



## **VIRGINIA BUSINESS READY SITES PROGRAM**

### **ACCELERATED SITE CHARACTERIZATION GUIDELINES AND APPLICATION**

# **VIRGINIA BUSINESS READY SITES PROGRAM (VBRSP)** **Accelerated Site Characterization Guidelines and Application**

---

## **Article I. Introduction**

### **Section I.1 Program Background**

The Virginia Business Ready Sites Program (VBRSP) was established pursuant to [§ 2.2-2240.2:1](#) of the Code of Virginia of 1950, as amended (the Code), to identify and assess the readiness of potential industrial or commercial sites in the Commonwealth of Virginia (the Commonwealth) for marketing for industrial or commercial economic development purposes, thereby enhancing the Commonwealth's infrastructure and promoting the Commonwealth's competitive business environment.

The VBRSP has three components:

- (i) **Site Characterization Report** (25 acres), to ascertain and designate a site's level of development, and
- (ii) **Accelerated Site Characterization** (50 acres), to further ascertain and assess the site's suitability for site development, and
- (iii) **Site Development** (50 acres), to develop further the sites for marketing to economic development projects.

**Current versions of these Guidelines and the corresponding guidelines for the Site Characterization Report and Site Development component of the VBRSP are available for review by the public online at: <https://www.vedp.org/vbrsp>.**

The mission of VBRSP Site Development is to establish a pool of potential sites across the Commonwealth that are well prepared and positioned for selection and development by economic development projects. To be well prepared and positioned for selection, potential sites are typically ranked at a Site Characterization Tier Level (each, a "Tier Level") of either 4 or 5. See Appendix A to these Guidelines for a breakdown of the five different Tier Levels.

## **Section I.2 Program Priorities**

The goal of the VBRSP is to further business attraction and expansion in the Commonwealth of Virginia through site development. Funds available through the VBRSP program will be awarded to projects that best align with the following program priorities:

- **Improve project-ready site inventory**
- **Create “high-win-potential” sites**
- **Advance sites from lower tiers**
- **Focus on sites with the potential for regional and statewide impact**
- **Ensure geographic diversity**
- **Practice fiduciary stewardship**

## **Section I.3 Program Funding**

VBRSP is funded through an allocation by the General Assembly into the Virginia Business Ready Sites Program Fund (VBRSP Fund) in accordance with Section 2.2-2240.2:1 of the Code of Virginia. For purposes of these Guidelines, “Fiscal Year” means the Commonwealth’s fiscal year, which runs from July 1 of one calendar year through June 30 of the immediately succeeding calendar year.

## **Article II. Accelerated Site Characterization Grant**

### **Section II.1 Grant Purpose**

The Accelerated Site Characterization Grant is to further enhance the understanding of the site and determine its suitability for further investment. To do this, the grant will provide funding up to \$500,000 for additional due diligence to accelerate the tiering of the site. The grant will also establish development plans for the site. This plan will outline the critical path items to achieve market readiness as well as the cost and timeline associated with each item.

## **Section II.2 Eligible Applicants**

An applicant for an Accelerated Site Characterization Grant must be:

- (i) counties, cities, and towns of the Commonwealth, and local industrial or economic development authorities (§ 15.2-4901) created in accordance with the laws of the Commonwealth (each, a “Locality”); and
- (ii) regional industrial or economic development authorities (§ 15.2-6400) created in accordance with the laws of the Commonwealth (each, a “Regional Authority”).

Privately held sites are eligible to receive funding. The grant must be awarded to a Locality or Regional Authority, and since it will be awarded from a public entity to another public entity, all application documents are subject to disclosure laws. Privately held sites will require an option agreement with the locality, a memorandum of understanding, or performance agreement between the applying local authority and the owner that specifically outlines the purpose of the grant, access to the site, states the intended use for the property as industrial, and defines a maximum price per acre the landowner will charge an interested buyer.

## **Section II.3 Eligible Sites**

An applicant may apply for an Accelerated Site Characterization Grant for a site of at least 50 acres suitable for industrial or commercial development that:

- (i) Is listed in VirginiaScan; and
- (ii) Previously characterized; and
- (iii) The site’s intended use is for traded sector industries with a priority for industrial development.

## Section II.4 Eligible Funding

An applicant will apply for up to \$500,000 all studies and due diligence items required for Tier 3 status as well as any additional site specific needs. *The following list is not exhaustive, but applicants should coordinate with VEDP staff prior to applying for funding for uses not listed here.*

- State and Federal waters delineations, including wetlands, to include RPA and tidal water details if appropriate and submission for a Preliminary Jurisdictional Decision/Approved Jurisdictional Decision or a Virginia Department of Environmental Quality State Surface Waters Determination.
- Geotechnical Study to include borings karst evaluations, acid forming rock and foundations recommendations
- Boundary and Topographic Survey with easements and encumbrances identified (ALTA preferred)
- Floodplain Study to include wetlands and buffers
- Surveys that identify historical and cultural resources, historical districts, and existing utilities
- Environmental Survey Assessment (Phase 1 and 2 if needed)
- Architectural/Cultural Resources Review (Phase 1 and 2 if needed)
- Threatened and Endangered Species Review, including field work if needed
- Traffic Impact Assessment (TIA)
- Preliminary Engineering Report (PER)
  - FEL1/Pre-FEED/Preliminary Engineering (5-15% Design)
  - Utilities Routing (Water, wastewater, gas, power)
  - Access/transportation routing
  - Site Master plan with grading and preliminary storm water design
  - Railroad Siding and Routing
  - AACE Class 3 or 4 Cost Estimate and Schedule, Including Onsite and Offsite Improvements
- Market Demand and Sector Strategy
  - Inclusive of a workforce analysis for the site
- Power Studies
  - Substation Engineering Letter of Authorizations (SELOA): executed when a customer requests a detailed engineering study and requires a \$250,000 cash deposit per delivery point or substation
  - Construction Letter of Authorizations (CLOA): executed when a customer requests construction and there must be a customer commitment within 90-days receipt of the construction study. Additional cash deposits may be required for substation transformers and breakers prior to ordering

- Utility Routing Plans
- Roadway Design

## **Section II.5 Match Requirement**

As a condition to every VBRSP award, the applicant will be required to contribute matching funds, derived from public and/or private sources. The ratio of matching funds required shall be based on the most recent distress level classification of the locality in which the subject site is located or that applies for the award as of the date that the VBRSP Project Review Committee approves the application.

Privately held sites where no public option exists, but an agreement between the owner and the public entity exists, shall require the match be applied toward the project requested and previous investment into the site will not be eligible for matching funds.

The required local match may be in the form of actual cash contributions from the applicant, in-kind donations, other cash donations, other grants, or other sources of funding. Grant funds awarded from other programs disbursing state funds may be used as matching funds.

For publicly held sites, or those with a public option, in-kind contributions will count towards the local match requirement, in the form of property (land) acquisition and services (personnel, project management and administrative expenses and related costs), provided that such in-kind contributions:

- (i) must be directly related to the scope of work for the project, as determined by the VBRSP Project Review Committee;
- (ii) must be assigned a reasonable fair market value acceptable to the VBRSP Project Review Committee; and
- (iii) must be clearly evidenced with documentation acceptable to the VBRSP Project Review Committee.

Cash and in-kind contributions made within the five years prior to the time of the application will count directly toward the required local match, but investments made more than five years prior to the program year may not be considered.

Should a distressed or double distressed community not have the funds available for the match, VBRSP Review Committee may waive the match requirement if the locality submits a letter requesting a waiver of the match requirement from the locality's governing board or administrator. The Project Review Committee will review the request and notify the applicant if it is accepted.

<b><u>Minimum Required Local Match</u></b>	<b>Locality Distress-Level</b>	<b>Distress-Level Definitions</b>	<b>Ex. Project total cost = \$500,000 <u>Minimum Required Match</u></b>
35% - Public 50% - Private	Not Distressed	Site is located in locality with <b><u>both</u></b> : (i) unemployment rate <b><u>and</u></b> (ii) poverty rate are <b><u>below</u></b> the corresponding statewide averages as of the initiation of a grant round.	Public: Local Funds = \$175,000 State Funds = \$325,000  Private: Private Funds = \$250,000 State Funds = \$250,000
25% - Public 40% - Private	Distressed	Site is located in locality with <b><u>either</u></b> : (i) unemployment rate <b><u>or</u></b> (ii) poverty rate are <b><u>above</u></b> the corresponding statewide averages as of the initiation of a grant round.	Public: Local Funds = \$125,000 State Funds = \$375,000  Private: Private Funds = \$200,000 State Funds = \$300,000
15% - Public 30% - Private	Double Distressed	Site is located in locality with <b><u>both</u></b> : (i) unemployment rate <b><u>and</u></b> (ii) poverty rate are <b><u>above</u></b> the corresponding statewide averages as of the initiation of a grant round.	Public: Local Funds = \$75,000 State Funds = \$425,000  Private: Private Funds = \$150,000 State Funds = \$350,000

## Section II.6 Application

An applicant must submit a VBRSP Accelerated Site Characterization Grant Application (provided at [vedp.org/vbrsp](http://vedp.org/vbrsp)) for evaluation by the VBRSP Project Review Committee. The Project Review Committee is a project management team that oversees the VBRSP and reviews project applications, supported by relevant subject matter experts on an as-needed basis.

The Project Review Committee will accept Accelerated Site Characterization Grant Applications on a rolling basis beginning July 1 of each fiscal year, until the monies available for the Accelerated Site Characterization portion of the VBRSP for that fiscal year have all been allocated. For purposes of VBRSP, a fiscal year is defined as running from July 1st of each year to June 30th of the following year.

An applicant will be required to: (i) provide specific site information including site ownership; (ii) submit a budget for the Accelerated Site Characterization in the form of an estimate or proposal; (iii) expedited timeline for the Accelerated Site Characterization; (iv) evidence of the Local Match; (v) and provide the full Site Characterization Report.

**The applicant must agree and commit to holding a development plan and partner workshop after the items outlined in grant are complete.** The workshop should include participants with an active role and interest in preparing and marketing the site for economic development projects. The workshop should minimally include:

- Executive summary and review of the reports completed
- Review of Neighboring sites and compatible uses
- Market Demand and Sector Strategy
- Critical Path Development Tasks
- Funding strategy for the development tasks
- Identify responsible parties for the development of the site
- Determination of the cost of the land if the site is privately owned as well as any other conditions or desires of the private owner.

## **Section II.7 Award and Disbursement**

At the time the award is accepted, the recipient(s) must execute and deliver a Performance Agreement and any other legal documents and/or instruments required.

Awards and Applicants are not limited in the number of times they may apply each Fiscal Year. Applicants are encouraged to develop their site to the highest Tier Level possible, as quickly as possible, while ensuring a high return on investment.

VBRSP awards will typically be made in the form of grants that need not be repaid so long as the recipient(s) complies with the terms and conditions of its Performance Agreement. Grant funding may be subject to claw back if the property's zoning is changed to be unsuited for commercial or industrial use; the property is sold for a use other than commercial or industrial; the property is sold for an amount exceeding the agreed upon pricing (when an option is in place); or the project is abandoned in a manner that is not conducive to site development.

Accelerated Site Characterization on privately-owned properties require a performance agreement between VEDP and the Locality or Regional Authority, as well as a performance agreement between the Locality or Regional Authority and the owner(s) of record of the land. Specifically, the agreement will grant access to the property for evaluation/study purposes, state the intended commercial or industrial use, and define the maximum per acre price the landowner will charge an interested buyer.

## **Section II.8 Post-Award and Disbursements**

The process for disbursement of an Accelerated Site Characterization Grant will depend upon the amount of the award and the project timeline. It is expected that an Accelerated Site Characterization Grant will be disbursed in one or two installments according to milestones determined to be appropriate for the scope of work. VBRSP award proceeds may be used only for the necessary and reasonable costs included in the scope of work set forth in the Performance Agreement.

## **Section II.9 Post-Award Uses**

Once an award has been made and reimbursements have begun, the site will be subject to repayment based on final use at the site. The repayment will be determined based on the level of investment through the accelerated site characterization grant.

- Should the grant cover Tier 3 due diligence, the post-award uses are limited to economic development uses.
- Should the grant cover more in-depth studies and design work, the post-award uses will be limited to manufacturing and industrial uses for economic development purposes.

If the locality rezones the site or otherwise makes local land use actions such that the site may not be used for a traded sector use with a priority given to industrial or manufacturing purpose, or if the locality allows the site to be used in a manner inconsistent with VBRSP priorities, the grantee may be required to repay all or a portion of the VBRSP grant.

## APPENDIX A

### Site Characterization Tier Levels

An applicant will retain a Site Development Professional to assess a site and to designate one of the following Site Characterization Tier Levels to such site:

**Tier 1:** *Site is under (a) public ownership, (b) public/private ownership, or (c) private ownership, and of which such owner(s) are agreeable to marketing the site for economic development purposes and allowing access to the property for site assessment and marketing purposes. The site has no established sales price, has minimal or no infrastructure, and has been subject to minimal or no due diligence.*

**Tier 2:** *Site is under (a) public ownership, (b) public/private ownership, or (c) private ownership with an option agreement or other documentation of a commitment by the private owner(s) to a competitive sales price; permit access to the site for site assessment, construction, and marketing; and market the site for industrial or commercial economic development purposes. Comprehensive Plan reflects that the site is intended for industrial or commercial development land use, but site is not zoned as such and a rezoning hearing needs to be scheduled. Preliminary evaluation is complete to confirm site has minimal or no infrastructure and/or minimal or no due diligence in place.*

**Tier 3:** *Site is zoned for industrial or commercial development land use. Site could have minimal or no infrastructure in place. Due diligence is complete including, but not limited to, a waters of the US (wetlands and streams) delineation with US Army Corps of Engineers approval within the last five years (i.e. a Preliminary Jurisdictional Determination or Approved Jurisdictional Determination letter), geotechnical borings and preliminary evaluation (i.e. Preliminary Geotechnical Report), boundary survey with easements and encumbrances identified (ALTA preferred), one-foot topographic survey completed for the purposes of design or real property improvements signed and sealed by a duly licensed professional in the Commonwealth of Virginia, a current cultural resources review, a current threatened and endangered species review, a Phase I Environmental Site Assessment within the last five years and, if necessary, a floodplain study or geological / karst evaluation. Master planning and preliminary engineering work is complete with associated reports and estimated costs and timelines for infrastructure development quantified.*

**Tier 4:** *Site is positioned to support development such that building construction can take place in 12-18 months or less, with all infrastructure improvements in place, or plans for necessary infrastructure improvements completed and approved and deemed deliverable within 12-18 months by a licensed Professional Engineer in the Commonwealth of Virginia. All infrastructure permit issues are identified and quantified.*

**Tier 5:** *Site is “shovel ready” and building construction can begin as soon as necessary land disturbance permits can be obtained by prospective industry. Utilities must be to the site or able to be extended in less than 12 months.*

**In addition to providing the current Tier Level, the Site Development Professional will provide a list of tasks required to move the site to the next Tier Level and the estimated costs to perform those tasks.**

See the example Characterization Report as a guide.

**APPENDIX B**

**Accelerated Site Characterization Application**

**Applicant Data**

Applicant Organization: \_\_\_\_\_

Primary Contact

Name: \_\_\_\_\_

Title and Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Secondary Contact

Name: \_\_\_\_\_

Title and Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**Site Location Data**

Site Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_

Zip Code: \_\_\_\_\_

Locality: \_\_\_\_\_

Project Site Location (Latitude, Longitude): \_\_\_\_\_

iVS/VirginiaScan Property ID: \_\_\_\_\_

Ownership Status (Circle One): Private          Public          Private with Public Option

Property Owner (Name): \_\_\_\_\_

## **Project Scope**

Provide a description and/or list of the proposed project scope and planned completed reports:

Provide a timeline for the scope of work. In the timeline, outline key project milestones. Please provide a month and year for each milestone:

Provide the name of the firm(s) or entity responsible for implementing the scope of work (if determined):

# **Budget**

## **Detailed Budget & Narrative**

Estimated total cost for proposed project scope (\$)

*(Please provide a detailed cost estimate in the form of a proposal or estimate as an attachment.)*

---

VBRSP funding request (\$): \_\_\_\_\_

Amount of Matching funds for proposed project scope (\$): \_\_\_\_\_

VBRSP-defined distress level of the locality where the site is located: \_\_\_\_\_

# **General Site Data Continued**

## **General Site Data**

Current VBRSP Tier Level (from VirginiaScan or Site Characterization report): \_\_\_\_\_

Total site acreage: \_\_\_\_\_

Acreage suitable for construction: \_\_\_\_\_

Largest contiguous developable acreage: \_\_\_\_\_

Current zoning classification: \_\_\_\_\_

Zoning description/restrictions and rezoning process:

Is the site currently under consideration by an active project? (Yes/No): \_\_\_\_\_

If yes, at what stage of the site selection process? (Request for information, desktop analysis, site tours, etc.):

How is the site currently being used? (i.e., farming, etc.):

What were the prior uses of the project site? How has site prior use been confirmed?:

### Site Transportation Data

Proximity to interstate (miles): \_\_\_\_\_

Proximity to four-lane divided highway (miles): \_\_\_\_\_

Is the site rail served? (Yes/No): \_\_\_\_\_

Rail provider(s) serving the site: \_\_\_\_\_

Distance to rail connection (feet): \_\_\_\_\_

Is there documentation from the rail provider confirming that the site can be rail-served? (Yes/No): \_\_\_\_\_

If so, indicate date of documentation: \_\_\_\_\_

### Site Utility Data

*Identified utilities should reflect those which would serve industrial grade projects. If multiple options are available, identify the most likely connection points to serve targeted projects.*

Electric provider serving project site: \_\_\_\_\_

Natural gas provider serving project site: \_\_\_\_\_

Water provider serving project site: \_\_\_\_\_

Sewer provider serving project site: \_\_\_\_\_

## Environmental Studies

Check Yes or No if the studies have been previously completed *and* are up to date. If you are unsure, check No.

Report Name	Yes	No
Phase I Archaeological or Cultural Resource Survey		
Phase II Archaeological or Cultural Resource Survey		
Phase I Environmental Site Assessment		
Phase II Environmental Site Assessment		
Geotechnical Report		
Electrical Resistivity Tomography (ERT)		
Threatened and Endangered Species Survey		
Wetland/Stream Delineation		
Wetland/Stream Determination by US Army Corp		
Boundary Survey		
Topographic Survey		
American Land Title Association (ALTA) Survey		
Floodplain Study		
Traffic Impact Assessment		
Preliminary Engineering Report (PER)		
Market Demand and Sector Strategy		
Utility Routing Plans		
Roadway Design		

**Additional attached files (list here):**