



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

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

Agenda Item # 14

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 15, 2020

MOTION

Made By: Mr. Dodson, Seconded By: Mr. Miller
Action: Motion Carried, Unanimously

Title: Economic Development Access to
Prince Edward County Business Park
Project ECON-073-639 – Prince Edward County

WHEREAS, § 33.2-1509 of the *Code of Virginia* provides funds 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 Prince Edward County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to serve eligible property located within the Prince Edward Business Park, located off of Commerce Road (Route 628), and said access is estimated to cost approximately \$2.1 million; 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.

Resolution of the Board

Economic Development Access Program – Business Park – Prince Edward County

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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 the Prince Edward County Business Park property, located off of Commerce Road (Route 628), just south of Farmville in the southwest quadrant of U.S. Highway 15 and U.S. Highway 460, Project ECON-011-XXX, 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 Prince Edward County (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 February 15, 2025, 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 January 15, 2025, 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 in accordance with the CTB's Economic Development Access Fund Policy. 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.

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CTB Decision Brief

Economic Development Access – Prince Edward County Business Park

Issue: Pursuant to Section 33.2-1509 of the *Code of Virginia* and the Economic Development Access Policy of the Commonwealth Transportation Board (CTB), the Prince Edward County Board of Supervisors has requested funds from the Economic Development Access Program to assist in constructing road access to eligible property off Route 628, Commerce Road, just south of Farmville, in the southwest quadrant of U.S. Highway 15 and U.S. Highway 460.

Facts: Section 33.2-1509 of the *Code of Virginia* provides for the CTB to expend funds set aside for constructing access roads to economic development sites on which certain establishments as prescribed or other establishments that meet the basic employer criteria as determined by the Virginia Economic Development Partnership in consultation with the Virginia Department of Business Assistance will be built under firm contract or are already constructed. Or, in the event there is no such establishment already constructed or for which the construction is 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 that 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).

Prince Edward County's plan for this development within the Prince Edward Business Park consists of four parcels totaling 43.42 acres that do not currently have public access. Funding under the Economic Development Access Program is requested by Prince Edward County under the "bonded" concept to assist in construction of an access road to eligible property. The county intends to administer design and construction of the proposed access road project. Prince Edward County will be responsible for all costs exceeding the combined EDA state allocation and locality match. Documentation of qualifying capital investment of \$3,250,000 or provision of appropriate surety from the County will be required prior to funding authorization.

The Local Assistance Division has consulted with the Virginia Economic Development Partnership (VEDP) regarding Prince Edward 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.

Recommendations: The access project recommended by staff as adequate to serve eligible parcels will provide a 24-foot wide, 0.28-mile long, asphalt roadway with appropriate shoulders and ditches within a 60-foot right of way. Lynchburg District has estimated a total cost of \$2,097,000 million for construction of the proposed access road project. The Local Assistance Division recommends that the maximum allocation of \$650,000 (\$500,000 unmatched and

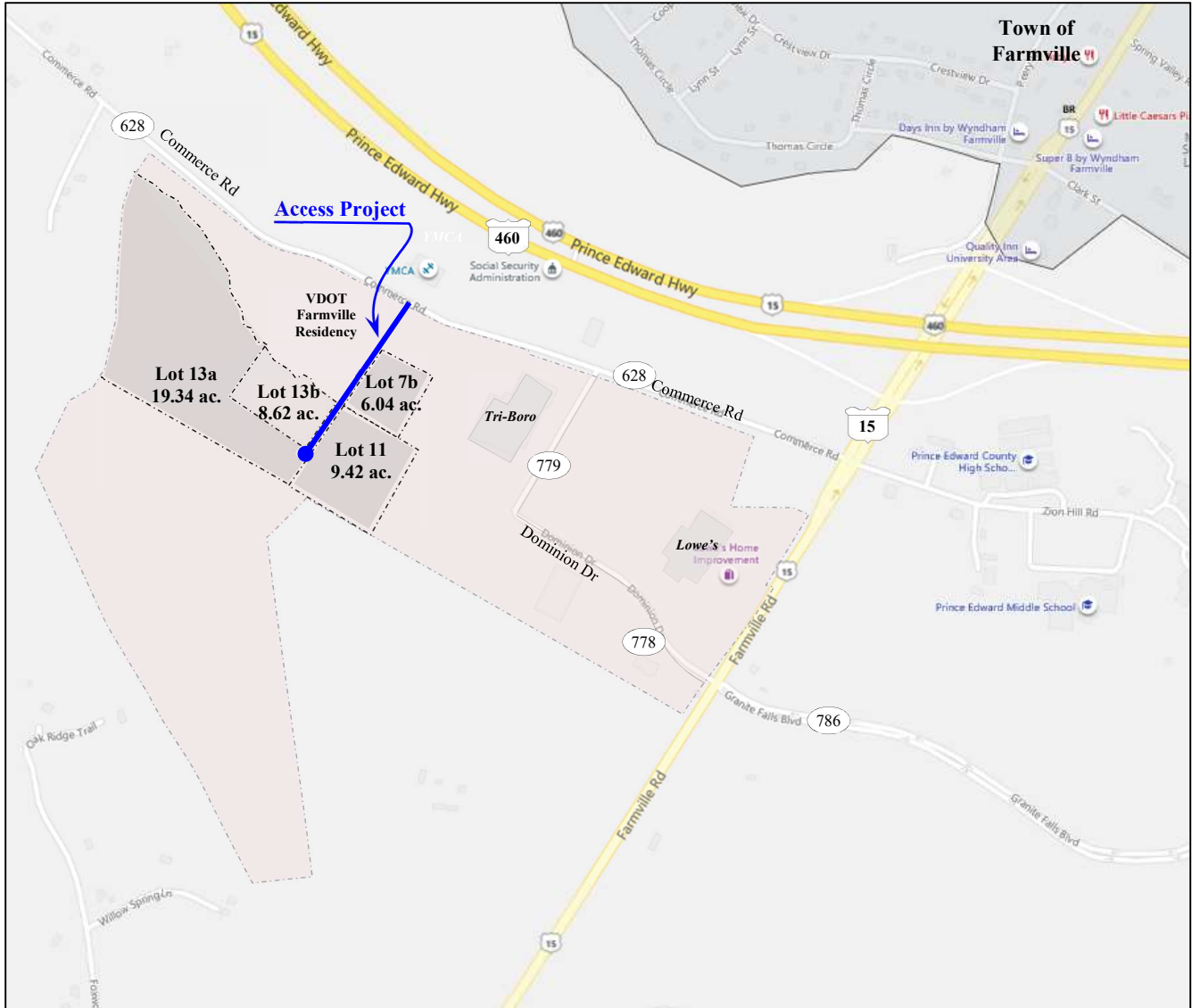
\$150,000 matched) from the Economic Development, Airport and Rail Access Fund be approved for construction of this project, subject to certain contingencies as set forth in the accompanying resolution.

Action Required by the CTB: The *Code of Virginia* and the CTB's Economic Development Access Policy specify that the CTB shall approve 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 will proceed with the Economic Development Access road project.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None



PROPOSED INDUSTRIAL ACCESS PROJECT
Prince Edward Business Park
Project ECON-073-639
Prince Edward County

Economic Development Site

Continued development of industrial park to include 4 parcels totaling approximately 43 acres.

Access Facility

Project Length: 0.28 mile
 Pavement Width: 24 Feet
 Proposed R/W Width: 60 feet
 Estimated Cost: \$2,097,000
 Proposed Allocation: \$650,000 (bonded)
 (\$500,000 unmatched, \$150,000 matched)