

Virginia Institute for Economic Development

Connecting and Engaging

September 25, 2019



Case Study – Chaparral Steel, 1997

Chaparral Steel – 1997, VEDP led project

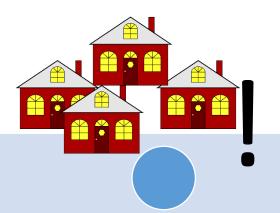
- TXI, parent company
- 500 acre greenfield site
- Dual rail served
- Proximity to interstate highway
- Extremely heavy electrical load, 120
 MW
- 3 million gallons of water per day
- Major natural gas user
- 400 employees
- Decision timeline less than 12 months



January 1997

VEDP needs 500+ acre site for prospect

Submit the Ft. Fisher Site



April

Company wanted to pursue property

10+ small owners, including the new houses

Adjoins the National Park Service



Site Visit

Houses on periphery!!! We're toast!

Or so I think...

First Death Star appearance!



April (late)

Option property

Due diligence?

Power??

Water???

Roads????



VEDP agrees to sponsor due diligence

Start notification with other state agencies

Begin zoning prep work







Rail????

Natural gas???

Park Service??



Options begin

Major property owners on board

Reaching out to adjacent owners

Oh, did I mention that the property was the site of a Civil War Battle?



July

Property optioned

Due diligence work underway

Power negotiations underway

Water situation solved

Road option identified

September

Planning Commission meets

2nd appearance of the Death
Star – under a new name





August

We know the site is a finalist, 1 of 2

Dinwiddie initiates zoning

Due diligence complete

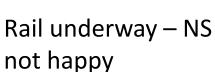


Private Civil War Museum south of the site

Have major concerns about disturbing the "hollowed grounds"

Arm-twisting starts

Another trip to Dallas



Natural gas done

Park Service – very happy!

Dinwiddie BOS trip to Dallas



October

Big month – make or break

Zoning passed!

Power negotiations complete

Air permits – timeline locked

Access road guaranteed

December

Announcement \$400 million and 400 jobs







Rail negotiations complete

Pamplin Park happy – big donation made hollowed grounds issue disappear

Chaparral informs us we win!!!!

November

Incentives completion
VEDP and Dinwiddie final proposals ratified
Regroup

Question

How many different groups were involved?

Approximate groups involved in the project

- VEDP
 - Business Development, Research
 - GIS, Environmental (Bob Burnley)
- TXI Chaparral Steel
- Governor's office George Allen
- DHR Dept. of Historical Resources
- DEQ
- National Park Service
- Dinwiddie County
- Rail Roads NS & CSX
- VDOT

Approximate groups involved in the project, cont.

- Electrical utilities Dominion and Southside Electric Coop
- Appomattox Regional Water Authority
- Property owners site and adjacent
- Consultants
- Columbia Gas of Virginia
- Press Times Dispatch and Progress Index
- Virginia's Gateway Region
- Engineers ECS, Townes & Associates
- Citizens through the zoning process
- City of Petersburg

Lesson - Basic Tenets of Economic Development

- Prospects do not locate to do you a favor
- Competition
- Prospects do not understand local political boundaries
- Team Sport
- Sale is made at the local level





Questions?