

M E M O R A N D U M

DATE: September 12, 2000

TO: The Board of Supervisors

FROM: Keith A. Taylor, Economic Development Director
Leo P. Rogers, Deputy County Attorney

SUBJECT: Bonded Industrial Access Road for James River Commerce Center

Attached for your consideration are two resolutions concerning an extension of Endeavor Drive to undeveloped property at the James River Commerce Center. The first resolution authorizes an agreement between the County and Williamsburg Developments, Inc., ("WDI") establishing the responsibilities of the parties and requiring that WDI post sufficient surety to guarantee repayment to the State if necessary. The second resolution requests funding for this road project from the State's Industrial Access Road Fund. The second resolution also authorizes the County to enter into an agreement with the State to build the road and post sufficient money in an escrow account to insure repayment to the State if necessary.

WDI and the Industrial Development Authority are jointly developing and marketing the 219-acre James River Commerce Center in the Roberts District of the County. In 1996, industrial access road funds were used, in part, to fund and to construct 1,600 linear feet of road. The entrance road, known as Endeavor Drive, made 36.5 acres available for development. Two businesses have located there as a result of that effort, and a third parcel has been sold but not yet developed. Only 15 acres remain available in the first phase.

Planning is underway to extend road, utilities, and infrastructure another 800 feet which will make an additional 72 acres available for development. By using the State's bonded industrial access road fund, a significant portion of the upfront cost can be deferred or reduced. In the event a qualifying user locates along the road within five years, all or a portion of the State money would not need to be repaid.

The Virginia Department of Transportation estimates that the 800-foot extension of Endeavor Drive will cost \$315,566. The State industrial access road fund will advance all of the first \$300,000 of qualifying costs and up to \$150,000 of additional qualifying costs on a dollar for dollar matching basis.

In the Agreement made December 1, 1991, between the County, the City of Williamsburg, the Colonial Williamsburg Foundation ("CWF"), and WDI concerning the exchange of property involved in the Bruton Height School property transfer, the County agreed to share certain development costs with WDI for the James River Commerce Center. The Agreement indicates that WDI will pay 70 percent and the County will pay 30 percent of certain road and infrastructure improvements. Because only half of the new road advances the road and infrastructure to the property owned by the IDA, the County's share of the expenses for this project is only 15 percent. WDI will be responsible for the remaining 85 percent of the costs.

Staff recommends that the Board adopt the two attached resolutions.

Keith A. Taylor

Leo P. Rogers

CONCUR:

Sanford B. Wanner

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Attachments