



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

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Chairman

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Agenda item # New Business 1

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

September 18, 2013

MOTION

Made By: Mr. Layne Seconded By: Mr. Ellis

Action: Motion Carried

Title: Economic Development Access to
 Green Flash Brewing Company
 Project ECON-134-813, M501, City of Virginia Beach

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 Virginia Beach City Council has, by appropriate resolution, requested Economic Development Access Program funds to serve Green Flash Brewing Company located within Corporate Landing Business Park at the northwest corner of General Booth Boulevard and Corporate Landing Parkway, and said access is estimated to cost \$453,000; and

WHEREAS, Green Flash Brewing Company has been determined by the Virginia Economic Development Partnership to be a qualifying establishment meeting the basic employer criteria under the provisions of Section 33.1-221 of the *Code of Virginia*; and

WHEREAS, the proposed Green Flash Brewing Company facility is expected to result in approximately \$20 million in eligible capital investment on an eligible site served by this project; 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 \$453,000 of the Economic Development, Airport and Rail Access Fund be allocated to provide adequate access to Green Flash Brewery in the City of Virginia Beach, Project ECON-134-xxx, 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 City of Virginia Beach (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 of at least \$2,265,000 of eligible capital outlay by Green Flash Brewery on the site served by this project, or, should documentation of capital outlay by Green Flash Brewery be insufficient, ii) an appropriate bond, or other acceptable surety device, by the LOCALITY to VDOT, not to expire before December 18, 2018, 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 September 18, 2018, at least \$2,265,000 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 up to \$2,265,000 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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