



Rail Industrial Access Program Application

North Branch Resources
Hanover, VA

September 14, 2021

Project Location: Doswell, Hanover County, VA



North Branch Resources Site View



North Branch Resources Site View



Applicant Background

- North Branch Resources provides soil stabilization (calciment mixture) to many local projects:
 - 3 recent VDOT projects
 - New road lanes in Fredericksburg
 - Amazon facility
 - Eastern Engineered Wood Products project (also RIA Grant Recipient)
- North Branch Resources purchased the Doswell property in 2020
 - Rail is necessity for importing calciment
 - No Virginia calciment supplier
 - Product can only be obtained via rail
 - Trucking product is too expensive
- Shipping in calciment to the Doswell location will give local contractors an opportunity to obtain calciment

North Branch Resources' Project

- \$1.8M investment in expansion
 - \$355,000 for expanded rail
 - Growing from 120 existing carloads to 300 carloads per year
- Currently 3 employees, expansion will add 4 additional employees
- Location on 21 acres allows for rail expansion and transload silos to allow for the specific mixture of calciment per each job
- Located on a shortline railroad and offers access to NS/CSX

Additional Project Information

- Increased production for the region enables longer construction windows into wet and cold months
 - Reduced construction costs
 - Reduced long-term maintenance costs for roadway projects
- Business has coordinated with VEDP to support its new location
 - Rail Industrial Access program is an important incentive for this business expansion to supply calciment

Application Evaluation

Evaluation Criteria	Data	Score
Annual Carloads	180	8
Added Employment	4	8
Company Capital Investment vs State Contribution	\$1,800,000	4
Jurisdictional Unemployment Rate	3.1	8
VEDP Support	Yes	10
Location on a Shortline Railroad	Yes	10
Local (Applicant) Match	Greater than 35%	8
Total Application Score		56

- Applications must exceed 50 points for a recommendation to CTB
- North Branch Resources Score: **56 points**
- Minimum threshold carloads: 10 per year

Application Summary

- Application for \$230,000
 - \$355,000 estimated rail cost (\$1.8M total capital investment)
 - Applicant required to provide minimum 30% match
 - Total Applicant match: \$125,000
- Rail shipments will be 100% of incoming calciment ingredient
- Local trucks will deliver finished product to job sites
- Standard Program Requirements
 - All capital expenditures above grant amount will be paid by applicant
 - Cost overruns are the responsibility of the applicant

Thank you.

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