

AT A MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE TWENTY-FIRST DAY OF MARCH, NINETEEN HUNDRED AND EIGHTY-NINE AT 7:00 A.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101-C MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

1. ROLL CALL

The meeting was called to order at 7:15 a.m. A formal roll call was dismissed. The following members were present:

Mr. Myrl L. Hairfield, Chairman
Ms. Diane L. Abdelnour
Mr. Joseph M. Cross, Jr.
Mr. Jon Nystrom
Mr. Robert A. Whitehorne

ALSO PRESENT

Mr. Brent D. Sheffler, Secretary

2. MINUTES

The minutes from the two previous meetings dated July 6, 1988 and July 19, 1988 were formally approved.

3. DISTRIBUTION OF MATERIALS

The IDA received copies of information describing comparative IDA administrative fee structures and a proposal outlining possible amendments to the IDA policies, operating procedures, and IRB application materials.

The proposal included replacing the closing fee of \$200 plus .001 of the principle amount of the bonds with an annual administrative fee of 1/8 of 1% per annum on the outstanding principle amount (as of June 30 each year payable annually and due July 15) of any bond issued through the Industrial Development Authority of James City County.

4. DISCUSSION OF IDA ADMINISTRATIVE FEE STRUCTURE

The IDA made consideration of the proposed administrative fee structure. Questions about the fee structure included how the fees would be collected, how the fees would be used, if there was any evidence that these fees discouraged potential bond users, whether or not the closing fee should be retained, and what amount the IDA would be receiving if the fees applied to bonds issued in the past.

Some suggestions for the use of administrative fees included merging available funds into economic development programs such as promotional activities, tours, appreciation dinners, etc.

The IDA evaluated retaining the closing fee and adding the proposed administrative fee. A general discussion included questions about the limits of these charges and what is appropriate for James City County. The IDA discussed the delicate balance of attracting new business, while neither appearing to be an easy target, nor pricing itself out of the market. The IDA considered making a determination at this time, and making adjustments to that determination in the future. It was suggested a flat closing fee of \$1000 be made to replace the closing fee of \$200 and .001 percent of the bond amount. After the IDA discussed this proposal, Mr. Nystrom moved to amend the closing fee from \$200 and .001 percent of the bond amount, to a closing fee of \$1000 and add an administrative fee of 1/8th of 1 percent of the declining balance of the bond on an annual basis over the life of the bond. This motion was seconded by Mr. Cross. A roll call vote was taken with all in favor.

5. DISCUSSION OF ACTIVITIES FOR 1989

It was proposed that the IDA have a regular meeting schedule such as the third Wednesday of each month.

A general discussion indicated that the meetings need purpose, and should be described as a regularly scheduled IDA function, however, the IDA asked that they be advised of only those meetings when the meeting date is kept. It was agreed that this format be the regular procedure.

6. OTHER MATTERS

Other general matters followed.

7. ADJOURNMENT

There being no further business, the meeting of the IDA adjourned at 8:45 a.m.

Myrl L. Hairfield
Myrl L. Hairfield, Chairman

Brent D. Sheffler
Brent D. Sheffler, Secretary