



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

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Agenda item # 11

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

January 6, 2026

MOTION

Made By: Mr. Davis, **Seconded By:** Ms. Green

Action: Motion Carried, Unanimously

Title: Transportation Partnership Opportunity Fund Allocation to the County of Chesterfield for the West Area Arterial Collector Project

WHEREAS, Chapter 847 of the 2005 Acts of Assembly created the Transportation Partnership Opportunity Fund (TPOF) to provide funds to address the transportation aspects of economic development opportunities; and

WHEREAS, Chapter 684 of the 2015 Acts of Assembly and Chapter 1230 of the 2020 Acts of Assembly revised the TPOF, adding components of the Commonwealth Transportation Fund as a funding source and codifying the TPOF as § 33.2-1529.1 of the *Code of Virginia*; and

WHEREAS, Chapters 546 and 547 of the 2023 Acts of Assembly (Acts) amended § 33.2-1529.1, establishing a new statutory process:

1. Authorizing the Governor to direct funds from the TPOF to the Commonwealth Transportation Board (CTB) for transportation projects determined to be necessary to support major economic development initiatives or to enhance the economic development opportunities of the Commonwealth's transportation programs when recommended by the Secretary of Transportation and the Secretary of Commerce and Trade; and
2. Expanding the uses of the TPOF to allow for property acquisition and new or improved infrastructure to support economic development opportunities of the Commonwealth's transportation programs; and

3. Requiring that if funds directed by the Governor are (i) in excess of \$5 million dollars, the Secretary of Transportation is to submit a report to the Chairmen of the Senate Committee on Finance and Appropriations and the House Committee on Appropriations within 30 days, and (ii) in excess of \$35 million dollars on any one project, the direction shall be submitted for review to the Major Employment and Investment Project Approval Commission for approval; and

WHEREAS, on June 21, 2023, the CTB approved revised TPOF Guidelines and Criteria, incorporating the changes to §33.2-1529.1, as amended by the Acts; and

WHEREAS, Chapter 725 of the 2025 Acts of Assembly further restricts the direction of funds pursuant to § 33.2-1529.1 (C)(2), requiring that amounts in excess of \$20 million dollars for any one project, and any cumulative direction of funds in excess of \$50 million dollars during a biennium, shall be subject to approval by the Major Employment and Investment Project Approval Commission; and

WHEREAS, the Secretary of Transportation and the Secretary of Commerce and Trade have recommended that the Governor direct \$35.0 million from the TPOF to the CTB for allocation to the County of Chesterfield (County) for the West Area Arterial Collector Project (Project); and

WHEREAS, the West Area Arterial Collector Project is vital to support the development of the Upper Magnolia site; and

WHEREAS, Upper Magnolia represents the only 1,000+ acre site within a metropolitan area with population of one million or greater in Virginia. It is zoned for computer equipment & electronic component manufacturing, data center, office, pharmaceutical manufacturing, laboratory and R&D. The site contains a unique 1,000+ acre, publicly owned campus opportunity with a proven ability to produce a 400+ acre graded pad site in the center of a "ring road" configuration providing multiple points of access; and

WHEREAS, the Project is actively being designed as a two-lane facility from Hull Street Road to Westerleigh Parkway. The wetland impact permits have been approved and are in hand; and

WHEREAS, this Project will serve as a critical access point to one of the state's premier economic development sites. The West Area Arterial Collector Project will move the County closer to its 40-year goal of completing the Powhite Parkway and reducing congestion along Hull Street and would advance the development of one of the few Mega sites in Virginia near a highly skilled workforce in a major metropolitan area. The full Powhite Parkway Extension will serve as a critical thoroughfare connection in the Richmond region and serve as a conduit for supply chain movement in areas west of Richmond; and

WHEREAS, the total estimated cost of the Project is \$101,500,000, and the County will use the TPOF funds to fund a portion of the Project and has secured the remaining funding for the Project; and

WHEREAS, the Governor has directed \$35.0 million from the TPOF to the CTB for allocation to the County of Chesterfield to support this Project; and

WHEREAS, because the Governor's direction of TPOF funds to this Project is in excess of \$20 million, pursuant to Chapter 725 of the 2025 Acts of Assembly the proposed direction of funds by the Governor was submitted to the Major Employment and Investment Project Approval Commission on December 15, 2025 and the Commission did not act on the Governor's direction within the provided 21 days, therefore, the direction advances.

NOW THEREFORE, BE IT RESOLVED, by the Commonwealth Transportation Board, that the \$35.0 million in TPOF funding directed by the Governor is hereby allocated to the County of Chesterfield for the West Area Arterial Collector Project.

BE IT FUTHER RESOLVED, by the Commonwealth Transportation Board, that VDOT shall enter into an agreement with the County of Chesterfield, outlining the reimbursement process by which the County will obtain the TPOF funds allocated herein and the County's commitment to construct the Project.

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CTB Decision Brief

Transportation Partnership Opportunity Fund Allocation to the County of Chesterfield for the West Area Arterial Collector Project

Issue: The Governor has directed \$35.0 million from the Transportation Partnership Opportunity Fund (TPOF) to the Commonwealth Transportation Board (CTB) pursuant to § 33.2-1529.1 of the *Code of Virginia* for allocation to the County of Chesterfield (County) for the West Area Arterial Collector Project (Project). The direction of funds has been recommended by the Secretaries of Transportation and Commerce and Trade and CTB allocation of said funds to the County for the Project is sought.

Facts: Chapter 847 of the 2005 Acts of Assembly created the Transportation Partnership Opportunity Fund (TPOF) as a source of financing to support major economic development initiatives or to enhance the economic development opportunities of the Commonwealth's transportation programs. Chapter 684 of the 2015 Acts of Assembly and Chapter 1230 of the 2020 Acts of Assembly revised the TPOF, adding components of the Commonwealth Transportation Fund as a funding source and codifying the TPOF as § 33.2-1529.1 of the *Code of Virginia*.

Chapters 546 and 547 of the 2023 Acts of Assembly (Acts) amended § 33.2-1529.1, establishing a new statutory process:

1. Authorizing the Governor to direct funds from the TPOF to the CTB for transportation projects determined to be necessary to support major economic development initiatives or to enhance the economic development opportunities of the Commonwealth's transportation programs if recommended by the Secretary of Transportation and the Secretary of Commerce and Trade;
2. Requiring that if funds directed by the Governor are (i) in excess of \$5 million dollars, the Secretary of Transportation is required to submit a report to the Chairmen of the Senate Committee on Finance and Appropriations and the House Committee on Appropriations within 30 days, and (ii) in excess of \$35 million dollars on any one project, the direction shall be submitted for review to the Major Employment and Investment Project Approval Commission for approval; and
3. Expanding the uses of the TPOF to allow for property acquisition and new or improved infrastructure to support economic development opportunities of the Commonwealth's transportation programs.

On June 21, 2023, the CTB approved revised TPOF Guidelines and Criteria, which had been revised to render them consistent with §33.2-1529.1, as amended by the Acts.

Chapter 725 of the 2025 Acts of Assembly further restricted the authority to direct funds pursuant to § [33.2-1529.1](#) (C)(2) of the *Code of Virginia*, requiring that amounts in excess of \$20 million for any one project, and any cumulative direction of funds in excess of \$50 million during a biennium, shall be subject to approval by the Major Employment and Investment Project Approval Commission (MEI Commission).

- Pursuant to § 33.2-1529.1 (C.2), the Governor has directed \$35.0 million from the TPOF to the CTB for allocation to Chesterfield County to provide funding for the West Area Arterial Collector Project. This Project is vital to support the development of the Upper Magnolia Green (Upper Magnolia) site.
- Upper Magnolia represents the only 1,000+ acre site within a metropolitan area having a population of more than 1 million. It is zoned for computer equipment & electronic component manufacturing, data center, office, pharmaceutical manufacturing, laboratory and Research & Development. The site contains a unique 1,000+ acre, publicly owned campus with a proven ability to produce a 400+ acre graded pad site in the center of a "ring road" configuration providing multiple points of access. Its location is proximate to a highly educated workforce and in the path of planned transportation and utility upgrades. Upper Magnolia was a finalist for the Intel "K2" project.
- Chesterfield has received \$48.5 million from the Virginia Business Ready Sites Program (VBRSP) and continues to work with VEOP to secure additional funding for this premier economic development site. Modeling for Upper Magnolia as a semiconductor project in five years estimates the site could support 3,500 jobs, with an average salary of \$135,000, and bring \$23 million in capital investment.
- Chesterfield County has invested \$471.3 million in local funds to construct road improvements necessary to support growth in the Upper Magnolia area. The Powhite Parkway Extension – Phase 1 project (\$200 million) is fully funded. The NEPA review is underway for the Phase 2 project (\$500 million) and 80% of the right-of-way has been dedicated or committed.
- Chesterfield County is prepared to advance the construction of two lanes of the West Area Arterial Collector (WAAC) within the ultimate four lane limited access highway right of way for future Powhite Parkway. This road would serve as a critical access point to one of the state's premier economic development sites. The WAAC would move the County closer to its 40-year goal of completing the Powhite Parkway and reducing congestion along Hull Street and would advance the development of one of the few Mega sites in Virginia near a highly skilled workforce in a major metropolitan area. It would position Virginia to attract major corporate investment in sectors that could also benefit the Commonwealth's ports and airports. The full Powhite Parkway Extension will serve as a critical thoroughfare connection in the Richmond region and serve as a conduit for supply chain movement in areas west of Richmond. The wetland impact permits have been approved, and the Early Works package is under review. When approved, it will allow for clearing, grubbing, and grading to commence pending funding identification.
- A public hearing was held on December 18, 2025 at VDOT's Richmond District Office, pursuant to §33.2-202. The comment period ended on January 2, 2026.
- The \$35 million from the Commonwealth would accelerate this \$101.5 million project. With this funding, full construction can begin in 2026 with completion in 2028. Without funding, Upper Magnolia cannot be delivered to a prospect within three years.

- Chesterfield County will administer this project, currently estimated at \$101.5 million. The funding required in excess of the recommended \$35 million from TPOF will be provided by the Virginia Business Ready Sites Program (VBRSP) and local funds.

Source	Amount
Chesterfield (Local)	\$56,000,000
VBRSP	10,500,000
Transportation Partnership Opportunity Fund (Sought)	35,000,000
Total	\$101,500,000

- Because the Governor’s direction of TPOF funds to this Project is in excess of \$20 million, pursuant to Chapter 725 of the 2025 Acts of Assembly the proposed direction of funds by the Governor was submitted to the Major Employment and Investment Project Approval Commission on December 15, 2025 and did not act on the Governor’s direction within the provided 21 days, therefore, the direction advances.

Recommendations: That the CTB (i) allocate the \$35.0 million in Governor-directed TPOF funding to the Chesterfield County for the West Area Arterial Collector Project, and (ii) direct VDOT to enter into an agreement with Chesterfield County that outlines the reimbursement process by which the County will obtain these TPOF funds and the County’s commitment to construct the Project.

Action Required by CTB: The CTB will be presented with a resolution for a formal vote to allocate the funds.

Result, if Approved: The TPOF funds will be used as directed by the Governor and recommended by the Secretary of Transportation and the Secretary of Commerce and Trade.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None