Rail Industrial Access Program Application Briefing

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Director of Rail Transportation

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Rail Industrial Access Application Briefing

- 6 Projects Recommended for Funding
- Total CTB Allocation $2,051,250

  - Alderman Railcar Services, Inc.
    Charlotte County, Virginia - $450,000
  - Hardy Management Company, LLC
    Orange County - $186,250
  - Intertape Polymer Group
    Pittsylvania County - $65,000
  - John W. Hancock, Jr. LLC d/b/a New Millennium Building Systems - Salem, Virginia - $450,000
  - Kraft Foods Global, Inc.
    City of Suffolk - $450,000
  - The Mennel Milling Company – Phase II
    Roanoke County - $450,000

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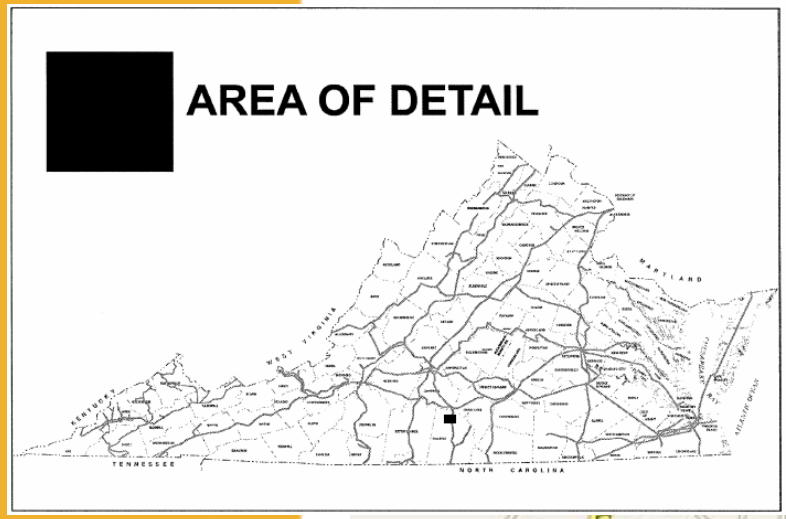
Alderman Railcar Services, Inc.
Charlotte County, Virginia

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Alderman Railcar Services, Inc.

Charlotte County





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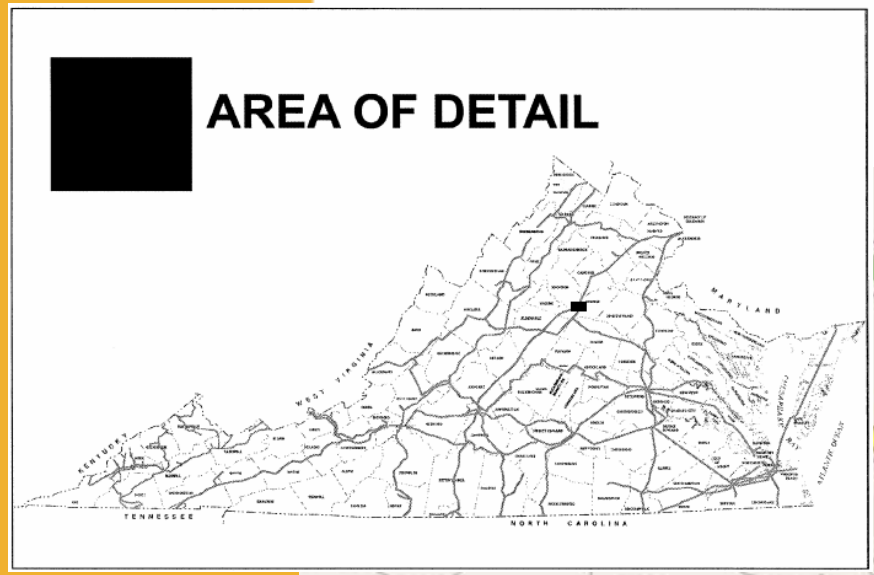
Project Facts
Alderman Railcar Services, Inc.

- Located in Charlotte County, Alderman Railcar Services, Inc. has applied for Rail Industrial Access Funds in the amount of $450,000 ($300K unmatched and $150K matched dollar-for-dollar) for construction of its railcar repair facility and storage yard
- Total estimated cost of capital investment - $3.5 M
- Rail Construction - approximately 13,500 track feet
- Total estimated cost of rail construction - $1,687,500 = $450K state and $1,237,500 local/applicant
- Project will generate 120 annual railcars
- Project will add 110 new jobs to county employment
- Charlotte County unemployment is 5.5%
  Commonwealth unemployment is 3.1%
- Charlotte County endorsed this project application by Resolution on May 1, 2007
- Project is included by the Virginia Economic Development Partnership as part of initiatives to expand industry in Virginia
- Announced by Governor Kaine on May 17, 2007

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Hardy Management Company, LLC
Orange, Virginia

Hardy Management Company, LLC
Orange County, Virginia





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Project Background
Hardy Management Company, LLC

- Project is to install 979 feet of rail to support new 84 Lumber Company truss manufacturing facility.
- Annual carloads expected to be 80 after completion
- Adds 35 new job
- Expected Capital Investment is expected to be $4.4 Million
- Project has the support of the Virginia Economic Development Partnership and Orange County
- Project will contribute to the long-term viability of Buckingham Branch Railroad, a Commonwealth short-line railroad
- Two previous Rail Industrial Program projects with this company are completed and an additional one is under construction

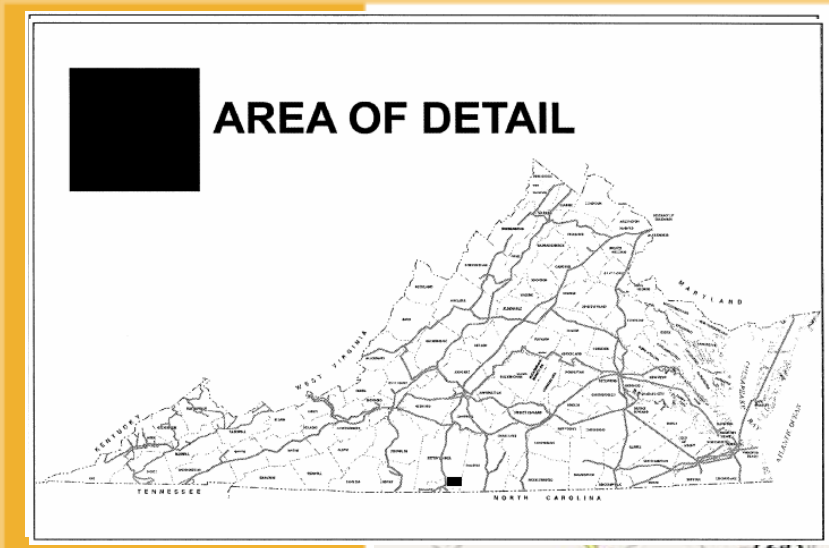
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Intertape Polymer Group
Pittsylvania County, Virginia

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Intertape Polymer Group
Pittsylvania County





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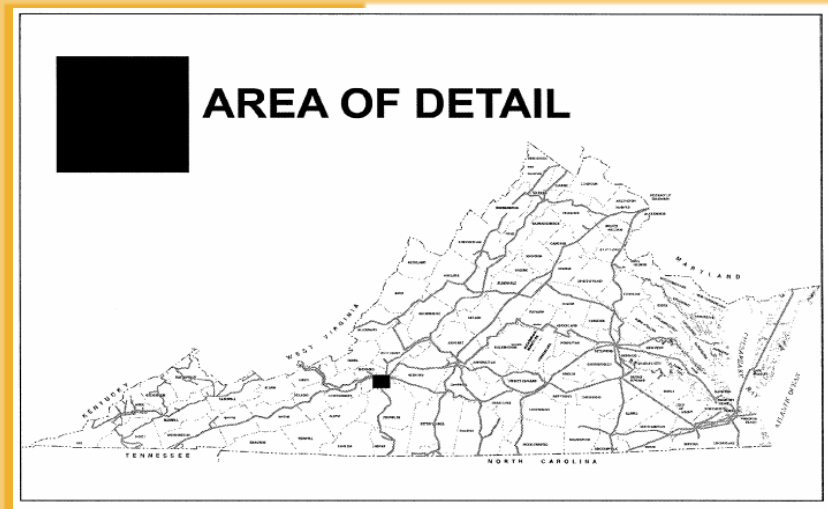
Project Facts
Intertape Polymer Group

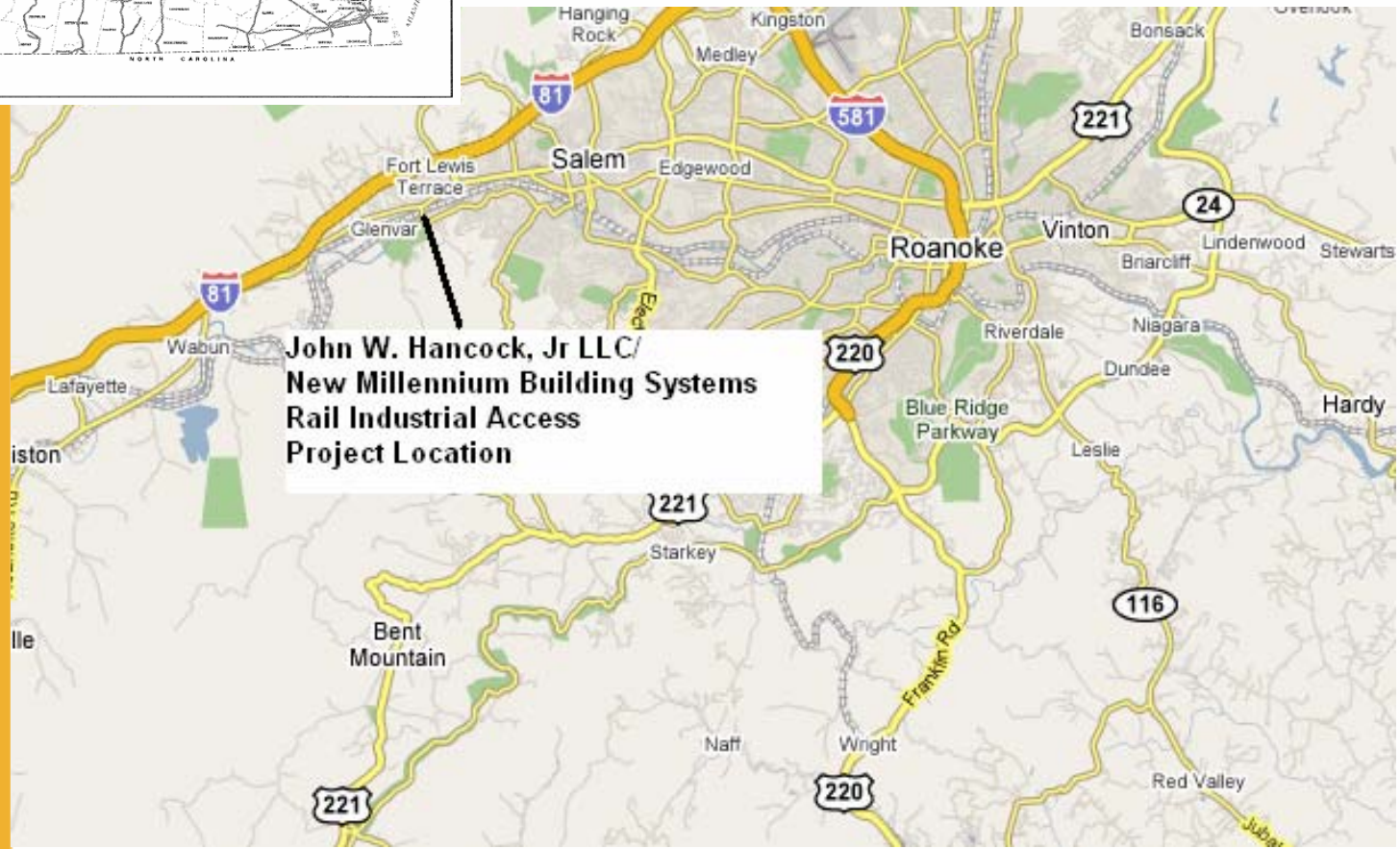
- Located in Pittsylvania County, Intertape Polymer Group has applied for Rail Industrial Access Funds in the amount of $65,000
- Total estimated cost of capital investment - $7.0 Million
- Pittsylvania County will provide an incentive package totaling $45,000 to assist in defraying the cost of the rail expansion.
- Rail Construction approximately 250 track feet
- Project will generate 150 annual railcars
- Project will create 10 new jobs and retain 300 jobs
- Pittsylvania County Board of Supervisors approved this project on 3/6/2006 and Intertape began work without a DRPT letter of no prejudice proceed or CTB allocation of funds
- Due to this oversight, Pittsylvania County BOS on May 21, 2007 agreed to contribute $45,000 to this project, reducing the application request from $110,000 to $65,000 of Rail Access funding
- Pittsylvania County unemployment is 6.7%
  Commonwealth unemployment is 3.1%
- Project is included by the Virginia Economic Development Partnership as part of initiatives to expand industry in Virginia

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John W. Hancock, Jr. LLC
d/b/a New Millennium Building Systems
Salem, Virginia

John W. Hancock, Jr., LLC
New Millennium Building Systems
City of Salem





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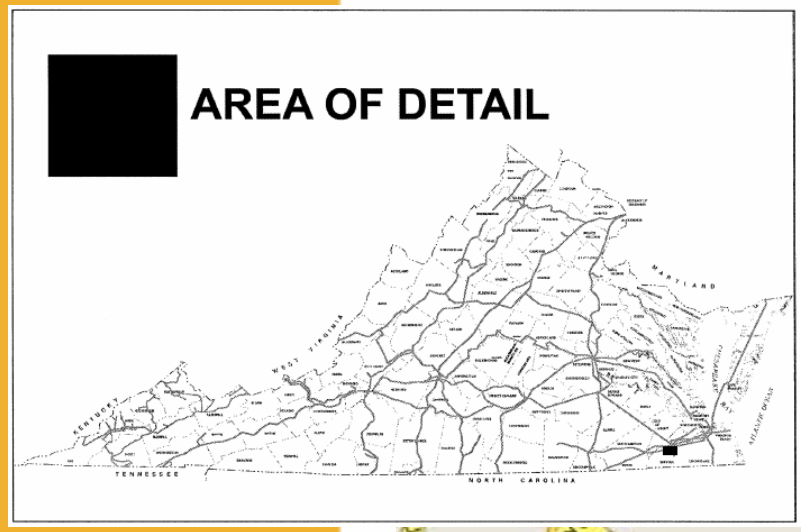
Project Facts
Existing Industry Expansion

- Located in the City of Salem and Roanoke County, John W. Hancock, Jr. LLC d/b/a New Millennium Building Systems has applied for Rail Industrial Access Funds in the amount of $450,000 ($300K unmatched and $150K matched dollar-for-dollar)
- Total estimated cost of capital investment - $32.7 Million
- Rail Construction approximately 2,980 track feet
- Total estimated cost of rail expansion - $1.58 M total = $450K state and $1.13M local/applicant
- Project will generate 960 annual railcars
- Project will retain 218 jobs and adds five new jobs
- City of Salem endorsed this project application by Resolution on July 10, 2006
- Project is included by the Virginia Economic Development Partnership as part of initiatives to expand industry in Virginia

Kraft Foods Global, Inc.
Suffolk, Virginia

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Kraft Foods Global, Inc.
City of Suffolk





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Project Facts
Kraft Foods Global, Inc.

- Located in the City of Suffolk, Kraft Foods Global, Inc. has applied for Rail Industrial Access Funds in the amount of $450,000 ($300K unmatched and $150K matched dollar-for-dollar)
- Total estimated cost of capital investment - $3.3 Million
- Rail Construction approximately 2,700 track feet
- Total estimated cost of rail expansion - $1.5 M total = $450,000 state and $1.05 M local/applicant
- Project will generate 250 annual railcars
- Project will create five new jobs and retain 100 jobs
- City of Suffolk endorsed this project application by Resolution on May 2, 2007
- Project is included by the Virginia Department of Business Assistance as part of initiatives to expand industry in Virginia

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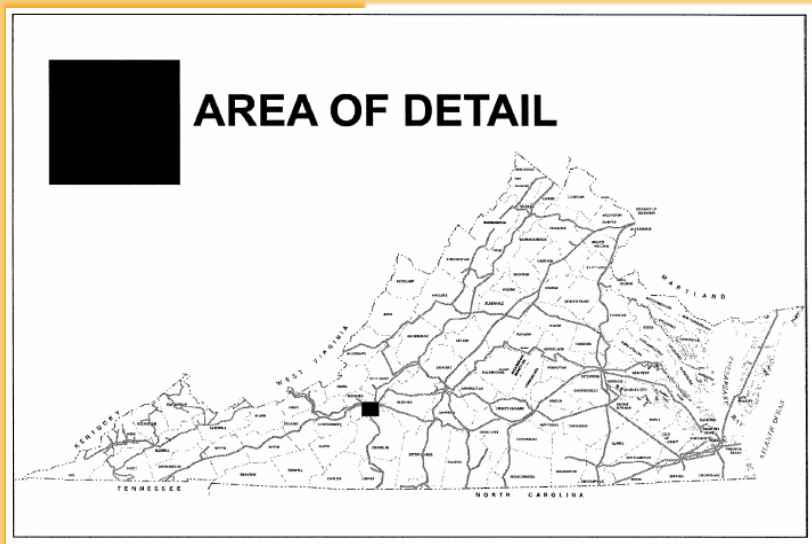
The Mennel Milling Company
Roanoke County, Virginia
Phase II

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Mennel Milling Company

Roanoke County



Project Facts
Mennel Milling Company - Phase II

- Located in Roanoke County, The Mennel Milling Company has applied for Rail Industrial Access Funds in the amount of $450,000 ($300K unmatched and $150K matched dollar-for-dollar) for Phase II of its multiple phase project development
- Total estimated cost of capital investment - $25.04M
- Rail Construction - approximately 4,744 track feet
- Total estimated cost of rail expansion - $760,797 = $450K state and $310,797 local/applicant
- Project will generate 654 annual railcars
- Project will create 3 new jobs and retain 33 jobs
- Roanoke County endorsed this project application by Resolution on April 10, 2007
- Project is included by the Virginia Economic Development Partnership as part of initiatives to expand industry in Virginia

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Total of Submitted Projects

Applicant	Recommended Allocation
Alderman Railcar Services, Inc.	$450,000
Hardy Management Company, LLC	$186.250
Intertape Polymer Group	$65,000
John Hancock/New Millennium Building Systems	$450,000
Kraft Foods Global, Inc.	$450,000
The Mennel Milling Company	$450,000
Total Submitted Projects	$2,051,250

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