

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 15.2-4905 of the Code of Virginia, relating to industrial development*  
3 *authorities; Town of Front Royal.*

4 [H 1572]  
5 Approved

6 **Be it enacted by the General Assembly of Virginia:**  
7 **1. That § 15.2-4905 of the Code of Virginia is amended and reenacted as follows:**  
8 **§ 15.2-4905. Powers of authority.**

9 The authority shall have the following powers together with all powers incidental thereto or  
10 necessary for the performance of those hereinafter stated:

11 1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having  
12 jurisdiction of the subject matter and of the parties;

13 2. To adopt and use a corporate seal and to alter the same at pleasure;

14 3. To enter into contracts; however, any written contract of the authority shall contain provisions  
15 addressing the issue of whether attorney's fees shall be recoverable by the prevailing party in the event  
16 the contract is subject to litigation;

17 4. To acquire, whether by purchase, exchange, gift, lease or otherwise, and to improve, maintain,  
18 equip and furnish one or more authority facilities including all real and personal properties which the  
19 board of directors of the authority may deem necessary in connection therewith and regardless of  
20 whether any such facilities shall then be in existence;

21 5. To lease to others any or all of its facilities and to charge and collect rent therefor and to  
22 terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof;  
23 and to include in any such lease, if desired, a provision that the lessee thereof shall have options to  
24 renew such lease or to purchase any or all of the leased facilities, or that upon payment of all of the  
25 indebtedness of the authority it may lease or convey any or all of its facilities to the lessee thereof with  
26 or without consideration;

27 6. To sell, exchange, donate, and convey any or all of its facilities or properties whenever its board  
28 of directors shall find any such action to be in furtherance of the purposes for which the authority was  
29 organized;

30 7. To issue its bonds for the purpose of carrying out any of its powers including specifically, but  
31 without intending to limit any power conferred by this section or this chapter, the issuance of bonds to  
32 provide long-term financing of any pollution control facility, whether any such facility was constructed  
33 prior to or after the enactment hereof or the receipt of a commitment from an authority to undertake  
34 financing pursuant hereto, unless the major part of the proceeds of such bonds will be used to redeem  
35 any prior long-term financing of such facility other than financings pursuant to this chapter or any  
36 similar law;

37 8. As security for the payment of the principal of and interest on any bonds so issued and any  
38 agreements made in connection therewith, to mortgage and pledge any or all of its facilities or any part  
39 or parts thereof, whether then owned or thereafter acquired, and to pledge the revenues therefrom or  
40 from any part thereof or from any loans made by the authority;

41 9. To employ and pay compensation to such employees and agents, including attorneys, and real  
42 estate brokers whether engaged by the authority or otherwise, as the board of directors shall deem  
43 necessary in carrying on the business of the authority;

44 10. To exercise all powers expressly given the authority by the governing body of the locality which  
45 established the authority and to establish bylaws and make all rules and regulations, not inconsistent  
46 with the provisions of this chapter, deemed expedient for the management of the authority's affairs;

47 11. To appoint an industrial advisory committee or similar committee or committees to advise the  
48 authority, consisting of such number of persons as it may deem advisable. Such persons may be  
49 compensated such amount per regular, special, or committee meeting as may be approved by the  
50 appointing authority, not to exceed \$50 per meeting day, and may be reimbursed for necessary traveling  
51 and other expenses incurred while on the business of the authority;

52 12. To borrow money and to accept contributions, grants and other financial assistance from the  
53 United States of America and agencies or instrumentalities thereof, the Commonwealth, or any political  
54 subdivision, agency, or public instrumentality of the Commonwealth, for or in aid of the construction,  
55 acquisition, ownership, maintenance or repair of the authority facilities, for the payment of principal of  
56 any bond of the authority, interest thereon, or other cost incident thereto, or in order to make loans in

57 furtherance of the purposes of this chapter of such money, contributions, grants, and other financial  
58 assistance, and to this end the authority shall have the power to comply with such conditions and to  
59 execute such agreements, trust indentures, and other legal instruments as may be necessary, convenient  
60 or desirable and to agree to such terms and conditions as may be imposed; and

61 13. To make loans or grants to any person, partnership, association, corporation, business, or  
62 governmental entity in furtherance of the purposes of this chapter including for the purposes of  
63 promoting economic development, provided that such loans or grants shall be made only from revenues  
64 of the authority which have not been pledged or assigned for the payment of any of the authority's  
65 bonds, and to enter into such contracts, instruments, and agreements as may be expedient to provide for  
66 such loans and any security therefor. An authority may also be permitted to forgive loans or other  
67 obligations if it is deemed to further economic development. The word "revenues" as used in this  
68 subdivision includes contributions, grants and other financial assistance, as set out in subdivision 12.

69 The authority shall not have power to operate any facility as a business other than as lessor and shall  
70 not have the power to operate any single or multi-family housing facilities. However, the authority shall  
71 have the power to apply for, establish, operate and maintain a foreign-trade zone in accordance with the  
72 provisions of Chapter 14 (§ 62.1-159 et seq.) of Title 62.1. Any meeting held by the board of directors  
73 at which formal action is taken shall be open to the public.

74 If a locality has created an industrial development authority pursuant to this chapter or any other  
75 provision of law, no other such authority, not created by such locality, shall finance facilities, except  
76 pollution control facilities, within the boundaries of such locality, unless the governing body of such  
77 locality in which the facilities are located or are proposed to be located, concurs with the inducement  
78 resolution adopted by the authority, and shows such concurrence in a duly adopted resolution.  
79 Notwithstanding the foregoing, nothing contained herein shall be deemed to invalidate or otherwise  
80 impair any existing financing by an authority or the financing of any facilities for which application has  
81 been made to an authority prior to July 1, 1981.

82 *Notwithstanding the provisions of this section, and notwithstanding the provisions of any other law,*  
83 *general or special, nothing herein shall be deemed to impair the authority of the town council of the*  
84 *Town of Front Royal from creating its own independent industrial development authority, separate and*  
85 *apart for all purposes from any currently existing or future industrial development authority. A Town of*  
86 *Front Royal independent industrial development authority, created solely by the town, shall have all*  
87 *powers granted industrial development authorities generally as set forth in this chapter. Such industrial*  
88 *development authority may also include Warren County in any of its economic development projects for*  
89 *a period of five years ending July 1, 2025.*