



**Date of Council Meeting:** January 13, 2015

**TOWN OF LEESBURG  
TOWN COUNCIL MEETING**

**Subject:** Virginia Department of Transportation (VDOT) Economic Development Access Funds grant request.

**Staff Contact:** Scott E. Parker, AICP, Assistant Town Manager

**Council Action Requested:** Approval of the attached resolution requesting Economic Development Access Program grant funding from VDOT and the Commonwealth Transportation Board (CTB).

**Staff Recommendation:** I recommend that Council approve the attached resolution requesting Economic Development Access Program grant funding from VDOT and the CTB.

**Commission Recommendation:** Not applicable

**Fiscal Impact:** The estimated construction cost for Hope Parkway through the Oaklawn development from Miller Drive to its terminus at the boundary of the Stratford community is \$2,419,000. The Economic Development Access Program grant opportunity is a reimbursement program that makes the Town eligible to receive \$650,000 in state grant funding. The approved agreement with the Oaklawn developer dated August 14, 2014 and the respective "Land Bay B" application proffers will reimburse the Town in the amount of \$1,769,000, which is the difference between the estimated construction cost of Hope Parkway (\$2,419,000) and the grant request (\$650,000).

**Executive Summary:** As part of its decision to expand its business in Leesburg, the K2M company considered a variety of options. Part of those options included various incentive packages and available grant opportunities. Town staff identified one of those grant opportunities in the form of a VDOT Economic Development Access Program grant. Staff has had conversations with VDOT, and it has been determined that a portion of Hope Parkway adjacent to the proposed site in Oaklawn meets the appropriate criteria and is eligible for application for this state grant.

Attached is a resolution, based on requirements from VDOT, to be approved by the Town Council. This resolution serves to officially request the grant funding from the CTB, which approves the grant request. The amount requested is \$650,000. This represents a maximum of \$500,000 for the main grant, and up to \$150,000 in matching funds from VDOT. The Town's portion of the \$150,000 match will come from the use of proffered offsite transportation funds and/or bond proceeds, and will be reimbursed to the Town by the Oaklawn developer per the MOA. The CTB is anticipated to make its determination at its meeting of February 18, 2015.

**Attachment:**

- 1) Resolution for the CTB

PRESENTED: January 13, 2015

RESOLUTION NO.

ADOPTED: January

A RESOLUTION: REQUESTING THAT THE COMMONWEALTH TRANSPORTATION BOARD PROVIDE ECONOMIC DEVELOPMENT ACCESS PROGRAM FUNDING

WHEREAS, the Town of Leesburg, Virginia (“Town”), desires to attract the development of certain property for the purpose of economic development located off of Hope Parkway and Oaklawn Drive in the Town within the Oaklawn at Stratford development; and

WHEREAS, the K2M Company has leased property located in the Town and has entered into a firm contract to construct its facilities on the property for the purpose of producing and assembling medical devices; and

WHEREAS, as a result of the K2M lease, this property is expected to be the site of new private capital investment in land, building, and manufacturing equipment of approximately \$28,000,000.00 and the company is expected to employ approximately 365 persons at this Facility by year end of 2017; and

WHEREAS, the existing public road network does not provide for adequate access to this property and it is necessary that improvements be made to Hope Parkway; and

WHEREAS, the Town hereby guarantees that the necessary environmental analysis, mitigation, fee simple right of way and utility relocations or adjustments, if necessary, for this project will be provided at no cost to the Economic Development, Airport and Rail Access Fund; and

WHEREAS, the Town acknowledges that no land disturbance activities may occur within the limits of the proposed access project prior to appropriate notification from the Department of Transportation; and

A RESOLUTION: REQUESTING THAT THE COMMONWEALTH TRANSPORTATION BOARD PROVIDE ECONOMIC DEVELOPMENT ACCESS PROGRAM FUNDING

WHEREAS, the Town of Leesburg hereby guarantees that all ineligible project costs and all costs not justified by eligible capital outlay will be provided from sources other than those administered by the Virginia Department of Transportation.

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia that:

SECTION I: The Town hereby requests that the Commonwealth Transportation Board provide Economic Development Access Program funding to provide an adequate road to this property.

SECTION II: The Town Manager and/or his designee(s) be authorized to act on behalf of the Town to execute any and all documents necessary to secure the funding sought through the Economic Development Access Program up to, but not exceeding, \$650,000.00 in state funds.

SECTION III: The Town of Leesburg hereby acknowledges that the new roadway so constructed will be added to and become a part of the road system of the Town of Leesburg pursuant to Section 33.2-1509, paragraph C., of the *Code of Virginia*.

SECTION IV: The Town of Leesburg will request the new roadway (Hope Parkway) so constructed to be added to receive maintenance payments in accordance with the provisions of Section 33.2-319 of the Code of Virginia, and such request for street additions for municipal assistance payments will be submitted, together with a copy of this Resolution and such maps and other documents as may be necessary in the manner prescribed by the Department.

PASSED this 13th day of January, 2015.

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Kristen C. Umstattd, Mayor  
Town of Leesburg

ATTEST:

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Clerk of Council