

AT A CALLED MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, IN THE COUNTY GOVERNMENT CENTER, 101 MOUNTS BAY ROAD, BOARD ROOM, AT 3:00 P.M. ON THE THIRTY-FIRST DAY OF JULY, NINETEEN HUNDRED AND SEVENTY-NINE.

1. ROLL CALL

Mr. Paul A. Dresser, Chairman
Ms. Diane L. Abdelnour, Vice-chairman
Mr. Kenneth H. Axtell
Mr. C. Hammond Branch
Mr. Harold N. Poulsen
Mr. Thomas Vaughan

OTHERS:

Mr. James B. Oliver, Jr.
Mr. Henry H. Stephens, Secretary-Treasurer
Mr. Frank Morton, III
Mr. Robert Murphy

2. MINUTES

Upon a motion by Mr. Axtell, seconded by Mr. Branch, the minutes of the July 24, 1979 meeting were approved as presented.

3. PRESENTATION OF THE COMPREHENSIVE PLAN

Mr. Henry Stephens made a brief presentation of the James City County Comprehensive Plan. He explained the Land Development concept of the Plan. During his presentation, he pointed out area in the County which were designated for industrial and commercial development. He also indicated areas of existing or proposed extensions of sewer, water and fire services. Mr. Stephens read each of the Industrial and Commercial Goals and Objectives found in the Comprehensive Plan. He explained after each goal and objective the County's efforts toward implementing them.

Mr. Poulsen asked Mr. Stephens how well the County had adhered to the Plan when approving zoning changes. Specifically, he wanted to know the extent of spot zoning approved.

Mr. Stephens said the Comprehensive Plan had been closely followed as a guide for development and was considered in the review of all rezoning requests. He said there were very few if any cases approved which resulted in spot zoning.

Mr. Dresser stated that it seemed to him that the County Plan called for managed or controlled growth rather than no growth. He said that he hoped the County staff would assist the Authority to evaluate proposals which come to them for their impacts upon the planned growth of the County.

Mr. Oliver stated that he felt the staff would provide assistance to the Authority as it considered impacts of development proposals on a case by case basis.

4. REQUEST FOR REVENUE BOND FINANCING

Mr. Lamar Jolly made a brief presentation and submitted a written request for industrial revenue bond financing of a motel and restaurant he proposed to construct in the Busch Corporate Center. Mr. Jolly explained the financial reasons which he used to determine that he wished to pursue revenue bond financing. He said that the basic reason was that the lower interest rate available through bond financing increased the assessed value of the project for financing purposes when the capitalization ratio of estimating value was used. This higher value allowed him, as developer, to borrow sufficient funds to proceed with the project. Mr. Jolly said that Oyster Point Development Corporation had agreed to issue revenue bonds for a similiar motel and restaurant he planned to develop in Newport News. He asked the Authority to act favorably on his revenue bond request. He introduced his bond council, Mr. Patrick Arey, to present a resolution of inducement.

Mr. Patrick Arey explained the resolution of inducement to the Authority. He said that the applicant, Mr. Jolly, could not incur costs which were to be reimbursed by the bond proceeds until the Authority has adopted the resolution. He also stated that the Authority could only fund new projects or expansions of existing facilities and thus, must adopt the resolution of inducement before any development expenses are incurred if it wished to finance the project. He explained each item in the draft resolution which he submitted to the Authority. He explained that many recent commercial projects had been financed by Authorities across the state. He submitted a list of recent bond issues validated by the courts for commercial activities. He pointed out several motels were included.

Mr. Poulsen stated that he did not know the sentiment of the rest of the Authority members, but at this early date in the Authority's existance, he was not ready to vote for or against any bond issue.

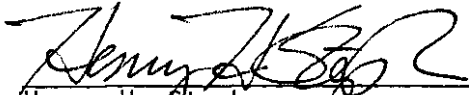
Mr. Vaughan said that the issue before the Authority was if it was going to use its bonding powers to finance motels and restaurants. He said he did not feel the Authority had yet come to grips with this policy question.

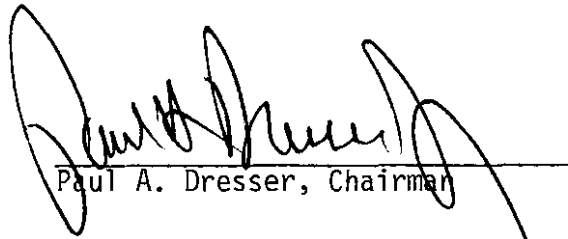
Mr. Dresser stated that at this point, Mr. Jolly was further along than the Authority was. He said he just did not feel the Authority was ready to make a decision. Mr. Dresser said that before acting on any bond request, he thought policies and by laws must be established; fees, if any, established; and a briefing with the Authorities bond council held.

There was a general agreement on the Authority that it was not yet ready to make a decision on Mr. Jolly's application. Mr. Dresser said that the Authority promised to move as quickly as possible on the application. He said that the Authority would probably have a better idea of where it was and how long it would be until it would act on the application after meeting with bond council on August 9, 1979.

5. ADJOURNMENT

There being no other business, the July 31, 1979 meeting of the Industrial Development Authority of James City County, Virginia, was adjourned at 5:40 P.M.


Henry H. Stephens
Secretary-Treasurer


Paul A. Dresser, Chairman