

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY

COUNTY, VIRGINIA, RATIFYING A PLAN TO FINANCE PUBLIC FACILITIES PROJECTS

THROUGH THE ISSUANCE OF REVENUE BONDS AND

APPROVING FINANCING DOCUMENTS

WHEREAS, at the request of the Board of Supervisors (the "County Board") of James City County, Virginia (the "County"), the Economic Development Authority of James City County, Virginia (the "Authority"), has previously approved at its March 10, 2016 meeting, a plan of lease financing (the "Plan of Finance") with the Williamsburg-James City County School Board (the "School Board"), to finance (including reimburse) the costs of certain capital improvements for public school facilities, including (but not limited to) the construction, renovation, rehabilitation and equipping of a middle school (collectively, the "Project"); and

WHEREAS, the County has previously requested and the Authority has agreed to issue its Public Facility Revenue Bonds (James City County School Project), Series 2016 (the "Bonds"), and use the proceeds to a) reimburse or finance costs of the Project and b) pay the related costs of issuing the Bonds; and

WHEREAS, the Bonds will be secured in part by payments appropriated from time to time by the County Board and payable to the Authority in accordance with the terms of the Financing Agreement (as defined herein); and

WHEREAS, to improve the marketing of the Bonds at attractive interest rates, Davenport & Company LLC, the County's financial advisor (the "Financial Advisor"), has recommended that the County consider providing additional security for the Bonds by undertaking a lease/lease-back financing arrangement with the Authority and the School Board of the Toano Middle School property (the "Property"); and

WHEREAS, there have been presented to this meeting drafts of the following documents (collectively, the "Documents"), proposed in connection with the issuance and sale of the Bonds:

- a. Agreement of Trust, as supplemented and amended by a First Supplemental Trust Agreement (together, the "Trust Agreement"), each between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee"), including the form of the Bonds as an exhibit thereto; and
- b. Financing Agreement (the "Financing Agreement"), between the Authority and the County, pursuant to which the Authority will loan the proceeds of the Bonds to the County and the County will undertake, subject to appropriation, to make payments to the Authority in amounts sufficient to pay the principal of and premium, if any and interest on the Bonds and certain other related costs; and

- c. Preliminary Official Statement of the Authority relating to the public offering of the Bonds (the "Preliminary Official Statement"); and
- d. Notice of Sale (attached as Appendix H to the Preliminary Official Statement) (the "Notice of Sale"); and
- e. Deed and Agreement of Ground Lease (the "Ground Lease"), between the Authority, the County and the School Board, conveying to the Authority a leasehold interest in the Property; and
- f. Deed and Agreement of Financing Lease, between the Authority, the County and the School Board (the "Financing Lease"), conveying to the County and the School Board a subleasehold interest in the Property; and
- g. Assignment Agreement (the "Assignment Agreement"), between the Authority and the Trustee, assigning to the Trustee certain rights of the Authority under the Ground Lease and the Financing Lease.

NOW, THEREFORE, BE IT RESOLVED that the Economic Development Authorities of James City County, Virginia:

- 1. The Authority hereby ratifies the Plan of Finance and the Project approved by the Authority at its March 10, 2016, meeting (the "March Resolution").
- 2. The Authority approves the following terms of the sale of the Bonds. The Bonds shall be sold by competitive bid in a principal amount to be determined by the County Administrator, in collaboration with the Financial Advisor, and subject to the limitations set forth in the March Resolution. The County Administrator shall also determine the interest rates and maturity schedules of the Bonds, the price to be paid for the Bonds and the redemption provisions of the Bonds, all subject to the limitations set forth in the March Resolution, as well as the dated date, the principal and interest payment dates and the Record Date of the Bonds, all as the County Administrator determines to be in the best interest of the County.

The County Administrator is authorized, on behalf of the Authority, to receive bids for the Bonds and award the Bonds to the bidder providing the lowest "true" or "Canadian" interest cost, subject to the limitations set forth in the March Resolution. Following the sale of the Bonds, the County Administrator shall file a certificate with the Authority and the County Board setting forth the final terms of the Bonds. The actions of the County Administrator in selling the Bonds shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the Authority.

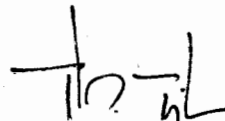
- 3. The County Administrator is authorized and directed, on behalf of the Authority and in collaboration with the Financial Advisor, to take all proper steps to advertise the Bonds for sale substantially in accordance with the form of the Notice of Sale, which is hereby approved; provided that the County Administrator, in collaboration with the Financial Advisor, may make such changes in the Notice of Sale not inconsistent with this resolution, as he may consider to be in the best interest of the County.

4. The Authority authorizes the distribution of the Preliminary Official Statement in form deemed "near final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, to prospective purchasers of the Bonds, with such completions, omissions, insertions and changes as may be approved by the Chairman or Vice Chairman of the Authority, in collaboration with the County and the Financial Advisor. Such distribution shall constitute conclusive evidence of the approval of the Chairman or Vice Chairman as to any such completions, omissions, inserts and changes and that the Authority has deemed the Preliminary Official Statement to be near final as of its date.
5. The Chairman and Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to approve such completions, omissions, insertions and other changes to the Preliminary Official Statement as may be necessary to reflect the terms of the sale of the Bonds and the details thereof and to complete it as an official statement in final form (the "Official Statement") and to execute and deliver the Official Statement when the same has been approved by the County. The County Administrator is hereby authorized on behalf of the Authority to distribute the Official Statement to the purchaser of the Bonds. Execution of the Official Statement by the Chairman or Vice Chairman shall constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes and that the Official Statement has been deemed final by the Authority as of its date within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.
6. The Chairman and the Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Documents to which the Authority is a signatory, which shall be in substantially the forms circulated prior to this meeting, which are hereby approved, with such completions, omissions, insertions and changes not inconsistent with this resolution as may be approved by the officer signing such Documents, the execution and delivery thereof to constitute conclusive evidence of the officer's approval of any such completions, omissions, insertions and changes. The County Attorney is hereby authorized to cause the Ground Lease, the Financing Lease, the Assignment Agreement and other documents as are necessary to be recorded in the Clerk's Office of the Circuit Court of Williamsburg-James City County.
7. The Chairman and Vice Chairman of the Authority, either of whom may act, are hereby authorized and directed to execute the Bonds by manual or facsimile signature, the Secretary and Assistant Secretary, either of whom may act, are hereby authorized and directed to affix the seal of the Authority to or print a facsimile thereof on the Bonds and attest the same by manual or facsimile signature, and the officers of the Authority are hereby authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the purchaser thereof upon payment therefor.
8. The officers of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds, including without limitation a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the Bonds to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations thereunder, applicable to "arbitrage bonds," b) making any elections, at the request of the County, that such

officers deem desirable regarding any provision requiring rebate to the United States of "arbitrage profits" earned on investment of proceeds of the Bonds, c) providing for the County to pay any such rebate amount, and d) filing Internal Revenue Service Form 8038-G and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds. The foregoing shall be subject to the advice, approval and direction of bond counsel.

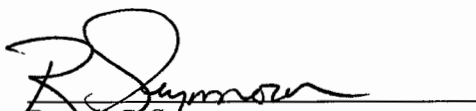
9. The Authority consents to the recommendation by the County that Hunton & Williams LLP serve as bond counsel for the issuance and sale of the Bonds.
10. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
11. 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 issuance and sale of the Bonds are hereby approved and ratified.
12. This resolution shall take effect immediately.

The undersigned hereby certifies that the above resolution was duly adopted by the Directors of the Economic Development Authority of James City County, Virginia, at a meeting duly called and held on April 14, 2016 and that such resolution is in full force and effect on the date hereof.



Thomas G. Tingle
Chairman, EDA

ATTEST:



Russell C. Seymour
Secretary to the EDA

	VOTES		
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
WARNER	✓		
CARSON	Absent		
DUBOIS	✓		
GERHARDT	✓		
HARRIS	✓		
MONTGOMERY	✓		
TINGLE	✓		

Adopted by the Economic Development Authority of James City County, Virginia, this 14th day of April, 2016.

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