2023 Special Session I

Budget Bill - HB6001 (Enrolled)

Surplus Property Transfers for Economic Development

Item 4-5.10

§ 4-5.10 SURPLUS PROPERTY TRANSFERS FOR ECONOMIC DEVELOPMENT

a. The Commonwealth shall receive the fair market value of surplus state property which is designated by the Governor for economic development purposes, and for any properties owned by an Industrial Development Authority in any county where the Commonwealth has a continuing interest based on the deferred portion of the purchase price, which shall be assessed by more than one independent appraiser certified as a Licensed General Appraiser. Such property shall not be disposed of for less than its fair market value as determined by the assessments.

b. Recognizing the commercial, business and industrial development potential of certain lands declared surplus, and for any properties owned by an Industrial Development Authority in any county where the Commonwealth has a continuing interest based on the deferred portion of the purchase price, the Governor shall be authorized to utilize funds available in the Governor's discretion, to meet the requirements of the preceding subsection a. Sale proceeds, together with the money from the Commonwealth's Development Opportunity Fund, shall be deposited as provided in § 2.2-1156 ~~D~~ *I*, Code of Virginia.

c. Within thirty days of closing on the sale of surplus property designated for economic development, the Governor or his designee shall report to the Chairmen of the Senate Finance and Appropriations and House Appropriations Committees. The report shall include information on the number of acres sold, sales price, amount of proceeds deposited to the general fund and Conservation Resources Fund, and the fair market value of the sold property.

d. Except for subaqueous lands that have been filled prior to January 1, 2006, the Governor shall not sell or convey those subaqueous lands identified by metes and bounds in Chapter 884 of the Acts of the Assembly of 2006.

e. Notwithstanding any provision of law to the contrary, the Commonwealth of Virginia shall begin the process to convey, as is and pursuant to § 2.2-1150, approximately 432 acres of land located within County of York, Virginia, known as Tax Parcel 12-00-00-003 (the Property) to the Eastern Virginia Regional Industrial Facility Authority, or any of its members, subsidiaries or affiliates (hereinafter referred to Authority) for an amount not to exceed $1,350,000. The Commonwealth of Virginia shall provide to the Authority copies of the two most recent state appraisals for 150-200 acres for the parcel, and in no case shall the transaction price per acre exceed the average of the two most recent state appraisals. The Authority shall have the right to waive the appraisal requirement. The Authority shall reimburse the Commonwealth of Virginia, at property closing, for the appraisals and other Commonwealth of Virginia costs to prepare and execute the conveyance documents. The conveyance of the Property should occur no later than December 31, 2021, but may occur earlier if requested by the Authority. The Authority and its designees shall have the right to enter the Property and to perform due diligence and design studies and activities prior to the conveyance. The Authority shall have the right to file applications and related documents seeking land, zoning and use entitlements, and the Commonwealth is authorized to execute such documents as may be required for such purposes, but without incurring obligations on the Commonwealth by such execution.

1. The Authority is authorized to convey the property rights for portions of the Property conveyed by the Commonwealth in paragraph e., to one or more operators of one or more utility scale solar facilities, or to lease the property rights to such an operator or operators, for an amount as agreed by the Authority and such operator(s).

2. Any remaining Property at the site shall be subject to a deed restriction created in the Commonwealth of Virginia and Authority property sale described herein to restrict the use of such property by the Authority to any non-residential use, as determined by the Authority.

f. There is hereby created in the state treasury a special subfund of the Virginia Business Ready Sites Program Fund, known as the Site Replacement Fund. The Site Replacement Fund shall be established on the books of the Comptroller. Any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Site Replacement Fund. Interest earned on moneys in the Site Replacement Fund shall remain in the Site Replacement Fund and be credited to it. In addition, notwithstanding the provisions of the preceding subsection b, with respect to sales of property in Henrico County where the Commonwealth has a continuing interest pursuant to that certain Real Estate Purchase Agreement dated May 20, 1996, and any amendments thereto, sales proceeds received by the Commonwealth in excess of the fair market value, as defined in such Real Estate Purchase Agreement, as amended, shall be deposited to the Site Replacement Fund. Moneys in the Site Replacement Fund shall be used in accordance with Section §2.2-2240.2:1, Code of Virginia and the guidelines established by the Virginia Economic Development Partnership Authority for the Virginia Business Ready Sites Program Fund, except that moneys, and any interest thereon, deposited into the Site Replacement Fund pursuant to sales of the aforementioned property in Henrico County shall be maintained for and made available only to the Economic Development Authority of Henrico County, Virginia. Any grant made from the Site Replacement Fund to such Economic Development Authority shall only be from moneys, and any interest thereon, deposited into the Site Replacement Fund pursuant to sales of the aforementioned property in Henrico County. Moneys remaining in the Site Replacement Fund at the end of each fiscal year, including interest, shall not revert to the general fund, but shall revert to the general fund at the end of the fiscal year after the fifth anniversary of the deposit of such moneys in the Site Replacement Fund.