

SUFFOLK CITY COUNCIL
MEETING OF MARCH 20, 2024



WORK SESSION

Begins at 4:00 p.m.

REGULAR SESSION

Begins at 6:00 p.m.

**SUFFOLK CITY COUNCIL
WORK SESSION
March 20, 2024
4:00 p.m.
City Council Chamber**

1. Shentel Glofiber Update
2. Route 460 Improvements Project
Funding

AGENDA: March 20, 2024, Work Session

ITEM: Shentel Glofiber Update

Shenandoah Telecommunications Company (Shentel) will provide City Council with an update on construction and installation of Glofiber broadband services in the City of Suffolk.

AGENDA: March 20, 2024, Work Session

ITEM: Route 460 Improvement Project Funding

Staff will provide City Council with an overview of a funding opportunity for the Route 460 Improvement project. A representative from the City's financial advisor, Davenport & Company, will present information regarding the City's ability to finance the matching funds required to receive State funding for the project.

SUFFOLK CITY COUNCIL AGENDA

March 20, 2024

6:00 p.m.

City Council Chamber

1. **Call to Order**
2. **Nonsectarian Invocation**
3. **Approval of the Minutes**
4. **Special Presentations**
5. **Removal of Items from the Consent Agenda and Adoption of the Agenda**
6. **Agenda Speakers**
7. **Consent Agenda** – A resolution requesting the Virginia Department of Transportation to make certain additions and deletions to the Urban Highway System
8. **Consent Agenda** – An ordinance to accept and appropriate funds from the Library of Virginia Circuit Court Records Preservation Program for the Clerk of the Circuit Court
9. **Consent Agenda** – An ordinance to accept and appropriate program income resulting from the repayment of certain loans associated with the City of Suffolk HOME Rehabilitation Program
10. **Consent Agenda** – An ordinance to accept and appropriate funds from the Virginia Department of Transportation for the extension of the Suffolk Seaboard Coastline Trail Phase IIIA
11. **Consent Agenda** – A resolution authorizing the City of Suffolk's participation in the Commonwealth of Virginia Transportation Partnership Opportunity Fund (TPOF) program for the Route 460 Road Improvement Project
12. **Consent Agenda** – A resolution to accept a donation of personal property for the Suffolk Public Library from the Friends of the Library
13. **Public Hearing** – An ordinance to grant a Conditional Use Permit to establish a Public assembly not otherwise enumerated use, on property located at 456 Barnes Road, Zoning Map 39, Parcel 43, Account Number 153562000, CUP2023-011

14. **Public Hearing** – An ordinance to rezone and amend the official zoning map of the City of Suffolk in order to amend the previously approved proffered conditions for property located at 6500 College Drive, Zoning Map 6, Parcel 35, Account Number 306001034; RZN2024-001
15. **Public Hearing** – An ordinance to grant a variance to the lot layout standards of Section 31-605 of the Unified Development Ordinance in order to grant relief from the adequate frontage requirement, on property located at 6500 College Drive; Zoning Map 6, Parcel 35; Account Number 306001034; SBV2023-002
16. **Public Hearing** – An ordinance authorizing the City Manager to enter into a Memorandum of Understanding with the Nansemond Indian Nation for the transfer of a portion of Tax Map Parcel Number 10*46 and to execute certain related documents
17. **Ordinances**
18. **Resolutions**
19. **Staff Report** – Northern Suffolk Absentee Voting Site Update
20. **Motion** – A motion to schedule a Public Hearing for April 3, 2024, to receive public comment on an ordinance authorizing the acquisition of real property in fee simple and/or permanent and/or temporary easements, either by agreement or condemnation, for the Nansemond Parkway Bridge Replacement (Structure No.: 133-1836) Project
21. **Motion** – A motion to schedule a City Council Work Session for Wednesday, April 3, 2024, at 4:00 p.m., unless cancelled
22. **Motion** – A motion to schedule a Joint Work Session, of City Council and the Suffolk Public School Board, for Wednesday, April 10, 2024, at 3 p.m., unless cancelled
23. **Non-Agenda Speakers**
24. **New Business**
25. **Announcements and Comments**
26. **Adjournment**

AGENDA: March 20, 2024, Regular Session

ITEM: Consent Agenda - A resolution authorizing the City of Suffolk's participation in the Commonwealth of Virginia Transportation Partnership Opportunity Fund (TPOF) program for the Route 460 Road Improvement Project

Attached for City Council's consideration is a resolution authorizing the City of Suffolk's participation in the Commonwealth of Virginia Transportation Partnership Opportunity Fund (TPOF) for the Route 460 Road Improvement project. The total estimated cost of the project is \$86,749,520.

The City has secured \$8,600,000 for engineering design and requested a \$30,100,000 direct allocation from the TPOF program to support right-of-way acquisition and utility relocation. In order to obtain the \$30,100,000 in TPOF funding, the Commonwealth of Virginia requires a commitment from the City to secure the remaining balance of funds, approximately \$48,049,520, to complete right-of-way, utility relocation, and construction. This funding is currently showing as an outyear project in the City's adopted CIP, but may need to be accelerated to FY 27 through FY 29 depending upon project timing.

The City's financial advisor, Davenport & Company, has evaluated the City's debt capacity and affordability taking into account the additional \$48,049,520 over a three year period between FY 27 and FY 29. As presented in the attached Route 460 Road Improvement Project Plan, the City has the ability to issue an additional \$48,049,520 in general obligation bonds between FY 27 and FY 29, if necessary, and continue to remain well in compliance with its adopted debt policies.

Staff recommends adoption of the attached resolution to enable the \$30,100,000 in TPOF funding to be secured and allow the Route 460 Road Improvement Project to move forward. City staff will also pursue grant funding to potentially reduce the \$48,049,520 needed for the Route 460 Road Improvement Project.

BUDGET IMPACT:

Adoption of the resolution will commit the City to securing approximately \$48,049,520 in funding for the Route 460 Road Improvement Project.

RECOMMENDATION:

Adopt the attached resolution

ATTACHMENTS:

Resolution
Route 460 Road Improvement Project Plan

RESOLUTION NUMBER _____

A RESOLUTION AUTHORIZING THE CITY OF SUFFOLK'S PARTICIPATION IN THE COMMONWEALTH OF VIRGINIA TRANSPORTATION PARTNERSHIP OPPORTUNITY FUND (TPOF) PROGRAM FOR THE ROUTE 460 ROAD IMPROVEMENT PROJECT

WHEREAS, the Route 460 Road Improvement Project is an adopted capital project in the FY 2025-2034 Capital Improvement Program and Plan (CIP); and,

WHEREAS, the total estimated cost of the Route 460 Road Improvement Project is \$86,749,520 including engineering and design, right-of-way and utility relocation, and construction; and,

WHEREAS, the City has secured \$8,600,000 in funding for the Route 460 Road Improvement Project including \$6,600,000 from Matan, the developer of Port 460, \$1,000,000 from the Port of Virginia, and \$1,000,000 in City funds; and,

WHEREAS, the City Council of the City of Suffolk, Virginia desires to participate in the Commonwealth of Virginia Transportation Partnership Opportunity Fund (TPOF) program to obtain \$30,100,000 in state funds for the Route 460 Road Improvement Project; and,

WHEREAS, it is currently estimated that the City will need to secure an additional \$48,049,520 to fully fund the Route 460 Road Improvement Project.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Suffolk, Virginia, that:

1. The City is authorized to participate in the Commonwealth of Virginia Transportation Partnership Opportunity Fund (TPOF) program for the Route 460 Road Improvement Project and is committed to securing \$48,049,520 in funds needed to fully fund the project.

2. The City Manager is authorized to execute a project agreement for the Commonwealth of Virginia Transportation Partnership Opportunity Fund (TPOF) program funds for the Route 460 Road Improvement Project.

3. This resolution shall be effective upon passage and shall not be published.

READ AND ADOPTED: _____

TESTE: _____

Erika S. Dawley, City Clerk

Approved as to Form:

A handwritten signature in black ink, appearing to read "William E. Hutchings, Jr.", written over a horizontal line.

William E. Hutchings, Jr., City Attorney

Route 460 Road Improvement Project Plan



**Transportation Partnership
Opportunity Fund**



Suffolk, Virginia Transportation Partnership Opportunity Fund Request

The City of Suffolk has the good fortune to be strategically located near a number of attractive assets. Suffolk's proximity to military facilities, the Port of Virginia, universities, shopping, and entertainment has allowed for significant growth of our population and the ability to attract new businesses. Of course, the proximity to these key assets also leads to local and regional challenges including traffic and congestion. To that end, I would like to share additional information related to the Route 460 corridor as this roadway becomes ever important for the City of Suffolk, the Hampton Roads region, and the entire Commonwealth of Virginia.

There is no question that the decade long planned investments at the Port of Virginia facilities were in place at the right time to support the supply chain disruption that occurred during the pandemic. This long term planning has created some of the most state of the art facilities in the country. We in the City of Suffolk, have been keeping up with these investments and had worked to prepare over 2,500 acres of industrial land over the past decade to support anticipated future port growth and development. This preparation led to the addition of over 13,000,000 square feet of warehouse space to support Virginia Ports in Suffolk over the last four years. It is critical to invest in the roads into and out of the Port of Virginia facilities, which traverse through Suffolk and other Virginia localities like Route 460 and Route 58. Combined route 460 and route 58 now carry more truck traffic than Interstate 64. Passageway west and south are the most attractive destinations for commerce and considerations and strategies may be necessary to ensure the Port of Virginia can properly compete against other Ports in the United States. ***It is with great enthusiasm that the City of Suffolk is requesting \$30,100,000 from the Transportation Partnership Opportunity Fund program to support needed infrastructure upgrades and improvements to Route 460.***

Sincerely,

Michael D. Duman
Mayor of Suffolk



A Port Centric Partner

At 430 square miles, the City of Suffolk is the largest geographic City in the Commonwealth of Virginia. That in combination with its proximity to Port of Virginia facilities, 3 major railroads, and well located transportation routes lends the City of Suffolk to offer opportunities for users of the Port of Virginia.



Suffolk hosts a number of Port of Virginia users within its boundaries. Companies such as QVC, Lipton Tea, Massimo Zanetti Beverage, Target and Planters Peanuts have long operated in Suffolk due to the proximity of the Port of Virginia facilities. As the Port of Virginia invested in it equipment, infrastructure and technology all of these companies have expanded their Suffolk operations to handle more product and increase their production.

Suffolk has long understood the direct correlation and economic impact it sees as the Port of Virginia facilities continue to grow.

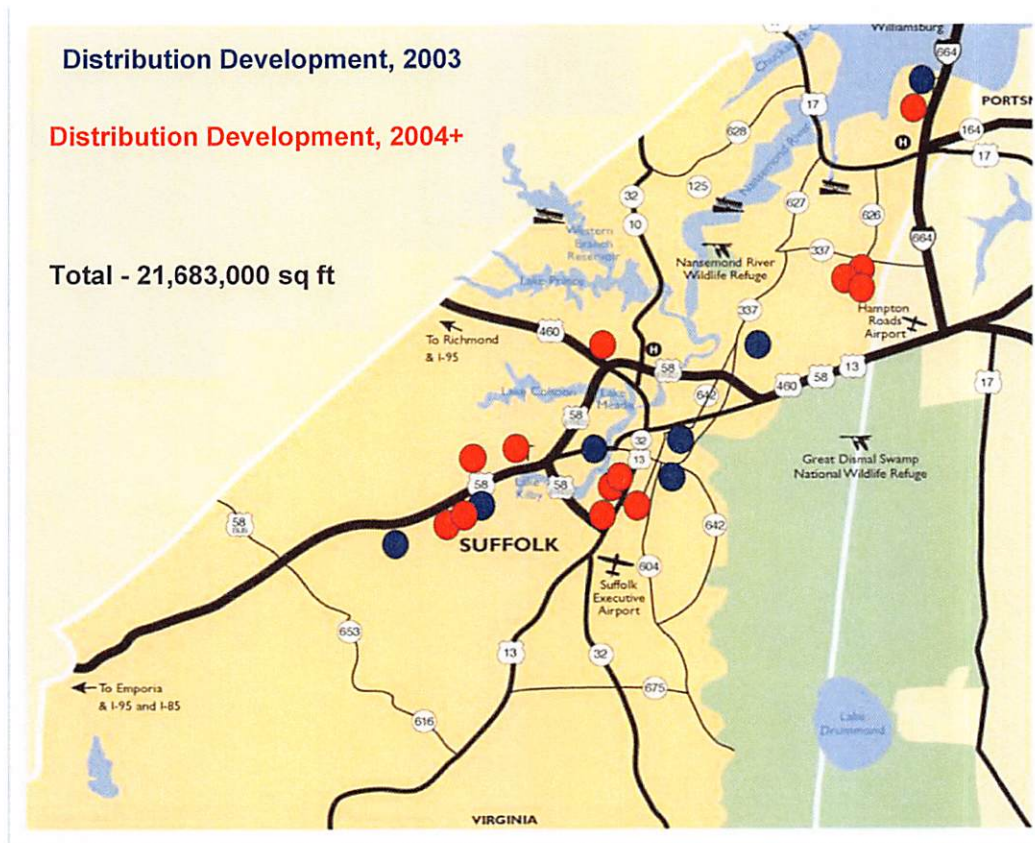
Suffolk's Port and Logistics Industry





A Port Centric Partner

Suffolk has seen a considerable amount of new industrial development related to Port of Virginia users since 2003. Working through a comprehensive planning strategy the City of Suffolk has formulated a plan for needed infrastructure. However, demand for future Port of Virginia operators is putting a high demand on roads like Route 58 and Route 460 in Suffolk.



The City of Suffolk has the largest amount of total square footage in Hampton Roads to support distribution operations.

Hampton Roads Warehouse Total Square Footage

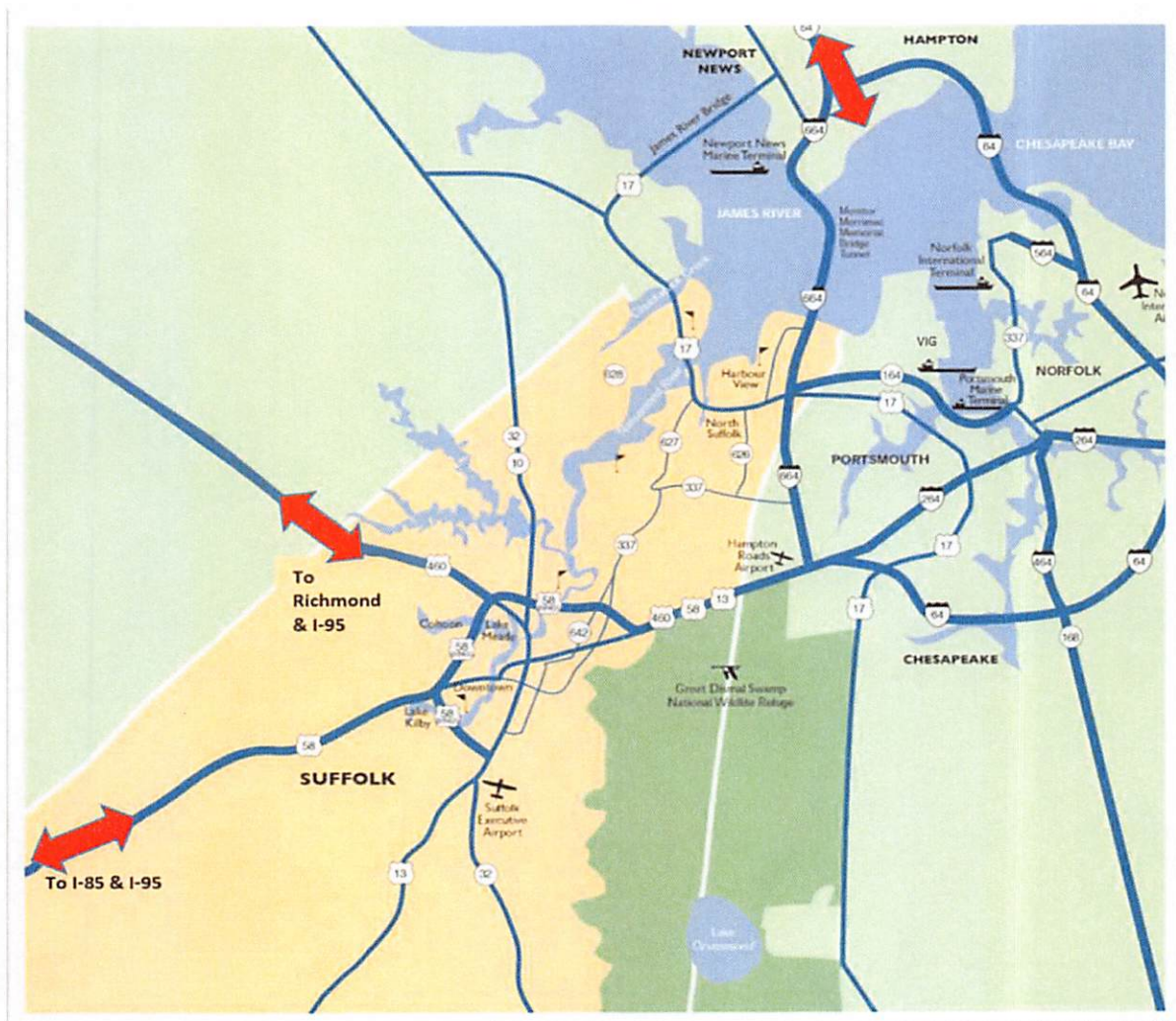
1. Suffolk	21,683,290 sqft
2. Chesapeake	15,987,322 sqft
3. Norfolk	11,839,045 sqft
4. Newport News	7,828,987 sqft
5. Hampton	7,603,551 sqft



The Port's Major Road Corridors

Three of the main road transportation routes accessing the Port of Virginia run through Suffolk. They include I-664, Route 58 and Route 460.

I-664 is a modern limited access highway system which leads to other limited access road ways; I-64 and the Western Freeway 164. I-64 has recently been widened with additional projects in the works to expand the roadway from Hampton Roads to Richmond and I-95. Conversely, Route 58, from the Route 58 Bypass (55 miles to I-95) is a four lane ditched median divided roadway, and Route 460 is four lane non-median roadway (58 miles to I-295) that traverses through a number of small towns along the way.



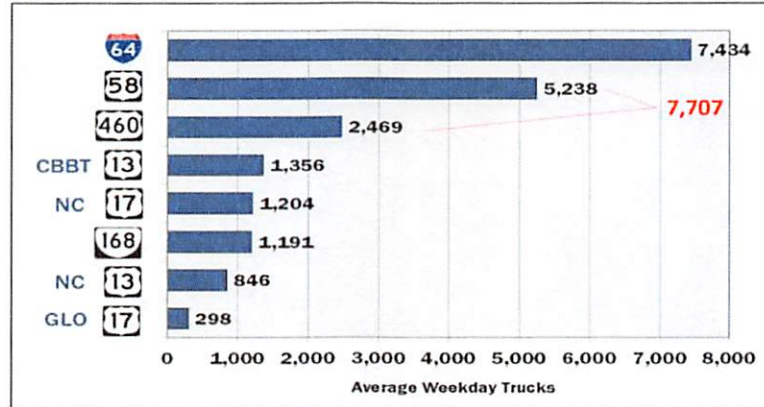


The Port's Major Road Corridors

Route 58 and Route 460 currently outnumber I-64 in truck volume, and continue to grow.

TRUCKS BY GATEWAY

Weekday Truck Volumes at Regional Gateways, 2021

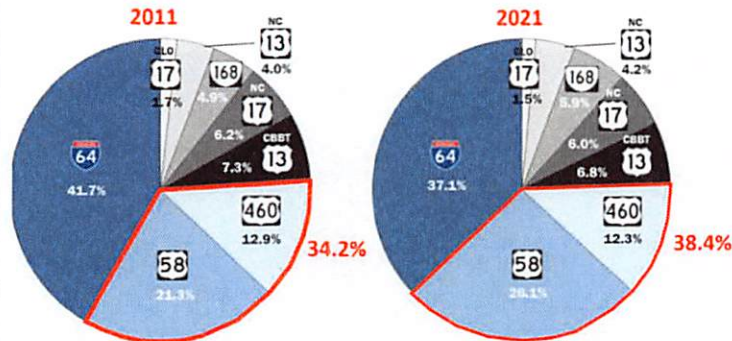


Data Source: HRTPO analysis of VDOT and CBBT data.



TRUCK SPLIT BY GATEWAY

Share of Weekday Truck Volumes at Regional Gateways



Data Source: HRTPO analysis of VDOT and CBBT data.



Weekday Truck Volumes 2022 & 2045

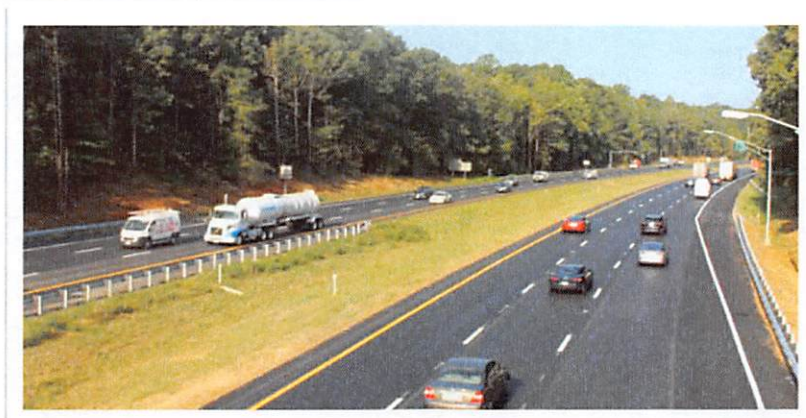
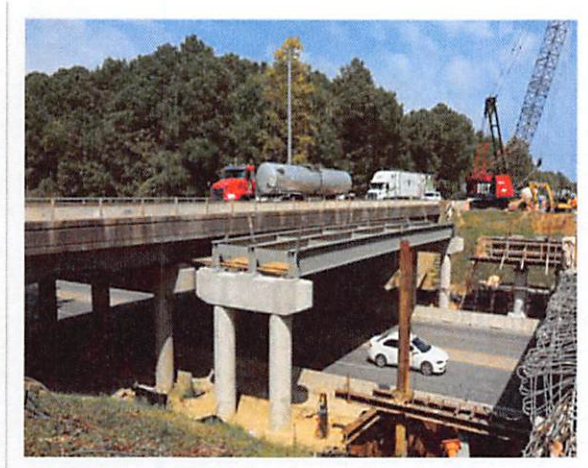
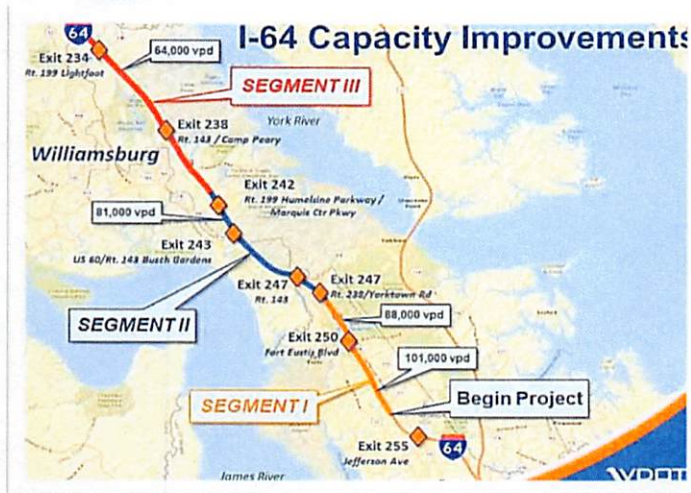
	Existing 2021		Projected 2045	
	Total Volume	Truck Volume	Total Volume	Truck Volume
Route 58	43,056	5,238	51,002 (+7,946)	7,700 (+2,462)
Route 460	24,187	2,469	29,064 (+4,877)	4,700 (+2,231)

The projected 2045 Truck Volumes are forecasted estimates from the regional travel demand model.



The Port's Major Road Corridors

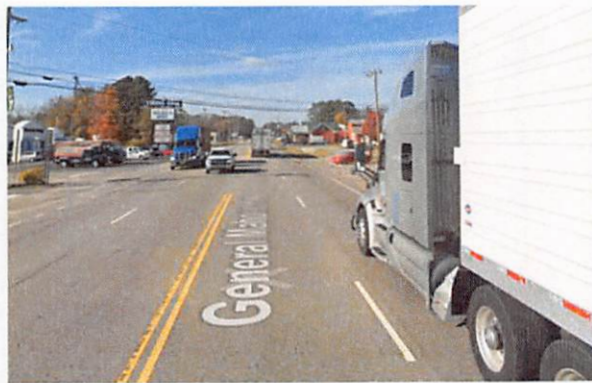
I-64 has recently been widened with additional projects in the works to expand the roadway from Hampton Roads to Richmond and I-95.





The Port's Major Road Corridors

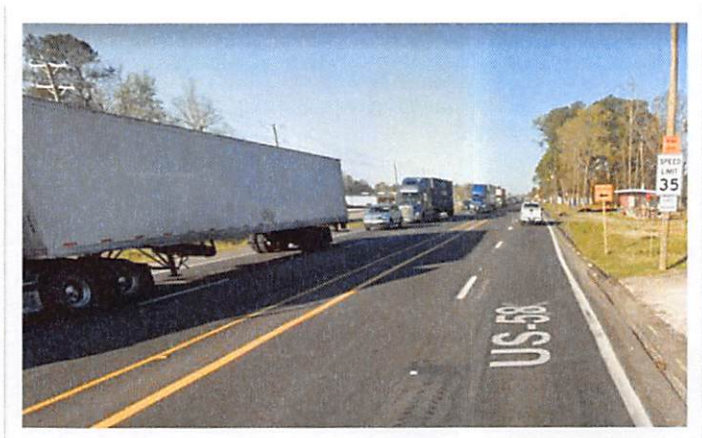
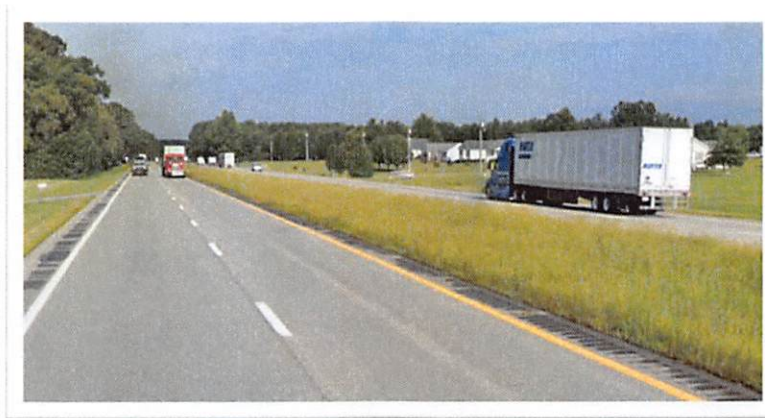
Route 460: Four lane non-median divided roadway. From the Suffolk Bypass to I-295, outside of Petersburg, is 58 miles. There are currently no roadway improvements planned for this entire stretch of roadway.





The Port's Major Road Corridors

Route 58: Four lane median divided roadway. From the Suffolk Bypass to I-95 in Emporia is 55 miles. The City of Suffolk is currently underway on a major expansion of Route 58 from a four lane section to six lanes for 3.1 miles. The project is \$77M and will be complete in late 2024.





The Route 460 Road Project

The City of Suffolk is proposing a widening and modernization project along a 3 mile stretch of Route 460 from the Route 58 bypass to Lake Prince Drive. This project will also include a diverging diamond intersection to serve the on/off ramps.



Estimated Total Project Costs

Engineering & Design	\$ 8,381,600
*Right of Way & Utilities	\$30,961,820
Construction	\$47,406,100
	\$86,749,520

*Suffolk is requesting \$30,100,000 from TPOF to support right of way acquisition and utility relocation

Current funding for the Route 460 roadway projects is comprised of the following:

Current Project Design Funding

Matan (Port 460 Dev.)	\$6,600,000
Port of VA (Port Op Fund)	\$1,000,000
City of Suffolk	\$1,000,000
	\$8,600,000

US 460 WIDENING CONCEPTUAL GEOMETRY
TOWN OF WINDSOR TO US 460/US 58 BYPASS INTERCHANGE
MAY 2023



MATCHLINE - EXHIBIT 3

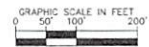


LEGEND

- EXIST. R/W & PROPERTY LINES
- - - PROP. R/W
- PROP. TRAVEL LANES
- PROP. SIDEWALK
- PROP. GREEN SPACE

US 460 CONCEPTUAL WIDENING IMPROVEMENTS

EXHIBIT 3



MAY 2023

Kimley»Horn

1000 HUNTERS LANE, SUITE 1000
 VIRGINIA BEACH, VA 23462
 PHONE: 757-213-8600
 FAX: 757-213-8601
 WWW.KIMLEY-HORN.COM



MATCHLINE - SEE BELOW

MATCHLINE - SEE EXHIBIT 2

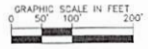
MATCHLINE - SEE ABOVE

LEGEND

- EXIST. R/W & PROPERTY LINES
- - - PROP. R/W
- PROP. TRAVEL LANES
- PROP. SIDEWALK
- PROP. GREEN SPACE

US 460 CONCEPTUAL WIDENING IMPROVEMENTS

EXHIBIT 1



MAY 2023

Kimley Horn
 4425 MAIN STREET, SUITE 1000
 WICHITA, KANSAS 67222
 PHONE: 316-261-8600
 FAX: 316-261-8601
 WWW.KIMLEY-HORN.COM

MATCHLINE - SEE EXHIBIT 1

MATCHLINE - SEE ABOVE



MATCHLINE - SEE BELOW

MATCHLINE - SEE EXHIBIT 3

LEGEND

- EXIST. RW & PROPERTY LINES
- - - PROP. RW
- PROP. TRAVEL LANES
- PROP. SIDEWALK
- PROP. GREEN SPACE

US 460 CONCEPTUAL WIDENING IMPROVEMENTS

EXHIBIT 2



MAY 2023

Kimley»Horn

4525 MAIN STREET, SUITE 1000
 VIRGINIA BEACH, VA 23462
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 FAX: 757-433-8805
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The Port 460 Development Opportunity



The Port 460 Development is a new 540 acre industrial commerce park located in Suffolk along Route 460 and the Route 58 Bypass. The project is being developed by a Matan Companies, a family-owned and operated real estate firm that has been active since 1976. The proposed development program at the subject property will consist of 10 speculative industrial buildings across two phases, ranging from roughly 90,000 sf to approximately 1,070,000 sf.



Port 460 is being built in response to the recent increased activity and future capacity at the Port of Virginia facilities. The site is located approximately 25 miles west from the Virginia International Gateway facility in Portsmouth. The future commerce park's development is well situated along two important port roadways, Route 460 and Route 58. Matan will contribute \$6,600,000 towards the ultimate \$86,749,520 3-mile improvement project proposed to Route 460.

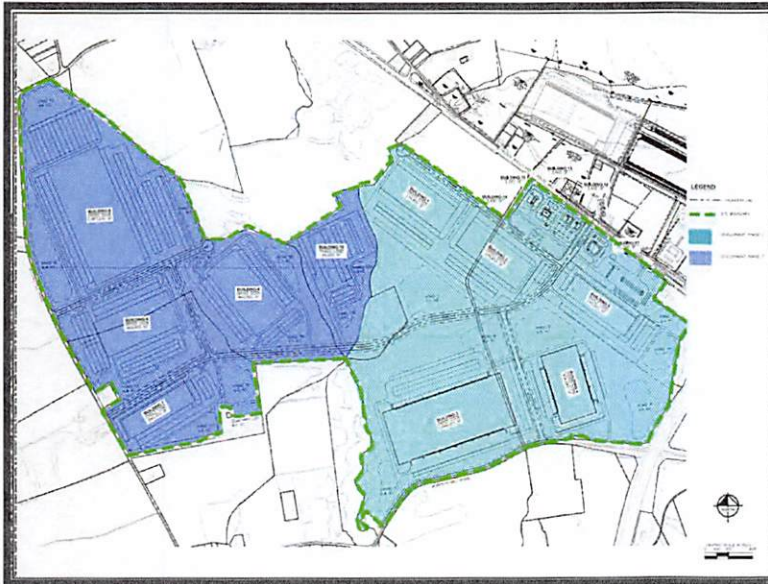
Port 460 Development Project Highlights

- 10-Building development consisting of 4,686,100 square feet
- Additional retail parcels bordering Pruden Blvd
- Between \$28.6 and \$34.1 million in property tax revenue created
- Nearly \$30 million in public road improvements and construction
- Approximately \$420 million to be spent in hard construction costs, equating to the creation of 2,600 jobs during the construction phase (as well as long-term property maintenance and management jobs)
- Over 9,000 long-term employment opportunities created
- Additional \$16.2 million in annual state income tax



The Port 460 Development Opportunity

The Port 460 project is currently under master plan design. Additionally, Matan is currently surveying the entire 3-mile Route 460 improvement project roadway section in preparation for the future roadway improvement project.



PROPOSED BUILDINGS - M2 ZONING DISTRICTS

BUILDING 1:	334,800 SF
BUILDING 2:	334,800 SF
BUILDING 3:	1,049,220 SF
BUILDING 4:	429,000 SF
BUILDING 5:	242,000 SF
BUILDING 6:	460,000 SF
BUILDING 7:	242,000 SF
BUILDING 8:	460,000 SF
BUILDING 9:	1,067,000 SF
BUILDING 10:	90,000 SF
TOTAL:	4,686,100 SF



City of Suffolk, Virginia

Route 460 Project Proposal *Financial Considerations*



March 20, 2024

Background



- Davenport & Company LLC (“Davenport”) serves as Financial Advisor to the City of Suffolk (the “City”).

- In our capacity as Financial Advisor, Davenport:
 1. Reports to City Council and the City Manager;
 2. Complements City Staff with Budgetary Planning, Capital Planning, and general Financial Planning; and
 3. Assists the City in identifying methods of financing Capital Projects (when the need arises) and helps the City obtain/execute on financings at the direction of the City.

- The City is proposing a widening and modernization project along a 3-mile stretch of Route 460 from the Route 58 bypass to Lake Prince Drive (the “Route 460 Improvement Project”).

- Davenport understands the City has received a preliminary indication that the Route 460 Improvement Project is a strong candidate to receive grant funding via the Commonwealth’s Transportation Partnership Opportunity Fund (“TPOF”).

Background (cont.)



Route 460 Improvement Project:

Current Estimated Total Project Costs		
Engineering & Design	\$ 8,381,600	→ Funding identified already
Right of Way & Utilities*	30,961,820	→ TPOF Funded
Construction	47,406,100	→ City Funded via CIP
Total Costs	\$ 86,749,520	

*The City requested \$30.1 million from the TPOF program to support right-of-way acquisition and private utility relocation.

- Davenport understands that a critical factor in obtaining TPOF grant funds will be demonstrating the City’s ability to fully fund the Route 460 Improvement Project including the City portion (\$48 million).
- This report has been provided to demonstrate the City’s ability to fund its portion of the Route 460 Improvement Project within its City Council approved Financial Policies and within expectations for ‘Aaa/AAA/AAA’ rated local governments.
- The City maintains strong fund balance reserves over \$100 million including a capital reserve fund of \$47 million.



Credit Ratings

- The City enjoys 'Aaa' credit ratings from all three of the National Credit Rating Agencies. These credit ratings serve as a barometer for the Financial, Economic, Demographic, and Management standing of the City.
- These 'Aaa' credit ratings are the highest possible credit ratings a local government can achieve.

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>	
Top Tier "Highest Possible Rating"	Aaa	AAA	AAA	
2 nd Tier "Very Strong"	Aa1	AA+	AA+	(Highest)
	Aa2	AA	AA	(Middle)
	Aa3	AA-	AA-	(Lowest)
3 rd Tier "Strong"	A1	A+	A+	(Highest)
	A2	A	A	(Middle)
	A3	A-	A-	(Lowest)
4 th Tier "Adequate Capacity to Repay"	Baa1	BBB+	BBB+	(Highest)
	Baa2	BBB	BBB	(Middle)
	Baa3	BBB-	BBB-	(Lowest)
5 th - 10 th Tiers "Below Investment Grade"	BB, B, CCC, CC, C, D			

↑ Considered Investment Grade

↓ Below Investment Grade

Route 460 Improvement Project

City Financing Overview



- The \$48 million of construction funding for the Route 460 Improvement Project is currently identified in Years 6 – 10 of the FY 2025 – 2034 Capital Improvement Program & Plan (the “CIP”).
- The City will pursue all funding opportunities, including federal grant funds, to obtain the \$48 million.
- Davenport has prepared an analysis to assess the potential impacts of accelerating the Route 460 Improvement Project to years 3 through 5 of the CIP (Note: Per City Staff the City Funded portion of the Route 460 Improvement Project would be needed in Fiscal Years 2027 to 2029 if accelerated with the TPOF grant funds).
- Davenport has quantified the potential impacts in terms of debt capacity and debt affordability.
- Debt capacity refers to the ability to incur additional debt while remaining within City Council-adopted financial policies and industry “best-practices”.
 - The City maintains two Adopted Debt-related Financial Policies:
 1. Debt Service vs. General Government Expenditures – **Not to exceed 10%**
 2. Tax-Supported Debt vs. Total Assessed Value – **Not to exceed 4%**
- Debt affordability focuses on the City’s ability to repay its debt obligations given its current cash flows.

Route 460 Improvement Project

Tax Supported Borrowing Assumptions



- The Tax Supported (i.e. governmental) debt sources of the City’s Adopted FY 2025 – 2029 CIP are shown below.
 - The funding for construction of the Route 460 Improvement Project has been added in equal increments in years FY 2027 – 2029 (*in blue*).

Debt Financing Sources

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	5-Year Total
Literary Loan (VDOE)	25,000,000	-	-	-	-	25,000,000
General Obligation Bonds*	10,236,859	34,523,724	32,130,158	36,823,868	36,463,460	150,178,068
Route 460 - General Obligation Bonds	-	-	16,016,507	16,016,507	16,016,507	48,049,520
Total Borrowing	\$ 35,236,859	\$ 34,523,724	\$ 48,146,665	\$ 52,840,374	\$ 52,479,966	\$ 223,227,588

- For this analysis, new borrowings assume a 20–year structure comprised of one and a half years of interest only followed by 19 years of level debt service (principal and interest) payments.
- The analysis assumes a planning interest rate of 5.0%.

Source: City Staff.

Note: General Obligation Bonds include Fleet G.O. bonds in the amounts of \$300k and \$3.875 million in FY 2026 and FY 2028, respectively.

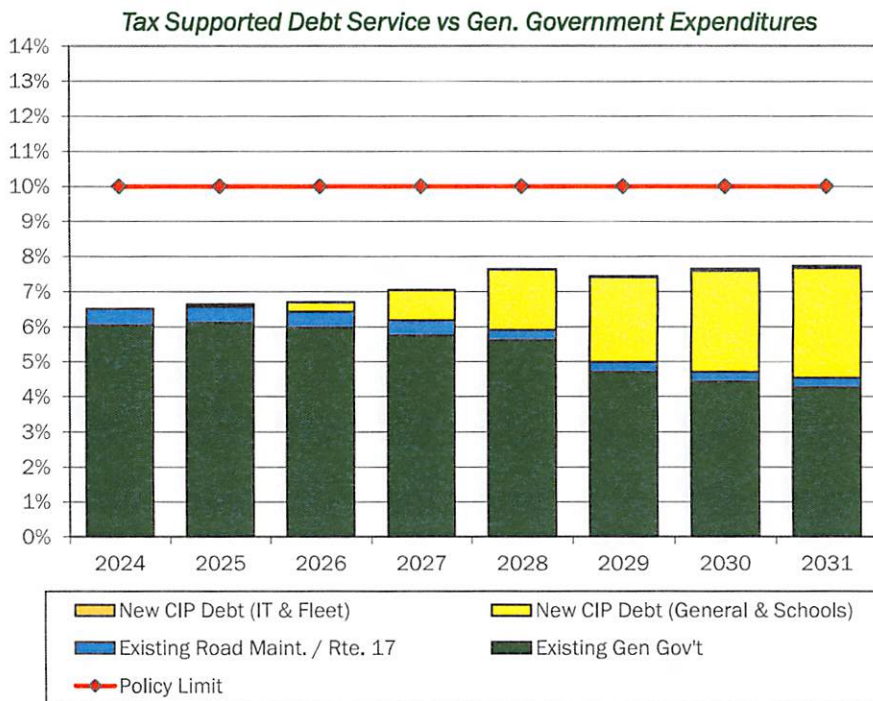
Route 460 Improvement Project

Projected Tax Supported Debt Ratios

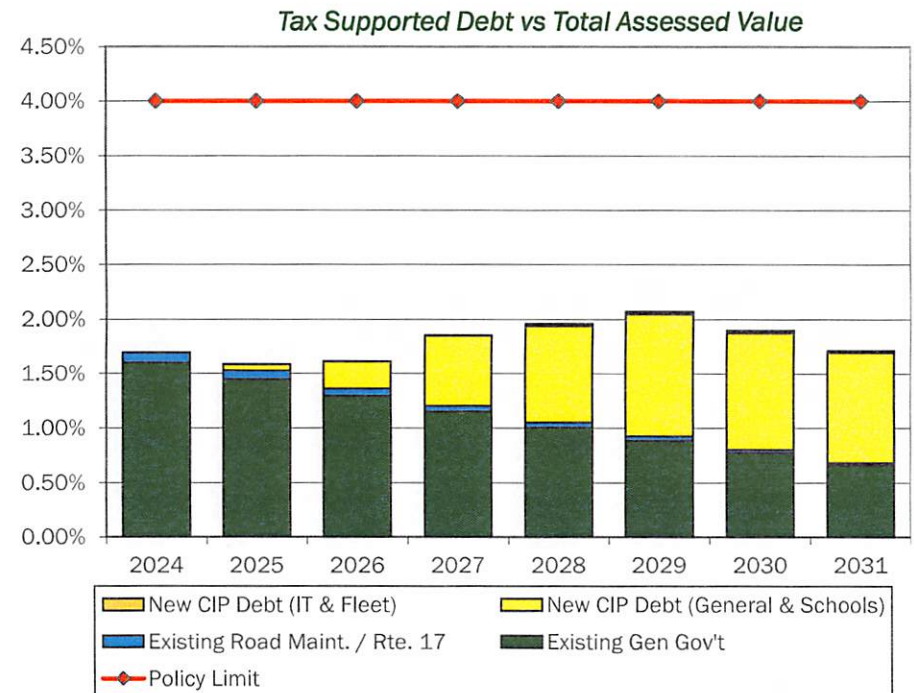


- The graphs below project the City's Debt Ratios incorporating the borrowings outlined on the previous page (i.e. inclusive of the Route 460 Improvement Project).

➤ *The City remains well in compliance with both Adopted Debt Policies.*



Projected Annual Growth Rate of Expenditures = 2.0%



Projected Annual Growth Rate of Assessed Value = 2.0%

- (1) All new debt assumes a 5.0% borrowing rate amortized over 20 years with 1 and a half years of interest followed by 19 years of level debt service. Literary Loan debt service is summarized in the Appendix.
- (2) Expenditures utilized in above calculation consist of expenditures from the General Fund including transfer to Debt Service Fund, School Operating Fund net of the General Fund's transfer to the School Fund, Downtown Business District, Transit System Fund, Aviation Facilities Fund, Law Library Fund, Route 17 Tax District, Road Maintenance Fund, and Grants Fund.
- (3) Assessed Value FY 2024 figure estimated from City Assessors Office.
- (4) Existing Road Maintenance / Route 17 debt is included for transparency purposes.

Proposed CIP Including Route 460 Project

Projected Debt Affordability



- The table below shows the impact of the FY 2025 – 2029 CIP including the Route 460 Improvement Project on the City’s Debt Affordability.
- Based on the proposed FY 2025 Budget – the City will need to begin identifying additional revenues to repay debt service in the FY 2027 time period.
- Based on these projections the City’s Debt Service is projected to increase approximately \$10 mm from current levels.

	A	B	C = sum A : B	D	E = D - C
Fiscal Year	Existing Debt Service ⁽¹⁾	Total Proposed Debt Service ⁽²⁾	Total Existing & Proposed Debt Service	Debt Service Budget ⁽³⁾	Additional Revenue Required
2024	\$29,647,316	\$0	\$29,647,316	\$29,647,316	–
2025	30,611,133	301,561	30,912,694	32,268,239	–
2026	30,522,682	1,388,685	31,911,367	32,268,239	–
2027	29,935,733	4,433,628	34,369,360	32,268,239	2,101,121
2028	29,829,022	9,186,771	39,015,793	32,268,239	6,747,554
2029	25,438,604	13,334,012	38,772,617	32,268,239	6,504,378
2030	24,421,625	16,302,267	40,723,892	32,268,239	8,455,653
2031	23,997,905	18,037,909	42,035,813	32,268,239	9,767,574

Note: Preliminary, and subject to change.

- (1) Existing debt service includes all Tax-Supported Debt following the 2023 G.O. Issuance (i.e. General Fund, Schools. Net of Route 17 and Road Maintenance Debt Service).
- (2) Assumes a 5.0% planning interest rate with 1 and a half years of interest, followed by 19 years of level debt service.
- (3) Based on proposed FY2025 Budget.



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MARK R. WARNER
VIRGINIA

United States Senate

WASHINGTON, DC 20510-4606

June 14, 2023

COMMITTEES:
FINANCE

BANKING, HOUSING, AND
URBAN AFFAIRS

BUDGET

INTELLIGENCE

RULES AND ADMINISTRATION

Mr. Stephen C. Brich, P.E.
Commissioner
Virginia Department of Transportation
1401 East Broad Street
Richmond, VA 23219-2000

Dear Mr. Brich,

I write today in support of the City of Suffolk's grant proposal to the Virginia Department of Transportation's (VDOT) Transportation Partnership Opportunity Fund to assist with the Route 460 Road Improvement Project.

Route 460 is a significant economic driver and is critical to the success of not only the City of Suffolk but also the region and the Commonwealth. While logistics and related businesses are choosing Suffolk as they evaluate where to locate and expand, the transportation infrastructure must also reflect and accommodate that growth. This is particularly important given the city's location relative to one of the Commonwealth's most valuable economic assets, the Port of Virginia. Route 460 serves as a major gateway to the Port for truck movement, seeing thousands of trucks that are traveling to and from the Port on a daily basis. As the Port continues to grow, it is anticipated that these numbers will continue to increase.

I understand that the project design for improvements in this strategically vital two-mile stretch of the corridor has been funded. This additional investment will allow the city to take the next step by funding right-of-way acquisition and utility relocation.

I ask that you give this proposal every appropriate consideration. To the extent possible, please continue to update my office on the status of this grant by emailing GrantSupport_Warner@warner.senate.gov.

Thank you for your service on behalf of my constituents.

Sincerely,



MARK R. WARNER
United States Senator

MRW/aw

180 WEST MAIN STREET
ARRINGTON, VA 24210
PHONE: (276) 628-8158

101 WEST MAIN STREET
SUITE 7771
NORFOLK, VA 23510
PHONE: (757) 441-3078

919 EAST MAIN STREET
SUITE 630
RICHMOND, VA 23219
PHONE: (804) 775-2314

120 LUCK AVENUE, SW
SUITE 108
ROANOKE, VA 24011
PHONE: (540) 857-2676

8000 FIDELITY CRESCENT DRIVE
SUITE 200
VIENNA, VA 22182
PHONE: (703) 442-0670

<http://warner.senate.gov>

PRINTED ON RECYCLED PAPER

TIM KAINE
VIRGINIA

WASHINGTON OFFICE

WASHINGTON, DC 20510-4607
(202) 224-4024

COMMITTEE ON
ARMED SERVICES

COMMITTEE ON
FOREIGN RELATIONS

COMMITTEE ON
THE BUDGET

COMMITTEE ON
HEALTH, EDUCATION, LABOR,
AND PENSIONS

United States Senate

WASHINGTON, DC 20510-4607

June 21, 2023

The Honorable W. Sheppard Miller, III
Secretary
Virginia Department of Transportation
P.O. Box 1475
Richmond, VA 23218

Dear Secretary Miller,

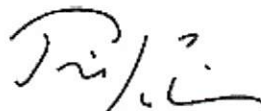
I write to express support for the City of Suffolk, an applicant for grant funding under the Transportation Partnership Opportunity Fund (TPOF) to help fund infrastructure improvements in the Route 460 Corridor.

Route 460 is a significant economic driver and is critical to the success of not only the City of Suffolk, but also of the region and the Commonwealth. While project design (Phase 1) for improvements in this strategically vital two-mile stretch of the corridor has been funded, this TPOF investment will allow the City to take the next step by funding right-of-way acquisition and utility relocation (Phase 2). Given the economic development significance of this project, it is well suited to receive funding through the TPOF.

We continue to see logistics and related businesses choosing Suffolk as they evaluate where to locate and expand. As the City continues to grow and prosper, the transportation infrastructure must also reflect and accommodate that growth. This is particularly important given the City's location relative to one of the Commonwealth's most valuable economic assets, the Port of Virginia. Route 460 serves as a major gateway to the Port for truck movement, seeing thousands of trucks that are traveling to and from the Port on a daily basis. This will only increase as the Port continues to grow, making it imperative that the investment be made now.

Please give full and fair evaluation to this project, which will benefit the City of Suffolk and the Commonwealth of Virginia as a whole. Should you have any questions regarding this project, contact my Office's Grants Coordinator, Elda_Stanco@kaine.senate.gov. Thank you.

Sincerely,



Tim Kaine



COMMONWEALTH OF VIRGINIA

HOUSE OF DELEGATES
RICHMOND

EMILY M. BREWER
POST OFFICE BOX 5
SMITHFIELD, VIRGINIA 23431

SIXTY-FOURTH DISTRICT

COMMITTEE ASSIGNMENTS:
GENERAL LAWS
APPROPRIATIONS
COMMUNICATIONS, TECHNOLOGY
AND INNOVATION

June 9, 2023

The Honorable W. Sheppard "Shep" Miller III
Secretary of Transportation
P.O. Box 1475
Richmond, VA 23218

RE: Route 460 Road Improvement Project TPOF Application

Dear Secretary Miller,

As a member of the House of Delegates/Senate of Virginia representing the 64th House District, I am pleased to provide my support for the City of Suffolk's proposal seeking \$30.1 million from the Transportation Opportunity Partnership Fund (TPOF) to help fund infrastructure improvements on the Route 460 Corridor. While project design (Phase 1) for improvements in this strategically vital two-mile stretch of the corridor has been funded, this investment will allow the City to take the next step by funding right-of-way acquisition and utility relocation (Phase 2). Given the regional significance of this project, it is well suited to receive funding through the TPOF.

Route 460 is critical to the success of not only the City of Suffolk, but also our Commonwealth. As the City continues to prosper, however, the transportation infrastructure must address congestion in this vital corridor.

This is particularly important given the City's location relative to one of the Commonwealth's most valuable economic assets, the Port of Virginia. Route 460 serves as a major gateway to the Port, making it imperative that we make this investment now.

I look forward to providing any assistance to help see this necessary infrastructure improvement come to fruition.

Warmest Regards,

A handwritten signature in blue ink that reads "Emily Brewer".

Delegate Emily M. Brewer
64th District

cc: Commonwealth Transportation Board members



William M. McCarty, Chair; Gordon C. Helsel, Jr., Vice-Chair

Robert A. Crum, Jr., Executive Director

June 16, 2023

The Honorable W. Sheppard Miller III
Secretary of Transportation
P.O. Box 1475
Richmond, VA 23218

RE: Hampton Roads Transportation Planning Organization (HRTPO) Letter of Support
for the Route 460 Improvement Project:
Transportation Opportunity Partnership Fund

Dear Secretary Miller:

The Hampton Roads Transportation Planning Organization (HRTPO) is pleased to provide this letter of support for the City of Suffolk's proposal seeking \$30.1 million from the Transportation Opportunity Partnership Fund (TPOF) to help fund infrastructure improvements in the Route 460 Corridor. While project design (Phase 1) for improvements in this strategically vital two-mile stretch of the corridor has been funded, this investment will allow the City to take the next step by funding right-of-way acquisition and utility relocation (Phase 2). Given the economic development significance of this project, it is well suited to receive funding through the TPOF.

Route 460 is a significant economic driver and is critical to the success of not only the City of Suffolk but also the Hampton Roads region and the Commonwealth. The City continues to see logistics and related businesses choosing Suffolk as they evaluate where to locate and expand. As the City continues to grow and prosper, however, the transportation infrastructure must also reflect and accommodate that growth.

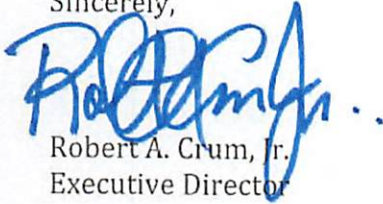
This is particularly important given the City's location relative to one of the Commonwealth's most valuable economic assets, the Port of Virginia. Route 460 serves as one of the major gateways to the Port for truck movement, seeing thousands of trucks that are traveling to and from the Port on a daily basis. As this will only increase as the Port continues to grow, it is imperative that the investment in improving Route 460 be made now.

The Honorable W. Sheppard Miller, III
June 16, 2023
Page 2

The staff of the Hampton Roads Transportation Planning Organization (HRTPO) has reviewed the proposed project and although it is not currently in the 2045 Long-Range Transportation Plan (LRTP), it is consistent with the goals of the plan. If the grant application is successful, before moving to construction, the 2045 LRTP must be amended to include the project and a new Regional Conformity Assessment conducted. Additionally, should this project be selected for funding through TPOF, and sufficiently funded, the project will be added to the Transportation Improvement Program (TIP).

Should you need any additional information in support of this project, please contact me at (757) 420-8300.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert A. Crum, Jr.", is written over the typed name and title.

Robert A. Crum, Jr.
Executive Director

KG/se

Copy; Robert Lewis, City of Suffolk
Emily Reynolds, Access Point Public Affairs, LLC

June 9, 2023

The Honorable W. Sheppard "Shep" Miller III
Secretary of Transportation
P.O. Box 1475
Richmond, VA 23218

RE: Route 460 Road Improvement Project TPOF Application

Dear Secretary Miller,

I am writing to you in my capacity as the Executive Director of the Suffolk Economic Development Authority (EDA) to enthusiastically support and advocate for the proposal requesting \$30.1 million in funding to aid the vital infrastructure improvements for a 2-mile stretch of the Route 460 Corridor in Suffolk.

The City of Suffolk has been experiencing an extraordinary and diverse range of growth in recent years. Our residential, industrial, and logistics sectors have each seen significant increases in activity, consequently driving economic development and prosperity in our region. This expansion, while promising, also places a heavy demand on our existing infrastructure, particularly our transportation network.

A crucial part of our transportation network, the Route 460 Corridor, serves as the backbone for our thriving logistics and distribution sectors. As the Port of Virginia continues to expand and grow in its global importance, the demand for its logistical pathways correspondingly amplifies. Consequently, the number of distribution and logistics trucks relying on the Route 460 Corridor has risen significantly, causing increased strain and degradation to the existing infrastructure.

The Port of Virginia is a thriving hub of economic activity and a key driver of growth for Suffolk and the entire region. Its vitality and continuous improvements are testament to our commitment to being globally competitive and maintaining the highest standards of efficiency. The resulting increase in logistics and distribution, however, is causing unprecedented strain on our Route 460 Corridor.

The proposed improvements to Route 460, therefore, are not just beneficial, they are necessary. Modernization and expansion of this stretch of roadway will ensure the safe and efficient movement of goods and people, while supporting our region's economic vitality and positioning Suffolk for future growth and prosperity.

We recognize that the cost of these improvements is substantial, and our city alone cannot bear the financial burden. That is why we are seeking your support. The requested \$30.1 million will not only fund these crucial improvements but also send a strong signal of our shared commitment to fostering a robust, sustainable, and resilient transportation infrastructure that can support our growing economy.

Your support will help maintain Suffolk's status as a critical hub for commerce and transportation, and ensure that we can keep pace with our growth and the future demands of the Port of Virginia.

I kindly ask that you consider our proposal and the critical necessity of these improvements to Suffolk's transportation infrastructure and our collective economic future. The City of Suffolk, the EDA, and our partners in the community stand ready to provide any additional information and support needed to advance this proposal.

Thank you for your consideration and for your continued commitment to supporting sustainable infrastructure development.

Sincerely,



Mary Snyder
Executive Director
Suffolk Economic Development Authority

cc:
Commonwealth Transportation Board members



June 16, 2023

The Honorable W. Sheppard "Shep" Miller III
Secretary of Transportation
P.O. Box 1475
Richmond, VA 23218

RE: Route 460 Road Improvement Project TPOF Application

Dear Secretary Miller,

The Hampton Roads Alliance is the regional economic development organization supporting 14 localities and more than 70 companies. On behalf of the Hampton Roads Alliance, I'm pleased to express my support for the City of Suffolk's proposal seeking \$30.1 million from the Transportation Opportunity Partnership Fund (TPOF) to help fund infrastructure improvements in the Route 460 Corridor. While project design (Phase 1) for improvements in this strategically vital two-mile stretch of the corridor has been funded, this investment will allow the City to take the next step by funding right-of-way acquisition and utility relocation (Phase 2). Given the economic development significance of this project, it is well suited to receive funding through the TPOF.

Route 460 is a significant economic driver and is critical to the success of the City of Suffolk, our region, and the Commonwealth. We continue to see logistics and related businesses choosing Suffolk as they evaluate where to locate and expand. As the City continues to grow and prosper, however, the transportation infrastructure must also reflect and accommodate that growth.

This is particularly important given the City's location relative to one of the Commonwealth's most valuable economic assets, the Port of Virginia. Route 460 serves as a major gateway to the Port for truck movement, seeing thousands of trucks traveling to and from the Port daily. We know this will only increase as the Port continues to grow, making it imperative that we make this investment now.

It is with great enthusiasm that I provide my support for this project and this proposal, and I look forward to providing any other assistance I can to help see this necessary infrastructure improvement come to fruition.

Sincerely,

A handwritten signature in black ink that reads "Douglas L. Smith".

Douglas L. Smith
President & CEO

June 9, 2023

The Honorable W. Sheppard "Shep" Miller III
Secretary of Transportation
P.O. Box 1475
Richmond, VA 23218

RE: Route 460 Road Improvement Project TPOF Application

Dear Secretary Miller,

The Hampton Roads Chamber supports the City of Suffolk's proposal requesting \$30.1 million from the Transportation Opportunity Partnership Fund (TPOF) to help fund infrastructure improvements along the Route 460. Project design in Phase 1 of the project has already been funded and the city now needs funding for Phase 2, right-of-way acquisition and utility relocation. Given the economic development along this two-mile stretch of Route 460, this request fits the requirements for TPOF funding.

Route 460 is a key transportation route to support economic development in the City of Suffolk and the Hampton Roads region. As the Port of Virginia expands, the businesses needed to provide logistical support are expanding in this area. In order to support this type of economic development, the road infrastructure has to be improved. The state has already made a significant investment in the Port and its operations and now we need to make strategic improvements in the highway network to support distribution of products moving through the Port.

As you know, the Hampton Roads Chamber represents over 1,200 businesses in the region with over 6,000 members. This is a necessary improvement to the transportation network in the region to continue to support the business community. If you have any questions or need additional information, please contact me at bkstephens@hrchamber.com or 757.664.2535.

Sincerely,



Bryan Stephens,
President and CEO Hampton Roads Chamber

cc: Commonwealth Transportation Board members