

**MINUTES
ECONOMIC DEVELOPMENT AUTHORITY (EDA)
OF JAMES CITY COUNTY
101-D Mounts Bay Road, Williamsburg, VA 23185
July 14, 2016
8:00 AM**

A. CALL TO ORDER

B. ROLL CALL

Robin D. Carson, Vice Chairman
Paul W. Gerhardt - **Absent**
Tim G. Harris
Stephen H. Montgomery - **Absent**
Christopher J. Odle
Marshall N. Warner
Thomas G. Tingle, Chairman

Maxwell Hlavin, EDA Legal Counsel
Stephanie Lahr, EDA Fiscal Agent
Russell C. Seymour, EDA Secretary and OED Director
Teresa J. Fellows, EDA Recording Secretary
Sarah Paquette, OED Intern
Kate J. M. Sipes, OED Assistant Director

C. APPROVAL OF MINUTES

1. Minutes Adoption - June 6, 2016, Minutes

A motion to Approve was made by Mr. Warner, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner, Tingle
Absent: Gerhardt, Montgomery

D. FINANCIAL REPORTS

1. June Financial Reports

A motion to Approve was made by Ms. Carson, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner, Tingle
Absent: Gerhardt, Montgomery

E. CLOSED SESSION

1. 1) Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body regarding the James City County Marina and the EDA owned parcel in the James River Commerce Center pursuant to Section 2.2-3711(A)(3) of the Code of Virginia; and 2) Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community for consideration of the award of incentive packages pursuant to Section 2.2-3711(A)(5) of the Code of Virginia; and 3) consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel regarding the JCC Marina and

the award of incentive packages pursuant to Section 2.2-3711(A)(7) of the Code of Virginia

A motion to Enter a Closed Session was made by Mr. Warner, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner, Tingle
Absent: Gerhardt, Montgomery

Mr. Tingle recused himself due to a conflict of interest.

The EDA entered Closed Session at 8:18 a.m.

Mr. Tingle rejoined the Closed Session at 9:10 a.m. for the discussion regarding EDA owned parcel at the James River Commerce Center.

The EDA re-entered Open Session at 9:20 a.m.

2. Closed Session Certification

A motion to Certify the Closed Session was made by Mr. Harris, the motion result was Passed.

AYES: 4 NAYS: 0 ABSTAIN: 1 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner
Abstain: Tingle
Absent: Gerhardt, Montgomery

3. Directives Resulting from Closed Session

A motion to have Mr. Seymour initiate the process for procurement and work with County Administration for the construction of building up to 10,000 square feet, for B-1 purposes at the James City County Marina, was made by Mr. Harris, the motion result was Passed.

AYES: 4 NAYS: 0 ABSTAIN: 1 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner
Abstain: Tingle
Absent: Gerhardt, Montgomery

F. NEW BUSINESS

1. Amendments to 2013 WindsorMeade Bond Documents

A motion to Approve was made by Mr. Odle, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner, Tingle
Absent: Gerhardt, Montgomery

Mr. David Richardson, Bond Counsel for WindsorMeade, from McGuire Woods, addressed the EDA giving an overview of the memorandum included in the Agenda Packet. He stated that the 2013 bond documents currently provide that WindsorMeade's Debt Service Coverage Ratio (DSCR) covenant would kick in when certain "stabilization" metrics had been reached, which was expected to occur in fiscal year 2020. Following the Chapter 11 reorganization; however, WindsorMeade exceeded all expectations by filling up more rapidly than expected so that "stabilization" occurred well ahead of schedule, thereby inadvertently triggering the DSCR covenant much earlier than anticipated. The early heavy cash flow from entrance fees results in less cash flow down the line, so for several fiscal quarters WindsorMeade is expected to miss its DSCR. This is a temporary problem and not one that speaks to the fundamental financial soundness of the community; nonetheless it would result in a default if not addressed.

The attached resolution for the EDA's consideration authorizes amendments to the 2013 bond documents that have been agreed to by the bondholders and that remove the stabilization date as the trigger for starting the DSCR test and move it to a fixed date beyond the period during which WindsorMeade is expected to fall below the DSCR covenant. The amendments also provide for WindsorMeade to pay interest on the Series 2013A Subordinate Bonds as and when due for the next 10 years, regardless of the 275 days cash on hand floor currently in place, thereby assuring bondholders of receiving interest payments that otherwise would have just accrued, but not have been paid. Finally, Virginia United Methodist Homes, Inc., the sole member of WindsorMeade, has agreed to guaranty those interest payments to the bondholders.

2. Start Peninsula Fiscal Agent Agreement

A motion to Approve was made by Mr. Harris, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner, Tingle
Absent: Gerhardt, Montgomery

Mr. Seymour stated that at the previous EDA meeting, the EDA approved the Memorandum of Understanding (MOU) for Start Peninsula. This agreement designates the Virginia Peninsula Chamber Foundation, Inc. as the Fiscal Agent as part of that MOU.

Mr. Hlavin voiced his concerns over some inconsistencies between this document and the MOU. He stated that it is nothing that would prevent the EDA from signing the document, and noted that it has already been signed by the other partnering localities.

3. Greater Williamsburg Partnership Articles of Incorporation

Mr. Tingle stated that this item does not require any action, it is for the Authority's information. This allows the regional group to become a 501c(6) entity and can stand up on its own without one of the localities having to act as Fiscal Agent. The articles also allow the organization to become the parent of Launchpad. Currently, Launchpad is under the direction of the three EDAs and James City County is the Fiscal Agent.

G. OLD BUSINESS

H. LIAISON REPORTS

1. Board of Supervisors Liaison – None
2. Greater Williamsburg Chamber and Tourism Alliance – None
3. Planning Commission

Mr. Harris announced that the changes to the PUD-C ordinance that had been discussed previously were adopted by the Planning Commission and the Board of Supervisors.

4. Launchpad

Mr. Harris stated that once Launchpad is moved under the Greater Williamsburg Partnership it should help provide some much needed structure. He stated that Tim Ryan needs some assistance and recommended that he reach out to SCORE and to Karen Riordan with the Chamber. Mr. Harris believes that Mr. Ryan is not set up for success. He is underfunded and has multiple bosses that he reports to.

5. Greater Williamsburg Partnership – None
6. RAISE Advisory Committee – None

7. JRCC Architectural Review Board – None
8. Real Estate Holdings – None
9. Finance – None
10. Strategic Planning Advisory Group

Ms. Carson gave an update on the latest phase of the strategic planning process. She stated that as some of the other major themes, like education and water, settle down, it will become more important to have a thoughtful discussion on meaningful economic development, both now and in the future. She stated that this is not the visionary plan for the future that she thought it would be when this process started. It is more of the County's work plan, what the County will do and how it will prioritize its spending and utilize its resources to achieve the stated goals.

Ms. Fellows stated that Clarion, the Strategic Plan Consultant, will be meeting with the Board of Supervisors for a work session on July 26 beginning at 1:30 p.m. Anyone can attend that work session or it can be viewed live through the County website.

Ms. Carson recommended that the rest of the Authority watch that work session to get an idea of what the Board is thinking in regard to the Strategic Plan. Any questions or comments from the Authority can be passed on to the Board after that work session.

I. DIRECTOR'S REPORT

1. July Director's Report

Mr. Seymour introduced Sarah Paquette, a senior at the College of William & Mary, who has been interning in the office for the last four weeks and will be with us for another two weeks. She has been working on the migration of the Economic Development website over to the County website platform.

Mr. Seymour gave an overview of the Director's Report included in the Agenda Packet. He highlighted the display wall at Jamestown that Economic Development will have as part of its Bartering Display this fall.

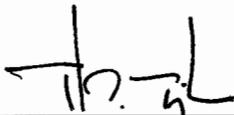
J. ADJOURNMENT

1. Adjourn until 8:00 a.m. on August 11, 2016

A motion to Adjourn was made by Mr. Warner, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2 Ayes: Carson, Harris, Odle, Warner, Tingle
Absent: Gerhardt, Montgomery

At 10:08 a.m., Mr. Tingle adjourned the EDA.



Thomas Tingle, Chair



Russell C. Seymour, Secretary