

EDA-BACK40 DEVELOPMENT



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- Staff / EDA / FRA recommend investing \$1.5mil to attract new investment / jobs / revenue on the so-called “Back40” now owned by the EDA
- Property history
 - 1970 Westinghouse appliances and equipment
 - 1973 Poclain heavy construction machinery
 - 1977 GM automotive powertrain components
 - 2010 RACER federal bankruptcy trust (vacant)
 - 2017 idX commercial interiors manufacturing

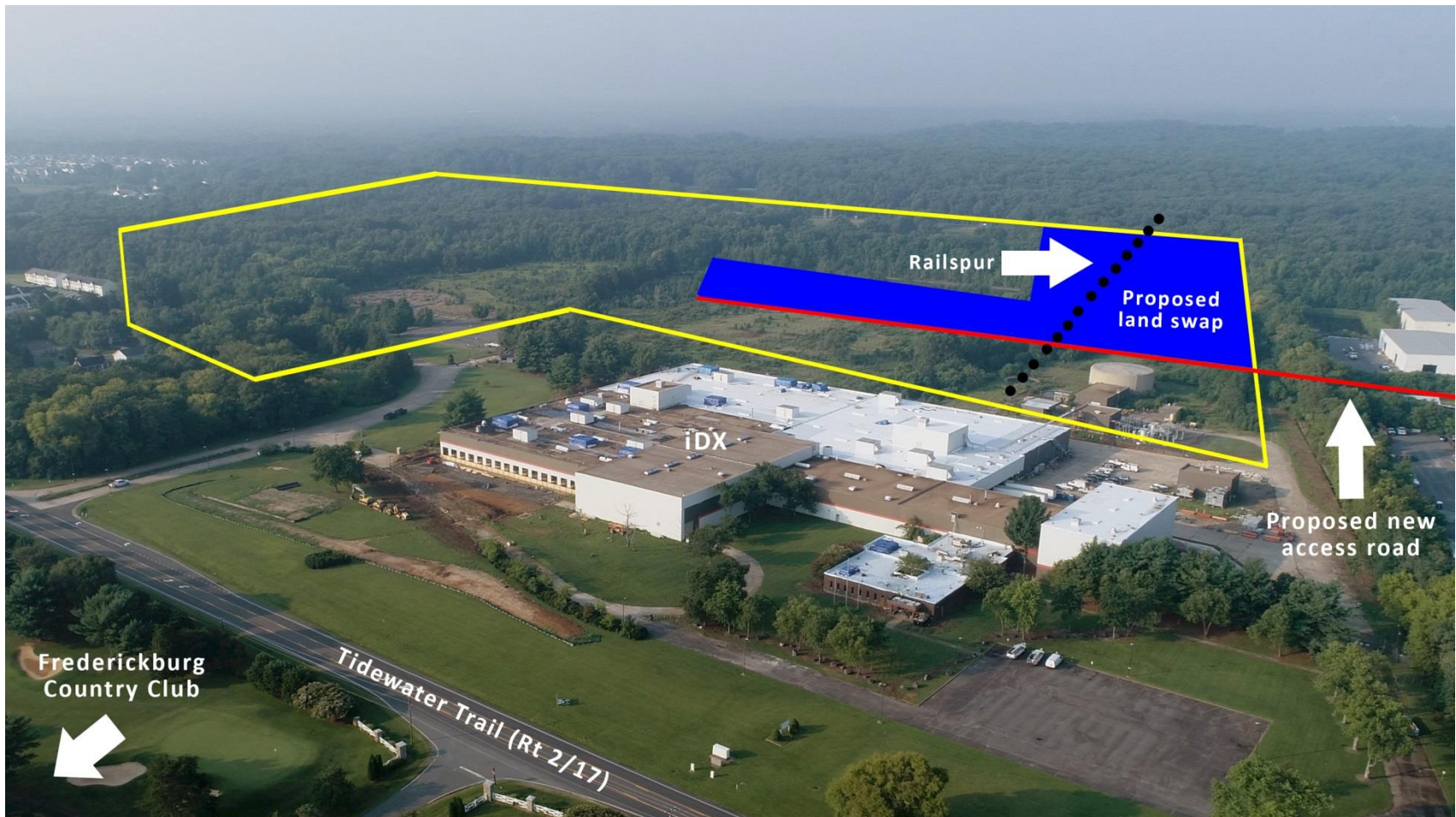
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- Vacancy History
 - 2010 RACER federal bankruptcy trust
 - 2011-2016 Property submitted to estimated 40 economic development prospects of various sizes and types
 - 2016 Building presumed to have “\$0” value, RACER proposed demolition and leaving foundation

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- Today, the “impossible” former GM plant:
 - Reflects a \$5+ mil investment by idX
 - Pays \$30,000+ / year in real estate tax
 - Employs 125+ people averaging over \$40k salary
 - Received 2 VEDP grants for investment / jobs
- idX has been a partner with the County:
 - Provided 46 acres as part of incentive deal
 - Expanded in 2018
 - Plans additional expansion 2020

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- EDA's Back40 property needs industrial access
- \$650,000 VDoT grant for new road from Pierson Drive, \$150,000 County match
- EDA and Mr Wack agreed to “trade” the access parcel for 10 acres of the Back40
- EDA and Mr Wack will have the region's biggest shovel-ready fully-entitled public-private collaborative industrial park

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- The Finance Committee approved use of reserved economic development funds for the proposed Back40 development
- Next steps:
 - Closings and “trade” of Pierson / EDA parcels
 - Design / construction of road and infrastructure
 - Marketing with VEDP / FRA
 - Ground breakings and ribbon cuttings !
 - Current prospect for 200,000sf, 100 jobs at \$40k

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Q & A

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Potential ROI --

Using Piovan (Una-Dyn) as an example...

- Back40 has room for 4 Piovan at 80ksf
- Jobs = 4 x Piovan = 500
- Capital investment = 4 x Piovan = \$16mil
- Pers Prop investment = 4 x Piovan = \$4mil
- County revenue = 4 x Piovan = \$700k (10 yrs)