



MONTGOMERY COUNTY

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MODEA, COUNTY TO TERMINATE OBMS CONTRACT

Montgomery County, Virginia – Montgomery County and Modea have agreed to terminate the Blacksburg company's contract to purchase 6.1 acres of the old Blacksburg Middle School property on South Main Street in downtown Blacksburg.

"We are disappointed that Modea will no longer be working with the County to purchase this property but we certainly hope there will be opportunities for us to partner in other capacities in the future," said Bill Brown, Chair of the Board of Supervisors. "The County will be discussing with town officials how to best move forward."

"We regret that circumstances were not favorable for this property to be rezoned to allow us to proceed with the project," said Modea CEO David Catalano. "The community is ready for those of us attempting to develop this property to step aside and allow others to pick up the torch. We should all expect that this learning opportunity has created the right environment for our elected officials to come together and define a plan that works for all."

In the termination agreement, the County agreed to reimburse Modea \$58,000 for certain expenses incurred by Modea in preparing the property for rezoning. Modea has agreed in return to provide its engineering/planning work that could be beneficial for future development of the property.

Modea entered into an agreement with the Montgomery County Economic Development Authority in early 2011 to purchase the front six acres for \$2.45 million. At the time, Modea planned to make an investment of \$10 million to build its corporate headquarters to expand its operations.

In fall 2011, Fiddler's Green Partners L.L.C. agreed to buy the remaining acreage for \$3.12 million to build high-end professional housing. The County is working with Fiddler's Green and Blacksburg officials to move this project forward.

Fiddler's Green, Modea and the County jointly filed a request with the Town of Blacksburg to rezone the property's current residential zoning. That rezoning request was withdrawn earlier this year after concerns were raised about the project's adherence to the master plan developed for the 20-acre site. Both sales contracts were contingent on obtaining rezoning from the town.

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