



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Sean T. Connaughton
Chairman

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Agenda item # 9

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 20, 2010

MOTION

Made By: Mr. Martin

Seconded By: Mr. Koelemay

Action: Motion Carried

Title: Economic Development Access Program
Project Bond Period Moratorium

WHEREAS, Section 33.1-221 of the *Code of Virginia* provides for funds 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 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 33.1-221 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 present economic conditions have negatively impacted the ability of all localities within this Commonwealth to attract qualifying types of establishments and investment in order to satisfy the bond contingency of the allocation; and

WHEREAS, this Board believes it is in the public interest to grant a reprieve to localities where Economic Development Access Program funds have been utilized and whose bond time limit expired or expires between July 1, 2010 and July 1, 2012.

NOW, THEREFORE, BE IT RESOLVED, that the Commonwealth Transportation Board hereby grants a moratorium on the forfeiture of funds by localities where Economic Development Access funds have been utilized and whose bond time limit expired or expires between July 1, 2010 and July 1, 2012, contingent upon the extension of the bond or similarly appropriate surety until July 2, 2012. 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.

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