

# Rail Industrial Access Program Application Briefing

Kevin Page

Director of Rail Transportation

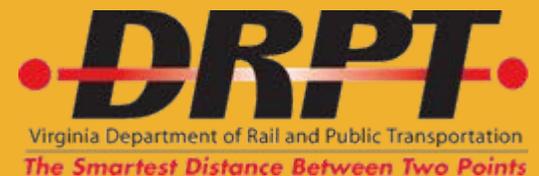
# Rail Industrial Access Application Briefing

- ❑ 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

**Alderman Railcar Services, Inc.  
Charlotte County, Virginia**

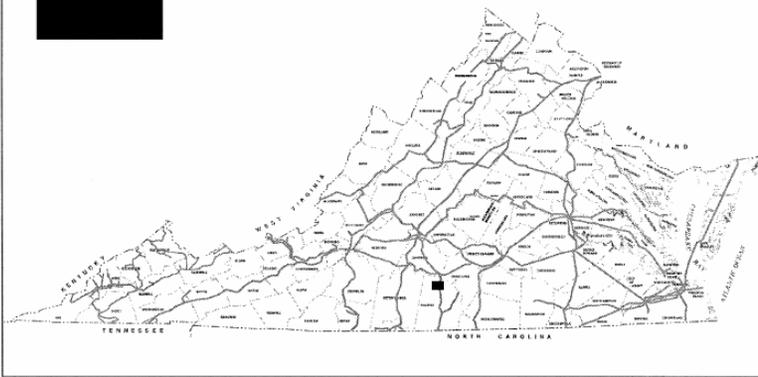
[www.drpt.virginia.gov](http://www.drpt.virginia.gov)



# Alderman Railcar Services, Inc. Charlotte County



AREA OF DETAIL



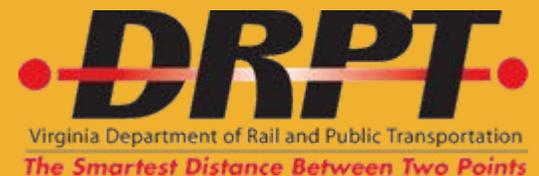
# Project Facts

## Alderman Railcar Services, Inc.

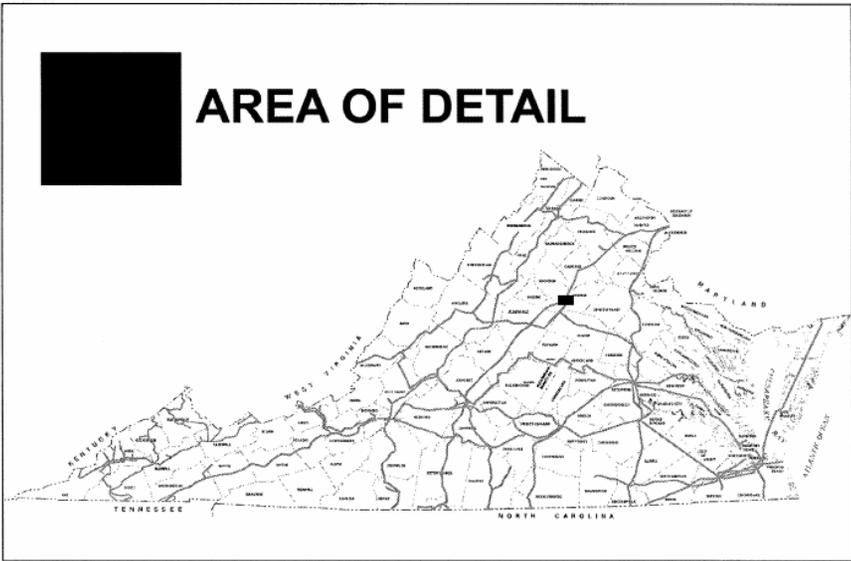
- ❑ Located in Charlotte County, Alderman Railcar Services, Inc. has applied for Rail Industrial Access Funds in the amount of \$450,000 (\$300K unmatched and \$150K matched dollar-for-dollar) for construction of its railcar repair facility and storage yard
- ❑ Total estimated cost of capital investment - \$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

# Hardy Management Company, LLC Orange, Virginia

[www.drpt.virginia.gov](http://www.drpt.virginia.gov)



# Hardy Management Company, LLC Orange County, Virginia



[www.drpt.virginia.gov](http://www.drpt.virginia.gov)

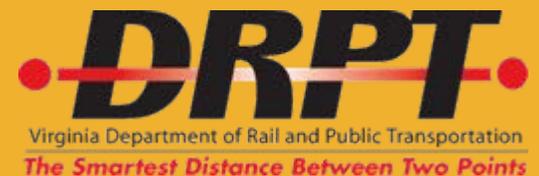
# Project Background

## 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

# Intertape Polymer Group Pittsylvania County, Virginia

[www.drpt.virginia.gov](http://www.drpt.virginia.gov)





## AREA OF DETAIL



# Intertape Polymer Group Pittsylvania County



[www.drpt.virginia.gov](http://www.drpt.virginia.gov)

# Project Facts

## Intertape Polymer Group

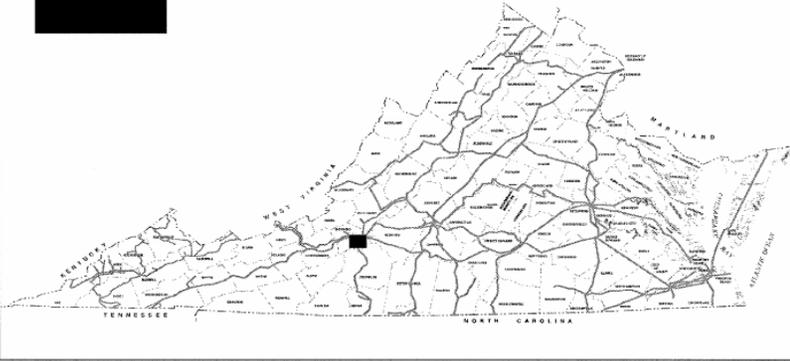
- ❑ Located in Pittsylvania County, Intertape Polymer Group has applied for Rail Industrial Access Funds in the amount of \$65,000
- ❑ Total estimated cost of capital investment - \$7.0 Million
- ❑ Pittsylvania County will provide an incentive package totaling \$45,000 to assist in defraying the cost 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

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

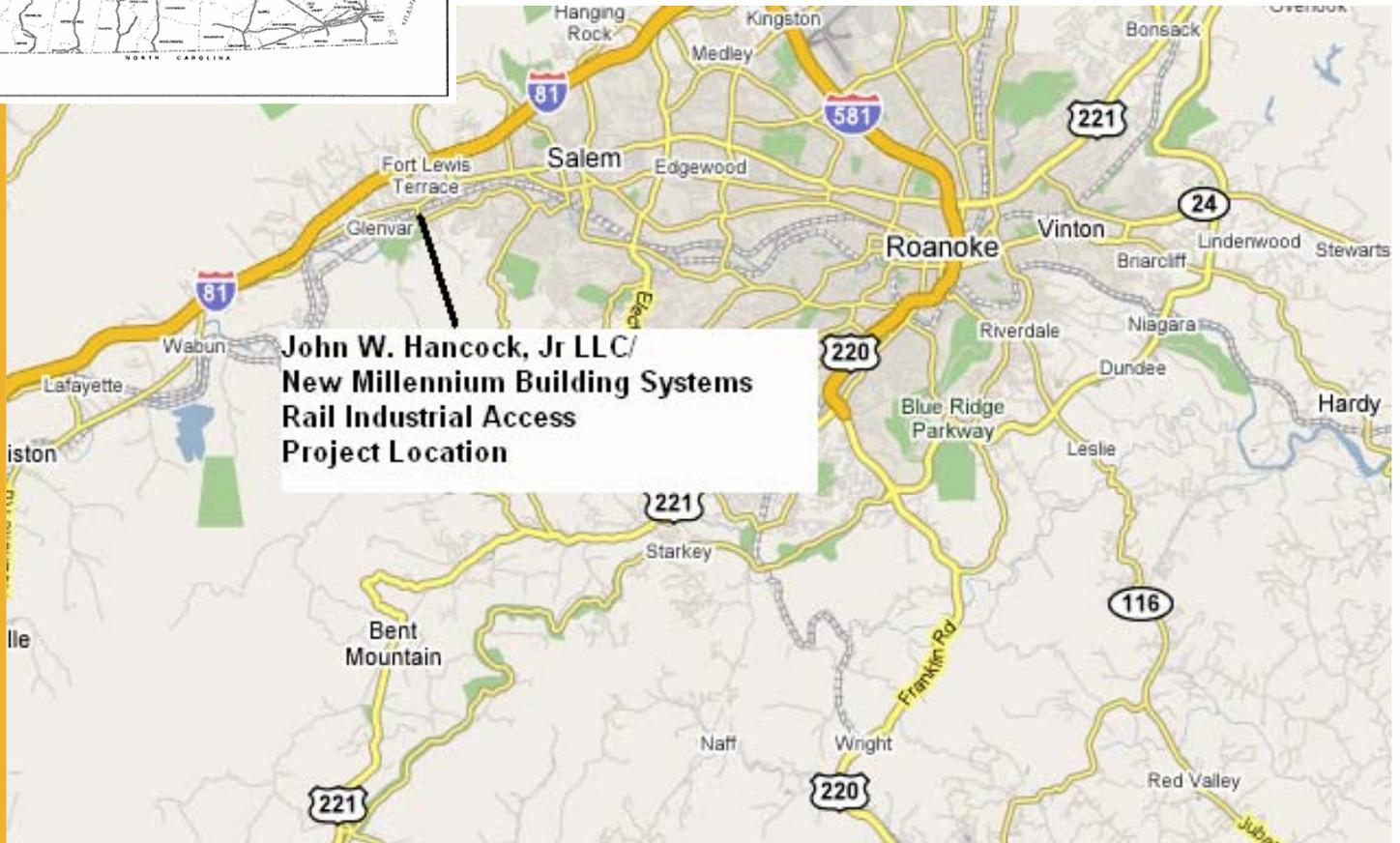
[www.drpt.virginia.gov](http://www.drpt.virginia.gov)



**AREA OF DETAIL**



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



[www.drpt.virginia.gov](http://www.drpt.virginia.gov)

# 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

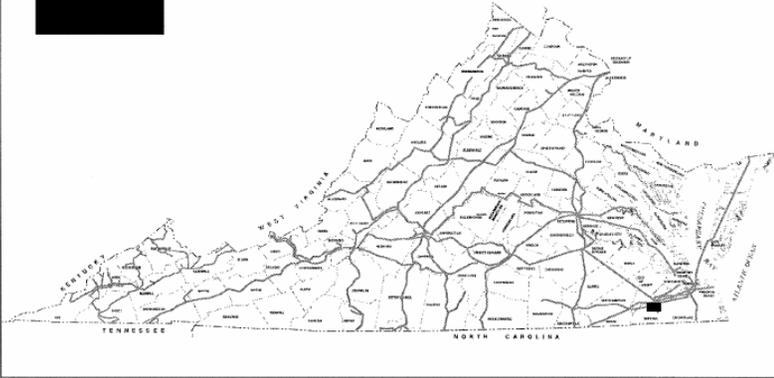
[www.drpt.virginia.gov](http://www.drpt.virginia.gov)



# Kraft Foods Global, Inc. City of Suffolk



AREA OF DETAIL



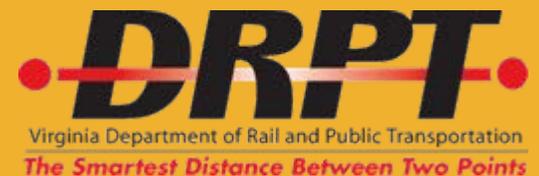
# Project Facts

## 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

The Mennel Milling Company  
Roanoke County, Virginia  
Phase II

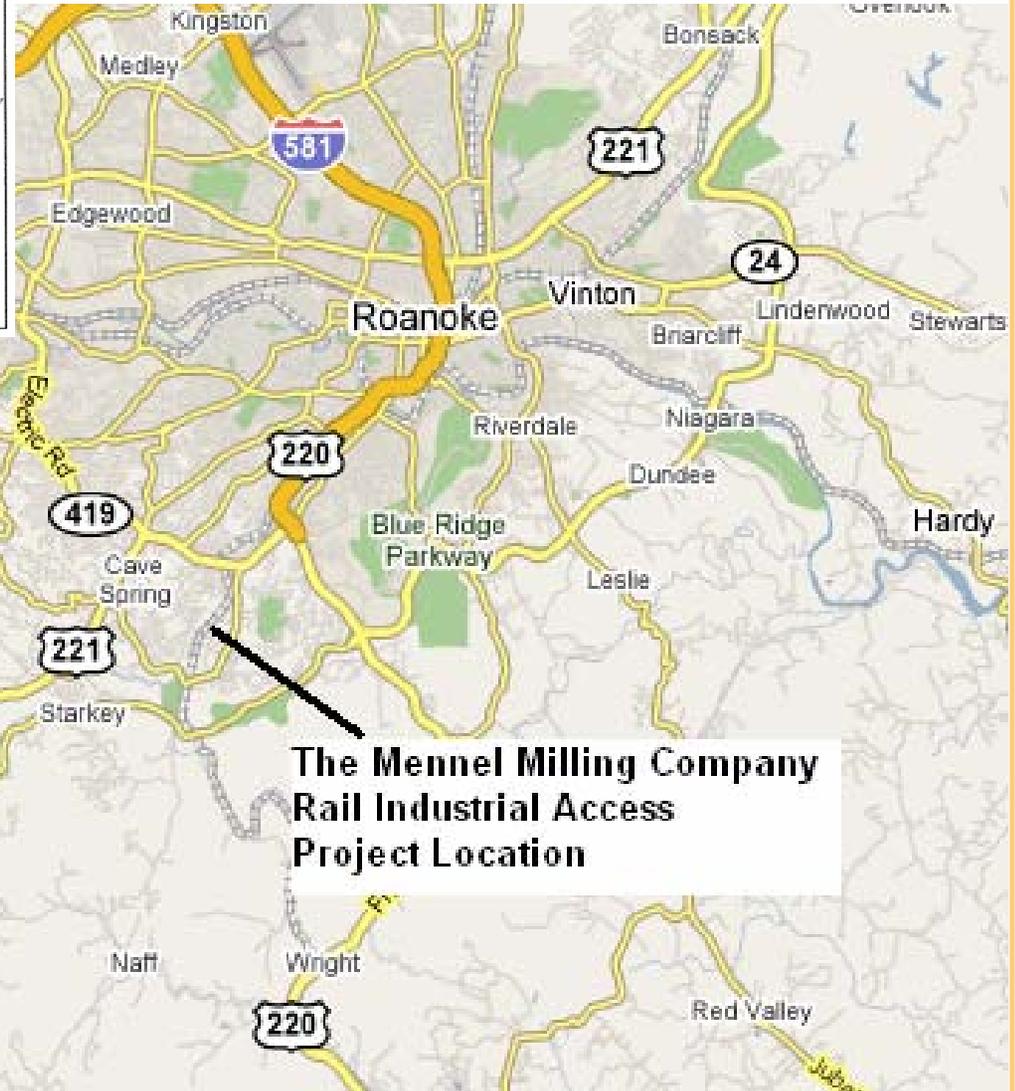
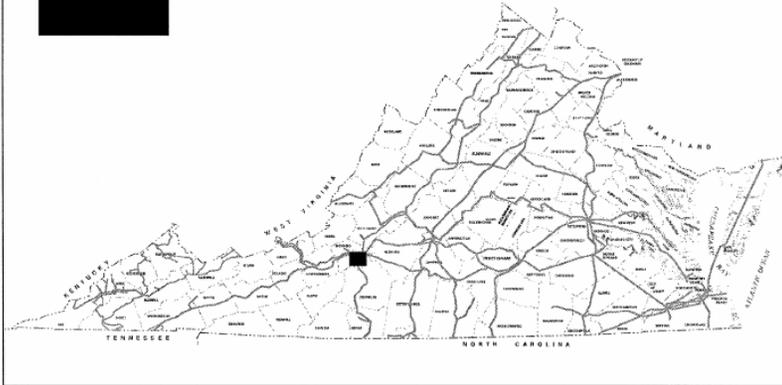
[www.drpt.virginia.gov](http://www.drpt.virginia.gov)



# Mennel Milling Company Roanoke County



**AREA OF DETAIL**



**The Mennel Milling Company  
Rail Industrial Access  
Project Location**

# 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

# 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
<b>Total Submitted Projects</b>	<b>\$2,051,250</b>





Virginia Department of Rail and Public Transportation  
***The Smartest Distance Between Two Points***

[www.drpt.virginia.gov](http://www.drpt.virginia.gov)

[info@drpt.virginia.gov](mailto:info@drpt.virginia.gov)

804-786-4440



[www.drpt.virginia.gov](http://www.drpt.virginia.gov)