



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



February

Site Visit

Houses on periphery!!! We're toast!

Or so I think...

April

Company wanted to pursue property

10+ small owners, including the new houses

Adjoins the National Park Service

First Death Star appearance!



April (late)

Option property
Due diligence?
Power??
Water???
Roads????



June

VEDP agrees to sponsor due diligence
Start notification with other state agencies
Begin zoning prep work

Rail????
Natural gas???
Park Service??

May

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

Rail underway – NS
not happy

Natural gas done

Park Service – very
happy!

Dinwiddie BOS trip to
Dallas

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



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?