

**VIRGINIA PORT AUTHORITY  
POLICY ON GRANTS TO LOCAL GOVERNMENTS FOR  
FINANCIAL ASSISTANCE FOR PORT FACILITIES**

**PREFACE** The Virginia General Assembly, in September, 1986, established the Commonwealth Port Fund in order to “*support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth,*” as presented by the Governor’s Commission on Virginia’s enactment of this legislation, several ports of Virginia made requests for portions of the Commonwealth Port Fund. For this reason, the Virginia Port Authority finds it necessary and in the public body interest, and pursuant to its statutory responsibility, to establish a policy for application of the Commonwealth Port Fund “*to foster and stimulate the flow of commerce through the ports of Virginia.*” This policy shall be as follows:

**I. DEFINITIONS**

- A. Marine Facilities—include main and access channels, berthing areas, piers and landside facilities necessary for handling and storing waterborne commerce.
- B. Items of Local Cooperation—include specific requirements on the applicant for implementation of a Federal project. Such items include but are not limited to lands, easements, rights-of way, relocations, disposal areas, and cash contributions.
- C. Project—shall mean a capital expenditure proposal.
- D. Applicant—refers to the public body that is pursuing the implementation of a project.
- E. Study—refers to any preconstruction planning investigation.
- F. Carryover Funds—refers to unused funds for awarded projects. Funds must be reapplied for each year.

**II. ADMINISTRATION**

The following elements will guide the application, allocation, and distribution of the Commonwealth Port Fund:

- A. **FOR ALL PROJECTS FOR WHICH COMMONWEALTH PORT FUNDS ARE REQUESTED.**
  - 1. The Virginia Port Authority (VPA) will serve as the responsible agency for administering the Commonwealth Port Fund.
  - 2. Funds will be used to support capital needs of publicly-owned ocean, river, and tributary ports and their marine facilities within the Commonwealth whose primary purpose is the flow-through of goods for consumption.
  - 3. For a project to be eligible for funds, VPA, in its sole discretion, must determine that the proposed project is economically feasible based on preplanning study or current level of business, will not directly competitively disadvantage existing

publicly-owned port facilities, and will further the interests of the Commonwealth of Virginia. Development and presentation of information needed to determine project feasibility will be the responsibility of the applicant.

4. Requests for funding and their disposition shall be as follows:

**Requests for funding shall be made by March 1.** Applicants may be required to make oral presentation of the requests to VPA. Funds will be allocated by VPA at its May Board of Commissioners meeting and available for successful applicants July 1 of that year.

5. Application Guidelines: The applicant shall submit an application to the VPA that contains the following information: statement of need and urgency, total project cost, timeline and phases of project, rendering or picture of proposed improvements, potential impact to the community, total amount of funding being requested, and all other pertinent information. Additionally, a formal application for carryover funds must be submitted. The carryover application must contain a project update and specify what project the funds will be used for. If carryover funds are to be used for a new project, the applicant must state this as well.
6. Disbursements: The applicant shall submit a requisition to VPA for payment. The requisition shall be accompanied by supporting invoices or other documentation as well as a certification of the applicant that the work has been performed or that payment is otherwise properly due. The requisition shall further set forth the name of person or entity to whom payment is to be made, the amount of payment, and the project for which the payment is to be made. Requisitions may be submitted periodically or at the completion of the project. The applicant must show that local share requirements have been met. When the project is completed, the applicant shall certify its completion date to VPA.
7. Request not made within the schedule of Paragraph 4 above, shall be considered only when accompanied by a statement declaring the need for funds an emergency, with consequences of non-funding clearly specified, or a statement explaining why the schedule in Paragraph 4 above could not be met. Requests must be received no later than three weeks prior to the next regular Board of Commissioners meeting to be considered at that meeting. Paragraph 4 below applies to the Board's decision.
8. VPA will allocate an amount appropriated by the General Assembly for projects which are adjudged to meet the criteria above.
9. VPA, in its sole discretion, may allocate the total amount requested to an applicant, any portion thereof, or may decline to allocate funds for the project.
10. No Commonwealth Port Funds monies shall be used to fund studies to determine project feasibility, except as hereinbelow provided.
11. VPA will establish priorities of funding for projects based on importance of the projects toward promoting the interests of the Commonwealth of Virginia and financing needs of the applicant both in terms of amount of the request and ability to pay.

12. Local share of project costs shall be reduced by an amount equal to the costs incurred by successful applicants to fund studies to determine project feasibility. Local shares of project costs may also be reduced by up to 50% by contributions of real or personal property necessary for development of the project, as well as any out-of-pocket costs for technical evaluation, survey, engineering, among others. The value of, and extent to allow, such contributions shall be determined solely by VPA.
13. Local share requirements must be met with an applicant's locally generated funds excluding state and federal grants. This requirement is imposed to insure that an applicant has carefully considered whether or not a proposed project will justify the investment of funds from the Commonwealth Port Fund.

B. ADDITIONALLY, FOR PROJECTS WITH POTENTIAL FEDERAL INTEREST:

1. Applicant must have made previous, or must make simultaneous, "application" for federal funds.
2. VPA recognizes that local sponsors for federal projects must agree to share with the federal government in the cost of studies and construction as a condition necessary for the initiation of federal study of the project. VPA agreement to provide support necessary to allow for the initiation of any project is conditional upon the later determination of VPA that the standards in II.A.3 above are met and that funds are available.
3. At the completion of the federal reconnaissance study of the project, applicant may make application to VPA for funding of further studies for project implementation. Similarly, upon federal approval of construction of the project, applicant may request construction funds.
4. VPA shall be given the opportunity to review and comment on all cost sharing agreements between the local sponsor and federal government prior to releasing any funds.
5. If undertaken prior to the receipt of federal funds, but for which federal funds are committed, projects must be completed within the time frame determined reasonable by the Corps of Engineers in project studies.
6. Local interests must pay 25% of the costs of the total non-federal share of the project, to include items of local cooperation.
7. Maintenance dredging projects are not eligible for funding.

C. ADDITIONALLY, FOR NONFEDERALLY-FUNDED PROJECTS:

1. Local interests must pay:
  - a. 25 % of total project costs