

AT A REGULAR MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, IN THE COUNTY GOVERNMENT CENTER, 101 MOUNTS BAY ROAD, BOARD ROOM, AT 4:00 P. M. ON THE TWENTY-NINTH OF JULY, NINETEEN HUNDRED AND EIGHTY-TWO.

1. ROLL CALL

Mr. Paul A. Dresser
Ms. Diane L. Abdelnour, Chairman
Mr. John G. Zimmerman
Mr. John Barnett, Jr.
Mr. Harold N. Poulsen
Mr. C. Hammond Branch
Mr. Kenneth H. Axtell

2. MINUTES OF APRIL 7, 1982

Consideration of the minutes of the April 7, 1982 meeting was deferred until the next regular meeting of the Authority.

3. CASE IRB-4-82

Consideration of a request of the John Yancey Company to forward an application for revenue bond financing to the Peninsula Ports Authority for its consideration.

Mr. Geddy, attorney for the applicant, explained the applicant's request that the application be forwarded to the Peninsula Ports Authority for its consideration. He said that there were two reasons for the request. First, the project would be constructed over several years and the phasing would result in a portion of the bonds being issued after the project was annexed into the City of Williamsburg, which by agreement between the City and the County would occur January 1, 1984. It was difficult to substantiate long term benefits to the County if the project would be in the City in 18 months. Mr. Geddy said the regional Ports Authority was an appropriate vehicle to resolve this issue. Secondly, Mr. Geddy noted that John Yancey Company was a Newport News company and since the Peninsula Ports Authority was headquartered in Newport News, it was convenient to work through the Ports Authority.

Mrs. Abdelnour suggested that since the property was now in the County, the Authority could go ahead and issue the bonds.

Mr. Geddy stated that he had some concern about issuing an opinion on the bond series that might be sold after annexation because no direct benefit could be proven for James City County. The regional character of the Peninsula Ports Authority resolved this problem because the project certainly benefited the region.

Mr. Zimmerman said that he did not object to sending the application wherever the applicant wished if the Authority felt that it should be approved.

Mr. Barnett stated that the Authority should debate the application as if it were going to issue the bonds. If the Authority was willing to issue the bonds, then the applicant should be given the Authority's endorsement to take it to the Ports Authority.

Mr. Poulsen asked if the applicant had heard from the residents of Skipwith subdivision regarding the project.

Mr. Yancey said that he had met with the Skipwith homeowners' association and had reached an agreement with the residents to provide additional screening and landscaping along the boundary between the motel and the subdivision.

Mr. Dresser asked about the phasing of the development.

Mr. Yancey said that phase one of the project was the conversion of the two apartment buildings to motel units for the summer of 1983. Additional phases included construction of a free standing restaurant and a conference center.

Mr. Dresser asked about the state of the motel business. He said figures from the Williamsburg Business Index showed that business was down this year and that hotel occupancies had been falling over the past several years.

Mr. Yancey said that this project was directed at tour groups and that that segment was up 31% over last year. He said substantial effort had been made to research the tour market.

Mr. Axtell said that the County would get the direct benefits of increased taxes from the facility for only one year; however, the community would benefit from the jobs and increased sales.

Mr. Barnett said that the tours attracted to the area by the marketing efforts of the motel would create spin off benefits to the County and the community.

Upon a motion by Mr. Poulsen, seconded by Mr. Branch and passed unanimously, the Industrial Development Authority voted to forward the application to the Board of Supervisors with the recommendation that it forward the application to the Peninsula Ports Authority for approval.

4. PRESENTATION BY MR. DAVID O'DONALD, VIRGINIA DIVISION OF INDUSTRIAL DEVELOPMENT

Mr. O'Donald made a brief presentation to the Authority about the Virginia Division of Industrial Development. He explained what the

Division did and in particular discussed the community visitation program which involved industrial development representatives visiting each jurisdiction in the Commonwealth. He informed the Authority that the Division had a new director, Mr. Scott Eubanks, formerly the head of the Rhode Island Economic Development Program.

5. SECRETARY'S REPORT

A. IRB-3-80 DAVID W. WARE

Mr. Stephens informed the Authority that the resolution of inducement for IRB-3-80 had expired and the applicant, Mr. David W. Ware, had been notified that the resolution was now void.

B. IRB-2-80 WYTHE CORPORATION

Mr. Stephens said that the Authority had issued one resolution of inducement, IRB-2-80 Wythe Corporation, which had no expiration date. He suggested that the Authority set a date at which time it would take action to rescind the resolution if the project had not begun. He recommended the third anniversary of the resolution, May 7, 1983.

Upon a motion by Mr. Axtell, seconded by Mrs. Abdelnour, and approved unanimously, the Authority voted to inform the applicant to IRB-2-80 that at its next meeting after May 7, 1983 it would consider action to rescind the resolution of inducement for the construction of a factory outlet shopping center, if the bonds had not been sold.

During further discussion, Mr. Dresser asked Mr. Stephens to remind the applicant in the Wythe case that the Authority should be kept informed of any changes in the project including substantial changes in its size.

C. IRB-4-81 MIDDLE PLANTATION

Mr. Stephens explained that he was requesting that the Authority consider the status of IRB-4-81 given the recent publicity about the applicant's filing under Chapter 11 bankruptcy protection. He also said that federal legislation, which seemed likely to pass, would prohibit recreation uses from receiving revenue bond financing.

Mr. Long, attorney for Middle Plantation, Inc., noted that he and Mr. Hab Baker, president of Middle Plantation, Inc., were present and would like to request that the Authority take no action to change the status of Middle Plantation's resolution of inducement. He said that Middle Plantation, Inc. had sought Chapter 11 protection because of the actions of one of the principals in the corporation and litigation was pending against the principal. He said that Middle Plantation was not bankrupt. He said that potential changes in the federal legislation should be left for Congress to decide and were not relevant to the

Authority until they were adopted. Finally, he said that he and Mr. Baker were meeting with a potential investor who was interested in using the revenue bonds to develop the golf course and club house.

Mr. Dresser noted his concern that the application for Middle Plantation's bond request seems to be in conflict with the financial position of the corporation which has since come to light. He said he questioned how much of the data in the application was not accurate. He said he was very concerned that the applicant had not fulfilled his obligation to keep the Authority informed of changing circumstances that might affect the application.

Mrs. Abdelnour said that she was concerned about taking an action while the Middle Plantation was involved in litigation. She pointed out that the Authority did not have to pass the bond resolution to issue the bonds. She felt that the discussion had been useful since it put the applicant on notice that the Authority was concerned about the project.

Mr. Barnett said that he felt that since the Authority did not have to actually issue the bonds that withdrawal of the resolution of inducement could be considered after some of the issues discussed had been resolved.

Upon a motion by Mr. Barnett, seconded by Mr. Zimmerman, consideration of any action to withdraw the resolution of inducement for IRB-4-81, Middle Plantation, Inc., was deferred until a date to be established prior to December 31, 1982. The motion was approved by a vote of 6 yea and one abstention. Mrs. Abdelnour requested the record to show that she abstained because she owned property in Middle Plantation.

D. Financial/Annual Report

Mr. Stephens said that the Authority had completed fiscal year 1982 with a bank balance of \$1,868.64. He said that the financial report would be prepared for filing with the Auditor of Public Accounts and would be presented to the Authority at its next meeting.

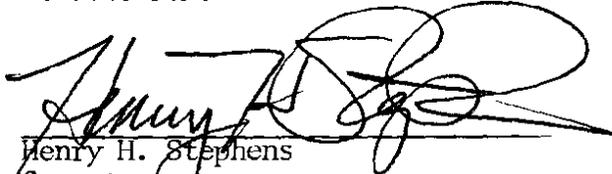
6. ELECTION OF OFFICERS

Mr. Dresser opened the floor for nominations for chairman, vice-chairman and secretary/treasurer.

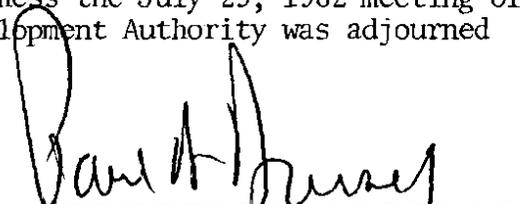
Upon a motion by Mr. Poulsen, seconded by Mr. Branch, Mrs. Abdelnour was nominated for the office of chairman. Upon a motion by Mr. Poulsen, seconded by Mr. Branch, Mr. Axtell was nominated for the office of vice-chairman. Upon a motion by Mr. Dresser, seconded by Mr. Branch, Mr. Stephens was nominated for the office of secretary/treasurer. All officers were elected by a unanimous vote.

7. ADJOURNMENT

There being no further business the July 29, 1982 meeting of the James City County Industrial Development Authority was adjourned at 5:45 P.M.



Henry H. Stephens
Secretary



Paul A. Dresser
Chairman