



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
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Agenda item # 10

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

July 21, 2021

MOTION

Made By: Dr. Smoot, Seconded By: Mr. Dodson
Action: Motion carried, unanimously

Title: Economic Development Access to
Patriot Centre at Beaver Creek, Lot 4 (deallocation)
Project ECON-044-036, Henry 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

WHEREAS, on October 24, 2017, the Commonwealth Transportation Board (CTB) allocated \$650,000 from the Economic Development, Airport and Rail Access Fund to provide access to eligible property within the development of Patriot Centre at Beaver Creek in Henry County, Project ECON-044-036, subject to certain contingencies; and

WHEREAS, Henry County has requested, by correspondence sent from the Henry County Administrator to the Virginia Department of Transportation (VDOT) dated May 12, 2021, that the previously allocated funds be returned because the approved project intended for the prospective business establishment is no longer being pursued under the Economic Development Access Program and has requested cancellation of the project; and

WHEREAS, it is deemed that the administration of the Economic Development Access Program can best be served by the return of these separately approved allocations to the Economic Development, Airport and Rail Access Fund.

Resolution of the Board

Economic Development Access Program – Patriot Center at Beaver Creek – Henry County

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NOW, THEREFORE, BE IT RESOLVED, that the action of the CTB on October 24, 2017, allocating Economic Development, Airport and Rail Access funds for the access Project ECON-044-036, is hereby rescinded and the \$650,000 project allocation shall be returned to the Economic Development, Airport, and Rail Access Fund.

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CTB Decision Brief

Economic Development Access – Henry County Patriot Centre at Beaver Creek, Lot 4 – De-allocation of Funds

Issue: Economic Development Access Program funds previously allocated by the Commonwealth Transportation Board (CTB) on October 24, 2017, to provide access to the planned development at Patriot Centre at Beaver Creek, Lot 4 in Henry County is no longer needed because Henry County's plans for the development did not proceed as anticipated. Henry County has requested by letter from the County Administrator to the Virginia Department of Transportation (VDOT) that the previously allocated funds be returned because the approved access road project is no longer being pursued under the Economic Development Access Program.

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.

The Henry County Board of Supervisors requested funding from the Economic Development Access Program to assist in providing road access to Lot 4 within Patriot Centre at Beaver Creek. The access road project was neither constructed nor initiated, and no charges are warranted against the project's Economic Development Access Program allocation.

Recommendation: VDOT staff recommends that Project ECON-044-036 be cancelled and that the \$650,000 allocation for this project be returned to the Economic Development, Airport and Rail Access Fund in order that the funds may be made available for new projects.

Action Required by the CTB: The *Code of Virginia* and the CTB's Economic Development Access Policy specifies that the CTB shall approve the allocation of funds for the construction of access road projects. Having established the access road project to assist in the development of Lot 4 within Patriot Centre at Beaver Creek and allocated funding by resolution, it is now recommended that the CTB rescind its original action for this project. The October 24, 2017, CTB resolution is also attached for reference.

Result, if Approved: The \$650,000 total allocated to this project will be returned to the Economic Development, Airport and Rail Access Fund and made available for allocation to new projects.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None

County of Henry

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Fax (276) 634-4781

May 12, 2021

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

Request to Cancel EDA project

Dear Mr. King:

Please accept this letter as Henry County's request to cancel the EDA and Revenue Sharing funded project (UPC 112321), originally requested to provide adequate access to Lots 4A, 4B and 4C at the Patriot Centre at Beaver Creek business park. Regrettably, the anticipated development on those lots has not yet materialized.

Please contact me if you have any questions or need additional information.

Sincerely,

Tim Hall
Henry County Administrator

Cc: Lisa Hughes, VDOT
Tim Pace, Henry County Engineer



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

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Agenda item # 5

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
Patriot Centre at Beaver Creek, Lot 4
Project ECON-044-036 Henry 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 Henry County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to serve eligible property within the development of Patriot Centre at Beaver Creek, off of Route 1188 and said access is estimated to cost approximately \$876,000; 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 \$650,000 (\$500,000 unmatched, \$150,000 matched) of the Economic Development, Airport and Rail Access Fund is allocated to provide adequate access to eligible property within Patriot Centre at Beaver Creek, located off of Route 1188, Project ECON-044-036, 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 Henry (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 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 \$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
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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