



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Sean T. Connaughton
Chairman

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Agenda item # 13

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 17, 2013

MOTION

Made By: Mr. Matney Seconded By: Mr. Fralin

Action: Motion Carried, Unanimously

**Title: Economic Development Access to
Bland County Industrial Park
Project ECON-010-822, M501, Bland County**

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, the Bland County Board of Supervisors has, by appropriate resolution, requested Economic Development Access Program funds to serve eligible property within the initial development of Bland County Industrial Park, off U. S. Highway 52 (North Scenic Highway), located north of the community of Bastian, and said access is estimated to cost approximately \$800,000; 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 on Economic Development Access.

NOW, THEREFORE, BE IT RESOLVED, that \$650,000 (\$500,000 unmatched, \$150,000 matched) of the Economic Development, Airport and Rail Access Fund be allocated to provide adequate access to eligible property within the Bland County Industrial Park located off of U. S. Highway 52, Project ECON-010-822, M501, 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 of an appropriate bond or other acceptable surety device by the LOCALITY to VDOT, not to expire before January 17, 2019, 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 17, 2018, at least \$3,250,000 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 \$3,250,000 will be credited toward the project's Economic Development Access Program 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
 - d. Provision of the required matching funds, up to \$150,000, by the LOCALITY for appropriately documented eligible project costs; 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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