

**Capital Project for the Virginia Tech Transportation Institute Virginia Automation
Park**

**JOINT FINANCE AND AUDIT COMMITTEE
AND BUILDINGS AND GROUNDS COMMITTEE**

November 7, 2016

Virginia Polytechnic Institute and State University (“Virginia Tech”), requests Board of Visitors approval for modifications to the Automation Park plan identified in the capital lease approved by the Board of Visitors on August 29, 2016.

AMENDED RESOLUTION OF CAPITAL LEASE FOR VIRGINIA TECH TRANSPORTATION INSTITUTE

WHEREAS, Virginia Polytechnic Institute and State University's ("Virginia Tech") vision to expand research and development under the Virginia Tech Transportation Institute ("VTTI") is a strategic initiative for the future of the institution; and,

WHEREAS, VTTI is developing a specialized connected - and automated - vehicle research initiative known as the Virginia Automation Park (the "Park") to support fulfilling this goal; and,

WHEREAS, a resolution was presented and approved at the August 29, 2016 Board of Visitors meeting requesting approval to enter into a capital lease with ExpandTran, LLC for the development of approximately twenty-eight (28) acres of land through a capital lease with ExpandTran, LLC and an easement between ExpandTran, LLC and TORC Robotics, Inc. to house the Park; and,

WHEREAS, under VTTI's proposed revised plan, a modified scope of the Park will be implemented on the approximately seven (7) acres of land leased from ExpandTran, LLC and will not use an easement of TORC Robotics, Inc. land; and,

WHEREAS, the estimated costs of the revised scope are \$2.5 million, and Virginia Tech has developed a nongeneral fund resource plan sufficient to support the full costs of the lease; and,

WHEREAS, under the 2006 Management Agreement between the Commonwealth of Virginia and Virginia Tech, the Board of Visitors has authority to approve the budget, size, scope, debt issuance, and overall funding of nongeneral funded major capital outlay projects, including capital leases; and,

WHEREAS, Virginia Tech desires to update the Board of Visitors on the above-stated changes to the capital lease and corresponding Park plan approved and authorized by the Board of Visitors on August 29, 2016, and secure approval of and authorization for the revised capital lease parameters;

NOW, THEREFORE, BE IT RESOLVED, that Virginia Tech be authorized to enter into a capital lease with ExpandTran, LLC for the development of approximately seven (7) acres of land through a capital lease with ExpandTran, LLC to house the Park.

RECOMMENDATION:

That the above resolution authorizing Virginia Polytechnic Institute and State University to enter into a capital lease with ExpandTran, LLC to house the Virginia Automation Park be approved.

November 7, 2016