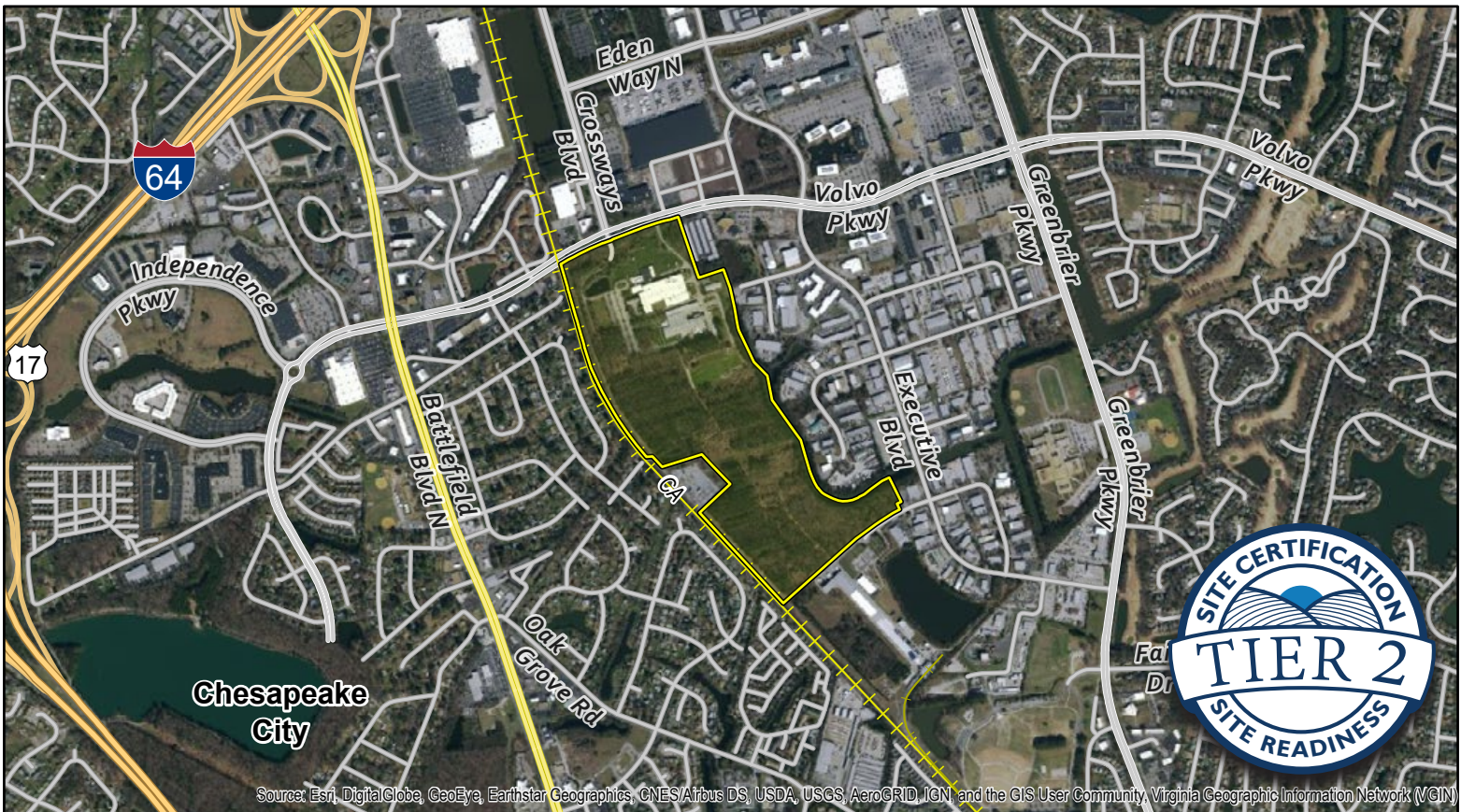


VIRGINIA BUSINESS READY SITES PROGRAM: MITSUBISHI SITE

City of Chesapeake, Virginia



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USCS, AeroGRID, IGN, and the GIS User Community, Virginia Geographic Information Network (VGIN)

September 2019

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Acknowledgments

Timmons Group would like to thank VEDP for the opportunity to perform this assessment and would like to thank City of Chesapeake for their assistance in filling out the site questionnaire and assembling the available site information to allow for a thorough and comprehensive evaluation of this site.

This Site Characterization and Assessment was conducted on behalf of the Virginia Economic Development Partnership (VEDP) as part of a statewide site assessment study and was based upon the site information provided to VEDP and the Consultant as of August 2019. This assessment was conducted by a Professional Engineer licensed in the Commonwealth of Virginia and the results were based upon the Consultant's experience and best professional judgment in accordance with the Department of Professional and Occupational Regulations (DPOR) Laws and Regulations at the time of this study. Should additional information be provided at a later date, the results of this assessment could change.

SITE CHARACTERIZATION LETTER

September 27, 2019

John K. Loftus
Sites and Buildings Manager
Virginia Economic Development Partnership
901 East Cary Street
Richmond, VA 23219



Re: **Tier 2 Site Certification for Mitsubishi Site
Located in the City of Chesapeake, VA**

Dear Mr. Loftus,

Thank you for the opportunity to work with you on the Site Certification of the Mitsubishi Site in the City of Chesapeake, VA as a part of the larger Virginia Economic Development Partnership (VEDP) Enhanced Site Characterization and Assessment Study.


After an extensive review of the information provided on the above referenced property and verification of utility capacities and availability to the site, we are pleased to certify the Mitsubishi Site as a:

Tier 2 Certified Site in accordance with the Virginia Business Ready Sites Program Standards.

Thank you again for the opportunity to work with you and the City of Chesapeake on this site certification. The results of this assessment will be instrumental in making more informed investments in site development and increase VEDP's ability to recruit new businesses to the City of Chesapeake and Virginia.

Should you have any questions or need any additional information, please don't hesitate to contact me at your earliest convenience.

Sincerely,


Joseph C. Hines, PE, MBA
Principal, Director of Economic Development


Mac McKenzie, PE
Senior Project Manager


David Taylor, PLA
Senior Land Planner

SITE SUMMARY

Site Background & History

The Mitsubishi site is located in the City of Chesapeake, south of Volvo Parkway, west of Executive Boulevard, and east of Battlefield Boulevard. The site consists of two parcels totaling approximately 143.6 acres of land with one private land owner – Mitsubishi Kasei. Currently, the zoning on the site is Planned Unit Development (PUD).

To begin the assessment, Timmons Group visited the site on May 23rd. The site had three existing buildings with a total square footage of approximately 305,000 sf. There are ancillary roads, parking lots, and sidewalks and a wet pond at the northwest portion of the site. There are a few 20' high mounds near the center of the site. Much of the site that is not building area has forest vegetation. There appears to be an electric/power easement across the center and on the western edge of the site, a gas easement on the western edge of the site, and a drainage/impoundment easement on the eastern edge of the site, as well as several smaller drainage easements around the site. Additionally, American Engineering performed an ALTA-Topo/NSPS Land Title Survey of the site in February 2019. According to previous Timmons Group work on the site, currently the Mitsubishi Chemical building can be replaced with new development. However, the existing Alpolic building on the northern portion of the site should remain and has a planned expansion. All available information has been evaluated and considered in review of this site's potential tier status.

Site Name	Mitsubishi Site
Acreage	129.9 Acres Avail. (143.6 Acres Total)
Buildout Potential (SF)	1,150,000 SF
Yield (SF/Acre)	8,850 SF/Acre
Zoning / Land Use	PUD
4 Lane	Volvo Pkwy / 0.0 mi
Interstate	~1.2 mi to I-64
Water	City of Chesapeake 16"
Sewer	Hampton Roads Sanitation District 8"
Natural Gas	Virginia Natural Gas
Power	Dominion Energy
Telecom	Cox Communications, MBC

In evaluating the site for its industrial buildout potential, approximately 1.15 million SF was estimated to fit onto the site within the given developable land constraints resulting in a yield of approximately 8,850 SF/Acre.

In order to evaluate the current level of readiness, the following elements were considered:

- Acreage/Developable Acreage
- Potential Development Yield
- Location/Accessibility
- Rail Accessibility
- Ownership
- Zoning/Land Use
- Topography
- Restricted Land Coverage
- Resource Protection Area
- Wetlands
- Floodplains
- Waterbodies
- Streams
- Wet Utility Access (i.e. Water, Sewer)
- Dry Utility Access (i.e. Natural Gas, Power)
- Roads/Infrastructure

Summary of Wet Utility Infrastructure

WATER: The site is served by the City of Chesapeake public water system. According to the City of Chesapeake, the closest water treatment plant has a capacity of approximately 1.0+ MGD. The capacity available at the site is approximately 250,000+ gallons per day (GPD). There is also 1.0+ million gallon water tank nearby. Currently, the site has a 16" water main on or adjacent to the site on Volvo Parkway.

SITE SUMMARY

SEWER: The site is also served by the Hampton Roads Sanitation District sewer system. According to the City of Chesapeake, there is an existing 8" gravity sewer line on or adjacent to the site. The system has approximately 1.0+ MGD capacity. HRSD indicates that the total system capacity is 1.0+ MGD and there are currently 250,000+ GPD available at the site via a 30" forcemain on-site/adjacent to the site.

Summary of Dry Utility Infrastructure

POWER: The site is primarily located in Dominion Energy's (DE) service territory. According to Dominion, bridging and long-term power is available today to support most industrial prospects. There are electrical/power easements across the center and on the western edge of the site. There is an electrical/power facility on the southwest edge of the site. The power information provided is based upon a preliminary review at the time of this study. Locality and/or landowner should contact power provider prior to formally engaging a prospect and/or prospective industry to validate the availability of power to the site.

GAS: This site is in Virginia Natural Gas service territory. The nearest existing gas main is a high pressure (>60 psig) located less than 100 feet from the site. Delivery timeline depends upon prospective industry needs. Future capacity is dependent upon the completion of the Atlantic Coast Pipeline (ACP). There is a gas easement on the western side of the site. The gas information provided is based upon a preliminary review at the time of this study. Locality and/or landowner should contact gas provider prior to formally engaging a prospect and/or prospective industry to validate the availability of gas to the site.

FIBER: This site is served by MBC and Cox Communications for fiber. According to the information provided, each of these could provide fiber service in support of industrial development within 12 months.

Summary of Transportation and Access

LOCAL ACCESS: Currently, the site's main access is via Volvo Parkway. There is a potential to have a secondary connection via the road to the south, Yupo Court. Early buildout of the site should focus on the northern most area via Volvo Parkway.

4-LANE / INTERSTATE HIGHWAY ACCESS: Volvo Parkway, a 4-Lane road, would provide access to multiple major thoroughfares including both Greenbrier Parkway and Battlefield Boulevard. I-64 is approximately 1.8 and 1.2 miles away via these routes, respectively.

RAIL ACCESS: There is an existing C&A railroad adjacent to the western boundary of the site. There is currently no connection to the site.

Summary of Site Features

SITE USE & TOPOGRAPHY: The site is currently in use for buildings across the northern portion of the site and forest land cover on the central and southern portion of the site. There are two ponds on the northern and central parts of the site. Elevations tend to vary between EL15 to EL22 with two large mounds up to EL40 near the center of the site.

ENVIRONMENTAL: Based upon the field collected data and the desktop reviewed data, the site appears to have a few channels across the site. There are also two wet ponds on the site and a wet pond/channel on the eastern edge of the site.

SITE SUMMARY

LOCATION & ZONING: The site is bound to the north by Volvo Parkway, railroad tracks to the west, Yupo Court to the south, and a drainage pond/canal to the east.

Tier Assignment

The Tier Level analysis of the Mitsubishi Site located in the City of Chesapeake currently identifies the site as a Tier 2 Level of readiness.

The site is currently zoned suitable for industrial with the following due diligence completed: 1' Topographic Survey, and Boundary Survey with Easements and Encumbrances Identified (ALTA). The following summarizes the next steps – with associated budgets – that are required to bring the site to Tier 4:

<u>Tier 3:</u>	<u>Recommended Budget</u>
1. Preliminary Geotechnical Survey and Report	\$14,000
2. Phase I Environmental Site Assessment	\$5,500
3. Cultural Resources Review	\$2,400
4. Threatened & Endangered Species Summary	\$3,000
5. Waters of the US Delineation and COE Confirmation	\$13,000
6. Master Plan	\$30,000

<u>Tier 4:</u>	<u>Recommended Budget</u>
1. Engineer's Review & Certification of Work Completed for Tier 4 with Confirmation Infrastructure can be Completed within 12 months.	N/A

SITE READINESS ROAD MAP

No SITE - BEGINNING ROAD TO SUCCESS

Find a Site

Property Owner Agreeable to Marketing Site

AGREEABLE OWNERSHIP

TIER 1



Preliminary Site Evaluation

Property Controlled or With a Competitive Sales Price

Aligned for Industrial / Commercial Use in Comprehensive Plan

COMPETITIVE SALES PRICE OR CONTROL & COMP. PLAN ALIGNED

TIER 2



Zoned for Industrial / Commercial Use

Begin & Complete Necessary Due Diligence

Infrastructure Evaluations

Master Planning & Preliminary Engineering

Preliminary Engineering Report(s) w/ Estimated Costs & Timelines for Infrastructure Development

ZONING ALIGNED, DUE DILIGENCE COMPLETE & COSTS ESTIMATED

TIER 3



Site Issues Resolved (if any) from Previously Completed Due Diligence

Infrastructure Designed & Construction Deliverable within 12 months

Permit Issues Identified & Quantified

TIER 4



INFRASTRUCTURE DELIVERABLE OR IN-PLACE WITH PROP. ISSUES CLEARED "CERTIFIABLE" SITE

"Pad Grade" Portion or Entire Site

Infrastructure Constructed & In Place

"Shovel Ready" for Disturbance Permit

"SHOVEL-READY SITE" PERMITS IN HAND

TIER 5



VEDP Tier System based upon Timmons Group Tier System as adopted for the the Virginia Business Ready Sites Program (VBRSP). www.vedp.org/vbrsp

PROJECT BACKGROUND & ASSUMPTIONS

Base Report Information:

Timmons Group conducted this site characterization and assessment based upon the information provided by VEDP, the individual localities, the utility providers (wet and dry) and/or the property owners in addition to best available site constraints information (i.e. topographical mapping, environmental, etc.). Should additional information be made available after the completion of this report, Consultant can re-evaluate the Tier Assessment of the site at a later date.

Site Constraints and Schematic Layouts:

The site constraints and mapping provided in this report were based upon the best available information at the time of this study. Schematic layouts developed are intended to be a “reasonable” build-out of the site based upon the site constraints and Consultant’s best professional judgment for the region’s site and infrastructure development and current laws and regulations in place at the time of this study. It is further acknowledged that this schematic layout represents one potential scenario and the site build-out could change based upon the ultimate needs of a potential prospect and the laws and regulations in place at the time of development.

Budgets:

Budgets provided are for planning purposes only and based upon best available budget information as of the date this study. Should VEDP, the localities and/or property owners move forward with the recommended work, a detailed scope and fee can be provided for proposed services.

SITE CHARACTERIZATION TIER LEVEL RANKING CRITERIA

Site Characterization Tier Level Ranking Criteria

As summarized in the application, the Virginia Business Ready Sites Program (VBRSP) was established pursuant to § 2.2-2238 C. of the Code of Virginia of 1950, as amended, to identify and assess the readiness of potential industrial or commercial sites in the Commonwealth of Virginia for marketing for industrial or commercial economic development purposes. The first step in determining a site's readiness begins with an assessment to quantify the level of existing development and the additional recommendations to market the site for industrial or commercial economic development purposes.

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, minimal or no infrastructure, and minimal or no due diligence has been performed.

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 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, 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 months or less, with all infrastructure improvements in place, or plans for necessary infrastructure improvements completed and approved and deemed deliverable within 12 months by a licensed Professional Engineer in the Commonwealth of Virginia. All infrastructure permit issues are identified and quantified.

Tier 5: Site is considered "shovel ready" with all site permits in place or identified such that building construction can begin as soon as necessary land disturbance permits can be obtained by prospective industry.

DATA SOURCE INFORMATION SUMMARY

Data Layers	Source Description
Site Boundary	<i>Based on VEDP provided data as submitted to the iVS system prior to the start of the project. Adjustments made where appropriate based upon submitted information or best available VGIN GIS data.</i>
Parcels	<i>VGIN Parcels (2018-Q2)</i>
Zoning	<i>Based on locality submitted information</i>
County & Town Boundary	<i>VGIN Statewide Boundaries (2018-Q2)</i>
Waterline & Sewerlines	<i>Approximated from provider supplied maps (2019)</i>
Power, Gas & Fiber	<i>Existing Electrical, Natural Gas & Refined Oil Transmission data taken from Platts**, with permission. Other data was approximated if provided by providers / locality.</i>
Wetlands	<i>National Wetlands Inventory (Oct 2018)</i>
Floodplains	<i>FEMA Data Layer (06/2017) & FEMA Firmette(s) (05/2009-12/2014)</i>
Topography & Slope	<i>Derived from USGS Bare Earth DEM available on Locality Website (2013)*</i>
Roads	<i>VGIN Road Centerline Program (2018-Q2)</i>
Rails	<i>VGIN Rail (2017)</i>
Streams	<i>National Hydrology Dataset (02/2019)</i>
Waterbodies	<i>National Hydrology Dataset (02/2019)</i>
Aerial	<i>VGIN Aerial (Most Recent Imagery - As available in August 2019)</i>

Notes:

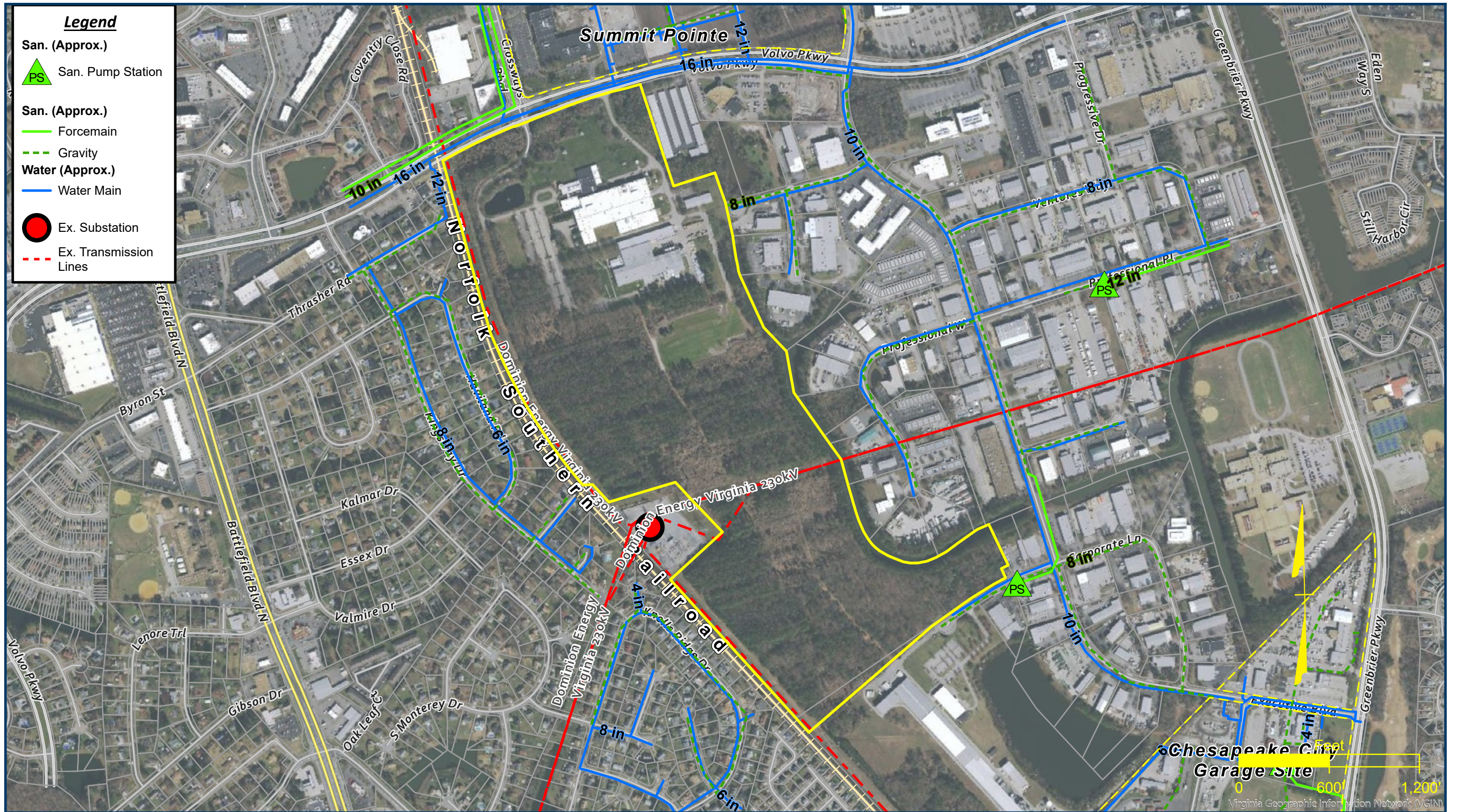
*Any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification, or construction of improvements to real property or for flood plain determination

**All Existing Electrical Transmission Line, Electrical Substation, Natural Gas Line, Natural Gas Compressor Station and Refined Oil Products data is the property of Platts, a division of McGraw Hill Financial, Inc. Data was used under contractual agreement and shall not be reproduced in any way



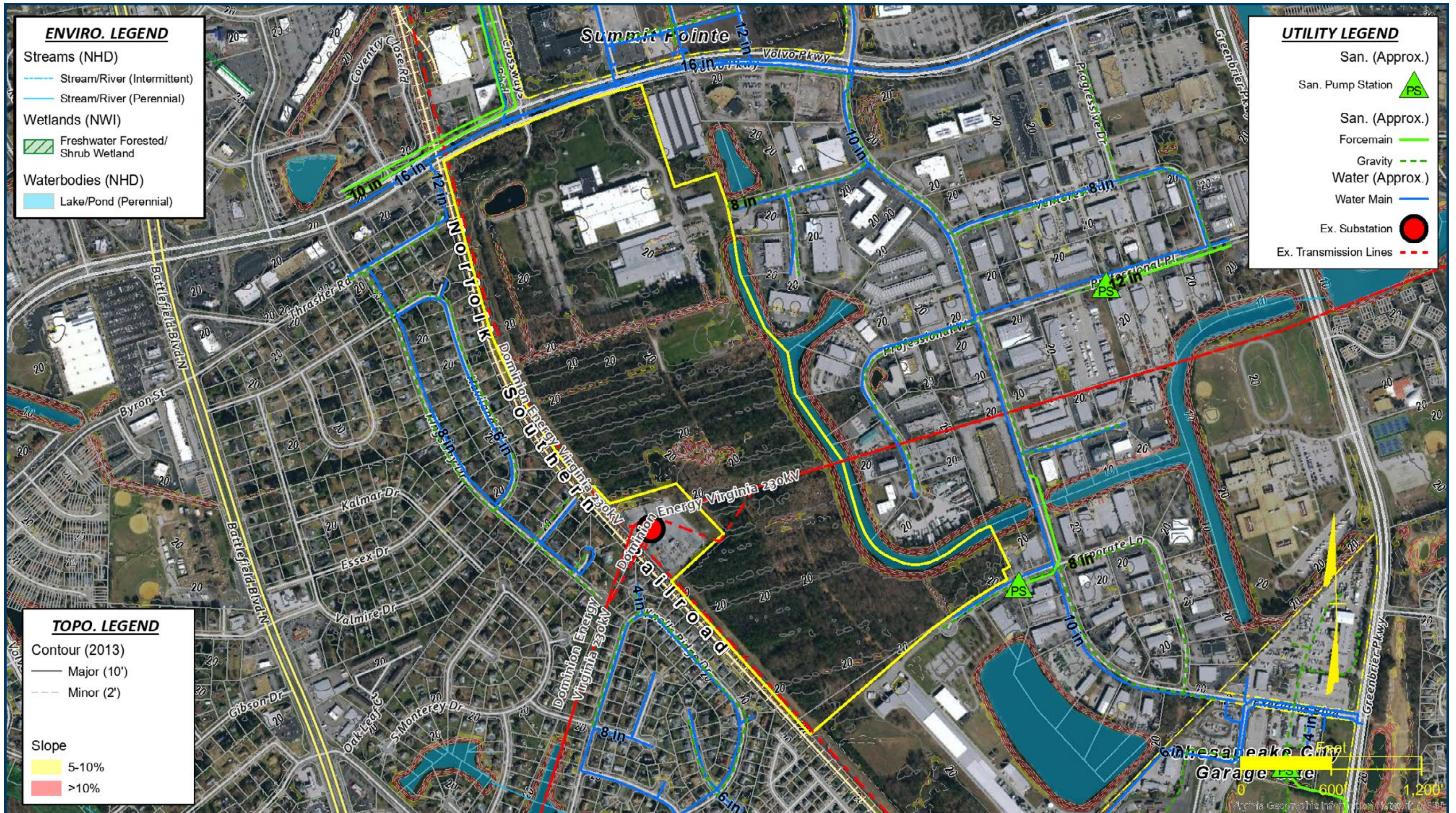
MITSUBISHI SITE

City of Chesapeake, VA Exhibit 1 - Aerial & Environmental
September 2019



MITSUBISHI SITE

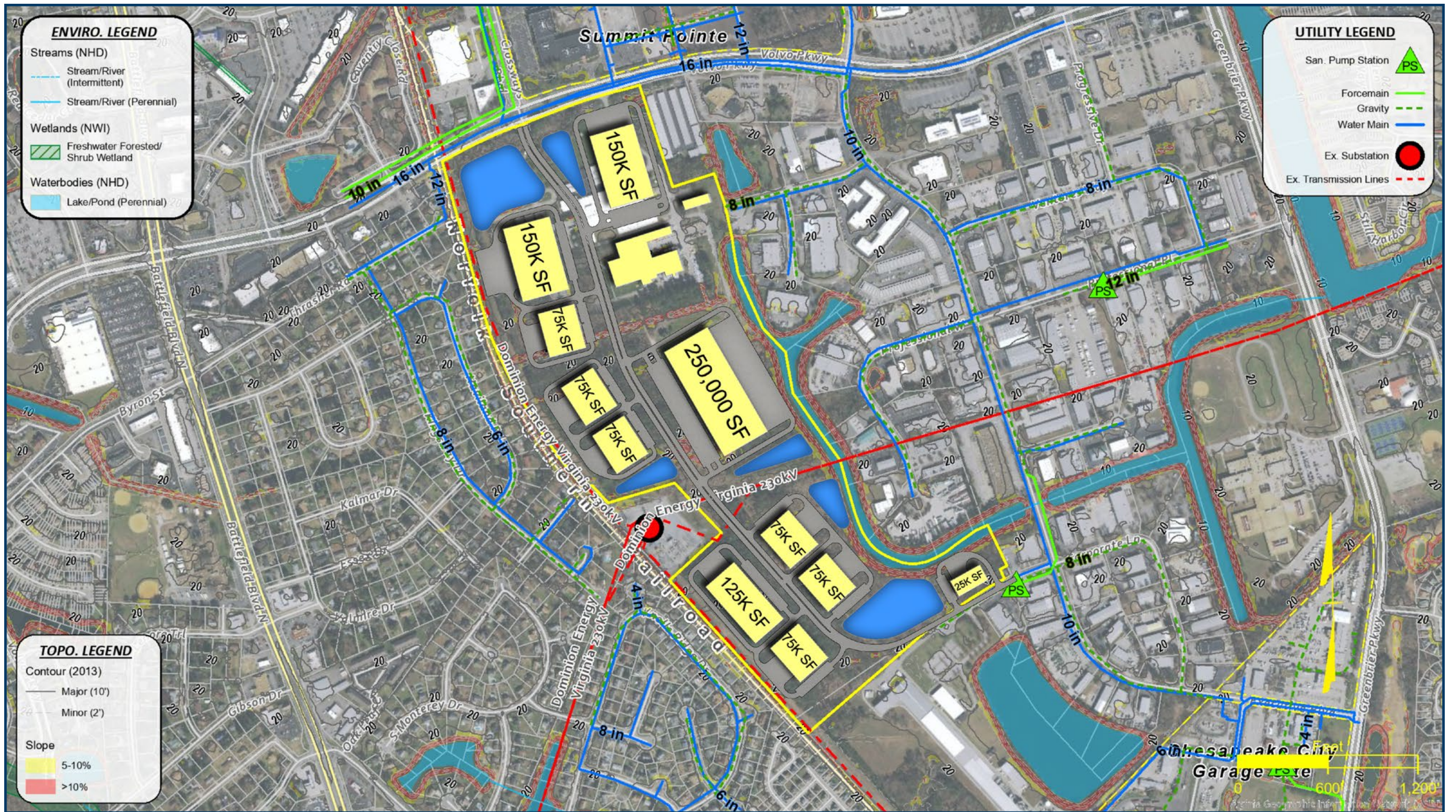
City of Chesapeake, VA Exhibit 2 - Utilities
September 2019



MITSUBISHI SITE

City of Chesapeake, VA Exhibit 3 - All Constraints
September 2019





MITSUBISHI SITE

City of Chesapeake, VA Exhibit 4 - Schematic Build-Out
September 2019