



# COMMONWEALTH of VIRGINIA

## *Commonwealth Transportation Board*

Aubrey L. Layne, Jr.  
Chairman

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*Agenda item # 9*

### RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

February 16, 2017

#### MOTION

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

Title: Economic Development Access to  
Bland County Industrial Park (deallocation)  
ECON-010-822, M501  
Bland County

**WHEREAS**, Section 33.2-1509 of the *Code of Virginia* provides a fund 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 ..."; and

**WHEREAS**, on October 17, 2013, the Commonwealth Transportation Board allocated \$650,000 from the Economic Development, Airport and Rail Access Fund to provide access to the planned Bland County Industrial Park in Bland County, Project ECON-010-822, M501, subject to certain contingencies; and

**WHEREAS**, Bland County has acknowledged to VDOT that the approved project intended for a prospective business establishment is no longer being pursued under the Economic Development Access Program and has agreed to cancellation of the project; and

**WHEREAS**, it is deemed that the administration of the Economic Development Access Program can best be served by the return of these separately approved allocations to the Economic Development, Airport and Rail Access Fund.

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**NOW, THEREFORE, BE IT RESOLVED**, that the action of the Commonwealth Transportation Board on October 17, 2013, allocating Economic Development, Airport and Rail Access funds for the access Project ECON-010-822, M501, is hereby rescinded and the \$650,000 project allocation shall be returned to the Economic Development, Airport, and Rail Access Fund.

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## CTB Decision Brief

### Economic Development Access – Bland County Bland County Industrial Park – De-allocation of Funds

**Issue:** Economic Development Access Program funds previously allocated provide access to the planned Bland County Industrial Park in Bland County is no longer needed because Bland County's plans for the development did not proceed as anticipated. The County has stated to the Virginia Department of Transportation (VDOT) that the previously planned and approved access road project is no longer required and therefore the funding will not be utilized.

**Facts:** Section 33.2-1509 of the *Code of Virginia* provides for the Commonwealth Transportation Board (CTB) to expend funds set aside for constructing access roads to economic development sites on which certain establishments as prescribed or other establishments that meet the 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.

The Bland County Board of Supervisors requested funding from the Economic Development Access Program to assist in providing road access to eligible property within Bland County Industrial Park. The access road project was neither constructed nor initiated, and no charges have been made against the project's Economic Development Access Program allocation.

**Recommendations:** VDOT staff recommends that Project ECON-010-822, M501 be cancelled and that the \$650,000 allocation for this project be returned to the Economic Development, Airport and Rail Access Fund in order that the funds may be made available for new projects.

**Action Required by the CTB:** The *Code of Virginia* and the CTB's Economic Development (formerly, Industrial) Access Policy specifies that the CTB shall approve the allocation of funds for the construction of access road projects. Having established the Bland County Industrial Park access road project and allocated funding by resolution, it is now recommended that the CTB rescind its original action for this project. The October 17, 2013 resolution is also attached for reference.

**Result, if Approved:** The \$650,000 total allocated to this project will be returned to the Economic Development, Airport and Rail Access Fund and made available for allocation to new projects.

**Options:** Approve, Deny, or Defer.

**Public Comments/Reactions:** None



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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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