

WORK SESSION MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY (JCC)
BUILDING C CONFERENCE ROOM, 101 MOUNTS BAY ROAD
3:00 PM, TUESDAY, DECEMBER 19, 2006**

1. CALL TO ORDER

The meeting was called to order by Chair Hartmann at 3:00 PM.

2. ROLL CALL

A roll call identified the following members present:

Mr. Vincent A. Campana, Jr.
Mr. Douglas M. Gebhardt
Ms. Virginia B. Hartmann
Mr. Mark G. Rinaldi
Mr. Thomas G. Tingle
Mr. Marshall Warner

Mr. Craft arrived at 3:05 PM

Also Present:

Mr. Richard Bottone, Virginia United Methodist Homes (VUMH) Building and Construction
Mr. M. Anderson Bradshaw, Board of Supervisors (BOS) Liaison to the EDA
Mr. William Frymoyer, Historic Triangle Corridor Enhancement Committee Chair
Mr. Tom Gillman, ESG International, Business Climate Task Force (BCTF)
Mr. Chris Henderson, VUMH CEO
Mr. Bob Hershberger, Greater Williamsburg Chamber & Tourism Alliance (GWCTA), BCTF
Mr. Jeremy Keeler, EDA Fiscal Agent
Mr. Michael Matthews, The Structures Group, Inc., BCTF Chair
Ms. Sandra Jones McNinch, Troutman Sanders, EDA Bond Counsel
Ms. Marcè Hunt Musser, EDA Recording Secretary
Mr. David Richardson, McGuire Woods
Mr. Keith A. Taylor, EDA Secretary
Mr. Larry Wilkinson, VUMH
Mr. Scott Whyte, JCC Landscape Planner
Mr. Steven T. Yavorsky, JCC Assistant Economic Development Director

3. **PERSONNEL ITEMS**

a. Nominating Committee Report

Ms. Hartmann reported the nominating committee's recommendations for 2007 EDA officers:

Mr. Mark G. Rinaldi – Chairman
Mr. Thomas G. Tingle – Vice Chairman
County Economic Development Director - EDA Secretary
County Assistant Economic Development Director – Assistant EDA Secretary
County Treasurer - EDA Treasurer.

Mr. Campana moved the recommendations be accepted as presented. The motion was seconded by Mr. Warner and passed unanimously. The officers will begin their term at the January 1, 2007.

4. **PRESENTATION**

a. Virginia United Methodist Homes Revenue Bond

Ms. Hartmann introduced Ms. McNinch, representing Mr. Steve Johnson, EDA Bond Counsel, who in turn introduced Mr. Richardson, VUMH Bond Counsel.

Mr. Richardson gave an overview of the VUMH project for which they were applying, followed by a more detailed explanation by Mr. Henderson and Mr. Bottone. The project, WindsorMeade, is a continuing care retirement community with 85 independent living apartments, 96 independent living villas, 14 assisted living apartments and 12 nursing facility beds. It provides long-term retirement and health services to persons 62 years of age and older.

VUMH has purchased the land and made capital contributions (approximately \$18,000,000) to the project to pay for marketing and development costs. The marketing and development office was opened in Williamsburg in March 1999. Clearing began on the site in August 2005 with the construction of the access road causeway and sewer lines. Construction of Windsor Hall began in March of 2006 and is expected to be completed in June, 2008. Construction of the first of the 96 villas began in August of 2006 and is expected to conclude in August, 2008. Funding was by way of a short-term \$4,000,000 loan and a \$20,000,000 line of credit with Wachovia Bank to cover costs until the permanent bond financing of up to \$130 million is in place.

If passed, the bond will go before the BOS at their January 9, 2007 meeting and close by the end of February.

After a question and answer period, Mr. Tingle asked if the VUMH bond would impact the

EDA's or County's ability to borrow or issue future bonds, to which Ms. McNinch replied that it would not. Mr. Tingle also asked the difference between a tax exempt and taxable bond, to which Mr. Warner replied approximately 2½% or 200-250 basis points).

Mr. Rinaldi asked EDA Bond Counsel if everything was in order, to which Ms. McNinch replied that all was proper and in order.

5. PUBLIC HEARING

a. IRB Application for Virginia United Methodist Homes

Ms. Hartmann opened the public hearing concerning the VUMH bond financing request. There being no member of the public appearing to speak, Chair Hartmann then closed the public hearing

6. ACTION ITEM

a. IRB Application for Virginia United Methodist Homes

Mr. Richardson gave an overview of the Resolution of Inducement. On a motion by Mr. Craft and a second by Mr. Campana, the Resolution of Inducement for the Industrial Revenue Bond for Virginia United Methodist Homes was approved by roll call vote:

Mr. Campana	Aye
Mr. Craft	Aye
Mr. Gebhardt	Abstain
Ms. Hartmann	Aye
Mr. Rinaldi	Aye
Mr. Tingle	Aye
Mr. Warner	Aye

7. PRESENTATION

a. Route 60 Corridor Enhancement Requests

Mr. Taylor introduced Mr. Frymoyer, who gave a short overview of the Route 60 Corridor Enhancement Project. The proposed project is a regional effort between four public partners (York County Industrial Development Authority, Williamsburg Industrial Development Authority, James City County EDA and Virginia Department of Transportation) and six private partners, including the Land Conservancy and the GWCTA.

Mr. Frymoyer then gave an explanation of the scope of the project, which he asks to be done through the EDA as a means by which to expedite and simplify the grant parts of the project.

Mr. Bradshaw confirmed that JCC funding will be through the BOS. Mr. Hershberger confirmed that the GWCTA will serve as project manager.

8. ACTION ITEM

a. Route 60 Corridor Enhancement Request

After discussion and questions and answers of Mr. Frymoyer, Mr. Tingle made a motion amended by Mr. Rinaldi that the Route 60 Corridor Enhancement Project as presented subject to (1) appropriation of necessary funding for this project by the James City County Board of Supervisors, (2) James City County Landscape Planner Scott Whyte being designated as the EDA's primary project manager and (3) the EDA Chairman appointing an EDA Director as its primary project liaison, and in addition, the appointment of an EDA Liaison on the Grant Committee. The motion was seconded by Mr. Campana and was approved by roll call vote:

Mr. Campana	Aye
Mr. Craft	Aye
Mr. Gebhardt	Aye
Ms. Hartmann	Aye
Mr. Rinaldi	Aye
Mr. Tingle	Aye
Mr. Warner	Aye

9. PRESENTATION

a. Business Climate Task Force Report

Mr. Taylor introduced Mr. Matthews, who gave an interim report on the progress of the BCTF. He answered questions posed by Directors, then explained the proposed consulting role of Moran, Stahl and Boyer, LLC.

10. ACTION ITEMS

a. BCTF Consultant Contract Study

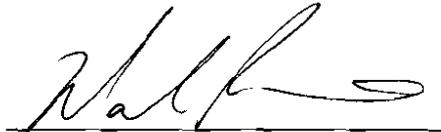
Mr. Rinaldi moved to accept and fund (at a cost of \$36,700 with an optional \$2100 rider) the Moran, Stahl and Boyer, LLC proposal. The motion was seconded by Mr. Gebhardt and passed unanimously.

11. **OTHER BUSINESS**

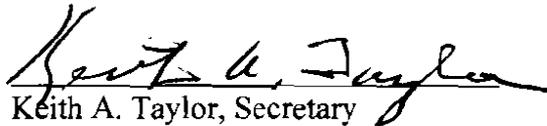
- a. Ms. Hartmann reminded Directors of the next EDA Meeting January 18, 2007. Mssrs. Tingle, Craft and Warner have previous commitments and will not be able to attend the meeting.
- b. Ms. Hartmann stated that the joint Board of Supervisors/EDA Work Session is January 23, 2007. The Work Session is scheduled from 4:00-6:00 PM, with the EDA's portion being second on the agenda.
- c. Ms. Hartmann encouraged Directors to attend the James City County Technology Incubator Open House Wednesday evening, December 20, at 5:00, with client demonstrations beginning at 5:30.

12. **ADOURNMENT**

There being no further business, Chair Hartmann entertained a motion by Mr. Tingle to adjourn. The motion was approved by unanimous voice vote, and the meeting adjourned at 5:07 PM.



Mark G. Rinaldi, Chairman



Keith A. Taylor, Secretary

**ECONOMIC DEVELOPMENT AUTHORITY
BRIDGE BETWEEN TREASURER'S REPORT AND ACCOUNTING REPORTS
December 31, 2006**

	Period to Date	Year To Date
Total to date disbursements per treasurer's report	\$ 27,453.18	\$ 183,143.67
Operating Expenses		
Operating Expenses from Management's Report	\$ 27,410.18	\$ 57,069.66
Accounts Payable Dominion Power		\$ 5.50
Reimbursement due to County for Small Business Assistance		\$ 32.85
Incubator Operating Expense (Accrued)		\$ 9,166.66
Reimbursement due to County for travel and training	\$ (107.00)	\$ (107.00)
Reimbursement paid to County	\$ 150.00	-
Total Expenses		
Total Operating Expenses	\$ 27,453.18	\$ 66,167.67
EDA Incentives		
Renwood Farms		
Debt Expenses Funded by JCC		
Mainland Farm		\$ 109,476.00
Incentives Funded by JCC		
Enterprise Zone Grant		
Incentives to Company		
Projects Funded by JCC		
James River Commerce Center		
Industrial Prop./ Infastructure		\$ 7,500.00
Total Expenses for EDA Incentives	\$ -	\$ -
Total Expenses Funded by JCC	\$ -	\$ 116,976.00
Total Expenses	\$ 27,453.18	\$ 183,143.67
Net difference Treasurer's Report and EDA Expenses	\$ -	\$ -

**Treasurer's Report-FY 07
Economic Development Authority
November - December 2006**

Rev Code	Revenue Source	Prior Collections	Collected this period	Collected to Date
021-325-0100	Lease Income			\$0.00
021-325-0200	Interest	\$41,364.59	\$27,779.02	\$69,143.61
021-325-0250	Misc Revenue			\$0.00
021-325-0400	Bond Fee Revenue		\$400.00	\$400.00
021-325-0500	Land Contract Payment Revenue			\$0.00
021-325-0600	General Fund Contribution			\$0.00
021-325-0650	Transfer from Debt Service	\$109,476.00		\$109,476.00
021-325-1000	Gain/Loss on Sale			\$0.00
	Expense Reimbursement			\$0.00
	Total receipts this period		\$28,179.02	\$179,019.61
	Balance June 30, 2006			\$3,297,216.01
	Total Receipts			\$3,476,235.62
	Disbursements this Period	\$27,453.18		
	Previous disbursements	\$155,690.49		
	Total disbursements to Date			\$183,143.67
	Balance December 31, 2006			<u>\$3,293,091.95</u>

ECONOMIC DEVELOPMENT AUTHORITY
EXPENDITURES

James City County

10-Jan-07

IDA: Year (2007) Period (6)

Ledger ID	Ledger Description	Beg Budget	Nov	Dec	Encumb	Total YTD Exp	Balance
OPERATING EXPENSES							
021-010-0205	PROMOTION	\$37,000.00	\$517.43	\$20,346.98	\$0.00	\$27,848.49	\$9,151.51
021-010-0220	TRAVEL & TRAINING	\$4,000.00	\$97.47	\$107.00	\$0.00	\$1,226.47	\$2,773.53
021-010-0222	LOCAL TRAVEL	\$550.00	\$53.87	\$0.00	\$0.00	\$96.92	\$453.08
021-010-0232	JAMES RIVER COMMERCE CTR - OPER	\$6,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,500.00
021-010-0235	ANNUAL AUDIT	\$6,500.00	\$0.00	\$1,600.00	\$1,600.00	\$4,800.00	\$100.00
021-010-0245	MAINLAND FARM - OPER EXPENSES	\$500.00	\$5.50	\$5.50	\$0.00	\$27.50	\$472.50
021-010-0300	ADVERTISING	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00
021-010-0319	OFFICE SUPPLIES & EQUIPMENT	\$550.00	\$0.00	\$0.00	\$0.00	\$0.00	\$550.00
021-010-0380	BUSINESS CLIMATE TASK FORCE	\$2,500.00	\$46.32	\$21.14	\$0.00	\$127.99	\$2,372.01
021-010-0390	INCUBATOR OPERATING SUBSIDIES	\$56,000.00	\$0.00	\$4,608.97	\$0.00	\$22,942.29	\$33,057.71
021-010-0398	OED DISCRETIONARY EXPENDITURE	\$1,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00
021-010-0600	SMALL BUSINESS ASSISTANCE	\$1,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00
	Total Operating Expenses	\$118,100.00	\$720.59	\$26,689.59	\$1,600.00	\$57,069.66	\$59,430.34



JAMES CITY COUNTY
OFFICE OF ECONOMIC DEVELOPMENT
101 Mounts Bay Road
P. O. Box 8784
Williamsburg, VA 23187-8784

MEMO

To: EDA Director
From: Steven T. Yavorsky, Assistant Economic Development Director
Date: December 12, 2006
Re: BCTF Consultant Assistance Contract Authorization

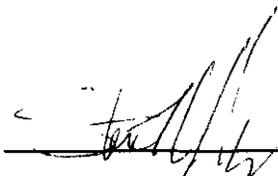
As reported at the November meeting, a subcommittee of the Business Climate Task Force (BCTF) was formed to develop a Request for Qualifications (RFQ) to solicit professional consultant responses to supplement the workings of the BCTF. Of the four respondents to the RFQ, one received no further consideration as it proposed a scope of work not sought by the BCTF; one was removed from consideration due to the proposed cost of work; and two were interviewed. Of the two that received additional consideration, Moran, Stahl, & Boyer (MS&B) was unanimously considered the most qualified by both the BCTF subcommittee and the BCTF – based on their proposed Scope of Work, budget, and timeline.

The agreed upon Scope of Work includes weekly update phone calls to the subcommittee, an area profile, a survey and company interviews, peer county review, no less than three meetings with BCTF, and a final presentation to BCTF with benchmarking and recommendations. An optional presentation to community stakeholders (EDA and/or BOS) was included in the final contract for an additional fee.

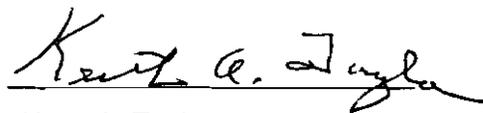
The project timeline will commence with a kick-off conference call with MS&B and the BCTF on 3 January 2007 and is proposed to commence with final presentation during the month of April 2007.

Staff recommends that the EDA (1) appropriate \$36,700 for a lump sum payment to MS&B for completion of stated tasks, and (2) authorize the Chairperson to sign a contract between MS&B and the EDA designating the BCTF as its agent. If the BCTF and MS&B agree, the consultant shall return to James City County for a final presentation to community stakeholders for an additional lump sum of \$2,150. It is agreed that all expenses – including travel – are included in these lump sum totals.

Concur:



Steven T. Yavorsky



Keith A. Taylor
Director

Business Climate Task Force
Presentation to EDA

- I. Introduction
 - a. Membership
 - b. BOS Memo
- II. Mission Statement
- III. Approach
 - a. Attributes of County Valued Businesses
 - b. Attributes of Municipalities that Valued Businesses Want
 - c. Previous Studies and Data
 - d. Review Fiscal Impact of Businesses in James City County
 - e. Review Internal Operations to Establishing and Expanding Businesses
- IV. Summary of Findings
 - a. Conclusion – Additional Resources Needed
- V. Request for Qualifications and Consultant Study
- VI. Next Steps

Project Schedule

Task	Description of Tasks/Activities	Project Weeks														
		12/31	1/7	1/14	1/21	1/28	2/4	2/11	2/18	2/25	3/4	3/11	3/18	3/25	4/2	
1	Initial conference call and update calls	1/3	●	●	●	●		●	●	●		●	●	●		
2	Review information, develop area profile and survey	■														
3	Initial meeting with BCTF						1									
4	Gather company information via survey/interviews						■									
5	Identify/gather information on peer counties						■									
6	PowerPoint summary of findings from tasks 4&5								■							
7	Present initial findings to BCTF										2					
8	Complete benchmarking efforts and recommendations											■				
9	Final PowerPoint presentation to BCTF														3	
10	Presentations to community stakeholders (optional)															

Description of On-Site Meetings

- 1 Review profile, select target industries and types of companies to interview/survey, discuss interview questions and approach, input on peer counties
- 2 Review survey and interview results, discuss peer counties, feedback on completing benchmarking efforts
- 3 Present final recommendations and any next steps

Project Cost Summary

Task	Description	Consulting Fee	Travel Expenses	Completed by Moran, Stahl & Boyer	Completed by E.M. Pemrick & Co.
1	Prepare and host conference call to initiate project	\$500	-	50%	50%
2A	Gather information about JCC	\$1,500	-	100%	-
2B	Prepare area profile (used in study and marketing tool)	\$3,500	-	100%	-
2C	Develop interview/survey questions	\$1,000		50%	50%
3	Prepare/present to BCTF	\$2,000	*	80%	20%
4	Face-to-face interviews, telephone interviews and/or Internet survey	\$7,500	\$2,250	50%	50%
5A	Identify peer counties	\$1,500	-	100%	-
5B	Benchmark peer counties	\$6,500		20%	80%
6	Prepare PowerPoint summary	\$1,500	-	90%	10%
7	Present PowerPoint to BCTF	\$2,000	\$1,300	50%	50%
8	Complete benchmarking and recommendations	\$3,500	-	80%	20%
9	Final presentation to BCTF	\$1,500	\$650	100%	-
10	Presentations to community stakeholders (optional)	\$1,500**	\$650**	100%	-
	Total	\$32,500	\$4,200		

*Included in Item 4 travel expenses

**Not included in Total Amount

MEMORANDUM

DATE: December 12, 2006

TO: EDA Directors Virginia Hartmann, Mark Rinaldi, Vincent Campana, Jr.,
Brien Craft, Douglas Gebhardt, Thomas Tingle, Marshall Warner

CC: Anderson Bradshaw, Leo Rogers, Sanford Wanner

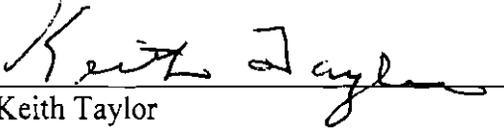
FROM: Keith Taylor, Economic Development Director

SUBJECT: Route 60 Corridor Enhancement Request of the
Historic Triangle Corridor Enhancement Committee

The Historic Triangle Corridor Enhancement Committee (HTCEC) is a public/private partnership initiated by the Williamsburg Land Conservancy in 2003. The HTCEC is now a sub-committee of the Regional Issues Committee, currently chaired by James City County Supervisor James Icenhour. Background information on HTCEC and some of its projects to date is enclosed.

Mr. William Frymoyer, HTCEC's present Chairman, has requested participation by the Economic Development Authority of James City County as part of a three-jurisdiction effort to enhance the appearance of the Route 60 Corridor from York Street to just beyond Busch Gardens. Mr. Frymoyer will be making a presentation on his request to you at your December 19th EDA Work Session.

James City County Administrator Sanford Wanner supports this request in principle due to the Route 60 Corridor's importance as an economic development corridor. Staff recommends that the EDA entertain a motion to support this request in principle subject to (1) appropriation of necessary funding for this project by the James City County Board of Supervisors, (2) James City County Landscape Planner Scott Whyte being designated as the EDA's primary project manager, and (3) the EDA Chairman appointing an EDA Director as its primary project liaison.


Keith Taylor

Enclosures



HISTORIC TRIANGLE CORRIDOR ENHANCEMENT



December 9, 2006

Mr. Keith Taylor, Director of Economic Development
James City County
101C Mounts Bay Road
P.O. Box 8784
Williamsburg, VA 23187-8784

Dear Keith,

We appreciate the time you spent with Jim Icenhour and representatives of the Historic Triangle Corridor Enhancement Committee (HTCEC); Dianne Spence, Scott Whyte, and myself on November 14, 2006. The HTCEC is a subcommittee of the Regional Issues Committee. Jim was representing the Regional Issues Committee in his role as Chairman this year. The HTCEC is a public private partnership representing the three jurisdictions and VDOT and six community organizations whose mission is to enhance the major entrance corridors to the Historic Triangle. For the past three years the Williamsburg Land Conservancy has provided the leadership in enhancing the Jamestown Road corridor.

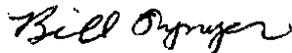
At the meeting in November, we briefed you on the outcome of discussions at the Regional Issues Committee on October 24, 2006. The Committee accepted the recommendations of the HTCEC covering the selection of the next corridor for enhancement following completion of Jamestown Road in 2007 and some concepts for organizing and staffing the project. As far as the corridor selection is concerned, the HTCEC recommended that the jurisdictions should select Route 60 from York Street in the City to Busch Gardens in York County. This is a multi-jurisdictional business corridor which has sections in all three jurisdictions. This will provide an opportunity for the three jurisdictions to work together on a major entrance corridor to the Historic Triangle.

We also reported at the meeting that the Regional Issues Committee accepted a preliminary recommendation of the HTCEC that each of the three sections should have an organization which is responsible for the enhancement made up of representatives of their respective jurisdiction. Each one would have a Chairman who represents a business property owner on the corridor, a staff representative from the organization in the jurisdiction responsible for right of way projects and a staff representative from the EDA for the jurisdiction who would be responsible for all grant projects. The EDA responsibility would also include negotiating with the owners of derelict properties to demolish buildings using a variety and combination of options such as purchase, loans, and grants. The matching revenue sharing and grants would be funded by the respective jurisdictions. The leadership of the three sections would be represented on the HTCEC which would coordinate the activities. The decision on what corridor to select and how to organize and staff the project will be made by the staff and elected leadership of the three jurisdictions after reviewing the recommendations of the Regional Issues Committee and the HTCEC.

We request the James City County EDA to accept the responsibility for managing the corridor grant program in the JCC section from north of the Route 60 and Route 199 intersection to the City of Williamsburg property line. The York County EDA is already managing a similar Route 17 program and the City of Williamsburg EDA has also decided to manage a program to remove derelict properties. In administering the grant program for Jamestown Road through James City County, the HTCEC has found the contracting requirements of the Commonwealth of Virginia are very difficult for small businesses to follow. The York County has demonstrated the flexibility provided by the EDA structure has worked well.

We have attached a summary of the background and the overall corridor recommendations of the HTCEC. Also enclosed is a booklet with information about the Jamestown Corridor work plan and the specifics of the grant program. Further, we have included some information given to all participants including a brochure, a guide for business and an application. We look forward to discussing our proposal with the EDA on December 19th. Thank your consideration.

Sincerely yours,



William K. Frymoyer
Chairman, Historic Triangle Corridor Enhancement Committee

CC: Jim Icenhour
Dianne Spence
Scott Whyte

Historic Triangle Corridor Enhancement

Recommendations for a Multi-Jurisdictional Corridor in 2008

Background

In 2003, the Williamsburg Land Conservancy initiated the Historic Triangle Corridor Enhancement Committee (HTCEC) which is a public/private partnership. The public partners include the three jurisdictions and VDOT. In addition to the Conservancy, the community partners include the Greater Williamsburg Chamber and Tourism Alliance, The Williamsburg Area Association of Realtors, the Williamsburg Area Council of Garden Clubs, The Virginia Cooperative Extension/Master Gardeners, and the Friends of Powhatan Creek.

The HTCEC was subsequently appointed a subcommittee of the Regional Issues Committee made up of elected and staff representatives and citizens of the Historic Triangle.

The Committee selected Jamestown Road as its initial project which was split into two phases: Phase 1 which covers the corridor from Lake Powell to the Jamestown Ferry while Phase 2 is the section from Route 199 to Lake Powell. Projects in Phase 1 included six landscaping projects in the public right of way which was paid for with \$50,000 in James City County revenue sharing funds and \$30,000 in donations from a group of landscape companies. The right of way projects have been supplemented by a JCC matching grant program for businesses and neighborhood associations. To date about \$40,000 has been committed to seven businesses and three neighborhood associations. The grants have funded improvements to the landscaping at the entrances to the neighborhood associations while the businesses have used their funds to make improvements to both landscaping and the frontage of buildings. Over 70% of the businesses and 40% of the neighborhood associations have participated in the grant program during phase 1.

Phase 2 is now underway. A preliminary meeting was held in October with the key business players near Route 199 and a great deal of interest was shown by the attendees. The Committee has selected Carlton Abbott to prepare a conceptual plan for Phase 2 which is expected to be completed by January 2007. Most of the right of way and grant projects will be completed by the end of 2007.

Recommendations

Plans are being developed for the enhancement of the next corridor in January 2008. The following are recommendations adopted by the Regional Issues Committee on October 24, 2006 for discussion with the affected community partners and the jurisdictions:

1. Select a major multi-jurisdictional corridor which provides an opportunity for the three jurisdictions to work together on a joint project benefiting the Historic Triangle.
2. Pick the southern section of Route 60 from York Street to just beyond Busch Gardens as the specific corridor. This corridor has readily identifiable leadership and is already in the midst of redevelopment.
3. Split the corridor into three sections by jurisdiction: The first section made up of hotels and motels in the City of Williamsburg, a second section in front of the proposed Riverside development in James City County, and third section from Route 199 south to Busch Gardens in York County. This will group businesses with common interests into manageable sections by jurisdiction.

4. Request the EDA for the three jurisdictions to assume hands on responsibility for a grant program and to negotiate the removal of derelict properties with funds provided by the respective jurisdictions. It makes sense to utilize the EDA because of their business orientation, their simplified bidding and licensing requirements, and the current assignment of that responsibility in two out of the three jurisdictions (City of Williamsburg and York County). The grants would be funded by their respective jurisdictions.
5. Establish the same grant program for all three jurisdictions. This will be relatively easy since two out of the three (York County and James City County) already have a similar program.
6. Recommend to the Williamsburg Land Conservancy and to the Greater Williamsburg Chamber and Tourism Alliance that the leadership of the Steering Committee shifts from the Conservancy to the Chamber in 2008. This would provide leadership whose interests are consistent with the character of the corridor selected.
7. After the leadership of the Steering Committee has been decided, schedule a meeting with the planning and EDA representatives for the three jurisdictions to develop the recommended organization, staffing, and budgets for 2008.

11/14/06



HISTORIC TRIANGLE
CORRIDOR ENHANCEMENT

**Information for the Development of a
Multi-Jurisdictional Corridor Enhancement
Program**

**Prepared for
James City County EDA**

December 8, 2006

**Williamsburg Land Conservancy
5000 New Point Road
Suite 3101
Williamsburg, VA 23188**

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12/8/06

Corridor Enhancement Work Plan

Phase 1

1. Developed and obtained approval for the mission, strategies, organizational structure, staffing, and budget for the project from the Steering Committee and James City County.
2. Appointed subcommittee of the Regional Issues Committee.
3. Selected the corridor and decided to split into phases.
4. Benchmarked Route 17 and other similar programs to gain the benefit of other Communities' experience.
5. Received approval from the Regional Issues Committee, the Steering Committee and JCC for the plan and budget.
6. Obtained and analyzed information about the owners and tenants located on the corridor.

Right of Way Projects

7. Decided to focus initially on right of way projects to set framework and example for the adjacent property owners.
8. Formed a landscape architect committee to develop a vision for the right of way.
9. Prioritized and prepared detailed designs for the projects.
10. Reviewed designed projects with adjacent property owners to get their input and to build credibility.
11. Reviewed and obtained approval from VDOT for projects.
12. Solicited bids and obtained approval from JCC Purchasing for vendor selected.
13. Managed and completed projects

Grant Projects

14. Developed Corridor Grant Program based on Route 17 program including brochure, guides and supporting materials.
15. Announced grant program at community meeting.
16. Completed extensive communications to build awareness, support, and participation.
17. Developed group and individual strategies to gain participation including frequent direct contact with potential applicants.

18. Appointed Corridor Grant Committee and developed selection criteria.
19. Brought adjacent businesses together with an offer of free design help.
21. Applicants obtained three bids, completed applications and supporting information, and submitted to Corridor Grant Committee by the closing date.
22. Staff reviewed applications and supporting information for completeness using an Application Document Review Worksheet and contacted applicants for additional information if required.
23. Corridor Grant Committee met to review and decide whether to approve or disapprove each application.
24. Staff made one submission of detailed designs for projects in the right of way to VDOT for approval (unusually wide right of way made this necessary).
25. Staff made one submission of bids to JCC Purchasing for their review to ensure bid information was complete and lowest bid accepted.
26. Staff notified applicants of the Committee decision and requested the successful applicants to complete a Letter of Understanding outlining the requirements for reimbursement.
27. Grantees completes the project, paid the invoice in full, and forwarded one request for payment on completion of the entire project.
28. HTCEC and JCC representative completed an inspection to ensure work consistent with the approved project specifications.
28. Staff reviews the information submitted using a Payment Document Review Worksheet, forwards a request to JCC, and JCC issued reimbursement check to the grantee.

Summary Corridor Grant Program

James City County

Phase 1

Effective September 1, 2006

<u>Program Component</u>	<u>Business</u>	<u>Neighborhoods</u>	
Eligibility	Owner or Tenant	Neighborhood or Homeowner Assn.	
	Profit or Non-Profit	Connected Neighborhood	
	Jamestown Road Frontage		
	Within Pilot Area-Phase 1		
Improvements Covered	<u>Private Property</u>	<u>Neighborhood Property</u>	
	Landscaping	Landscaping/Signage at Entrance	
	Repairs and Painting		
	Facade and Roofing Renovation		
	Improved Signage		
	Tearing Down Unsightly Structure		
	<u>Adjacent Right of Way</u>		
	Primarily Benefiting Property Owner-Determination by Grant Committee		
	Requires VDOT approval and maintenance agreement		
	Exclusions	Bring to Code Compliance	Anything Other Than Landscaping
Completely New Construction		and Signage	
		No eligibility for other Neighborhood grants in same year	
Application Process			
Submission Deadlines	Second Grant - September 1, 2006		
Requirements	Completed application		
	Written summary of proposed work		
	Photographs clearly showing existing conditions to be improved upon		
	Design plan for applicable improvements		
	Exact samples of paint or colors to be used		
	3 proposals by Commonwealth of Virginia licensed contractors (Less than \$1,000 require one proposal)		
	Copy of contractor's license and insurance verification for lowest bidder		
	JCC signed plant maintenance agreement (If property is in VDOT right of way)		
Grant Type	50% Matching Grant		
Maximum Grant			
	Per Applicant	\$10,000	\$1,000
	Overall Cap	\$50,000 for Phase 1 Program	
Free Design Assistance	Program Designated Architects (Building and Landscaping)		
Pre-Approval of Application	Corridor Grant Committee		
	Completion of a signed letter of understanding outlining terms and conditions		
	Review by JCC Purchasing Over \$1,000		
	Review by VDOT if in the Right of Way		

<u>Program Component</u>	<u>Business</u>	<u>Neighborhoods</u>
Selection Criteria	Aesthetic quality and design	
	Visual prominence and impact	
	Design coordination with right of way conceptual plan and design standards	
	Reduced or ground mounted signage	
	Use of Water Smart techniques in landscape proposals	
	Reduction in road entrances	
	Use of retained designers	
Completion Time Limit	Six months	
Reimbursement	Submit paid invoice for entire cost and other documentation	
	James City County/ HTCEC joint inspection	



HISTORIC TRIANGLE CORRIDOR ENHANCEMENT

GRANT PROPOSAL GUIDE FOR BUSINESSES

Jamestown Road Phase 2

Businesses in the City of Williamsburg and James City County in the phase 2 section of Jamestown Road may apply for up to a \$10,000 in matching funds grant for general property improvement with primary emphasis on landscape plantings and other improvement to the building and property frontage. Matching funds will be limited to a maximum of \$10,000 or 50% of the quoted project's cost whichever is less. *[Please note this grant program is separate from Right of Way revenue sharing improvements although the projects may be adjacent to each other.]*

These are the steps businesses follow in applying for the matching grants available for frontage improvements:

- Obtain application form from Williamsburg Land Conservancy, 5000 New Point Road, Suite 3101, Williamsburg, VA 23188. Conservancy can be contacted via telephone at (757) 565-0343; e-mail: wlcarridor@widowmaker.com; or website: www.williamsburglandconservancy.org/.
- Develop a detailed design prepared by consultants paid for and retained by JCC (See below) or one of your own choice at your expense. If you use the JCC consultant, the plans for adjacent properties will be coordinated by the consultant. Contact the Chairman of the Grant Committee through the Conservancy office if you are interested in taking advantage of the consulting services. The Chairman will make the initial contact with the consultants to authorize their retention.

	<u>Name/Address</u>	<u>Phone</u>	<u>Email</u>
- Landscape Designer	To be selected		
- Building Architect	To be selected		

- Secure appropriate number of cost estimates and/or proposals from a licensed and insured contractor: nursery, landscape, fencing, and other businesses for the design which has been prepared. Total submission may be broken into sub-projects if proposals are required for different types of contractors (landscape garden center, electrician, painter etc.) but each project segment should be listed on one application):
 - Projects totaling a combined expenditure [your business and grant money] of less than \$1,000 need one (1) written proposal, to include design and specifications.
 - Projects totaling a combined expenditure [your business and grant money] in excess of \$1,000 are required to obtain three (3) written proposals, to include design and specifications. Should one of the businesses from which a proposal is requested refuses to bid, a notation should be made on a separate piece of paper noting the name of contractor, the date, and the specific comments. Nevertheless, two complete bids for each type of work must be submitted.
 - Project cost may exceed \$20,000; however, only \$10,000 maximum may be awarded to

- an individual participating business.
- Complete the Application and include:
 - A written summary of proposed work,
 - Photographs of existing condition,
 - Design plan for improvements previously developed,
 - Exact samples of any paint or colors, if applicable,
 - Appropriate number of written proposals determined under the previous bullet,
 - Copy of contractor's license and insurance verification for the lowest bidder if the contractor has not completed work previously for JCC and is not on the approved vendor list
- Submit completed application and information packet to the Williamsburg Land Conservancy office no later than April 1, 2007.
- Approvals required after application submission: (The Grant Committee will make the submissions to the appropriate VDOT or JCC Division)
 - VDOT for landscaping plan and signage in right of way
 - JCC Planning for signage on owner's property
 - JCC Purchasing review of vendor proposals for projects costing \$1,000 or more
 - HTCEC Corridor Grant Committee for all submissions
- The Corridor Grant Committee requires that the application is approved and a written letter of understanding is agreed to by both JCC and the applicant before any work is commenced:
 - All work must be completed within six months of approval date.
 - Paid invoices for completed work must be submitted to the Corridor Grant Committee for reimbursement at the Williamsburg Land Conservancy, 5000 New Point Road, Suite 3101, Williamsburg, VA 23188.
 - The grant will be awarded within a reasonable period of time following receipt of paid
 - invoices.

12/6/06



**Application
Corridor Grant Program
James City County**

Phase 1-Jamestown Demonstration Pilot-Lake Powell to Jamestown Ferry Dock

Administered by Corridor Grant Committee and the Williamsburg Land Conservancy

I - Basic Information for all Applicants (Neighborhood Association or Business)

Applicant

Neighborhood Association or Business Name: _____

Address: _____

Contact Person

Contact Person's Name: _____

Phone: _____ Email: _____

Contractor (Attach additional sheets if more than one contractor)

Contractor's Name: _____

Address: _____

Phone: _____ Email: _____

Design Professionals (If applicable for business projects costing over \$1,000)

	Landscape	Building
Name:	_____	_____
Address:	_____	_____
Phone:	_____	_____

Project Cost (Requires one quote for projects up to \$1,000, 3 quotes for projects over \$1,000)

Estimated Cost of Improvements: _____

Amount of Funds Requested: _____

II - Supplemental Information for Neighborhood Associations

Number of Family Homes or Units: _____

Names of Board Members: _____

Brief Neighborhood History (Included previous neighborhood matching grant awards and any application pending)

Neighborhood Boundaries/ Location: _____

III - Supplemental Information for Businesses (If a tenant)

Property Owner's Name: _____

Property Owner's Address: _____

Phone: _____ Email: _____

(Also requires completion of separate Owner's Consent Form by property owner)

Authorized Signature: _____ **Date:** _____

LOWEST BID

IV - Attachments to all Applications (Neighborhood Associations and Businesses)

- Written summary of proposed work
- Photographs clearly showing existing conditions
- Design plan for applicable improvement (s)
- Copy of ^{CONTRACT BID} contractor's license and insurance verification
- One individual quote for projects to \$1,000 and three individual quotes for projects exceeding \$1,000

V - Supplemental Requirements for Neighborhood Association Applications

The following information on file at James City County Neighborhood Connections Office:

- Copy of completed/approved by-laws or documents showing authority to make financial commitments
- The association's current officers
- Bank where neighborhood association's account is maintained

Neighborhood Connections Office Address

James City County
Neighborhood Connection Office
5248 Olde Town Road
Suite 11
Williamsburg, VA 23188
757-229-7630
Email - neighbors@james-city.va.us

Authorized Officer signs application and documents authority

VI - Supplemental Attachments to Business Applications

- Property Owner Consent Form if a tenant
- Exact samples for any paint or color to be used for project

VII - Grant Procedures for Businesses and Neighborhoods

Application

Applications will be received from ^{LINE 1 CONTRACTOR} ~~July 1~~ to ^{SEARCH} August 1, 2006 for the first grant and awards will be made by ~~August 31, 2006~~ ^{October 31, 2006}.

Reimbursement

Copies of all paid Invoices and receipts and written proof from contractors and vendors that the account is paid in full, an Itemized statement of total cost of the project, and copies of all required permits and approvals must be submitted for reimbursement.

VIII - Mailing Address for Application and Reimbursement Requests

Please forward with attachments to the following address:

James City County Corridor Grant Program
c/o Williamsburg Land Conservancy
Suite 1202
Williamsburg, VA 23188
Phone: 757-565-0343
Email: wlccorridor@widomaker.com

**James City County
Corridor Grant Enhancement Program
Letter of Understanding-Dial Investment LLC**

This letter of understanding covering a grant under the James City County Corridor Grant Program is effective as of November 4, 2006, (Effective Date) and has been agreed to by and between James City County (JCC), the Williamsburg Land Conservancy representing the Historic Triangle Corridor Enhancement Committee (HTCEC) and the grant recipient, Dial Investment LLC(Recipient).

Recipient was approved for a corridor grant, to be paid by JCC, in the maximum amount of \$ 500, as a matching grant for one-half of the total quoted project cost of the improvement projects described below. Recipient agrees as a condition of the grant to expend Recipient's own funds in completing the project in an amount at least equal to the amount of the grant. In the event the actual cost of the project is less than the amount of the total quoted project cost set out in the table below, the amount of the grant shall be limited to one-half the actual cost. This grant is also contingent on installing the flag poles on Recipient's property unless approval is received by VDOT for installing in the right of way.

The maximum amount Recipient may receive for each approved project is set forth in the table below. The grant shall be paid to Recipient in a single lump sum payment, upon final completion of the projects approved under the original grant application, to the satisfaction of the Corridor Grant Review Committee (CGRC).

<u>Project Description</u>	<u>Total Quoted Price</u>	<u>Maximum Amount of Grant</u>
Installing three flagpoles	\$1,000	\$500

By signing this letter of understanding, Recipient agrees to the terms stated below and confirms that Recipient is a business on Jamestown Road between the Jamestown Ferry and Lake Powell having a street address of 1781 Jamestown Road. Recipient also confirms that the work approved in the application has not already been completed.

- Recipient is obligated to complete all projects listed in the approved application and in the above table, in full compliance with the specifications provided in the application within six months of the Effective Date or Recipient will forfeit the entire grant amount.
- Recipient will only be reimbursed up to the maximum dollar amount stated in the approval letter and the above table for the approved projects. The grant amount will not be increased should Recipient's costs exceed the total quoted project cost set forth above. If the actual cost is less than the total quoted project cost, the actual grant shall not exceed one-half of the actual cost.
- All of the projects approved under the original grant application must be completed to the satisfaction of the CGRC, the HTCEC and JCC before any reimbursement will be made.
- Recipient must pay for the entire project costs before being reimbursed by JCC. In order to receive the full grant amount, it will be necessary for Recipient to present copies of all receipts and/or paid invoices for each approved project. Invoices/receipts must include a written statement by the contractor involved on the project clearly stating that the Recipient has paid the amount due in full. Recipient must also present copies of any required permits and final approvals from such governmental authorities and agencies, as may have jurisdiction to review the work of the project, including the JCC Building Code Official. Funding will only be provided for the work Recipient identified in Recipient's approved application. Invoices/receipts must reflect the approved work.
- It will be the Recipient's responsibility to contact the HCEC at the Williamsburg Land Conservancy at 757-565-0343 for project inspection and payment once all project work is completed. The Williamsburg Land Conservancy HTCEC will contact James City County to schedule a joint inspection to insure that all work was completed according to the terms of the grant and the approved plans. Once HTCEC and James City County have approved all work done under the grant, the County will reimburse the Recipient.

James City County:

By: _____
Name (print): **Scott Whyte**
Title: **Landscape Planner**

**Williamsburg Land Conservancy
Representing the Historic Triangle
Corridor Enhancement Committee:**

By: _____
Name (print): **William K. Frymoyer**
Title: **Chairman, Corridor Grant Committee and
Vice President, Williamsburg Land Conservancy**

Recipient: Dial Investment, LLC

By: _____
Name (print) _____
Title: _____



Quarterly Report to the James City County Economic Development Authority
December 2006

A. How has the Incubator been doing?

Since the last report to the JCC EDA, the number of JCCTI clients increased 250%. The five clients of the incubator are:

Virtual Clients

Dr2Rx Technology Solution, LLC – joined September 1, 2006 and has one employee
Blacksmith Technologies, Inc – joined November 1, 2006 and has one employee

In-House Clients

Abeo Corporation – joined June 1, 2006 and has 3 employees
Mombaur International Consulting Solutions LLC – Joined September 1, 2006 and has one employee
Perceiva – joined June 1, 2006 and has two employees

B. What has been going on at the Incubator?

Perceiva, previously a virtual client, became an in-house client in December of 2006

Attached are copies of recent news articles about the Incubator and clients

An Open House has been scheduled for December 20 at the JCCTI

C. Who is interested in the Incubator?

The HRTIS has been contacted by several interested potential clients. One was recently interviewed for the JCCTI and may become a virtual client.

Two local businesses have expressed interest in becoming a sponsor of the JCCTI through either a partnership or as a resource for the incubator; and another Hampton Roads business has expressed interest in becoming a “friend of the incubator” through HTRIS.

D. Update on client progress.

Abeo continues to make progress on new contracts, both government and commercial. A major congressionally funded security program covering multiple states for general aviation is presently being negotiated. They continue to work on border security issues in our south western states.

Perceiva has gotten a new client, HRTIS, and is providing integrated phone service to the JCCTI and HTI locations. They are poised to get a large contract from the West Coast which will increase revenues to \$1 million annually over the next 3 to 5 years. Perceiva is also modifying its marketing/branding approaches and revising its business plan.

Mombaur International Consulting Solutions, LLC is setting up to recruit a business manager and several software developers (perhaps students), and is rapidly moving his business into the commercial market here in the States.

Dr2Rx Technology Solutions, LLC is focusing the end-of-year activities on writing some grant proposals and getting his product to market.

Blacksmith Technologies, Inc is the newest member to the incubator and will be working with the JCCTI Board of Advisors and Executive Director to set milestones to progress towards goals.

E. Next steps.

The HRTIS is working to revise and update the hrtis.org website in the next quarter which includes the JCCTI.

The Director of Client Services, in conjunction with JCCTI clients, is initiating a Mix-N-Mingle event that will be held quarterly. This after-hours function will be an opportunity for clients to meet with interested parties of the community and for area businesses to network with our clients.

The Sensor Science and Technology Forum is scheduled to be held at the Marriott in James City County in May. The tentative date is May 1. This will be a mini conference hoping to draw 150 participants. A national conference and expo is in the planning to be held at the same location next December, 2007.

**FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING**

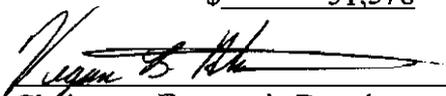
Date: December 19, 2006

To the Board of Supervisors of James City County, Virginia

Name of Applicant: Virginia United Methodist Homes of Williamsburg, Inc.

Facility: Financing of the acquisition, construction and equipping of the new continuing care retirement community

- | | |
|--|-----------------------|
| 1. Maximum amount of financing sought | \$ <u>130,000,000</u> |
| 2. Estimated taxable value of the facility's real property to be constructed in the municipality | \$ _____ 0* |
| 3. Estimated real property tax per year using present tax rates | \$ _____ 0* |
| 4. Estimated personal property tax per year using present tax rates | \$ _____ 0* |
| 5. Estimated merchants' capital tax per year using present tax rates | \$ _____ 0* |
| 6. (a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality | \$ <u>999,134</u> |
| (b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality | \$ <u>249,783</u> |
| (c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality | \$ <u>1,318,266</u> |
| (d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality | \$ <u>329,566</u> |
| 7. Estimated number of regular employees on year round basis | _____ 102 |
| 8. Average annual salary per employee | \$ _____ 31,578 |


Chairman, Economic Development
Authority of James City County, Virginia

If one or more of the above questions do not apply to the facility indicate by writing N/A (not applicable) on the appropriate line.

* The applicant intends to apply for a real estate and personal property tax exemption.

CERTIFICATE

The undersigned Secretary of the Economic Development Authority of James City County, Virginia (the "Authority") certifies as follows:

1. A meeting of the Authority was duly called and held on December 19, 2006, at 3:00 o'clock p.m. in the Main Conference Room of Building C, James City County Government Center, 101-C Mounts Bay Road, James City County, Virginia 23187, pursuant to proper notice given to each Director of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. The Chairman announced the commencement of a public hearing on the application of Virginia United Methodist Homes of Williamsburg, Inc. and that a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in James City County, Virginia (the "Notice"), with the second publication appearing not less than seven days and no more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the minutes of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution (the "Resolution") adopted at such meeting of the Authority by a majority of the Directors present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

WITNESS my hand and the seal of the Authority, this 19th day of December, 2006.

[SEAL]


Secretary, Economic Development Authority
of James City County, Virginia

Exhibits:

- A - Copy of Certified Notice from Newspaper
- B - Summary of Statements
- C - Public Hearing Resolution

EXHIBIT B

Summary of Statements

Representatives of Virginia United Methodist Homes of Williamsburg, Inc. appeared before the Authority to explain the project and the financing. No one appeared in opposition to the proposed bond issue.

December 19, 2006

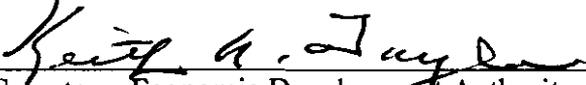
Board of Supervisors
James City County, Virginia
101 Mounts Bay Road
Williamsburg, Virginia 23185

**Economic Development Authority of James City County, Virginia
Proposed Financing for Virginia United Methodist Homes of Williamsburg, Inc.**

Virginia United Methodist Homes of Williamsburg, Inc. (the "Borrower") has requested that the Economic Development Authority of James City County, Virginia (the "Authority"), assist the Borrower in financing or refinancing: (1) the costs of the acquisition, construction and equipping of an approximately 460,276 square foot continuing care retirement community, expected to contain approximately 207 units, consisting of approximately 181 independent living units, 14 assisted living units and 12 healthcare units, all of which are located on an approximately 106 acre tract of land at 3975 WindsorMeade Way, James City County, Virginia, which is at the intersection of Monticello and WindsorMeade Way in James City County, Virginia, and (2) costs related to a debt service reserve fund, costs of issuance, capitalized interest, working capital and other expenses in connection with the issuance of the bonds and the proposed project (the "Project"), by the issuance of its revenue bonds, in one or more series from time to time, in an amount not to exceed \$130,000,000 (the "Bonds").

As set forth in the resolution of the Authority attached hereto (the "Resolution"), the Authority has agreed to issue its Bonds as requested. The Authority has conducted a public hearing on the proposed financing of the Project and has recommended that you approve the issuance of the Bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, and Section 15.2-4906 of the Code of Virginia of 1950, as amended.

Attached hereto is (1) a certificate evidencing the conduct of the public hearing and the action taken by the Authority, (2) the Fiscal Impact Statement required pursuant to Virginia Code Section 15.2-4907, and (3) the form of resolution suggested by counsel to evidence your approval.


Secretary, Economic Development Authority
of James City County, Virginia

**RESOLUTION OF
THE ECONOMIC DEVELOPMENT AUTHORITY OF
JAMES CITY COUNTY, VIRGINIA,
APPROVING THE ISSUANCE OF UP TO \$130,000,000
RESIDENTIAL CARE FACILITY REVENUE BONDS
(VIRGINIA UNITED METHODIST HOMES OF WILLIAMSBURG, INC.),
SERIES 2006A AND VARIABLE RATE RESIDENTIAL
CARE FACILITY REVENUE BONDS (VIRGINIA UNITED METHODIST
HOMES OF WILLIAMSBURG, INC.), SERIES 2006B**

A. The Economic Development Authority of James City County, 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"). To further the Act's purposes, the Authority, at the request of Virginia United Methodist Homes of Williamsburg, Inc. (the "Borrower"), has determined to issue and sell its Residential Care Facility Revenue Bonds (Virginia United Methodist Homes of Williamsburg, Inc.), Series 2006A (the "2006A Bonds") and its Variable Rate Residential Care Facility Revenue Bonds (Virginia United Methodist Homes of Williamsburg, Inc.), Series 2006B (the "2006B Bonds," together with the 2006A Bonds, the "Bonds"), in an original aggregate principal amount not to exceed \$130,000,000.

B. The Authority will lend the proceeds of the issuance and sale of the Bonds to the Borrower under the Loan Agreement dated as of January 1, 2007 (the "Loan Agreement"), between the Authority and the Borrower, and the Borrower will apply the proceeds under the terms of the Loan Agreement to finance or refinance (1) the costs of the acquisition, construction and equipping of an approximately ___ square foot continuing care retirement community, expected to contain approximately 207 units, consisting of approximately 181 independent living units, 14 assisted living units and 12 healthcare units, all of which are located on an approximately 100 acre tract of land at 3975 WindsorMeade Way, James City County, Virginia, which is at the intersection of Monticello and WindsorMeade Way in James City County, Virginia, and (2) costs related to a debt service reserve fund, costs of issuance, capitalized interest, working capital and other expenses in connection with the issuance of the bonds and the proposed project (the "Project").

C. The Bonds will be secured primarily by the Borrower's Obligation No. 1 ("Obligation No. 1"), in an original principal amount equal to the original aggregate principal amount of the Bonds, to be issued by the Borrower under the Master Trust Indenture dated as of January 1, 2007 (the "Master Indenture"), between the Borrower and [The Bank of New York Trust Company of Florida, N.A.], as Master Trustee.

D. There have been presented to this meeting the preliminary forms of the following instruments, which the Authority, if a party thereto, proposes to execute to carry out the transactions described above, copies of which have been filed with the records of the Authority:

(a) Bond Trust Indenture, dated as of January 1, 2007 (the "Bond Indenture"), between the Authority and [The Bank of New York Trust Company of Florida, N.A.] (the "Bond Trustee"), to which a form of the Bonds is attached as an exhibit;

(b) Loan Agreement;

(c) Obligation No. 1 with the Authority's assignment thereof;

(d) Form of the Bonds dated, bearing interest and payable as provided therein and in the Bond Indenture and which is incorporated into the Bond Indenture;

(e) Bond Purchase Agreement with respect to the 2006A Bonds (the "2006A Bond Purchase Agreement"), among the Borrower, the Authority, and Herbert J. Sims & Co., Inc. (the "Underwriter");

(f) Bond Purchase Agreement with respect to the 2006B Bonds (the "2006B Bond Purchase Agreement"), among the Borrower, the Authority, and the Underwriter;

(g) The preliminary official statement (the "Preliminary Official Statement") of the Authority marked to include changes to be incorporated in the final Official Statement relating to the sale of the 2006A Bonds;

(h) The Official Statement of the Authority (the "2006B Official Statement") relating to the sale of the 2006B Bonds;

E. The Bond Indenture, the Loan Agreement, the assignment of Obligation No. 1, the 2006A Bond Purchase Agreement, and the 2006B Bond Purchase Agreement are referred to collectively in this Resolution as the "Authority Documents."

F. The Authority desires to authorize the issuance of the Bonds and their sale to the Underwriter.

G. The 2006A Bonds are expected to be (1) sold to the Underwriter for a total compensation to the Underwriter not to exceed ___% of the original aggregate principal amount of the 2006A Bonds, pursuant to the 2006A Bond Purchase Agreement, (2) have a maximum true interest cost not to exceed ___% per annum, and (3) have a final maturity not more than ___ years from the date of issuance (collectively, the "2006A Bond Terms").

H. The 2006B Bonds are expected to (1) be sold to the Underwriter for a total compensation to the Underwriter not to exceed ___% of the original aggregate principal amount of the 2006B Bonds, pursuant to the 2006B Bond Purchase Agreement, (2) bear variable rate interest pursuant to the formula set forth in the Bond Indenture, and (3) have a final maturity not more than ___ years from the date of issuance (collectively, the "2006B Bond Terms," together with the 2006A Bond Terms, the "Bond Terms").

I. The Bonds are expected to be sold in a maximum aggregate principal amount not to exceed \$130,000,000.

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA:

1. The issuance of the Bonds is approved. The Bonds may be issued in one or more series at one time or from time to time on such terms consistent with the Bonds Terms. The Bonds shall be in substantially the forms attached as exhibits to the Bond Indenture.

2. The Bonds and the Authority Documents are approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes to the dates thereof) consistent with the Bond Terms as may be approved by the Chairman or the Vice Chairman of the Authority, whose approval will be evidenced conclusively by the execution and delivery of the Bonds.

3. The Chairman and the Vice Chairman of the Authority are each hereby authorized and directed to execute and deliver the Bonds to or for the account of the Underwriter and the Authority Documents to the other parties thereto upon approval of their final form, terms and conditions consistent with the Bond Terms. The sale of the Bonds to the Underwriter pursuant to the 2006A Bond Purchase Agreement and the 2006B Bond Purchase Agreement is hereby approved and authorized provided such sale shall be consistent with the Bond Terms.

4. The use and distribution by the Underwriter of the Preliminary Official Statement in the form on file with the Authority are in all respects authorized, ratified and approved. For purposes of Rule 15c2-12 of the Securities and Exchange Commission, the Chairman or Vice Chairman of the Authority are hereby authorized to deem the Preliminary Official Statement relating to the 2006A Bonds final except for information permitted to be omitted under paragraph (b)(1) of such Rule. The Chairman and Vice Chairman of the Authority are each hereby authorized and directed to execute and deliver the Authority's approval of the final official statement (the "2006A Official Statement") upon approval of its form, terms and conditions. Such officer's execution shall constitute conclusive evidence of his approval of such form, terms and conditions. Execution of the final 2006A Official Statement shall constitute conclusive evidence that the 2006A Official Statement has been deemed final within the meaning of Rule 15c2-12.

5. The 2006A Official Statement and its use and distribution by the Underwriter is authorized and approved. The 2006A Official Statement shall be in substantially the form of the Preliminary Official Statement submitted to this meeting, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the Chairman or Vice-Chairman of the Authority, whose execution thereof shall constitute conclusive evidence of his approval of such form, terms and conditions.

6. The 2006B Official Statement and its use and distribution by the Underwriter is authorized and approved. The 2006B Official Statement shall be in substantially the form submitted to this meeting, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the Chairman or Vice-Chairman of the Authority, whose execution thereof shall constitute conclusive evidence of his approval of such form, terms and conditions.

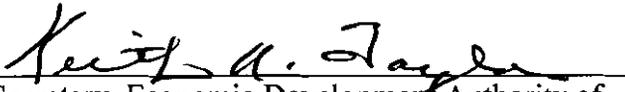
7. The Chairman or Vice Chairman of the Authority is each authorized to execute on behalf of the Authority the Bonds and the Authority Documents, and the Secretary of the Authority is authorized to affix the seal of the Authority to the Bonds and, if required, the Authority Documents and to attest such seal. The signatures of the Chairman or Vice Chairman and the Secretary and the seal of the Authority may be by facsimile. Each officer of the Authority is authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, and to do and perform such things and acts, as he or she deems necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the Authority Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by such officers of the Authority, are in all respects approved, ratified and confirmed.

8. This resolution shall be effective immediately.

CERTIFICATE

The undersigned Secretary of the Economic Development Authority of James City County, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority at a special meeting duly called and held on December 19, 2006 in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on the date hereof.

WITNESS the following signature and seal of the Authority this 19th day of December, 2006.


Secretary, Economic Development Authority of
James City County, Virginia

[SEAL]

**RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA
AUTHORIZING THE ISSUANCE OF UP TO \$130,000,000
REVENUE BONDS FOR THE BENEFIT OF
VIRGINIA UNITED METHODIST HOMES OF WILLIAMSBURG, INC.**

WHEREAS, the Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds to protect and promote the health and welfare of the inhabitants of the Commonwealth of Virginia by assisting in the financing of medical facilities and facilities for the residence or care of the aged owned and operated by organizations which are exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, as amended;

WHEREAS, the Authority has received a request from Virginia United Methodist Homes of Williamsburg, Inc., a Virginia non-stock, not-for-profit corporation (the "Borrower"), requesting that the Authority issue its revenue bonds to assist in financing or refinancing (1) the costs of acquisition, construction and equipping of an approximately 460,276 square foot continuing care retirement community, expected to contain approximately 207 units, consisting of approximately 181 independent living units, 14 assisted living units and 12 healthcare units, all of which are located on an approximately 106 acre tract of land at 3975 WindsorMeade Way, James City County, Virginia, which is at the intersection of Monticello and WindsorMeade Way in James City County, Virginia, and (2) costs related to a debt service reserve fund, costs of issuance, capitalized interest, working capital and other expenses in connection with the issuance of the bonds and the proposed project (collectively, the "Project");

WHEREAS, such assistance will benefit the inhabitants of James City County, Virginia and the Commonwealth of Virginia, either through the increase of their commerce or through the promotion of their safety, health, welfare, convenience or prosperity;

WHEREAS, preliminary plans for the Project have been described to the Authority and a public hearing has been held as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, (the "Code") and Section 15.2-4906 of the Act;

WHEREAS, the Borrower has represented that the estimated cost of the financing of the Project and all expenses of the issue will require an issue of revenue bonds in the aggregate principal amount not to exceed \$130,000,000;

WHEREAS, (a) no member of the Board of Directors of the Authority is an officer or employee of James City County, Virginia, (b) each member has, before entering upon his duties during his or her present term of office, taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended and (c) at the time of their appointments and at all times thereafter, including the date hereof, all of the members of the Board of Directors of the Authority have satisfied the residency requirements of the Act; and

WHEREAS, no member of the Board of Directors of the Authority has any personal interest or business interest in the Borrower or the bonds or has otherwise engaged in conduct prohibited under the Conflict of Interests Act, Chapter 31, Title 2.2 of the Code of Virginia of 1950, as amended in connection with this resolution or any other official action of the Authority in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA:

1. It is hereby found and determined that the acquisition, construction and equipping of the Project will be in the public interest and will promote the commerce, safety, health, welfare, convenience or prosperity of the Commonwealth of Virginia, James City County, Virginia and their citizens and will assist in providing for the residence and care of the aged in accordance with their special needs.

2. The Authority hereby agrees to assist the Borrower in financing the Project by undertaking the issuance of its revenue bonds in an amount not to exceed \$130,000,000 upon terms and conditions mutually agreeable to the Authority and the Borrower. The bonds will be issued pursuant to documents satisfactory to the Authority. The bonds may be issued in one or more series at one time or from time to time.

3. It having been represented to the Authority that it is necessary to proceed immediately with the Project, and the planning therefor, the Authority agrees that the Borrower may proceed with plans for the Project, enter into contracts for land, construction, materials and equipment for the Project, and take such other steps as it may deem appropriate in connection with the Project, provided, however, that nothing in this resolution shall be deemed to authorize the Borrower to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Project. The Authority agrees that the Borrower may be reimbursed from the proceeds of the bonds for all expenditures and costs so incurred by it, provided such expenditures and costs are properly reimbursable under the Act and applicable federal laws.

4. At the request of the Borrower, the Authority approves McGuireWoods LLP, Richmond, Virginia, as Bond Counsel in connection with the issuance of the bonds.

5. All costs and expenses in connection with the financing of the Project and the construction and equipping of the Project, including the fees of the Authority, the fees and expenses of Bond Counsel and Authority Counsel, shall be paid by the Borrower or, to the extent permitted by applicable law, from the proceeds of the bonds. If for any reason such bonds are not issued, it is understood that all such fees and expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor. Neither the Authority, including its officers, directors, employees and agents, nor James City County shall be liable and wholly disclaims all liability to the Borrower and its affiliated entities for any damages, direct or consequential, resulting from the failure of the Authority to issue the bonds for any reason.

6. By submitting this resolution to the Authority, the Borrower has agreed to indemnify and save harmless the Authority and its officers, directors, employees and agents from

and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the Project or the bonds.

7. In adopting this resolution the Authority intends to take "official action" toward the issuance of the bonds and to evidence its "official intent" to reimburse from the proceeds of the bonds any expenditures paid by the Borrower to finance the acquisition, construction and equipping of the Project and the planning therefor before the issuance of the bonds, all within the meaning of regulations issued by the Internal Revenue Service pursuant to Sections 103 and 141 through 150 and related sections of the Code.

8. The Authority recommends that the Board of Supervisors of James City County, Virginia, approve the issuance of the bonds.

9. No bonds may be issued pursuant to this resolution until such time as the issuance of the bonds has been approved by the Board of Supervisors of James City County, Virginia.

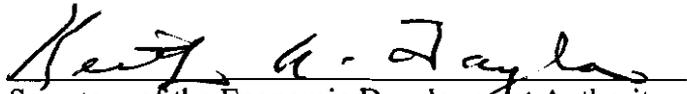
10. All other acts of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the bonds and the acquisition, construction, and equipping of the Project are hereby ratified, approved and confirmed.

11. This resolution shall take effect immediately upon its adoption.

CERTIFICATE

The undersigned Secretary of the Economic Development Authority of James City County, Virginia (the "Authority") certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on December 19, 2006, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on this date.

WITNESS the following signature and seal of the Authority, this 19th day of December, 2006.


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

[SEAL]