



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Aubrey L. Layne, Jr.
Chairman

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Agenda item # NBI

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 19, 2016

MOTION

Made By: Mr. Stinson, Seconded By: Mr. Rosen
Action: Motion Carried, Unanimously

Title: Economic Development Access Program
Project Bond Period Moratorium

WHEREAS, Section 33.2-1509 of the *Code of Virginia* provides for funds to "...be expended by the Board for constructing, reconstructing, maintaining or improving access roads within localities 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 Small Business and Supplier Diversity will be built under firm contract or are already constructed ..." or, "in the event there is no such establishment ..., a locality 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 Commonwealth Transportation Board's policy for the administration of the Economic Development Access Fund establishes the maximum time limit for the bond to be five years beginning on the date of the allocation of the economic development access funds by the Board; and

WHEREAS, pursuant to Section 33.2-1509 of the *Code of Virginia*, the time limits of the bond shall be based on a regular review and consideration by the Board; and

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WHEREAS, it is the sense of this Board that the sustained economic conditions have negatively impacted the ability of all localities within the Commonwealth to attract qualifying types of establishments and investment in order to satisfy this contingency of the allocation; and

WHEREAS, the Board indicated, on April 20, 2016, its desire to extend to January 1, 2017 the then-existing moratorium, established by resolutions of this Board on October 20, 2010, June 20, 2012 and February 19, 2014, to localities where Economic Development Access Program funds have been utilized and the original bonded time period for establishing qualifying capital outlay expired or was to expire between July 1, 2010 and July 1, 2016; and

WHEREAS, in April 20, 2016 the Board extended its moratorium on the forfeiture of funds by localities where Economic Development Access funds have been utilized and the bonded time period for qualifying capital outlay expired July 1, 2016 , and

WHEREAS it is the desire of the Board to extend the moratorium to include localities where Economic Development Access funds have been utilized and the bonded time period for qualifying capital outlay will expire on or before January 1, 2017

NOW, THEREFORE, BE IT RESOLVED, that the Commonwealth Transportation Board hereby extends, until January 3, 2017, its moratorium on the forfeiture of funds by localities where Economic Development Access funds have been utilized and the bonded time period for establishing qualifying capital outlay will expire on or before January 1, 2017 contingent upon:

1. the extension of the bond or similarly appropriate surety until February 2, 2017. This surety may be released or reduced at an earlier date upon provision of documentation, acceptable to VDOT, of eligible capital outlay by a qualified establishment, or establishments.

BE IT FURTHER RESOLVED, that the time limits of the bond on Economic Development Access projects whose original five year time limit terminates after January 1, 2017 as well as those affected by this action of the Board, pursuant to Section 33.2-1509 of the *Code of Virginia*, shall continue to be subject to regular review and consideration by the Board.

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