

11. TURNER TRACT GRANT OPPORTUNITIES

As you are aware, in 2006, the Industrial Development Authority of Southampton County issued Public Facility Lease Revenue Bonds in the principal sum of \$11,021,294 to acquire and develop the Turner Tract Industrial Park. The associated financing agreement legally obligates the Board of Supervisors to construct the project and repay the loan.

Combined with other sources of funding (VDOT secondary road funds, grants, etc.), the total project budget is \$13,300,657 and is illustrated below:

TURNER TRACT PROJECT DEVELOPMENT BUDGET January 17, 2012

FUNDING SOURCES

Series 2006A Public Facility Lease Revenue Bonds	\$ 11,021,294
VDOT Industrial Access Road Grant	650,000
VDOT Secondary Construction Funds	1,520,863
VDCR LID Grant	108,500
	\$ 13,300,657

FUNDING USES

Site Acquisition	\$ 2,209,473
Rose Valley Road Improvements	1,442,703
Industrial Access Road	733,553
Compensatory Mitigation/Grading/Stormwater	3,308,276
On-Site Utilities	477,352
Wells/Elevated Tank	2,617,735
Off-Site Utilities	2,249,420
Mitigation Bank - Permitting & Design	570,800
	\$ 13,609,312

Items shaded in gray are only engineer's estimates and will be competitively bid later this year. With a highly competitive bidding environment, we remain hopeful that all the work can be completed with the allocated resources. That said, the recent announcement by Enviva to locate in the park may present some additional grant opportunities to help pay for infrastructure that will serve their project.

We are seeking your authority to pursue two specific grant opportunities:

- a. **Community Development Block Grant** – we propose to seek the maximum grant of \$700,000 to assist with the cost of on- and off-site water and sewer improvements; and
- b. **U.S. EDA Public Works and Economic Adjustment Grant** – in the event a second park tenant is unnamed, we propose to seek the

maximum grant of \$1.5 million to assist with construction of the elevated water tank. If a second tenant is named prior to submittal of the grant application, the amount may be higher.

In both cases, the 2006A bond proceeds would be utilized as leverage to meet any local match requirement.

In the event that we are successful in obtaining either or both grants, grant proceeds would be expended first, and any remaining bond proceeds would be utilized to prepay principal. The financing agreement provides that County may prepay the bonds in whole or in part, without penalty or premium, after April 1, 2009.

Separate resolutions are attached for your consideration authorizing us to file the respective grant applications.

MOTION REQUIRED: Separate motions are required to adopt the attached resolutions authorizing the respective grant applications.