COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Nicholas Donohue
Chairperson

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Agenda item # 2

RESOLUTION
OF THE
COMMONWEALTH TRANSPORTATION BOARD

September 16, 2026

MOTION
Made By: Mr. Fowlkes, Seconded By: Mr. Good
Action: Motion Carried, Unanimously

Title: Economic Development Access to
Patriot Centre Industrial Park
Project 9999-044-084 – Henry 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 acceptable to the Board be constructed or under firm contract within the time limits of the bond, such bond shall be forfeited"; and

WHEREAS, Henry County by formal resolution has requested Economic Development Access (EDA) Program funds to serve undeveloped property within the Patriot Centre Industrial Park, and said access is estimated to cost approximately $5,200,000; 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 EDA Fund Policy and the Economic Development Access Program guide.

NOW, **THEREFORE**, **BE IT RESOLVED,** that $850,000 ($700,000 unmatched and $150,000 matched) of the Economic Development, Airport and Rail Access Fund is allocated to provide adequate access to undeveloped property within the Patriot Centre Industrial Park, Project 9999-044-084, 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 Henry 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 of all required matching funds by the LOCALITY for appropriately documented eligible project costs; and
    d. Provision by the LOCALITY of either i) documentation of a least $2,550,000 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 September 16, 2031, 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 September 16, 2031, at least $2,550,000 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 $2,550,000 will be credited toward the project's EDA 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 EDA Program.

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CTB Decision Brief

Economic Development Access – Henry County
Patriot Centre Industrial Park

Issue: Pursuant to § 33.2-1509 of the *Code of Virginia* and the Economic Development Access (EDA) Fund Policy of the Commonwealth Transportation Board (CTB), Henry County has requested funds from the EDA Program to assist in constructing an extension of Beaver Creek Drive to provide access to undeveloped property within the Patriot Centre Industrial Park. CTB approval for the allocation of the requested funds is sought.

Facts: Section 33.2-1509 of the *Code of Virginia* authorizes the CTB to expend funds set aside for constructing access roads to economic development sites on which certain establishments as prescribed by the *Code* or other establishments that meet the basic employer criteria as determined by the Virginia Economic Development Partnership (VEDP) in consultation with the Virginia Department of Small Business and Supplier Diversity will be built under firm contract or are already constructed. In the event that there is no such establishment already constructed or construction of such establishment is not under firm contract, a locality may guarantee to the CTB by bond or other acceptable device that such will occur.

The CTB's EDA Fund Policy sets forth certain criteria which must be met for projects to be eligible for such funding and directs the Commissioner of Highways to establish administrative procedures to assure adherence to such 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). The Policy stipulates that the governing body of the locality shall provide a resolution in request of the EDA Program funding prior to the Board's allocation of funds.

Patriot Centre is a 1,000-acre industrial park located in Henry County, Virginia. The industrial park has several high-profile tenants, including Fukoku Korea. Fukoku will be establishing a new manufacturing plant, its first in Virginia, adjacent to the proposed Access project. Fukoku has invested $4M to date and plans to invest $18.9M in total and create 60 new jobs. Each request for EDA Program funding is scored using evaluative criteria to ensure the proposed project is viable and that it meets the intents of the Program. Henry County's proposed project received an excellent score of 85 out of 100. Projects must receive at least 50 points to be considered for EDA Program funding.

The proposed access project will construct a 0.92 mile long, 24-foot-wide extension of Beaver Creek Drive, providing access to 82-acres of undeveloped property. Henry County will administer this project. VDOT Salem District staff concur with the plans for the project and with the estimated project cost for eligible items and quantities of approximately $5,200,000.

Recommendation: VDOT recommends the allocation of $850,000 ($700,000 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 EDA Fund Policy specify that the CTB shall approve the allocation of funds for the design of the access road project. A resolution is provided for formal vote.

Result, if Approved: VDOT and Henry County will proceed with the EDA road project.

Options: Approve, Deny, or Defer.

Public Comments/Reactions: None