

AT A MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON MARCH 9, 2000, AT 4:47 P.M. IN THE BUILDING C CONFERENCE ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

1. CALL TO ORDER

The meeting was called to order by Chairman Bartlett at 4:47 p.m.

2. ROLL CALL

A roll call by Secretary Taylor identified the following members present:

Mr. Gilbert Bartlett
Mr. Vincent Campana, Jr.
Mr. Robert Demer
Mr. Jon Nystrom

ALSO PRESENT

Keith Taylor, Secretary, IDA
William Porter, Assistant County Administrator
Donna Christian, Recording Secretary, IDA
Sandra Barner, Project Coordinator
James Kennedy, Board of Supervisors
John Horne, Manager, Development Management
Steve Johnson, Bond Counsel, IDA
Leo Rogers, Deputy County Attorney

ABSENT

Mr. John Berkenkamp
Mr. Sterling Nichols

3. PERSONNEL MATTERS

a. Resolution of Appreciation for Former Director Greenwood

Mr. Taylor reported that upon request of the IDA, a resolution to honor and thank Mr. Greenwood for his work with the IDA was prepared. On a motion by Mr. Nystrom and a second by Mr. Campana the resolution was approved by unanimous voice vote.

b. Recommendations to Board of Supervisors Regarding Possible IDA Director Candidates

Mr. Bartlett reported that there were 15 persons that expressed an interest in filling the vacant position on the IDA. After careful consideration of all the candidates' applications, the Directors chose five that they will forward to the Board of Supervisors. These five candidates are, Fred Barré, Charles Bourn, Jr., Virginia Hartmann, William Pennock, and Mark Rinaldi.

4. ACTION ITEMS

a. The Barré Company IRB Refinancing

Mr. Steve Johnson explained the restructuring of The Barré Company's financing. He stated that the Authority's position will remain the same. Mr. Johnson answered questions from the Directors. On a motion from Mr. Campana and a second by Mr. Nystrom the resolution to restructure The Barré Company's financing was approved by unanimous voice vote.

b. Mainland Farm

Mr. Leo Rogers explained the proposed management agreement for Mainland Farms. He stated that the farmers will farm the property, approximately 160 acres under a two year lease with the IDA at an estimated \$9,000 annual revenue. On a motion from Mr. Campana and a second by Mr. Nystrom, the management agreement resolution was approved by unanimous voice vote.

c. John Deere Invoicing Revisions

Mr. Leo Rogers explained why the resolution for invoice revisions is necessary. He further explained the invoice and what it entailed. On a motion by Mr. Nystrom and a second by Mr. Campana, the resolution was approved by unanimous voice vote.

d. Ratification of VEDA Spring Conference Sponsorship

Mr. Taylor reported that VEDA's Spring 2000 conference will be held March 16 & 17 at the Radisson Fort Magruder and that the County is the host jurisdiction. He stated that the IDA previously agreed verbally to support a sponsorship of \$750.00. On a motion by Mr. Campana and a second by Mr. Bartlett, the resolution to ratify the payment to VEDA for sponsorship was approved by unanimous voice vote.


5. REPORTS

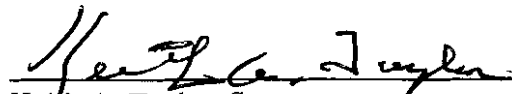
a. Topic(s) for March 29th Work Session with Board of Supervisors

Mr. Bartlett asked for suggestions from the Directors as to possible topics at the March 29 joint work session. Mr. Nystrom stated that he feels that the IDA should state their plans to the Board of Supervisors. Some of the topics Mr. Nystrom felt should be discussed are transportation and workforce development for the County. Mr. Campana stated that the IDA should also state its current plans to the Board. Mr. Porter indicated that the Board wants the IDA to set the agenda for the work session. Mr. Bartlett would like to discuss the Enterprise Zone, the Research & Technology District Task Force group and the Peninsula Alliance for Economic Development.

6. ADJOURNMENT

There being no further business Chairman Bartlett entertained a motion from Mr. Demer to adjourn. The motion was seconded by Mr. Campana and approved by unanimous voice vote. The meeting was adjourned at 5:15 p.m.


Gilbert A. Bartlett, Chairman


Kerth A. Taylor, Secretary

RESOLUTION

CERTIFICATE OF APPRECIATION

WHEREAS, William M. Greenwood served as a member of the Industrial Development Authority of James City County from September 1998 to January 2000; and

WHEREAS, throughout this period of service William M. Greenwood gave freely of his time, his energy, and his knowledge for the betterment of his County, as an active member; and

WHEREAS, William M. Greenwood consistently demonstrated those essential qualities of leadership, diplomacy, perseverance and dedication while providing exceptional service to the citizens of James City County.

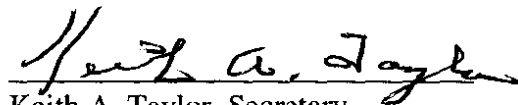
NOW, THEREFORE BE IT RESOLVED, that the Industrial Development Authority of James City County, Virginia, hereby extends its sincere appreciation to William M. Greenwood and recognizes his distinguished service and dedication to the County and its citizenry.

BE IT FURTHER RESOLVED that this Resolution be spread upon the minutes of the Industrial Development Authority and that a copy be presented to William M Greenwood.



Gilbert A. Bartlett, Chairman
Industrial Development Authority

ATTEST:



Keith A. Taylor, Secretary
Industrial Development Authority

Adopted by the Industrial Development Authority of the County of James City Virginia, this 9th day of March, 2000.

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA

The Industrial Development Authority of the County of James City, Virginia (the "Authority") is duly organized under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"). In furtherance of the Act's purposes, the Authority previously issued, at the request of The Barré Company, L.L.C., a Virginia limited liability company (the "Borrower"), its Industrial Development Revenue Bonds (The Barré Company, L.L.C. Project), Series 1998A & 1998B in an original aggregate principal amount of \$3,000,000 (the "Bonds") to finance the acquisition, construction and equipping of an approximately 40,000 square foot manufacturing facility for precision metal fabrication located in the Stonehouse Commerce Park (the "Project"). The Bonds were issued as two registered bonds, one in the amount of \$2,100,000 and one in the amount of \$900,000.

The Bonds were issued pursuant to a Bond Purchase and Loan Agreement, dated as of March 1, 1998 (the "Agreement"), among the Authority, the Borrower and CENIT Bank, FSB (the "Bondholder"). Pursuant to two Promissory Notes in an aggregate amount of \$3,000,000, dated the date of the issuance of the Bonds (the "Promissory Notes"), the Borrower agreed to pay amounts sufficient to pay all amounts due and owing to the Bondholder under the Bonds. The Bonds are secured as set forth therein and in the Agreement.

As part of a restructuring, the Borrower desires to transfer title to the Project to a new entity named Stonehouse Enterprises, L.L.C. (the "New Owner"), which will assume the existing indebtedness.

In connection with the assumption of liability by the New Owner under the Promissory Notes and the Agreement, there has been presented to this meeting and filed with the Authority's records a Modification Agreement, dated as of March 1, 2000 (the "Modification Agreement"), among the New Owner, the Borrower, the Authority and the Bondholder.

After careful consideration and in furtherance of the public purposes for which the Authority was created, NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, THAT:

1. The Modification Agreement is hereby approved in substantially the form submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof or the dates contained therein) as may be approved by the Chairman or the Vice Chairman of the Authority, whose approval shall be evidenced conclusively by the execution and delivery of the Modification Agreement containing such changes, insertions or omissions.
2. The execution, delivery and performance by the Authority of the Modification Agreement are authorized.

3. The Chairman and Vice Chairman of the Authority, either of whom may act, are each authorized to execute, on behalf of the Authority, the Modification Agreement and any amendments to the Promissory Notes as contemplated in the Modification Agreement, and, if required, the Secretary and the Assistant Secretary of the Authority, either of whom may act, are each authorized to affix the seal of the Authority to such documents and to attest such seal. Each officer of the Authority is authorized to execute and deliver on behalf of the Authority such other instruments, documents or certificates and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Modification Agreement or such instruments, documents or certificates, and all of the foregoing, previously done or performed by the officers or directors of the Authority, are in all respects approved, ratified and confirmed.

4. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the execution and delivery of the Modification Agreement, whether such acts occurred before or occur after the adoption of this Resolution, are hereby ratified, approved and confirmed.

5. This Resolution shall take effect immediately upon its adoption.

Certificate

The undersigned Secretary of the Industrial Development Authority of the County of James City, Virginia hereby certifies that the foregoing is a true, correct and complete copy of a resolution duly adopted by the directors of the Industrial Development Authority of the County of James City, Virginia present and voting at a meeting duly called and held on March 9, 2000, and that such resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand and the seal of the Authority this 9th day of March, 2000.

Secretary, Industrial Development Authority of the
County of James City, Virginia

(SEAL)

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RESOLUTION

MANAGEMENT AGREEMENT - MAINLAND FARM

WHEREAS, the Industrial Development Authority has the goal of maintaining the agricultural productivity of Mainland Farm, while protecting the environmental sensitivity of the property; and

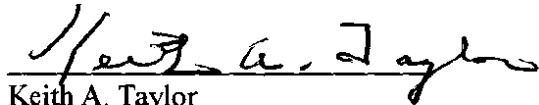
WHEREAS, the Industrial Development Authority has engaged in a thorough public procurement process to select a qualified Agent to manage the property under the terms of a Management Agreement which will accomplish these goals.

NOW, THEREFORE, BE IT RESOLVED, that the Industrial Development Authority of James City County, Virginia, authorizes and directs its chairman to enter into the Management Agreement with Clifford and Ray Taylor for the management of Mainland Farm.



Gilbert A. Bartlett
Chairman, Industrial Development Authority

ATTEST:



Keith A. Taylor
Secretary, Industrial Development Authority

Adopted by the Industrial Development Authority of James City County, Virginia, this 9th day of March, 2000.

RESOLUTION

SHELL BUILDING TENANT IMPROVEMENT COSTS

WHEREAS, the Industrial Development Authority of James City County, Virginia ("IDA"), as part of its inducement package, provided John Deere Vehicle Group, Inc. ("Deere") with assurances from the James City Service Authority ("JCSA") that the water and sewer tap fees for Deere's facility at 3000 Meadowview Circle would not exceed \$26,000; and

WHEREAS, the actual amount paid by Deere for water and sewer tap fees for its facility at 3000 Meadowview Circle was \$72,429; and

WHEREAS, the gross difference between the projected water and sewer tap fees and the actual cost is \$46,429; and

WHEREAS, the IDA paid an additional \$17,057.43 for utility extensions to up fit the Shell Building for Deere that was not included in the contract with Oyster Point Construction for tenant improvements at the Shell Building; and

WHEREAS, reducing the gross difference in the cost of the water and sewer tap fees by the amount paid by the IDA for the utility extensions leaves a net differential of \$29,271.57; and

WHEREAS, the IDA is willing to split the net differential on the water and sewer tap fees by crediting Deere \$14,635 to the \$58,779.35 owed by Deere to the IDA under the Lease for the additional costs of tenant improvements at the Shell Building which leaves a balance owed by Deere of \$44,144.35; and

WHEREAS, the JCSA may pay the IDA \$14,635 to make up the credit to Deere as its part of the inducement package to have Deere locate in James City County.

NOW, THEREFORE, BE IT RESOLVED THAT the Industrial Development Authority of James City County, Virginia hereby accepts \$44,144.35 from John Deere Vehicle Group, Inc. as settlement for full payment of Deere's obligations under the lease for the additional cost of tenant improvements and the excess costs incurred by Deere for water and sewer tap fees at 3000 Meadowview Circle.

BE IT FURTHER RESOLVED that the Industrial Development Authority of James City County hereby authorizes and directs its Chairman to execute any documents necessary to effectuate the settlement identified herein.



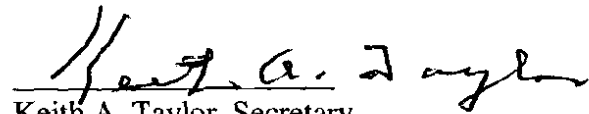
Gilbert A. Bartlett, Chairman
Industrial Development Authority

VOTE:

AYE: 4

NAY: 0

ATTEST:



Keith A. Taylor, Secretary
Industrial Development Authority

Adopted by the Industrial Development Authority of James City County, Virginia this 9th day of March, 2000.