



# SIMS Metals

## Rail Industrial Access

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# Agenda

- Program Overview
- SIMS Metals Project
- Application Scoring
- Recommendation

# Program Overview





## Rail Industrial Access

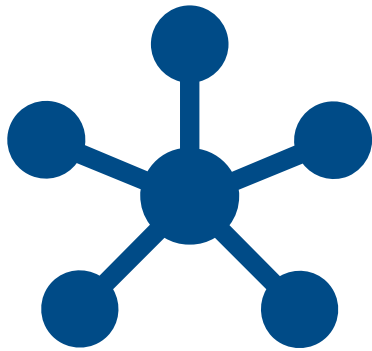
\$5.5M Annual Budget (from VDOT Construction Fund and shared with EDA program)

\$750k Project Max (30% Match Required)

Approx. 4 Applications per Year

\$9M Allocated since 2018

# Program Goals



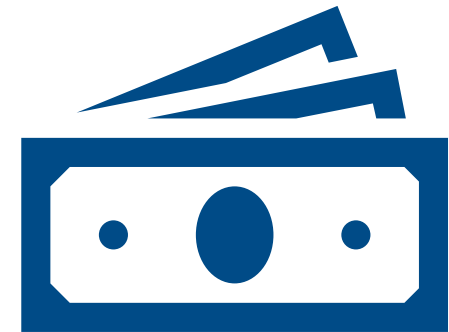
## Network Capacity

- Industrial Sidings
- Increase Carloads
- Common Carrier Requirement



## Safeguard Investment

- Annual Performance
- Funding Clawback
- Contingent Interest



## Save Money

- Min. 30% Match
- Target Higher Match
- Private Maintenance

# Code 33.2-1600: Evaluation Criteria

E. In deciding whether to construct any such access track, the Board shall consider the cost thereof in relation to prospective volume of rail traffic, capital investment, potential employment, and other economic and public benefits. The Board shall adopt procedures to encourage widespread use of the funds, shall limit allocation of

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## Total Number of Carloads (Annually)

- |                   |           |
|-------------------|-----------|
| a. 501 or greater | 20 points |
| b. 401 to 500     | 17 points |
| c. 301 to 400     | 14 points |
| d. 201 to 300     | 11 points |
| e. 101 to 200     | 8 points  |
| f. 100 to 10      | 5 points  |
| g. Under 10       | 0 points  |

## Added Employment

- |                   |           |
|-------------------|-----------|
| a. 101 or greater | 20 points |
| b. 76 to 100      | 17 points |
| c. 51 to 75       | 14 points |
| d. 26 to 50       | 11 points |
| e. 25 or less     | 8 points  |
| f. 0              | 0 points  |

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## Commonwealth's Portion of Total Investment

- a. 0.03 or less      10 points
- b. 0.04 to 0.06      8 points
- c. 0.07 to 0.10      6 points
- d. 0.11 to 0.14      4 points
- e. 0.15 or more      2 points

## Non-State Contributions to Rail Construction

- a. 51% or greater      10 points
- b. 41% to 50%      8 points
- c. 31 to 40%      6 points
- d. 30%      4 points



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## Jurisdictional Unemployment Rate

(Statewide Unemployment Rate [R])

- a. (R + 2.5) or greater 20 points
- b. (R + 2.0) to (R + 2.4) 17 points
- c. (R + 1.5) to (R + 1.9) 14 points
- d. (R + 1.0) to (R + 1.4) 11 points
- e. (R + .9) or less 8 points
- f. Equal or less than R 0 points

## Designated Economic Development Area

- a. Yes 10 points
- b. No 0 points

## Connects to a Shortline

- a. Yes 10 points
- b. No 0 points

# SIMS Metal Project

An aerial photograph of a large industrial site, likely a metals recycling facility. The site is divided into several sections. On the left, there are piles of scrap metal and debris. In the center, a long, straight concrete road runs parallel to a set of double-track rail lines. Several vehicles are visible on the road, including a white car, a dark truck, and a yellow excavator. To the right of the road, there are more piles of scrap metal and a yellow barrier. The background shows a mix of dirt, gravel, and some greenery.

# SIMS Metals

*Chesapeake City*

- Metals Recycling Facility
- Rail:
  - Import ferrous and non-ferrous recycled metals
  - Export sorted metals to steel mills
- Project:
  - 400+ Linear Feet of New Track with In-Track Scale
  - \$20M Total Investment
  - \$750,000 Request

# Location & Design





# Location & Design







## Project Benefits: SIMS Metal

- Carloads: 570 annually  
(1,938 trucks diverted)
- Employment: 2 new jobs  
Existing Economic  
Development Area
- Funding: 46% Private Investment

# Application Scoring

# Project Score

| Categories                           | Score     | Max        |
|--------------------------------------|-----------|------------|
| Carloads                             | 20        | 20         |
| Jobs                                 | 8         | 20         |
| Transportation % of Total Investment | 8         | 10         |
| Private % of Rail Investment         | 8         | 10         |
| Local Unemployment                   | 8         | 20         |
| Economic Development Area            | 10        | 10         |
| Shortline                            | 10        | 10         |
| <b>TOTAL*</b>                        | <b>72</b> | <b>100</b> |

\*Minimum Total Score of 50 Points Required for Recommendation





# Recommendation

# Recommendation

