S Highway 220 that was set out in the County's commitment letter dated May 31, 2017 (Exhibit A).

**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.

Commonwealth Transportation Board Decision Brief Economic Development Access – Summit View Business Park, Phase 2 Franklin County June 20, 2018 Page Two

**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

# **Exhibit A**

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,

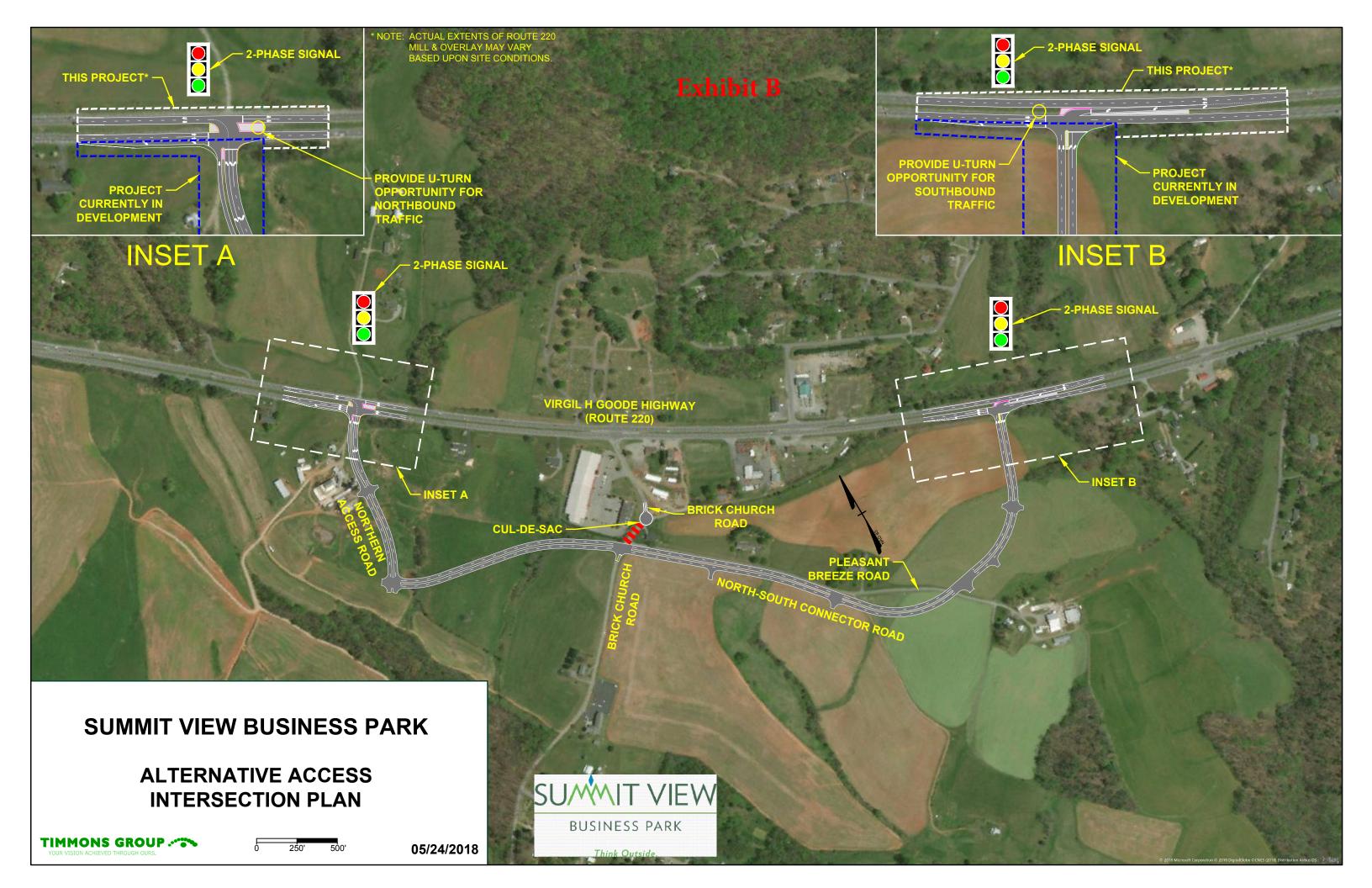
**Brent Robertson** 

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





## **Exhibit C**

May 24, 2018

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

RE: Summit View 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, Revenue Sharing, 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, Revenue Sharing, and EDA funding programs for this project, the County is committed to utilizing alternative intersection designs to provide access between the park and U.S. 220. The County has worked in partnership with the VDOT Salem District Office and Statewide Planning Section to develop a U.S. 220 plan of access for the development that supports the corridor preservation goals for U.S. 220. This collaborative work has resulted in a plan to implement alternative intersection designs and synchronized signalization at the two access points along U.S. 220. It is anticipated that one developed access point will serve as the signalized entrance into the site while the other access serves as the signalized exit for the site using minimal signal phases at both locations (e.g. two

W. Brent Robertson
County Administrator
1255 Franklin Street, Suite 112
Rocky Mount, Virginia 24151
(540) 483-3030
brent.robertson@franklincountyva.gov
www.franklincountyva.gov

phase operation). This alternative access method results in a highly efficient operation for both the site access points and the through movements along U.S. 220, thereby meeting the preservation goals for the corridor. This coordinated plan of access supersedes and replaces the original commitments to simply avoid traditional signalization for as long as possible and provides a more efficient long term solution for the corridor. This plan is consistent with the action taken by the Franklin County Board of Supervisors in 2017 to commit the County to utilization of alternative intersection designs at the Summit View Business Park.

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. Please feel free to contact me at any time concerning this or any other matter in Franklin County.

Sincerely,

W. Brent Robertson

W. Brent Robert

**County Administrator**