Commonwealth of Virginia
Office of the Governor

Executive Order

EXECUTIVE ORDER NUMBER 110 (2010)

ALLOCATION OF A PORTION OF THE COMMONWEALTH'S SHARE OF THE CALENDAR YEAR 2009 NATIONAL LIMITATION FOR QUALIFIED SCHOOL CONSTRUCTION BONDS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

The American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 355) was enacted on February 17, 2009 ("ARRA"). Section 3(a) of ARRA sets forth the purposes of ARRA, which include (i) preserving and creating jobs and promoting economic recovery, (ii) assisting those most impacted by the recession, (iii) investing in infrastructure that will provide long-term economic benefits, and (iv) stabilizing State and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive State and local tax increases.

Section 1521(a), Title I, Division B of ARRA added Section 54F to the Internal Revenue Code of 1986, as amended (the "Tax Code"). Section 54F provides for the issuance of qualified school construction bonds ("QSCBs"). QSCBs are tax credit bonds that are designed to bear no interest and may be issued to finance the construction, rehabilitation, or repair of a public school facility or for qualifying public school facility land acquisitions. Among the conditions for the valid issuance of QSCBs is the receipt of an award of the national limitation for the calendar year in which the QSCBs are to be issued.

Section 54F(c) creates a national limitation of $11 billion for each of calendar years 2009 and 2010. Section 54F(d)(1) requires the U.S. Secretary of the Treasury to make allocations to the States in proportion to the respective amounts each State is eligible to receive under Section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the most recent federal fiscal year ending before the calendar year. Pursuant to Notice 2009-35 of the Internal Revenue Service (IRB 2009-17, dated April 27, 2009) (the "Notice"), the share of the calendar year 2009 national limitation allocated to the Commonwealth of Virginia (the "Commonwealth" or "Virginia") is $191,077,000 (the "2009 Commonwealth Share").

Section 54F(d)(1) also provides that the national limitation amount allocated to a state for

any calendar year shall be allocated by the state to issuers within the state. The Notice provides that eligible issuers of QSCBs include states, political subdivisions as defined for purposes of Section 103 of the Tax Code, large local educational agencies that are state or local governmental entities, certain "on-behalf-of" issuers and certain conduit financing issuers. Neither Virginia nor federal law provides any process for making allocations of the 2009 Commonwealth Share to eligible issuers.

Of the $191,077,000 2009 Commonwealth Share, Executive Order 90 (2009) allocated an amount to certain qualifying projects in certain localities that were on the First Priority Waiting List approved by the Virginia Board of Education. Since that time, additional net qualifying cost of $1,500,000 for the Lylburn Downing Middle School in the city of Lexington have been identified and additional projects totaling $37,489,989 have been added by the Board of Education to the First Priority Waiting List.

On October 14, 2009, I announced the availability of the remaining portion of the 2009 Commonwealth Share to local school divisions through a competitive evaluation process to finance energy efficiency improvements and renovations, as well as renewable energy projects for public school buildings. Working cooperatively, the Department of Education and Department of Mines, Minerals and Energy supervised an application process that concluded on November 12, 2009. Subsequently, each application and project has been evaluated against criteria including annual energy savings, project payback period, shovel readiness, and composite index.

Accordingly, by virtue of the powers invested in me by Article V of the Constitution of Virginia and Section 2.2-103 of the Code of Virginia of 1950, as amended, as Governor of the Commonwealth of Virginia, I hereby allocate to VPSA pursuant to Section 54F(d)(1) of the Tax Code a portion of the 2009 Commonwealth Share sufficient for VPSA to issue a face amount of QSCBs at one time or from time to time to produce for each of the below-listed projects an amount of net sale proceeds up to the maximum amount of the qualifying costs specified below:

From the First Priority Waiting List:

Locality	Project	Maximum Net Sale Proceeds
Virginia Beach City	Great Neck Middle School	$7,500,000
Washington County	John Battle High School	$489,126
	Abingdon High School	$489,126
	Patrick Henry High School	$1,177,236
	Holston High School	$602,186
	Meadowview Elementary School	$1,491,288
	Wallace Middle School	$1,165,073
	Glade Spring Middle School	$1,596,000
	William N. Neff Center	$3,100,000
Hopewell City	Hopewell City High School	$7,500,000
Virginia Beach City	College Park Elementary School	$4,879,954
Lexington City	Lylburn Downing Middle School	$1,500,000
Montgomery County	New Price's Fork Elementary School	$7,500,000

From the Competitive Process:

Locality	Project	Maximum Sale Proceeds
Amelia County	Amelia County Public Schools	$ 1,205,379
Arlington County	Arlington Career Center	$ 3,331,022
Buena Vista	Parry McCluer	$ 510,000
Greene County	Greene County Technical Education Center	$ 212,275
	Nathanael Greene Elementary School	$ 354,739
	Ruckersville Elementary School	$ 348,318
	William Monroe High School	$ 1,223,377
	William Monroe Middle School	$ 287,170
Greensville County	Belfield Elementary School	$ 52,942
	Greensville County High School	$ 471,841
	Wyatt Middle School	$ 12,036
	Greensville Elementary School	$ 209,285
Hampton City	Division Wide Lighting Upgrade Initiative	$ 2,500,000
King William County	Acquinton Elementary School	$ 85,000
	Hamilton Holmes Middle School	$ 65,800
	King William High School	$ 62,500
	Cool Spring Primary School	$ 47,650
Lancaster County	Lancaster Middle School	$ 211,983
	Lancaster High School	$ 179,146
Lunenburg County	Central High School	$ 1,172,948
Martinsville City	Martinsville Middle School	$ 577,208
	Albert Harris Elementary School	$ 327,410
	Patrick Henry Elementary School	$ 146,131
Montgomery County	MCPS Energy Performance Contract	$ 9,389,331
Prince William County	Hylton High School	$ 1,918,591
	Benton Middle School	$ 476,836
	Sudley Elementary School	$ 131,856
	Marumsco Hills Elementary School	$ 189,422
	West Gate Elementary School	$ 33,000
	Vaughan Elementary School	$ 30,000
	Swans Creek Elementary School	$ 57,000
	Sinclair Elementary School	$ 24,000
	Signal Hill Elementary School	$ 60,000
	Potomac View Elementary School	$ 45,000
	Parkside Middle School	$ 117,750
	Occoquan Elementary School	$ 30,000
	Neabsco Elementary School	$ 42,750
	Minnieville Elementary School	$ 39,750

Locality	Project	Maximum Sale Proceeds
Prince William County	Kerrydale Elementary School	$ 35,625
	Samuel L. Gravely, Jr. Elementary School	$ 70,500
	Glenkirk Elementary School	$ 61,875
	Gar-Field Senior High School	$ 279,000
	Fannie W. Fitzgerald Elementary School	$ 78,750
	Cedar Point Elementary School	$ 36,750
	Brentsville District High School	$ 84,000
	Bennett Elementary School	$ 62,250
	Belmont Elementary School	$ 33,750
	Bel Air Elementary School	$ 39,750
	Ashland Elementary School	$ 72,750
	Alvey Elementary school	$ 61,500
	Parkside Middle School	$ 895,949
	Tyler Elementary School	$ 30,000
	Yorkshire Elementary School	$ 79,500
	Gainesville Middle School	$ 100,500
	Woodbridge Senior High School	$ 279,000
	Woodbridge Middle School	$ 93,750
	Mary Williams Elementary School	$ 62,250
	Victory Elementary School	$ 67,500
	Sudley Elementary School	$ 39,750
	Stonewall Jackson High School	$ 232,500
	Rosa Parks Elementary School	$ 60,750
	Rockledge Elementary School	$ 36,000
	Osbourn Park High School	$ 232,500
	Marumsco Hills Elementary School	$ 35,250
	Marsteller Middle School	$ 100,500
	Leesylvania Elementary School	$ 60,000
	Godwin Middle School	$ 92,250
	Forest Park High School	$ 206,250
	Ellis Elementary School	$ 26,250
	Coles Elementary School	$ 36,000
	Bull Run Middle School	$ 100,500
	Buckland Mills Elementary School	$ 66,750
	Bristow Run Elementary School	$ 62,250
	Beville Middle School	$ 100,500
	Benton Middle School	$ 100,500
	Battlefield Middle School	$ 206,250
	Potomac Middle School	$ 101,250
	Freedom High School	$ 207,000

Locality	Project	Maximum Sale Proceeds
Prince William County	Hylton High School	$ 554,000
	Stonewall Jackson High School	$ 394,000
	Osbourn Park High School	$ 373,000
	Gar-Field High School	$ 371,000
Roanoke City	Preston Park Elementary School	$ 152,182
	Morningside Elementary School	$ 337,758
	Westside Elementary School	$ 383,842
	Monterey Elementary School	$ 236,757
Shenandoah County	North Fork Middle School	$ 595,951
	Peter Muhlenberg Middle School	$ 664,321
	Central High School	$ 909,540
	Signal Knob Middle School	$ 601,543
	Sandy Hook Elementary School	$ 965,526
	Ashby Lee Elementary School	$ 930,664
	W. W. Robinson Elementary School	$ 1,120,575
	Triplett Business and Technical Institute	$ 574,639
	Strasburg High School	$ 429,379
	Stonewall Jackson High School	$ 510,858
Spotsylvania County	Courtland Elementary School	$ 680,000
	Chancellor Elementary School	$ 200,000
	Lee Hill Elementary School	$ 45,305
	Salem Elementary School	$ 45,035
	Battlefield Middle School	$ 650,000
	Career and Technical Center	$ 68,587
	Courtland High School	$ 92,445
	Spotsylvania High School	$ 126,110
	Massaponax High School	$ 126,110
	Battlefield Elementary School	$ 35,919
	Brock Road Elementary School	$ 46,616
	Courthouse Road Elementary School	$ 46,616
	Robert E. Lee Elementary School	$ 34,241
	Smith Station Elementary School	$ 47,088
	Courtland Elementary School	$ 40,795
	Battlefield Middle School	$ 56,998
	Chancellor Middle and High School	$ 172,729
	Thornburg Middle School	$ 66,699
Stafford County	Stafford County Public Schools	$ 1,100,000
	Rockhill Elementary School	$ 180,000
Virginia Beach City	College Park Elementary School	$ 4,879,954

Locality	Project	Maximum Sale Proceeds
Washington County	Abingdon, Holston, Patrick Henry & John S. Battle High Schools	$ 400,000
Westmoreland County	Washington & Lee High School	$ 1,975,369
York County	Grafton-Bethel Elementary School HVAC Project	$ 1,100,000

The Secretary/Treasurer of VPSA shall notify the Chief of Staff in writing of how much of the 2009 Commonwealth Share VPSA has used pursuant to this Executive Order within five business days following each VPSA issuance of the QSCBs contemplated hereby. I hereby authorize the Chief of Staff to provide certificates of compliance with Section 54F(c) of the Tax Code as may be requested by the VPSA.

This Executive Order shall be effective as of January 14, 2010, without any further act or filing and shall remain in force and effect so long as Section 54F shall remain in effect, unless sooner rescinded or amended by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 13th day of January, 2010.

Timothy M. Kaine, Governor

Attest:

Katherine K. Hanley
Secretary of the Commonwealth