



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

W. Sheppard Miller, III
Chairperson

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Agenda item # 8

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 15, 2025

MOTION

Made By: Ms. Sellers, Seconded By: Mr. Fowlkes
Action: Motion Carried

Title: Rail Industrial Access –
Perdue AgriBusiness LLC – City of Chesapeake

WHEREAS, funding is provided by the General Assembly for Industrial, Airport, and Rail Access projects (RIA); and

WHEREAS, Section 33.2-1600 of the *Code of Virginia* declares it to be in the public interest that access railroad tracks and facilities be constructed to certain industrial commercial sites where rail freight service is or may be needed by new or substantially expanded industry; and

WHEREAS, Perdue AgriBusiness LLC applied for RIA grant funds in the amount of \$750,000 to construct 2,085 feet of new track to serve its facility in the City of Chesapeake, Virginia; (Project) and

WHEREAS, the Department of Rail and Public Transportation (DRPT) evaluated the Project in accordance with the Commonwealth Transportation Board's (Board) Rail Industrial Access Policy and, because the Project scored 50 or more points, has recommended its approval; and

WHEREAS, the City of Chesapeake, Virginia has, by resolution dated August 12, 2025, shown support for the application for RIA funds by Perdue AgriBusiness LLC for use at its facility located in the City of Chesapeake; and

WHEREAS, Norfolk and Portsmouth Belt Line Railroad Company, by letter dated June 24, 2025, has indicated its support for the Perdue Agribusiness LLC Project and has agreed to serve the facility; and

WHEREAS, the funding request falls within the intent of Section 33.2-1600 of the *Code of Virginia*, and because the Project is in accordance with the provisions of the Board's Policy on the use of Industrial Access Railroad Track funds, funding may be allocated to this Project; and

WHEREAS, the Board believes that this Project is for the common good of a region of the Commonwealth and serves a public purpose.

NOW THEREFORE, BE IT RESOLVED, that the Board hereby approves that \$750,000 of the RIA Fund be provided to Perdue AgriBusiness LLC to construct 2,085 feet of new track subject to the following requirements:

1. All necessary right of way and utility adjustments must be provided at no cost to the Commonwealth;
2. All costs above the \$750,000 RIA grant must be borne by Perdue AgriBusiness LLC or sources other than those administered by DRPT;
3. Execution of an agreement acceptable to the Director of DRPT; and
4. Execution of a contractual commitment by Perdue AgriBusiness LLC to maintain the track and make repayment of any costs related to the future relocation or removal of such track and facilities, in a form acceptable to the Director of DRPT.

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CTB Decision Brief
Rail Industrial Access Applicant
Location: City of Chesapeake, Virginia
Perdue AgriBusiness LLC

Summary: Perdue AgriBusiness LLC, (Perdue) is a division of Perdue Foods which is based in Salisbury, Maryland. The agribusiness division in Chesapeake, Virginia crushes soybeans and other agricultural commodities to make oils used in cooking and other applications and export soy and other grains to international markets. Perdue has applied for Rail Industrial Access grant funds in the amount of \$750,000 to construct 2,085 feet of new track to serve its facility in the City of Chesapeake, Virginia.

DRPT has evaluated the Project in accordance with the CTB's Rail Industrial Access Policy. The Project scores 76 points. Proposed Projects must reach a 50-point threshold to receive a recommendation by DRPT staff. For this project:

- The Applicant plans 7,700 new rail cars annually.
- The minimum threshold for carloads is 10 carloads annually.
- The Applicant commits to 4 new jobs.
- The Applicant's new rail spur will divert approximately 26,180 trucks from Virginia highways per year.
- The total capital investment in the facility is estimated at \$61.9M.
- The total railroad track rehabilitation and construction cost is estimated at \$3.1M.
- There will be a claw-back provision in the grant Agreement for failure to meet performance requirements based on the CTB adopted program performance policies.

Source of State Funds: FY 2026 Industrial, Airport, and Rail Access Fund

Recommendation: In accordance with the CTB Rail Industrial Access Policy, DRPT recommends the Board approve the project.

Action Required by CTB: CTB policy for Rail Industrial Access requires Board action on the resolution.

Options: Approve, Deny, or Defer