

AT A MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON JUNE 13, 1996, AT 3:35 P.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 by Chairman Nystrom at 3:35 p.m. A roll call by Secretary Taylor identified the following members present:

Mr. Gilbert Bartlett
Mr. Vincent Campana
Mr. Joe Cross
Mr. George Hudgins
Mr. Sterling Nichols
Mr. Jon Nystrom

ALSO PRESENT

Keith A. Taylor, Secretary, IDA
Jeane Trevino, Recording Secretary, IDA
Sandra Barner, Economic Development Technician
John T.P. Horne, Development Management
Frank Morton, Counsel, Industrial Development Authority of James City County
Chris Coates, President, American Retirement Corporation
Bill Doig, Executive Director, Williamsburg Landing
Ben Puckett, Associate Director, Williamsburg Landing
Alvin Anderson, Counsel, Williamsburg Landing
John Franklin, Senior Vice President, Wheat First Butcher Singer
Darrell Smelcer, Counsel, Hunton & Williams, Bond Counsel - Williamsburg Landing Inc.
Stephen Johnson, Counsel, Mays & Valentine, Bond Counsel - Industrial Development Authority of James City County

1. APPROVAL OF MINUTES

On motion of Mr. Bartlett, seconded by Mr. Hudgins, the minutes of March 28 and May 9, 1996, meetings, were unanimously approved by voice vote.

2. TREASURER'S REPORT

The Treasurer's Report from Ms. Pettengill for the Authority was read by Mr. Taylor along with the Capital Improvements Expenditure report. On motion by Mr. Campana,, seconded by Mr. Nichols, the Treasurer's Report, as presented, was unanimously approved by voice vote.

3. PERSONNEL MATTERS

Mr. Taylor informed the Authority that the Office of Economic Development had submitted in its FY 97 budget requests, another one half position to be reclassified and regraded with its current one half position. He informed the Authority that the position has been approved and will be

responsible for qualifying inquiries through media advertising and assisting with the update of the Business & Industry Directory.

Certificates of Appreciation for James River Enterprise Zone

Upon request of Chairman Nystrom, Certificates of Appreciation were produced for the members of the James River Enterprise Zone Committee and read into the minutes by Mr. Taylor.

RESOLUTION

Certificate of Appreciation

WHEREAS, the James City County Enterprise Zone Committee: Sandra Barner, Economic Development; Anthony Conyers, Community Services; Larry Foster, James City Service Authority; John Horne, Development Management; John McDonald, Financial and Management Services; Veronica Nowak, Communications and Neighborhood Connections; Douglas Powell, Community Services; Keith Taylor, Economic Development and Sanford Wanner, County Administration, did initiate and participate in the application process for an Enterprise Zone designation in the County of James City, and

WHEREAS, throughout this application process the Committee members gave freely of their time, energy, and knowledge for the betterment of the County, and

WHEREAS, the Committee consistently demonstrated those essential qualities of leadership, diplomacy, perseverance and dedication while providing exceptional service to the citizens of James City County in successfully acquiring the Enterprise Zone designation in James City County.

NOW, THEREFORE BE IT RESOLVED, that the Industrial Development Authority of James City County, Virginia, hereby extends its sincere appreciation to the Committee members and recognizes their distinguished service and dedication to the County and its citizenry.

BE IT FURTHER RESOLVED that this Resolution be spread upon the Minutes of the Industrial Development Authority and that a copy be presented to each member of the James River Enterprise Zone Committee.

On motion by Mr. Bartlett,, seconded by Mr. Campana, the James River Enterprise Zone Certificate of Appreciation, was unanimously approved by voice vote.

Mr. Nystrom and Mr. Hudgins being members of the Board of Directors for Williamsburg Landing stated they would not be able to participate in the vote for the Industrial Revenue Bond for Williamsburg Landing Inc. Mr. Nystrom temporarily stepped down as chairman and requested nominations for a temporary chairman for the meeting.

Mr. Campana nominated Mr. Bartlett for temporary chair, seconded by Mr. Nichols, the nomination of Mr. Bartlett as temporary chairman, was unanimously approved by voice vote.

4. PRESENTATION

Chairman Bartlett introduced Mr. Alvin Anderson for the Williamsburg Landing presentation.

Revenue Bond Financing Application Briefing by Williamsburg Landing

Mr. Alvin Anderson, Christopher Coates and William Doig represented Williamsburg Landing before the Authority in an IRB application briefing. Explaining, for the consideration of the Directors, the current and future needs at the retirement facility and cost-effectiveness of refunding current bonds while applying for additional funding. The funding will be utilized to expand and renovate the 375 unit community to 435 catering to life-styles ranging from independent living to full service nursing care.

Mr. Donald Smelcer of Hunton & Williams presented to the IDA a Resolution of Inducement and application for the issuance of revenue bonds by the Authority not to \$51,500,000R to Williamsburg Landing for the expansion and renovations to its senior living community. Resolution attached.

Mr. Bartlett opened the public hearing at 4:15pm. There being no public comment, Mr. Bartlett closed the public hearing.

5. ACTION ITEMS

Williamsburg Landing, Inc. Application for Revenue Bond Financing

On a motion from Mr. Campana, seconded by Mr. Cross the Resolution of Inducement was approved by voice vote: 4 ayes, 2 abstentions.

Mr. Morton requested that the Authority adjust its fee structure for this application by reducing the fee 50% on the new money requested in the funding application as the applicant had agreed to indemnify the County up to \$60,000 over a four year period on the County's Warhill financing.

On a motion from Mr. Campana, seconded by Mr. Cross the adjustment to the fee structure was approved by voice vote: 4 ayes, 2 abstentions.

Mr. Nystrom and Mr. Hudgins abstained from both motions due to their affiliation as members of the Board of Directors of Williamsburg Landing

Mr. Bartlett entertained a motion by Mr. Campana, seconded by Mr. Nichols, to reinstate Mr. Nystrom authority as chairman. The motion was unanimously approved by voice vote.

6. REPORTS

James River Commerce Center(JRCC)

Mr. Horne stated that the construction bid for the first 1600 feet of road at James River Commerce Center has been awarded to the lowest bidder: Jack L. Massie Contractor. He said that the County has negotiated the contract bid and Massie has agreed to reduce its costs by \$9,000.

Industrial Shell Building Project

Mr. Taylor informed the Authority that the shell building was recently the site for a brokers' event for promoting the Stonehouse Commerce Park and the shell building . He also stated that the traffic for the shell building has been high and its lure has increased inquiries received by the Office of Economic Development.

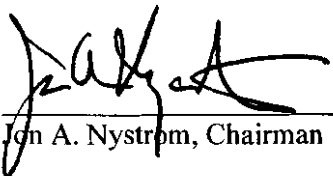
James River Enterprise Zone

Ms. Barner stated that there was a misinterpretation of the rebate on property taxes. It seems that only rehabilitated or expanded development is permitted to receive a property tax rebate. New construction cannot receive this benefit. The Office of Economic Development has reprinted a corrected brochure and sent it to previous mass mailing recipients.

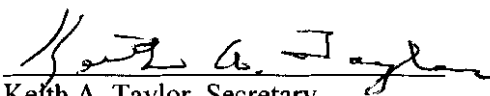
Mr. Nystrom recessed into a work session on the IDA's strategic plan goals and objectives.

7. ADJOURNMENT

There being no further business, Mr. Nystrom entertained a motion by Mr. Campana to adjourn. The motion was seconded by Mr. Bartlett and passed unanimously by voice vote. The meeting was adjourned at 5:25 p.m.



Jon A. Nystrom, Chairman



Keith A. Taylor, Secretary

**RESOLUTION OF THE
INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF JAMES CITY, VIRGINIA**

WHEREAS, there has been presented to the Industrial Development Authority of the County of James City, Virginia (the "Authority) the application of Williamsburg Landing, Inc. (the "Borrower") for the issuance of revenue bonds by the Authority (1) to finance the cost of constructing and equipping an expansion and renovation (the "Project") of the facility for the residence and care of the elderly known as Williamsburg Landing located in James City County at 5700 Williamsburg Landing Drive (the "Facility") and (2) to refund up to \$24,140,000 in outstanding principal amount of the Authority's Retirement Community Refunding Revenue Bonds (Williamsburg Landing, Inc.), Series 1987 (the "1987 Bonds"); and

WHEREAS, the 1987 Bonds were issued in the original principal amount of \$30,955,000 to refund the Authority's \$36,250,000 Retirement Community First Mortgage Gross Receipts Bonds (Williamsburg Landing, Inc.), Series 1984, which bonds were issued to finance the original costs of acquiring, constructing and equipping the Facility; and

WHEREAS, the Borrower in its application to and appearance before the Authority has described the benefits of the refunding and the undertaking of the Project and has requested the Authority to agree to issue its revenue bonds in such amount as may be necessary, now estimated not to exceed \$51,500,000; and

WHEREAS, a public hearing has been held as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the

"Code"), and Section 15.1-1378.1 of the Code of Virginia of 1950, as amended (the "Act");

BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA:

1. The Authority hereby agrees to use its best efforts to assist the Borrower in financing the Project and in refunding the 1987 Bonds and, in particular, in undertaking the issuance of its revenue bonds in an amount not to exceed \$51,500,000 (the "1996 Bonds") upon terms and conditions to be mutually agreed upon between the Authority and the Borrower, and to loan the proceeds of such Bonds (the "Loan") to the Borrower for the purpose of financing the Project and refunding the 1987 Bonds pursuant to a loan agreement that will provide for the repayment of the Loan in amounts sufficient to pay the principal of, premium, if any, and interest on the 1996 Bonds. The 1996 Bonds will be issued and secured pursuant to a trust agreement or similar document (the "Trust Agreement"), which will provide for the precise principal amount of the 1996 Bonds, which may be issued in one or more series, at one or more times, the maturity schedule therefor, the interest rate or rates the 1996 Bonds will bear, which may include variable rates, and the denomination, form and other terms of the 1996 Bonds and will secure the 1996 Bonds by an assignment of all the Authority's rights to the Loan, together with the proceeds thereof and the security therefor. The final terms, security and other provisions of the 1996 Bonds shall be determined by the adoption of a final bond resolution by the Authority. The 1996 Bonds will be limited obligations of the Authority payable solely from the revenues pledged thereto pursuant to the Trust Agreement,

and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the County of James City, Virginia, and the Authority, is to be pledged to the payment of the principal of or premium, if any, on the 1996 Bonds or the interest thereon or other costs incident thereto.

2. It having been represented to the Authority by the Borrower that it is necessary to proceed immediately, the Authority hereby agrees that the Borrower may proceed with plans for the Project and the refunding and take such other steps as it deems appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Borrower to obligate the Authority in any manner whatsoever, including the payment of any moneys or the performance of any acts in connection with the Project or the refunding. It having been advised that the Borrower intends to advance its own funds to pay certain expenditures related to the Project prior to the issuance of the 1996 Bonds, the Authority hereby agrees that the Borrower may be reimbursed from the proceeds of the 1996 Bonds, when and if issued, for all costs so incurred by it, subject to bond counsel approval.

3. At the request of the Borrower, the Authority hereby appoints Hunton & Williams as bond counsel to supervise the proceedings and approve the legality of the issuance of the 1996 Bonds and approves Wheat, First Securities, Inc., as senior underwriter of the 1996 Bonds.

4. All costs and expenses in connection with the refunding and the financing of the Project, including the fees and expenses of bond counsel and the fees and expenses of the Authority and its

counsel, and any agents or underwriters for the sale of the 1996 Bonds, shall be paid by the Borrower or from the proceeds of the 1996 Bonds to the extent allowed by law. If for any reason the 1996 Bonds are not issued or if the proceeds thereof cannot be used to pay all such expenses, it is understood that the Authority shall not have any responsibility for costs and expenses and that the Borrower shall be responsible for the payment of all fees and costs of the Authority and its counsel.

5. The Authority hereby authorizes Crestar Bank, as trustee for the 1987 Bonds, upon the request of the Borrower, to order on behalf of the Authority from the United States Bureau of Public Debt United States government securities, State and Local Government Series, to effect the refunding of the 1987 Bonds, provided that the Authority's payment therefor shall be limited solely to the proceeds of the 1996 Bonds.

6. The Authority shall perform such other acts and adopt such further proceedings as may be required to implement its undertakings as herein set forth.

7. In adopting this resolution the Authority evidences its "official intent" toward the issuance of the 1996 Bonds within the meaning of regulations issued by the Internal Revenue Service pursuant to Section 103 of the Code, and to confirm all such official action previously taken by it.

8. The Authority hereby recommends that the Board of Supervisors of James City County approve the issuance of the 1996 Bonds for the refunding of the 1987 Bonds and the financing of the Project pursuant to Section 147(f) of the Code and Section 15.1-1378.1 of the Act.

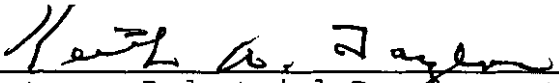
9. The Borrower hereby agrees to indemnify and save harmless the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the Project, the Facility, the issuance of the 1996 Bonds and the refunding of the 1987 Bonds.

10. This resolution shall take effect immediately upon its adoption. Unless extended by action of the Authority, the agreement set forth herein shall expire one year from the date of the adoption hereof if the 1996 Bonds have not been issued by such time.

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the County of James City, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on June 13, 1996, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect on the date hereof.

WITNESS the following signature this 13 day of June, 1996.



Secretary, Industrial Development
Authority of the County of
James City, Virginia

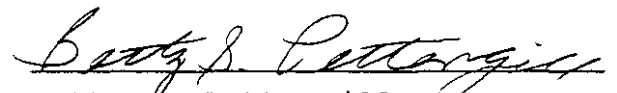
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TREASURER REPORT
INDUSTRIAL DEVELOPMENT AUTHORITY

FY 96

<u>REVENUE SOURCE</u>	<u>COLLECTED THIS PERIOD</u>	<u>COLLECTED TO DATE</u>
Farmers Market Lease	\$ 1,700.00	\$ 6,800.00
Interest on Available Cash	2,244.83	7,584.91
Loan Payments	6,119.50	61,195.05
General Fund Transfer	547.11	1,416,695.06
Received From Commonwealth	.00	5,185.00
Bond Application Fees	800.00	800.00
Quarterly Receipts	11,411.44	
Fiscal Year Receipts		1,498,260.02
BANK BALANCE MAY 31, 1995		112,868.49
Total Receipts		1,611,128.51
Disbursements This Quarter	653.70	
Previous Disbursements	1,419,707.27	
Total Disbursements To Date		1,420,360.97
Bank Balance May 31, 1996		190,767.54


Betty S. Pettengill, Treasurer
June 11, 1996

JAMES CITY COUNTY
 CAPITAL IMPROVEMENT PROJECT FUNDS
 INVOLVING INDUSTRIAL DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY
 THRU 5/31/96

<u>ACCOUNT</u>	<u>TOTAL BUDGET</u>	<u>TO-DATE*</u>	<u>BALANCE</u>
013-071-0100 Strawberry Plains Road Property Reserve	\$ 34,948	\$ 6,500	\$ 28,448
013-071-0200 James River Commerce Ctr	\$ 506,052	\$ 100,169	\$ 405,883**
013-071-0400 Shell Industrial Building	\$2,050,000	\$1,718,228	\$ 331,772
Totals	\$2,591,000	\$1,824,897*	\$ 766,103

* - Funds either expended or encumbered for specific purposes.

** - Reflects return to fund balance in 1/96 from closed A&E contract.

Extrapolated by James City County Office of Economic Development from County Accounting Office Monthly Computer Printouts, and Electronic Inquiry File.

6/13/96