



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Sean T. Connaughton
Chairman

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Agenda item # 3

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 19, 2011

MOTION

Made By: Mr. Bowie Seconded By: Mr. Keen

Action: Motion Carried, Unanimously

**Title: Economic Development Access to Bland County Commerce Park
(Rescinding September 20, 2007 CTB Action and Project 0672-010-714, N501)
Project 0672-010-871, N501**

WHEREAS, Section 33.1-221 of the *Code of Virginia* provides a fund to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within counties, cities, and towns to economic development sites on which manufacturing, processing, research and development facilities, distribution centers, regional service centers, corporate headquarters, or other establishments that also meet basic employer criteria as determined by the Virginia Economic Development Partnership in consultation with the Virginia Department of Business Assistance will be built under firm contract or are already constructed ..." or, "in the event there is no such establishment ..., a county, city, or town may guarantee to the Board by bond or other acceptable device that such will occur and, should no establishment or airport acceptable to the Board be constructed or under firm contract within the time limits of the bond, such bond shall be forfeited"; and,

WHEREAS, by resolution of September 20, 2007, the Commonwealth Transportation Board allocated \$450,000 from the Economic Development, Airport and Rail Access Fund to construct access, Project 0672-010-714, N501, to eligible property within the Commerce Park off U. S. Highway 52, in central Bland County, subject to certain contingencies; and,

WHEREAS, Bland County has, due to unforeseen circumstances in preparation for the development of the Commerce Park, requested the approved Project 0672-010-714, N501 to be cancelled and no charges have been made against the original project allocation; and,

WHEREAS, the Bland County Board of Supervisors has, by appropriate resolution, reestablished its request for assistance under the Economic Development Access Program for a

project off U. S. Highway 52 to eligible property within the Commerce Park and the estimate of said access has increased to a total of \$660,000; and,

WHEREAS, it appears that this request falls within the intent of Section 33.1-221 of the *Code of Virginia* and complies with the provisions of the Commonwealth Transportation Board's (CTB) policy for the Economic Development Access Fund.

NOW, THEREFORE, BE IT RESOLVED, that the aforementioned action of the Commonwealth Transportation Board on September 20, 2007 allocating Economic Development, Airport and Rail Access funds for the access Project 0672-010-714, N501, off U. S. Highway 52, is hereby rescinded and the \$450,000 project allocation shall be returned to the Economic Development, Airport, and Rail Access Fund; and,

BE IT FURTHER RESOLVED, that \$580,000 (\$500,000 unmatched, \$80,000 matched) of the Economic Development, Airport and Rail Access Fund be allocated to provide adequate access off U.S. Highway 52 to eligible property within the Commerce Park located in central Bland County, Project 672-010-871, N501 contingent upon:

1. All right of way, environmental assessments and remediation, and utility adjustments being provided at no cost to the Commonwealth; and
2. Execution of an appropriate contractual agreement between the County of Bland (LOCALITY) and the Virginia Department of Transportation (VDOT), to provide for the:
 - a. design, administration, construction and maintenance of this project; and
 - b. payment of all ineligible costs, and of any eligible costs in excess of this allocation, from sources other than those administered by VDOT; and
 - c. Provision by the LOCALITY of, either:
 - (i) documentation for at least \$2,900,000 of eligible capital outlay by a qualifying establishment or establishments on property served exclusively by this project; or,
 - (ii) an appropriate bond, or other acceptable surety device, by the LOCALITY to VDOT, not to expire before January 19, 2017, without written permission of VDOT. Such surety device shall provide for reimbursement to VDOT of any expenses incurred by the Economic Development, Airport and Rail Access Fund for this project's construction not justified by the eligible capital outlay of establishments served by the project. If, by October 19, 2016, at least \$2,900,000 of eligible capital outlay on parcels served exclusively by this project has not been expended or committed by firm contract by a qualified establishment or establishments, then an amount equal to 20% of the eligible capital outlay of up to \$2,900,000 will be credited toward the allocation utilized in the project's construction and the balance of the utilized allocation not justified by eligible capital outlay will be returned to VDOT and the Economic Development, Airport and Rail Access Fund. This surety may be released or reduced accordingly at an earlier date upon provision of documentation of eligible capital outlay by a qualified establishment, or establishments; and
3. Determination by VDOT of eligible capital outlay in accordance with current policy and procedures for administering the Economic Development Access Program.

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